

Central Bedfordshire
Council
Priory House
Monks Walk
Chicksands,
Shefford SG17 5TQ



please ask for Sandra Hobbs
direct line 0300 300 5257
date 23 January 2014

NOTICE OF MEETING

EXECUTIVE

Date & Time

Tuesday, 4 February 2014 at 9.30 a.m.

Venue

Council Chamber, Priory House, Monks Walk, Shefford

Richard Carr
Chief Executive

To: The Chairman and Members of the EXECUTIVE:

Cllrs	J Jamieson	– Chairman and Leader of the Council
	M Jones	– Deputy Leader and Executive Member for Corporate Resources
	M Versallion	– Executive Member for Children's Services
	C Hegley	– Executive Member for Social Care, Health and Housing
	N Young	– Executive Member for Sustainable Communities – Strategic Planning and Economic Development
	B Spurr	– Executive Member for Sustainable Communities – Services
	Mrs P Turner MBE	– Executive Member – Partnerships
	R Stay	– Executive Member – External Affairs

All other Members of the Council - on request

MEMBERS OF THE PRESS AND PUBLIC ARE WELCOME TO ATTEND THIS MEETING

Please will all Members keep hold of this Agenda and bring them to the Council meeting on 20 February 2014.

AGENDA

1. **Apologies for Absence**

To receive apologies for absence.

2. **Minutes**

To approve as a correct record, the Minutes of the meetings of the Executive held on 14 January 2014 and the Special Executive held on 21 January 2014. **Please note the minutes from the Special Executive meeting are to follow.**

3. **Members' Interests**

To receive from Members any declarations of interest.

4. **Chairman's Announcements**

To receive any matters of communication from the Chairman.

5. **Petitions**

To consider petitions received in accordance with the Scheme of Public Participation set out in Annex 2 of Part A4 of the Constitution.

6. **Public Participation**

To respond to general questions and statements from members of the public in accordance with the Scheme of Public Participation set out in Appendix A of Part A4 of the Constitution.

7. **Forward Plan of Key Decisions**

To receive the Forward Plan of Key Decisions for the period 1 March 2014 to 28 February 2015. **Please note that the Forward Plan of Key Decision will be circulated, following publication on 30 January 2014.**

Decisions

Item	Subject	Page Nos.
8.	Budget 2014/15 and Medium Term Financial Plan 2014 to 2018	11 - 142

The report proposes the Council's spending plans for the medium term and Council Tax rate for 2014-15 with indicative figures for future years.

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|-----|--|-----------|
| 9. | Capital Programme 2014/15 to 2017/18 | 143 - 158 |
| | The report proposes the Capital Programme (excluding HRA) for the four years from 1 April 2014. | |
| 10. | Budget for the Housing Revenue Account (Housing Service) Business Plan | 159 - 180 |
| | The report sets out the financial position of the Housing Revenue Account (HRA), including proposals concerning the debt strategy, investment potential and increases to rents. | |
| 11. | Treasury Management Strategy and Treasury Policy | 181 - 214 |
| | This report outlines the Treasury Policy and Treasury Management Strategy for 2014-15. | |
| 12. | Determination of the Content of the Consultation Regarding the Future of Brewers Hill Community Middle School, Streetfield Community Middle School and Ashton CofE VA Middle School, following an Analysis of the Future Viability of these Dunstable Schools | 215 - 234 |
| | The report proposes to initiate consultations on the phased closure of the Community Schools of Brewers Hill Middle School and Streetfield Middle School and the Church of England Voluntary Aided School of Ashton Middle School from September 2015, with full closure from August 2016. | |
| 13. | Home to School Transport Policy | 235 - 286 |
| | To agree to adopt the new Home to School Transport Policy for the academic year 2014/15. | |

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CENTRAL BEDFORDSHIRE COUNCIL

At a meeting of the **EXECUTIVE** held in the Council Chamber, Priory House, Monks Walk, Shefford on Tuesday, 14 January 2014.

PRESENT

Cllr J G Jamieson (Chairman)

Executive Members:	Cllrs	C Hegley R C Stay Mrs P E Turner MBE	Cllrs	M A G Versallion J N Young
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Deputy Executive Members:	Cllrs	A D Brown A L Dodwell D J Hopkin	Cllrs	B Wells R D Wenham
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Apologies for
Absence:
Executive
Members

Cllrs	M R Jones B J Spurr	Deputy Executive Members:	Cllrs	Mrs S Clark I Dalgarno A M Turner
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Members in Attendance:	Cllrs	P N Aldis Mrs A Barker A R Bastable R D Berry M C Blair D Bowater Mrs G Clarke P A Duckett	Cllrs	Dr R Egan C C Gomm D Jones K C Matthews D McVicar J Murray B Saunders P Williams
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Officers in Attendance	Mr R Carr Mrs S Cawthra Mrs M Clay Mr M Coiffait Dr D Cox Mrs S Hobbs Mr N Murley Miss H Redding Mr T Saunders Mr C Warboys	Chief Executive Enforcement & Appeals Team Leader Chief Legal and Democratic Services Officer Community Services Director Chief Assets Officer Committee Services Officer Assistant Director Business & Performance Assistant Director School Improvement Assistant Director, Planning Chief Finance Officer
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E/13/98 **Minutes**

RESOLVED

that the minutes of the meeting held on 10 December 2013 be confirmed as a correct record and signed by the Chairman.

E/13/99 **Members' Interests**

None were declared.

E/13/100 **Chairman's Announcements**

A number of residents in Central Bedfordshire had been recognised in the New Year 2014 Honours List:

- Shirley-Anne Crosbie, Headteacher at The Chiltern School, Caddington became an Officer of the Order of the British Empire for her services to the education of Children with Special Needs;
- Hazel and Derek Phillips, Foster Carers became Members of the Order of the British Empire for services to children and families;
- Peter Mead became a Medallist of the Order of the British Empire for services to the community and to a charity in Pulloxhill;
- Susan Young became a Medallist of the Order of the British Empire for voluntary services to the community in Pulloxhill; and
- Gillian Wood, District Secretary and District Scout Council became a Medallist of the Order of the British Empire for services to children.

The Chairman announced that the Swimming Pool at Houghton Regis Leisure Centre would be reopening following the award of a new leisure management contract.

E/13/101 **Petitions**

No petitions were received.

E/13/102 **Public Participation**

There was no public participation.

E/13/103 **Forward Plan of Key Decisions**

RESOLVED

that the Forward Plan of Key Decisions for the period 1 February 2014 to 31 January 2015 be noted.

E/13/104 **Draft Budget 2014/15 and Medium Term Financial Plan 2014 to 2018**

The Executive considered a report from the Deputy Leader and Executive Member for Corporate Resources that proposed the draft Budget for 2014/15 and updated the Medium Term Financial Plan as previously approved by Council in February 2013. The proposals took account of the provisional Local Government Finance Settlement for 2014/15 which had been announced on 18 December 2013.

Reason for decision: To enable consultation on the draft Budget 2014/15 and Medium Term Financial Plan 2014-2018 prior to recommendations by the Executive and full Council in February 2014.

RESOLVED

that the draft budget proposals for 2014/15 be approved as the basis for consultation with the Overview and Scrutiny Committees and other interested parties.

E/13/105 **Draft Capital Programme 2014/15 to 2017/18**

The Executive considered a report from the Deputy Leader and Executive Member for Corporate Resources that proposed the Draft Capital Programme (excluding the Housing Revenue Account) for the four years from 1 April 2014. The Capital Programme continued to include a number of large projects, including the requirement to provide Schools Places, the enhanced waste disposal facilities and the proposed Woodside Link. The development of Flitwick Leisure Centre had also been added to the Medium Term Financial Plan as a reserve scheme.

Reason for decision: To enable consultation on the Capital Programme for the Council's Medium Term Financial Plan 2014 – 2018 and associated Prudential indicators.

RESOLVED

that the draft Capital Programme for 2014/15 to 2017/18 be approved as the basis for consultation with the Overview and Scrutiny Committees and other interested parties.

E/13/106 **Draft Budget for the Housing Revenue Account (Housing Service) Business Plan**

The Executive considered a report from the Deputy Leader and Executive Member for Corporate Resources and the Executive Member for Social Care, Health and Housing that set out the financial position of the Housing Revenue Account (HRA). The report contained proposals concerning the debt strategy, investment potential and increases to rent.

In response to questions, the Executive Member for Social Care, Health and Housing explained that the increase in rent was consistent with the Government's Rent Convergence Policy. From 2015/16 all rents would be increased by the Consumer Prices Index plus 1%. The Council was investigating the opportunities to build new social housing.

Reason for decision: To facilitate effective financial management and planning for the HRA under self-financing.

RESOLVED

that the draft Housing Revenue Account budget proposals for 2014/15 be approved as the basis for public consultation and to engage with tenants.

E/13/107 School Funding Reform: Arrangements for 2014/15

The Executive considered a report from the Executive Member for Children's Services that set out the proposed distribution for the Dedicated Schools Grant – School Block. The proposals had been subject to a full consultation process with all Maintained Schools and Academies and more recently considered and recommended for approval by the Schools Forum.

In a response to a question, the Executive Member for Children's Services was still concerned at the very low level of per pupil funding Central Bedfordshire received from Government. The F40 Group and the Local Government Association were still lobbying Government about this.

Reason for decision: To enable the schools individual budgets to be issued by 28 February 2014 as required.

RESOLVED

- 1. that the responses to the School Funding Consultation 2014/15 be noted;**
- 2. that the final proforma be approved for submission to the Education Funding Agency (EFA) by the 21 January 2014; and**
- 3. that the distribution of the Dedicated Schools Grant – Schools Block for 2014-15 be approved.**

E/13/108 Planning Enforcement Plan

The Executive considered a report from the Executive Member for Sustainable Communities – Strategic Planning and Economic Development that set out the Planning Enforcement Plan and the principles that would guide the work of the Planning Enforcement Team.

In response to questions, the Executive Member for Sustainable Communities – Strategic Planning and Economic Development confirmed that the Plan would be circulated to Town and Parish Councils in Central Bedfordshire. He agreed to clarify paragraph 3.2 to ensure that it was recognised that a complainant may occasionally make an initial contact with ward, parish or town Councillors to report a breach of planning control before it was passed to the Planning Enforcement team for action.

Reason for decision: To enable the Council to adopt the Planning Enforcement Plan that was in line with recommendations in the National Planning Policy Framework.

RESOLVED

that the Planning Enforcement Plan as set out at Appendix A to the report be adopted, subject to clarifying paragraph 3.2 within the Plan.

E/13/109 **Exclusion of the Press and Public**

RESOLVED

that in accordance with Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 of Part I of Schedule 12A of the Act.

E/13/110 **Co-op Site, Houghton Regis**

The Executive considered a report from the Deputy Leader and Executive Member for Corporate Resources that set out the background and current position with the Co-op in relation to their remaining leasehold interest on the former retail property in Houghton Regis that burnt down in 2006 and the potential remedies and legal processes the Council was now looking to pursue.

Reason for decision: To secure and regain control of the site to enable future redevelopment and prevent the blight effect of the site in the town centre.

RESOLVED

- 1. to delegate to the Director of Improvement and Corporate Services, in consultation with the Executive Member for Corporate Resources, the authority to agree the best terms available through mediation for the authority; and**
- 2. in the event that mediation is unsuccessful, delegate to the Director of Improvement and Corporate Services, in consultation with the Executive Member for Corporate Resources, the authority to begin litigation.**

(Note: The meeting commenced at 9.30 a.m. and concluded at 10.35 a.m.)

Chairman

Dated

Meeting: Executive

Date: 4 February 2014

Subject: Budget 2014/15 and Medium Term Financial Plan 2014 to 2018

Report of: Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources

Summary: The report proposes the Council's spending plans for the medium term and Council Tax rate for 2014-15 with indicative figures for future years.

Advising Officer: Charles Warboys, Chief Finance Officer and Section 151 Officer

Contact Officer: Charles Warboys, Chief Finance Officer and Section 151 Officer

Public/Exempt: Public

Wards Affected: All

Function of: Executive

Key Decision No

Reason for urgency/ exemption from call-in (if appropriate) Not applicable

CORPORATE IMPLICATIONS

Council Priorities:

The Council's priorities were a central strand of the Medium Term Financial Plan and have been a specific factor in evaluating savings proposals.

Financial:

1. The financial implications of the Budget and Medium Term Financial Plan are set out in the report.

Legal:

2. The Local Government Finance Act 1992 stipulates that the Council must set an amount of council tax payable for the financial year 2014/15 by 11 March 2014.

3. Before calculating the level of council tax payable, the Council must consult with council tax payers and representatives of non-domestic ratepayers in its area.
4. Additionally, the Council must undertake consultation with those who may be directly affected by the implementation of proposed budget, including staff and service users.
5. The efficiency proposals outlined in Appendix I to the report may result in some employees being made redundant. In those circumstances, the Council is required to undertake consultation with appropriate representatives of the employees who are affected by the proposals.
6. The efficiency proposals may also require further service user consultation, as more detailed development work is undertaken.
7. Section 25 of the Local Government Act 2003 requires the Council's Section 151 Officer to comment on the adequacy of reserves. This commentary is set out in detail in Appendix E.

Risk Management:

8. In considering the budget proposals, it is necessary to take account of the associated risks. These are included within this report in a statutory section on the Section 151 Officer's assessment of key risks in paragraph 70 below.

Staffing (including Trades Unions):

9. Staffing implications are set out in the report and appendices.

Equalities/Human Rights:

10. Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
11. Recent court rulings and statutory guidance have confirmed that when public authorities are making financial decisions they are required to ensure that decisions are made in such a way as to minimise unfairness, and that there is not a disproportionately negative effect on people with different protected characteristics.
12. In selecting the proposed efficiencies a conscious effort has been made to protect front line services by cutting overheads. As a result the equality implications have been minimised.

13. As part of the budget setting process the Communications and Insight Team have screened all the budget proposals and identified issues that may require an equality impact assessment to be undertaken. Heads of Service / Lead Officers will be supported to undertake these assessments as appropriate with assistance and quality assurance checks from the Corporate Policy Adviser (Equality and Diversity). The Central Bedfordshire Equality Forum has also been consulted on this process and will continue to review proposals.

14. Copies of Equality Impact Assessments can be provided on request.

Public Health:

15. Amendments to some budgets may have an impact on the delivery of Public Health priorities in the future. Specific proposals will be subject to detailed review by officers.

Community Safety:

16. Amendments to some budgets may have an impact on the delivery of community safety priorities in the future. Specific proposals will be subject to detailed review by officers.

Sustainability:

17. Key sustainability issues, such as climate change, represent opportunities for the Council to make efficiency savings by decreasing energy use and the total spend on energy. Failure to take action leaves the Council vulnerable to the impact of increasing energy prices.

Procurement:

18. Effective procurement is a key part of overall savings identification. Table 7 below categorises savings including the total amount to be saved through improved procurement practices.

Overview and Scrutiny:

19. The draft Budget Report and draft Fees and Charges schedule were considered by the Overview and Scrutiny Committees in the January cycle of meetings. Comments from these meetings are included at Appendix K. See also paragraph 72.

RECOMMENDATIONS:

The Executive is asked to recommend Council to:

- 1. note the response to consultation with Overview & Scrutiny as set out in Appendix K and the response to consultation with the public and stakeholders as set out in Appendix A;**
- 2. agree the Revenue Budget for 2014/15 and the Medium Term Financial Plan for 2014/15 to 2017/18;**

3. note that there are no adjustments to the draft Budget as described in paragraph 52 of this report;
4. note the Council Tax Base as set out in Appendix G;
5. agree a Band D Council Tax (CBC element) of £1,308.33 for residents of Central Bedfordshire, representing a 0% increase on the charge for 2013/14;
6. agree the fees and charges set out in Appendix J; and
7. note that certain efficiency proposals identified in Appendix I will be subject to formal consultation and Equality Impact Assessment in the coming months and instruct the Corporate Management Team to propose alternative compensatory savings if it appears, following a review of the outcome of the consultation and Equality Impact Assessment, that any specific proposal cannot be delivered.

Reason for Recommendations: To agree a balanced budget for 2014/15 and identify resource requirements for the Medium Term.

Executive Summary

The Council approved the Medium Term Financial Plan (MTFP) for 2013/14 to 2016/17 in February 2013. The MTFP has been updated and extended to 2017/18 and a Budget for 2014/15 has been prepared. The Budget reflects further changes in funding, including the results of the Spending Review 2013 (see paragraph 39 below), and new cost pressures and efficiencies, including building on those realised in 2013/14. There will be no increases in the CBC element of Council Tax.

INTRODUCTION

20. The MTFP is intended to set out a sustainable and affordable financial plan that addresses the Council's priorities over the next four years. It should provide for realistic levels of spending, not dependent upon the use of one-off reserves. It should also provide for a prudent level of reserves for contingencies.
21. The Budget for 2014/15 sets out the Council's finances for 2014/15 and identifies the efficiencies required to produce a balanced budget in the light of the ongoing reduction in funding from Central Government and other pressures. £17.4 million of efficiencies are identified for 2014/15 to produce a balanced budget. A further £25.6 million of efficiencies are required over the subsequent three years to achieve the proposed MTFP.

22. The Capital Programme is not included within this budget report as it is subject to a separate report to Executive on this agenda. However, by way of context, the key figures within the Capital Programme Report for 2014/15 include:
- Planned gross expenditure of £90m (Excluding Housing Revenue Account)
 - External Funding of £44m (including capital receipts).
- The revenue implications of the capital programme as set out in that report are reflected here.
23. The Housing Revenue Account (Landlord Services) Business Plan is not included within this budget report as it is subject to a separate report to the Executive on this agenda.
24. Fees and Charges have been set with an uplift of 2% on the prior year in the majority of cases. These are set out in full in Appendix J(ii), with a separate list of changes other than 2% in Appendix J(i).
25. An assumed pay award of 1% increase on the prior year has been included for 2014/15. The MTFP assumes further increases at 1% for the following years. All pay awards are subject to national negotiations.

BACKGROUND

26. The Medium Term Financial Plan (MTFP) has been updated against a background of significant challenges. In June 2013 the Government announced the results of a new one year Spending Review covering the 2015/16 fiscal year only. This outlined further reductions to local government funding on top of those already made in previous announcements, including a 20% reduction in the Education Services Grant. Paragraph 39 provides more details.
27. In addition to this, Central Bedfordshire, like all local authorities, is still dealing with the effects of national changes to the Welfare system introduced last year, which included:
- Replacement of Council Tax Benefit with a Local Council Tax Support scheme and then devolving responsibility for awarding Local Council Tax Support to local authorities. This was coupled with a 10% reduction in funding from Central Government for this activity;
 - Technical changes to Council Tax with the abolition of two classes of statutory exemption; and
 - Overhauling the system for redistributing National Non-Domestic Rates (NNDR), involving allowing direct retention by Local Authorities of a portion of collected Rates and altering the Formula Grant distribution quantum and methodology.
28. The national and European economies remain in an uncertain state, although the UK is beginning to show signs of growth. Inflation has remained relatively stable over the last year with rates of 2.5 – 2.7% (CPI) and 2.9 – 3.3% (RPI), although in October this dropped to 1.9% and 2.6% respectively. Interest rates remain very low, with base rate fixed at 0.5% for the last 56 months.

29. Against this unsettled background it is important that the Council establishes a level of reserves which allows it to withstand unanticipated financial impacts of future developments at a local and national level.
30. There are significant social and economic drivers of change within Central Bedfordshire across the medium term and beyond, particularly:
- Demographic growth from 2013 - 2018, including:
 - an 8% increase in the total population;
 - an 11% increase in the over 75's population;
 - a 16% increase in the over 80's population; and
 - a 20% increase in the over 85's population
 - Continuing increased demand for Looked After Children, with additional focus as a result of several high profile child protection cases nationally in the last year;
 - Schools moving to Academy status and out of local authority control;
 - Welfare Reform and the transfer of Council Tax Support to local authorities. The impacts of this are not yet fully apparent but they are increasing demands on the Revenues and Benefits team through additional workload and increasing the non collection rate for council tax.
31. Additionally, technological change is having a profound impact on the delivery and public access to services; this is reflected in use of the internet and social media.

Council priorities

32. The Council's priorities are:

Enhancing Central Bedfordshire – creating jobs, managing growth, protecting our countryside and enabling businesses to grow.

Improved educational attainment

Promoting health and wellbeing, and protecting the vulnerable

Better infrastructure – improved roads, broadband reach and transport.

Great universal services – bins, leisure and libraries.

Value for money – freezing council tax.

Economic Outlook

33. (a) Inflation

As explained already, the national and European economies remain in an uncertain state, with major concerns around European economies with significant structural problems.

Inflation has remained relatively stable over the last year with rates of 2.4 – 2.9% (CPI) and 2.9 – 3.3% (RPI), although in November this dropped to 2.1% and 2.6% respectively. Interest rates remain very low, with base rate fixed at 0.5%.

34. (b) Quantitative Easing

The Bank of England decided to maintain the quantitative easing (QE) programme at £375bn at the meeting of the Monetary Policy Committee in November 2013.

35. (c) Economic Growth and Unemployment

The Bank's Quarterly Inflation Report for November 2013 was a little more optimistic than previous forecasts, stating that recovery has finally taken hold. However it also noted that significant "headwinds", both home and abroad remained and that there was a long way to go before the aftermath of the financial crisis has cleared.

The UK unemployment rate for July - September 2013 was 7.6%, down 0.2% from April to June 2013. There were 2.47 million unemployed people, down 48,000 from April to June 2013.

Budget Objectives

36. The principal objectives of the 2014/15 Budget have been:

- to produce a sustainable plan which allows Council priorities to be delivered;
- realistic spending year on year not dependent on reserves;
- reserves maintained at, or above, an agreed minimum prudent level which reflects the risks faced by the Council;
- zero Council Tax increases over the MTFP period;
- cuts to front line services to be avoided; and
- commitment to efficiency as a means of delivering savings.

Medium Term Financial Plan

37. Formula Grant funding within the revised MTFP over the three years 2014/15 – 2016/17 reflects the amounts presented in the MTFP to Council in February 2013 as modified by the changes to funding principles noted above and the Local Government Finance Settlement 2014/15. It is shown below at Table 1, which is extended to include 2017/18, and also includes the current year for comparison.

Table 1

	2013/14 £m	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m
Formula Grant	43.0*	36.9	28.4	27.4	27.4
Retained Business Rates	28.1	28.1	29.4	30.2	32.3
Freeze Grant 2013	-	1.3	1.3	1.3	1.3
Freeze Grant 2014	-	-	1.3	1.3	1.3
Total Funding	71.1	66.3	60.4	60.2	62.3
Council Tax revenue	117.8	119.6	119.9	120.7	121.4
Total Income	188.9	185.9	180.3	180.9	183.7

*As adjusted for 2010 and 2012 rolled-in Freeze Grants for comparison.

38. The 2014/15 amounts are based on Chancellor's Autumn Statement on 5 December and the subsequent announcement of Local Government funding by Department for Communities and Local Government (DCLG). This announcement set out details of the funding for 2014/15 with 'indicative' figures for 2015/16. Amounts for the final two years are estimates based on latest available information, and are highly dependent on the outcome of the General Election in 2015. It is likely therefore that there will be significant changes to the later years of the MTFP.

39. Spending Review 2013:

Central Government carried out a Spending Review during 2013 and announced the results on 26 June 2013. This has had some significant impacts on our budget assumptions, not all of which can be fully determined until Central Government provide more details on outline plans or consultations have been completed. The key issues are described below.

- i. The Spending Review unusually covers only one year – 2015/16, in recognition that a General Election will be held in May 2015. This means that there will be significant uncertainty for the last two years of the MTFP.
- ii. The "Departmental Expenditure Limit" (DEL) for DCLG has been cut by 10% for 2015/16. This has been reflected in the indicative Settlement described above and is a substantial reduction compared to 2014/15.
- iii. There will be a change to the way the Council Tax movement year-on-year is calculated for the purposes of determining whether a referendum is required. Previously councils were able to eliminate the effects of levies (For CBC these relate to Drainage and Flood Defence) payable on their budgets for each year. This recognised that these payments were uncontrollable and a large increase from one year to the next could mean an unavoidable increase in Council Tax if other budgets are to remain unaffected. This adjustment has now been removed for 2014/15 onwards. Although levies for CBC are at present too small to affect the 2% referendum cap, being around £500,000 in total, these amounts will have to be closely monitored.

- iv. Funding for the Education Services Grant will be cut by 20% from 2015/16. This grant replaced the Local Authority Central Spend Equivalent Grant (LACSEG) in 2013/14, at the same time reducing income for CBC from £5.8m to £3.0m in that year. The grant is a per-pupil amount paid for maintained schools only, and reduces as schools convert to academies. Present forecasts suggest that these conversions will cost CBC around £300,000 in 2013/14. Assuming a similar rate in 2014/15 and factoring in the 20% cut could mean that just £1.9m will be received in 2015/16 – representing a cut of 67% in three years. The balance will continue to reduce if schools continue to convert to academies.
- v. The announcement included a 1% cap on public sector pay rises. This is in line with present MTFP assumptions.
- vi. Both of the existing Council Tax Freeze Grants will be extended through to 2015/16 for those Councils who have not raised Council Tax since 2011/12. These grants represented 2.5% of Council Tax income (worth £3.2m) and 1% of Council Tax income (worth £1.3m) respectively. A further two-year Council Tax Freeze Grant at 1% of Council Tax revenues will also be available for those Councils freezing Council Tax in 2014/15, and an additional 1% in 2016/17 for those freezing Council Tax in 2015/16.

Subsequent to the Spending Review announcement, central Government confirmed that both of the existing Freeze Grants and any new Grants in 2014/15 and 2015/16 will be 'baselined' into the Formula Grant and will therefore constitute continuing funding.

- vii. Approximately 35% of the New Homes Bonus was to be topsliced and pooled with Local Enterprise Partnerships. However, this plan was dispensed with in the Autumn Statement.
 - viii. There were also various other announcements covering health and social care pooled budgets, the transfer of the Independent Living Fund to Local Authorities, investment in the roads network, extension of the Troubled Families programme and introduction of a new Schools Formula from 2015/16. The potential impact of these has been assessed as far as possible within this MTFP.
- 40. In addition to the Spending Review 2013 above, the Budget announcement by the Chancellor of the Exchequer in March included a 1% cut to the 2014/15 Departmental Expenditure Limit for DCLG. This has been reflected in the Settlement numbers given in the table above.
 - 41. There is no assumed increase in the CBC element of the Council Tax rate during the MTFP period, but the taxbase is assumed to grow by 0.65% each year.
 - 42. The key elements of the draft MTFP for 2014/15 to 2017/18 are shown at Appendix C(i). Table 2 below shows a summary of this plan.

Table 2

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m
Total Income	(185.9)	(180.3)	(180.9)	(183.7)
Total Planned Spend	203.3	193.3	188.3	188.7
Efficiencies identified	(17.4)	(7.4)	(4.5)	(0.6)
Efficiencies to be identified	-	(5.8)	(2.9)	(4.4)
Net Balance	-	-	-	-

43. The Business Rates Retention scheme introduced in 2013/14 continues to bed down. Current forecasts for this suggest that Central Bedfordshire will exceed the “Baseline Funding Level” set by Government for the year and hence be able to retain a small element of growth. However, given the uncertain nature of this income including potential appeals and bad debts no growth of Business Rates income has been forecast for 2014/15. For the remaining three years an element of growth has been added based on modelling work of future developments.
44. There are a number of significant changes to welfare payments as a result of the Welfare Reform Act 2012 that are impacting upon the Council’s finances in the medium term but are currently not fully quantifiable. The Act provides for the introduction of a ‘Universal Credit’ to replace an existing range of means-tested benefits and tax credits for people of working age, starting from 2013. It follows the November 2010 White Paper, ‘Universal Credit: Welfare That Works’ that sets out the Government’s proposals for reforming welfare to improve work incentives, simplify the benefits system and tackle administrative complexity.
45. In addition to introducing Universal Credit and related measures, the Act makes other significant changes to the benefits system. These include:
- Restriction of Housing Benefit entitlement for social housing tenants whose accommodation is larger than they need (the “spare room subsidy”);
 - Up-rating of Local Housing Allowance rates by the Consumer Price Index; and
 - Capping of the total amount of benefit that can be paid.
- A phased implementation has commenced.
46. A Welfare Reform Working Group has been established within the Council which is closely monitoring the impacts on various groups of residents and this work will inform any future changes to the Local Council Tax Support scheme.

47. However, whilst it is clear that this will have significant operational and resource implications for the Council, until there is at least 12 months experience of these changes, and especially a winter period, it will not be possible to quantify the financial impact on the Council or its residents. For 2014/15 Executive has recommended to Council to maintain the existing local Council Tax Support Scheme. Council is expected to confirm this decision on 30 January.

Budget 2013-14

Draft Budget

48. The Budget process for 2014/15 continued on the same basis as the prior year with a system of “Head of Service Reviews” at an early stage. These reviews involved each Head of Service presenting a budget overview which:
- provided an overview of the service;
 - split the budget into activities and explained the basis for the total budget for each activity;
 - identified pressures and efficiencies, both existing in the previous MTFP and new items;
 - outlined potential options for further savings; and
 - provided benchmarking information on performance and cost.

The baseline position for the budget reviews was the 2013/14 agreed budget.

49. A themed approach was taken to targeting areas for efficiencies as per paragraph 63. The total budget was then subject to further reviews to address the budget ‘gap’ by means of challenges to the identified pressures and seeking additional efficiency savings. This approach allowed for more consideration of where savings should be made.
50. The high level budget position was presented to the Corporate Resources Overview and Scrutiny Committee in October, to which all Members were invited. This presentation covered the changes in Government Funding, the budget process and the high level MTFP figures as they then stood.
51. The draft budget also includes the extension of the current European Social Fund programme by up to £6m for the delivery of additional activity across Central Bedfordshire and Bedford Borough as approved by the Executive at its meeting of 10 December 2013. This activity is fully grant funded.

Changes since Draft Budget

52. There have been no changes since Draft Budget.

Contingency

53. After making the adjustments outlined in paragraph 52 above, the contingency within the budget remains at £2.1 million.

54. A contingency at this level is considered appropriate taking into account risk, the level of savings proposed and difficulties in achieving targets (some of which involve significant organisational change) – including uncertainties over future funding. Holding a contingency within the approved budget provides in-year flexibility to respond to any unanticipated developments. It must also be assessed alongside the level of General Fund reserves.

Capital Programme

55. The full Capital Programme is considered elsewhere on the Agenda.
56. The adoption of the proposed Capital Programme will place additional pressure on the revenue budget due to additional borrowing and Minimum Revenue Provision (MRP) charges that are statutorily required. The assumption set out in the table below is an 80% delivery rate against the Capital Programme from 2014/15 across the entire medium term to 2017/18. The table shows the year on year increase in capital financing costs associated with the proposed capital programme.

Table 3

	Opening Base Budget £m	Movements			Closing Budget £m
		Interest Charges £m	MRP £m	Total change £m	
2014/15	11.6	0.4	0.5	0.9	12.5
2015/16	12.5	1.0	0.5	1.5	14.0
2016/17	14.0	1.3	0.4	1.7	15.7
2017/18	15.7	1.0	0.4	1.4	17.1

Assumptions

57. The budget is based upon and includes, the following key assumptions:

Economic

- For 2014/15 inflation of 1% on pay, other inflation provided on a case by case basis;
- For the remaining years of the MTFP inflation of 1% on pay, and 2% on non-pay; and
- Interest rates remain constant throughout the plan period, in line with forecasts from treasury advisers.

Financial

- Reserves remaining at 2013/14 levels and exceeding the previously identified minimum prudent level of £11.2m. The reserves position needs to reflect additional risks and uncertainties in the formula funding model;
- Zero increase in council tax over plan period; and
- Council Tax Freeze Grants valued as follows:
 2.5% of Council Tax revenues from 2011/12 and 1% of Council Tax revenues from 2013/14, both of which have been included within the Formula Grant ‘baseline’ and are therefore continuing sources of funding. An additional 1% of Council Tax revenues each year from 2014/15. A further additional 1% of Council Tax revenues each year from 2015/16.

Operational

- Demographic changes (see economic drivers for change, paragraph 30 above);
- Implementation of the Your Space 2 (the Medium Term Accommodation Plan) to optimise the use of administrative and operational buildings;
- Procurement savings through tendering and contract management; and
- A move to a Council focussed on outcomes.

External

- Impact of introduction of Universal Credit (see paragraph 44 for detail); and
- Impact of the Spending Review 2013 as set out in paragraph 39 above.

Council Tax

58. There is no increase in the CBC element of Council Tax over the plan period with the Band D rate being held at £1,308.33.

Expenditure Budget

59. Table 4 below summarises the latest position for the Council’s finances in 2014/15 based upon the budget as per Appendix C.

Table 4

	£m
Net Base Expenditure Budget 2013/14	188.9
Net Inflation	2.6
Unavoidable Cost Pressures	11.8
Efficiencies	(17.4)
Net Expenditure 2014/15	185.9
Funding	185.9
Budget Requirement	-

60. The net expenditure above is broken down by directorate in Table 5 below:

Table 5 – Net Expenditure by Directorate

Directorate	2014/15 £m
Social Care Health & Housing	62.9
Children’s Services	44.7
Community Services	34.4
Regeneration and Business Support	7.4
Public Health	(0.6)
Improvement and Corporate Services	21.5
Corporate Resources	5.0
Corporate Costs	10.6
Total	185.9

61. Cost pressures are identified at Appendix H. The most significant items are listed below.

- Increased demand for care services from an ageing population £1.5m;
- Increased demand for adult disability services £1.4m;
- Increased numbers of child protection referrals £3m;
- Increased numbers of children looked after £1.2m;
- Loss of Education Services Grant due to academy conversions £0.4m;
- Additional debt financing costs (borrowing to fund the capital programme) £1m;
- Additional Pension Contribution £0.6m; and
- Various pressures as a result of increased demand for services and housing associated with growing population.

Table 6 below details costs pressures for 2014/15 by directorate

Table 6 – Pressures by Directorate

Directorate	2014/15 £m
Social Care Health & Housing	3.0
Children’s Services	7.8
Community Services	0.7
Regeneration and Business Support	-
Public Health	-
Improvement and Corporate Services	0.5
Corporate Resources	0.1
Corporate Costs	(0.3)
Total	11.8

62. All of the £17.4m efficiencies have been identified and are shown at Appendices I(i) and I(ii). A summary of these is shown below at Tables 7 and 8.
63. Certain consistent efficiency themes which impact across Directorates within the Council were used in the budget preparation and Heads of Service reviews. These were:

- A – Moving from institutional investment to personal solutions;
- B – Early Intervention and enabling independence;
- C – Review of contract and tendering arrangements;
- D – Income generation - new sources and methods;
- E – Self service through digital channels; and
- F – Rationalisation.

The themes encapsulate the Council’s approach to delivering financial efficiencies whilst maintaining the outcomes from services delivered. Table 7 below groups the efficiencies by these themes.

Table 7

Ref	2014/15	2015/16	2016/17	2017/18	Total
	£m	£m	£m	£m	£m
A	3.1	2.8	1.0	-	6.9
B	0.7	-	-	-	0.7
C	4.2	2.6	2.8	0.5	10.1
D	3.0	0.4	0.4	0.1	3.9
E	0.2	0.1	-	-	0.3
F	6.2	1.5	0.3	-	8.0
Total	17.4	7.4	4.5	0.6	29.9

Table 8 – Efficiencies by Directorate

Directorate	2014/15 Savings £m
Social Care Health & Housing	6.8
Children’s Services	2.6
Community Services	2.8
Regeneration and Business Support	0.9
Public Health	0.6
Improvement and Corporate Services	3.2
Corporate Resources	0.3
Corporate Costs	0.2
Total	17.4

Summary

64. Table 9 sets out the Medium Term Financial Plan across all financial years to 2017/18 and incorporates all the funding and spend assumptions included in this report.

Table 9

Medium Term Financial Plan	2014/15	2015/16	2016/17	2017/18
	£m	£m	£m	£m
Resources				
Formula Grant	36.9	28.4	27.4	27.4
Council Tax Freeze Grants	1.3	2.6	2.6	2.6
Retained Business Rates	28.1	29.4	30.2	32.3
Council Tax	119.6	119.9	120.7	121.4
Total Resources	185.9	180.3	180.9	183.7
Planned Revenue Budget				
Opening Base Revenue	370.7	367.7	362.1	362.7
Expenditure				
Net inflation	2.6	2.7	2.7	2.7
Pressures	11.8	4.9	5.3	5.1
Base Income	(181.8)	(181.8)	(181.8)	(181.8)
Total Planned Spend Before Savings	203.3	193.5	188.3	188.7
Efficiency Savings	(17.4)	(7.4)	(4.5)	(0.6)
Efficiency Savings to be allocated	-	(5.8)	(2.9)	(4.4)
Total Planned Spend After Savings	185.9	180.3	180.9	183.7

Reserves

65. One of the key continuing budget objectives is to maintain General Fund reserves to at least a risk assessed prudent minimum level. The outturn position for 2012/13 and the anticipated outturn for 2013/14 indicate that the previously identified minimum prudent level has been achieved. Reserve levels need to take account of the Government's continued reductions in funding levels and significant future pressures across all forms of social service.
66. The reserves policy has been updated to ensure it accounts for these risk factors and is set out in Appendix E. The budget also includes a contingency element of £2.1m. This is to reflect the significant uncertainties over future funding already described within this report. There is also the recognition of significant risks within the budget, against which sufficient reserves must be held to be prudent.
67. The assessment of the appropriate level of reserves will be kept under review. Where reserves are no longer necessary they are released to meet budget commitments and reduce the demand on incoming resources. Table 10 below shows the reserves by year.

Table 10

£M	2013/14	2014/15	2015/16	2016/17	2017/18
Opening Balance	14.2	13.8	13.8	13.8	13.8
Planned Release	(0.4)	0.0	0.0	0.0	0.0
Closing Reserves	13.8	13.8	13.8	13.8	13.8

68. The General Fund balances shown in the above table set out the planned General Fund levels at the end of each financial year. The 2013/14 General Fund opening balance was £14.2m with a subsequent planned one-off release £0.4m in 2013/14 to meet budget requirements.
69. There is a current plan to use £1.2m of reserves in 2014/15 and 2015/16 to fund a one off investment in changing service provision. It is anticipated that this can be funded from 2013/14 revenue budget without the need for recourse to existing General Fund reserves.

Risk Management

70. All budget proposals incorporate a degree of risk. Whilst the Council has a good track record of delivering the required budget savings to date, the following are highlighted as key risks within the proposals:
- Demand: The wider impact of the current economic climate on local residents is placing further demands on the Council's services, at a time when the Council needs to reduce spending due to constraints on public expenditure.
 - Reputation: If stakeholder engagement is not managed effectively, the need for the Council to take difficult decisions in response to the contraction of public expenditure will not be understood.
 - Delivery: The delivery of the agreed savings proposals, including those which cut across more than one directorate will need to be effectively managed to ensure they are realised in practice. Some require major organisational change programmes.
 - Increases in children and older people in care.
 - Ability to achieve £17m savings in 2014/15, including £1m procurement-led, and £43m over plan period.
 - Reductions in Dedicated Schools Grant (DSG) and Education Services Grant (including reductions due to academy conversions).
 - Confirmation of full effects of the Spending Review 2013.
 - Impact of Localisation of Council Tax Support (including ability to collect) and performance on Retained Business Rates.

- Impact of Universal Credit.
- Inflationary pressures greater than assumed.
- Changes to interest rates.

Consultation

71. The Council has a responsibility to consult with residents and businesses on its budget.

Following the 2011 elections, the Council embarked on a comprehensive consultation and engagement campaign with local people. This comprised three phases of activity including market research through a survey to all households and to a representative sample of residents, a subsequent consultation on the proposed budget and finally, proactive communication of the Council's decisions to residents and stakeholders.

Given the scope of engagement that influenced the Council's four year financial strategy and the lateness of the Local Government settlement, it is proposed that the priority for 2014/15 will be to ensure that residents, businesses and stakeholder organisations are consulted on the specific proposals for next year's budget.

This consultation commenced as the draft budget (to be considered by Executive in January 2014) was published on 3 January 2014. All communication channels will be used to raise awareness of the proposed budget and feedback will be invited on line and through more conventional written responses. Bespoke briefings for advocacy groups and representative organisations will also be delivered.

Feedback has been summarised and included in Appendix A. Following the conclusion of the budget process for 2014/15, communication about the final decisions and implications for residents will take place through a mixture of social media, conventional media relations and a household leaflet that will be delivered with the Council Tax notices in the spring.

Overview and Scrutiny

72. Detailed comments from the Overview & Scrutiny (O&S) Committee meetings are set out in Appendix K. At the time of writing this report the O&S Committees had not met. Appendix K will therefore be tabled at the Executive meeting on 4 February.

Housing Revenue Account

73. The Housing Revenue Account is considered as a separate report on this agenda.

Fees and Charges

74. For the majority of services there will be a 2% increase for 2014/15, though there are some instances where circumstances require a different approach. These have been summarised in Appendix J(i).

In addition, there are various new charges. A full schedule of fees and charges for 2014/15 for approval is shown in Appendix J(ii).

Timetable

75. The key milestones in the timetable for Council to agree its budget in February 2014 are set out in Table 11 below:

Table 11

Date	Body	Outcome
From 2 January 2014	Public	Consultation with residents and stakeholders
January 2014	Overview & Scrutiny	Consideration of efficiencies and savings and draft budget proposals
4 February 2014	Executive	Recommends Final Budget
20 February 2014	Council	Approves Budget

Appendices:

- Appendix A – Results of consultation with the public and stakeholders – **verbal update will be provided at the meeting**
- Appendix B – Current Petitions
- Appendix C(i) – Medium Term Financial Plan 2014/15 to 2017/18 Four Year Summary
- Appendix C(ii) – Medium Term Financial Plan 2014/15 to 2017/18 Annual Summaries
- Appendix D(i) – 2013/14 budget, directorate summaries by service
- Appendix D(ii) – 2013/14 budget, directorate summaries by expenditure
- Appendix E – Robustness of estimates and adequacy of reserves
- Appendix F – Grant income
- Appendix G – Council Tax Base
- Appendix H – Pressures
- Appendix I(i) – Efficiencies by Theme
- Appendix I(ii) – Efficiencies by Directorate
- Appendix J(i) – Changes to Fees and Charges other than 2%
- Appendix J(ii) – Fees & Charges
- Appendix K – Overview and Scrutiny Committee comments – **To be tabled**

Background Papers: (open to public inspection)

- Budget Strategy - Executive, August 2013
- Corporate Strategy – Executive, November 2013
- Draft Budget – Executive, January 2014

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Budget 2014 – Consultation Results

Appendix A

To date there have been 208 responses to the budget consultation (as at 14th January 2014). The results are provided below. The Central Bedfordshire Equality Forum also discussed the draft budget, their feedback has also been included in the summary of comments.

Q1. When Central Bedfordshire Council sets the level of council tax for next year, which of the following would you prefer?

7 in 10 respondents want council tax to remain the same and for the council to improve efficiency and only spend less on services if absolutely necessary.

	Frequency	Percent
Reduce council tax and spend considerably less on public services, this will mean cutting some services	19	9.1
Keep council tax the same, improve efficiency and only spend less on services if absolutely necessary	148	71.2
Increase council tax to enable the council to spend more on some services	37	17.8
Don't know	1	.5
No answer given	3	1.4
Total	208	100

Q2. To what extent to do you agree or disagree with the following statement? I would rather see savings made in the cost of running the council than in front line services.

Almost 9 out of 10 respondents agreed that we should make savings from the cost of running the council rather than front line services. Over half (54%) strongly agreed with this.

	Frequency	Percent	Combined Percent
Strongly agree	114	54.8	88.5
Tend to agree	70	33.7	
Neither	14	6.7	6.7
Tend to disagree	5	2.4	4.3
Strongly disagree	4	1.9	
No answer given	1	.5	
Total	208	100	

Q3. Do you have any comments to make about any of the proposals in the council's budget for 2014/15?

Approximately half of the respondents made a comment. Whilst a lot of respondents expressed general agreement with the savings proposals there were also a few proposals which received some concern. Below is a summary of the most popular issues raised.

Some respondents disagreed with the proposal to increase our fees for adult social care (for those who pay for their own care). Respondents were concerned about the impact of rising costs would have on pensioners who already have a high cost of living (if they have to pay for care) and are on a fixed income (pension).

Several people raised concerns about reducing bus subsidies, particularly in areas where there is no other form of public transport available. These respondents felt this would increase rural isolation, particularly for the elderly and also this goes against the council's sustainable transport aspirations. Some respondents suggested using smaller buses to reduce the cost of the service.

Equally there was concern about the proposal to limit the times of the day when people can use their free bus passes. Again it was felt this could impact on the elderly, especially in rural areas where the bus service may not be as frequent. Some suggested a small payment for each journey instead of limiting times of travel.

There were also a few respondents who were concerned about the potential impact on farm tenants if we increase their rent. Respondents felt farmers were already struggling to make ends meet given the rise in their costs and supermarkets effectively reducing profits to farmers.

There were a few comments asking for Central Bedfordshire Council to pass on to Town and Parish Councils the funding from Central Government for Council Tax Support Grant.

Several respondents called for better control of, and quality assurance of, contractors - particularly in relation highways. Examples were given of poor quality.

A few people questioned the council's decision to invest in leisure centres at a time when we having to find savings elsewhere.

A couple of people were concerned that charging for pest control services may lead to public health problems when people cannot afford the service.

A few comments recognised that while they thought e-learning was suitable in some situations they also recognised the value of classroom style learning where people could share experiences and learn from each other.

In a similar vein some people were concerned that Special Educational Needs placements should focus on best solution for the individual, this may not be in the Central Bedfordshire area. The placement should not just be based on cost.

The Central Bedfordshire Equality Forum also discussed the draft budget, below is a summary of their main concerns.

The efficiency proposals include several contract reviews, some in relation to services for vulnerable groups. The forum asked if the council will the Council retain sufficient focus on quality of provision.

In terms of bringing Special Educational Needs children back into local authority placements rather than out of county placements. They raised similar concerns to the public respondents – use the placement that meets the needs of these children and not just the cheapest option. The forum was also concerned about the proposal to reduce the staff in this area given that that the Children and Families Bill could increase pressures in this area.

The forum also expressed concerns about the proposal to review bus subsidies and concessionary fares. They felt these could impact on both young and older people in rural areas who already experience considerable problems in relation to the availability of public transport.

Q4. Are you:

	Frequency	Percent
Central Bedfordshire resident or tax payer	190	91.3
Local business	7	3.4
Town or Parish Council	5	2.4
Voluntary organisation or charity	1	.5
Other (please write in below)	5	2.4
Total	208	100

“Other” included:

I work in Central Bedfordshire
School or teacher within CBC x2
School Governor Central Beds
Staff

Q5. Are you male or female?

	Frequency	Percent
Male	114	54.8
Female	91	43.8
No answer given	3	1.4
Total	208	100.0

Q6. What was your age on your last birthday?

	Frequency	Percent
Under 20 years	1	0.5
21-30	12	5.8
31-40	35	16.8
41-50	49	23.6
51-60	36	17.3
61-70	51	24.5
71-80	12	5.8
80+	1	0.5
No answer given	11	5.3
Total	208	100

Q7. Do you have any long-standing illness, disability or infirmity?

	Frequency	Percent
No	169	81.3
Yes	31	14.9
No answer given	8	3.8
Total	208	100

Q8. To which of the following ethnic groups do you belong?

	Frequency	Percent
White	188	90.4
Asian or Asian British	2	1.0
Black or Black British	1	.5
Mixed/multiple ethnic groups	2	1.0
Other (please write in below)	7	3.4
No answer given	8	3.8
Total	208	100

“Other” included:

English x2

Not relevant to this survey

White English

Why so racist? This is very early 70s and irrelevant and costly.

You don't need to know what colour I am

Q9. What is your home postcode?

Ward	Frequency	Percent
Ampthill	9	4.3
Arlesey	8	3.8
Aspley and Woburn	3	1.4
Barton-le-Clay	1	0.5
Biggleswade South	3	1.4
Caddington	3	1.4
Cranfield and Marston Moretaine	6	2.9
Dunstable Central	3	1.4
Dunstable Icknield	5	2.4
Dunstable Manshead	7	3.4
Dunstable Northfields	11	5.3
Dunstable Watling	12	5.8
Eaton Bray	3	1.4
Flitwick	11	5.3
Heath and Reach	3	1.4
Houghton Conquest and Haynes	2	1.0
Houghton Hall	2	1.0
Leighton Buzzard North	3	1.4
Leighton Buzzard South	6	2.9
Linslade	10	4.8
Northill	3	1.4
Parkside	1	0.5
Potton	4	1.9
Sandy	4	1.9
Shefford	9	4.3
Silsoe and Shillington	5	2.4
Stotfold and Langford	5	2.4
Tithe Farm	1	0.5
Toddington	4	1.9
Westoning, Flitton and Greenfield	2	1.0
No postcode given/ invalid postcode	59	28.4
Total	208	100.0

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List of Petitions

Source of Petition	Purpose / Title	Number of signatures	Date Considered by Executive	Date considered by Council	Considered by O&S
ePetition	Age Range Changes in Dunstable	178	14 May 2013	N/A	N/A

Note: ePetitions with less than 100 signatures are not required to be considered and are therefore not included above.

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Appendix C(i)

CENTRAL BEDFORDSHIRE COUNCIL - Medium Term Financial Plan 2014-15 - 2017-18

Medium Term Financial Plan Expressed at outturn prices	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'001
Formula Grant & Council Tax				
Formula Grant	36,886	28,390	27,397	27,397
Council Tax Freeze Grants	1,310	2,620	2,620	2,620
Retained Business Rates	28,141	29,432	30,221	32,266
Council Tax	119,638	119,865	120,648	121,435
Total resources (Excl. schools DSG)	185,975	180,307	180,886	183,718
Growth		-3.05%	0.32%	1.57%
Planned Revenue Budget				
Base Revenue Expenditure	370,718	367,729	362,061	362,640
Net Inflation	2,557	2,608	2,660	2,714
Pressures	11,850	4,903	5,334	5,089
Base Income	(181,754)	(181,754)	(181,754)	(181,754)
Total planned spending before savings	203,371	193,486	188,301	188,689
Growth before savings (%)		-4.86%	-2.68%	0.21%
Efficiency Savings	(17,396)	(7,400)	(4,512)	(625)
Efficiency Savings still to be allocated	-	(5,779)	(2,903)	(4,346)
Total planned spending after savings	185,975	180,307	180,886	183,718
Growth after savings (%)		-3.05%	0.32%	1.57%

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CENTRAL BEDFORDSHIRE COUNCIL - Medium Term Financial Plan 2014-15 - 2017-18
Projections - 2014/15

Appendix C(ii)

	2013/14							
	Base Revenue Spend £'000	Cost Inflation £'000	Pressures £'000	Base Income £'000	Income Inflation £'000	Net Revenue Spend before efficiencies £'000	Efficiencies £'000	Net Budget £'000
Formula Grant								36,886
Council Tax Freeze Grants								1,310
Retained Business Rates								28,141
Council Tax								119,638
								185,975
<u>Planned Revenue Spend</u>								
Social Care Health & Housing	83,513	839	2,988	(17,620)	-	69,720	(6,809)	62,911
Children's Services	65,357	345	7,833	(26,181)	-	47,354	(2,591)	44,763
Community Services	47,091	908	702	(11,483)	-	37,218	(2,832)	34,386
Regeneration and Business Support	8,200	105	30	-	-	8,335	(931)	7,404
Public Health	9,873	-	-	(9,873)	-	-	(631)	(631)
Improvement and Corporate Services	109,312	295	476	(85,448)	-	24,635	(3,133)	21,502
Corporate Resources	5,183	61	110	-	-	5,354	(328)	5,026
Corporate Costs	16,261	4	(289)	(5,221)	-	10,755	(141)	10,614
	344,790	2,557	11,850	(155,826)	-	203,371	(17,396)	185,975
Housing Revenue Account	25,928	-	-	(25,928)	-	-	-	-
Schools	-	-	-	-	-	-	-	-
	370,718	2,557	11,850	(181,754)	-	203,371	(17,396)	185,975
Savings Yet to be Identified								-
TOTAL							(17,396)	185,975

CENTRAL BEDFORDSHIRE COUNCIL - Medium Term Financial Plan 2014-15 - 2017-18
Projections - 2015/16

Appendix C(ii)

	2014/15							
	Base Revenue Spend £'000	Cost Inflation £'000	Pressures £'000	Base Income £'000	Income Inflation £'000	Net Revenue Spend before efficiencies £'000	Efficiencies £'000	Net budget £'000
Formula Grant								28,390
Council Tax Freeze Grants								2,620
Retained Business Rates								29,432
Council Tax								119,865
								180,307
Planned Revenue Spend								
Social Care Health & Housing	80,531	856	3,786	(17,620)	-	67,553	(3,809)	63,744
Children's Services	70,944	352	1,097	(26,181)	-	46,212	(1,668)	44,544
Community Services	45,869	926	536	(11,483)	-	35,848	(484)	35,364
Regeneration and Business Support	7,404	107	(100)	-	-	7,411	(228)	7,183
Public Health	9,242	-	-	(9,873)	-	(631)	-	(631)
Improvement and Corporate Services	106,950	301	(48)	(85,448)	-	21,755	(1,096)	20,659
Corporate Resources	5,026	62	-	-	-	5,088	(115)	4,973
Corporate Costs	15,835	4	(368)	(5,221)	-	10,250	-	10,250
	341,801	2,608	4,903	(155,826)	-	193,486	(7,400)	186,086
Housing Revenue Account	25,928	-	-	(25,928)	-	-	-	-
Schools	-	-	-	-	-	-	-	-
	367,729	2,608	4,903	(181,754)	-	193,486	(7,400)	186,086
Savings Yet to be Identified							(5,779)	(5,779)
TOTAL							(13,179)	180,307

CENTRAL BEDFORDSHIRE COUNCIL - Medium Term Financial Plan 2014-15 - 2017-18
Projections - 2016/17

Appendix C(ii)

	2015/16							
	Base Revenue Spend £'000	Cost Inflation £'000	Pressures £'000	Base Income £'000	Income Inflation £'000	Net Revenue Spend before efficiencies £'000	Efficiencies £'000	Net budget £'000
Formula Grant								27,397
Council Tax Freeze Grants								2,620
Retained Business Rates								30,221
Council Tax								120,648
								180,886
Planned Revenue Spend								
Social Care Health & Housing	81,364	873	3,341	(17,620)	-	67,958	(1,293)	66,665
Children's Services	70,725	359	912	(26,181)	-	45,815	(1,756)	44,059
Community Services	46,847	945	1,161	(11,483)	-	37,470	(1,057)	36,413
Regeneration and Business Support	7,183	109	-	-	-	7,292	(170)	7,122
Public Health	9,242	-	-	(9,873)	-	(631)	-	(631)
Improvement and Corporate Services	106,107	307	-	(85,448)	-	20,966	(236)	20,730
Corporate Resources	4,973	63	-	-	-	5,037	-	5,037
Corporate Costs	9,692	4	(80)	(5,221)	-	4,395	-	4,395
	336,133	2,660	5,334	(155,826)	-	188,301	(4,512)	183,789
Housing Revenue Account	25,928	-	-	(25,928)	-	-	-	-
Schools	-	-	-	-	-	-	-	-
	362,061	2,660	5,334	(181,754)	-	188,301	(4,512)	183,789
Savings Yet to be Identified							(2,903)	(2,903)
TOTAL							(7,415)	180,886

CENTRAL BEDFORDSHIRE COUNCIL - Medium Term Financial Plan 2014-15 - 2017-18
Projections - 2017/18

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	2016/17							
	Base Revenue Spend £'000	Cost Inflation £'000	Pressures £'000	Base Income £'000	Income Inflation £'000	Net Revenue Spend before efficiencies £'000	Efficiencies £'000	Net budget £'000
Formula Grant								27,397
Council Tax Freeze Grants								2,620
Retained Business Rates								32,266
Council Tax								121,435
								183,718
Planned Revenue Spend								
Social Care Health & Housing	84,285	890	3,400	(17,620)	-	70,955	-	70,955
Children's Services	70,240	366	426	(26,181)	-	44,851	(565)	44,286
Community Services	47,896	964	711	(11,483)	-	38,087	-	38,087
Regeneration and Business Support	7,122	111	-	-	-	7,234	(60)	7,174
Public Health	9,242	-	-	(9,873)	-	(631)	-	(631)
Improvement and Corporate Services	106,178	313	-	(85,448)	-	21,043	-	21,043
Corporate Resources	5,037	65	-	-	-	5,101	-	5,101
Corporate Costs	6,713	4	552	(5,221)	-	2,048	-	2,048
	336,712	2,714	5,089	(155,826)	-	188,689	(625)	188,064
Housing Revenue Account	25,928	-	-	(25,928)	-	-	-	-
Schools	-	-	-	-	-	-	-	-
	362,640	2,714	5,089	(181,754)	-	188,689	(625)	188,064
Savings Yet to be Identified							(4,346)	(4,346)
TOTAL							(4,971)	183,718

2014/15 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD

Appendix D(i)

**Opening BASE
BUDGET**

**2014/15 NET
BUDGET**

	Opening BASE BUDGET	Inflation	Pressures	Efficiencies	2014/15 NET BUDGET
	£'000	£'000	£'000	£'000	£'000
Social Care, Health & Housing					
5000 Director of Social Care, Health, Housing	190	2	-	-	192
50000 Director of Social Care Health & Housing	190	2	-	-	192
5150 Housing Management (GF)	-	-	-	-	-
51400 Supporting Housing	1,671	9	-	(117)	1,563
51500 Prevention, Options & Inclusion (GF)	(150)	8	-	(95)	(237)
51600 Private Sector Housing options (GF)	(5)	-	-	-	(5)
51700 Housing Management (GF)	1,516	17	-	(212)	1,321
5200 Adult Social Care					
52000 Assistant Director Adult Social Care	(247)	6	100	(500)	(641)
52100 Older People and Physical Disability Mgt	514	3	-	(137)	380
52140 Older People - Day Care	568	8	-	(43)	533
52160 Enablement	1,876	29	-	(505)	1,400
52180 OPPD Care Management - Central	1,159	9	-	(80)	1,088
52185 OPPD Care Management - North	10,559	154	1,610	(2,415)	9,908
52190 OPPD Care Management - South	9,856	145	-	(65)	9,936
52300 LD and MH Management	409	4	-	-	413
52301 Under 65 Mental Health Packages	741	7	450	(14)	1,184
52420 Learning Disabilities - A&C	15,538	231	828	(1,406)	15,191
52440 Learning Disabilities - Direct - South	3,875	38	-	-	3,913
52460 Sheltered Employment	30	2	-	-	32
52600 Emergency Duty Team	184	5	-	-	189
52700 BUPA Block Contract	3,963	130	-	(102)	3,991
	49,025	771	2,988	(5,267)	47,517

2014/15 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD

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**Opening BASE
BUDGET**

**2014/15 NET
BUDGET**

	Opening BASE BUDGET	Inflation	Pressures	Efficiencies	2014/15 NET BUDGET
	£'000	£'000	£'000	£'000	£'000
5300 Commissioning					
53000 Assistant Director Commissioning	(274)	1	-	-	(273)
53300 Contracts	4,137	1	-	(481)	3,657
53301 LD Transfer	5,070	14	-	(662)	4,422
53400 Housing Support Service	2,395	-	-	-	2,395
53500 Bedfordshire Drug Action Team	105	4	-	(50)	59
53600 Contracting	694	5	-	-	699
53700 Personalisation	436	-	-	-	436
53800 Commissioning	510	5	-	-	515
	13,073	30	-	(1,193)	11,910
5400 Business and Performance					
54000 Asst Director Business and Performance	199	1	-	(12)	188
54100 Business Systems	941	10	-	(50)	901
54200 Business Infrastructure	949	8	-	(75)	882
	2,089	19	-	(137)	1,971
Total Social Care, Health and Housing	65,893	339	2,988	(6,809)	62,911
Childrens' Services					
4000 Director of Childrens' Services	111	2	180	(180)	113
40000 Directors Cost Centre	111	2	180	(180)	113

2014/15 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD

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**Opening BASE
BUDGET**

**2014/15 NET
BUDGET**

	Opening BASE BUDGET	Inflation	Pressures	Efficiencies	2014/15 NET BUDGET
	£'000	£'000	£'000	£'000	£'000
4100 Childrens Services Operations					
41000 AD - CSS	1,197	10	115	(100)	1,222
41200 Children in Care & Care Leavers	6,189	16	2,111	(843)	7,473
41210 Intake and Family Support	5,244	38	941	(206)	6,017
41300 Children with Disabilities Service Manager	4,129	25	-	(187)	3,967
41400 Quality Assurance CRS Service Manager	1,045	10	60	-	1,115
41500 Fostering & Adoption Service Manager	6,601	24	1,260	-	7,885
41600 Local Safeguarding Children's Board	65	2	-	-	67
43300 Early Intervention / Prevention Serv Manager	4,229	15	1,193	(590)	4,847
	28,699	140	5,680	(1,926)	32,593
4200 Learning and Strategic Commissioning					
42000 AD - Learning & Strategic Commissioning	469	5	-	-	474
42300 Children's Services Commissioning	503	5	-	-	508
43100 Youth Service	1,910	5	-	-	1,915
44300 School Support Service	1,432	17	-	(371)	1,078
44400 Other School Budgets	-	-	-	-	-
44500 Head of Partnerships & Workforce Dev	1,315	9	-	(41)	1,283
45600 Music Service	3	7	37	-	47
45700 School Organisation & Capital Planning	244	3	-	(50)	197
	5,876	51	37	(462)	5,502
4300 Transport					
42350 JSCS Transport	7,005	150	643	(13)	7,785
	7,005	150	643	(13)	7,785

2014/15 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD

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**Opening BASE
BUDGET**

**2014/15 NET
BUDGET**

	Opening BASE BUDGET	Inflation	Pressures	Efficiencies	2014/15 NET BUDGET
	£'000	£'000	£'000	£'000	£'000
4400 Partnerships					
44000 Partnerships	610	2	-	(10)	602
	610	2	-	(10)	602
4950 Central DSG/YPLA					
49500 Central Retained Funds	(3,125)	-	1,293	-	(1,832)
	(3,125)	-	1,293	-	(1,832)
Total Children's Services	39,176	345	7,833	(2,591)	44,763

Community Services

6200 Community Services Director	254	2	-	(58)	198
62000 Community Services Director	254	2	-	(58)	198
6400 Highways Transportation					
64000 AD Highways & Transportation	239	3	-	(101)	141
64001 Highways Contracts	4,316	258	50	(666)	3,958
64003 Passenger Transport Services	5,872	118	-	(135)	5,855
	10,427	379	50	(902)	9,954

2014/15 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD

Appendix D(i)

**Opening BASE
BUDGET**

**2014/15 NET
BUDGET**

	Opening BASE BUDGET	Inflation	Pressures	Efficiencies	2014/15 NET BUDGET
	£'000	£'000	£'000	£'000	£'000
6800 Environmental Services					
68000 CSPPWL Management	155	1	-	-	156
68001 Emergency Planning	224	2	-	(1)	225
68002 Public Protection	1,465	19	-	(246)	1,238
68003 Community Safety	1,282	10	-	(213)	1,079
68004 Waste Strategy	17,595	450	667	(795)	17,917
68005 Leisure Services	989	14	(65)	(354)	584
68006 Traffic Management	287	8	-	(67)	228
	21,997	504	602	(1,676)	21,427
6900 Libraries					
63005 Libraries	2,930	23	50	(196)	2,807
	2,930	23	50	(196)	2,807
Total Community Services	35,608	908	702	(2,832)	34,386
Regeneration and Business Support					
6100 Service Development	536	5	-	(145)	396
62010 Service Development	536	5	-	(145)	396

2014/15 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD

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**Opening BASE
BUDGET**

**2014/15 NET
BUDGET**

	Opening BASE BUDGET	Inflation	Pressures	Efficiencies	2014/15 NET BUDGET
	£'000	£'000	£'000	£'000	£'000
6300 Economic Growth, Skills & Regeneration					
63000 AD Econ Growth, Skills & Regeneration	826	8	-	(4)	830
63001 Business Investment & Marketing	39	-	-	(9)	30
63002 Economic Dev & Physical Regeneration	228	-	-	(30)	198
63003 Community Regeneration & Adult Skills	143	1	-	(2)	142
63004 Adult Skills	(73)	10	-	(30)	(93)
63006 Customer First	-	-	-	-	-
	1,163	19	-	(75)	1,107
6500 Planning					
65000 AD Planning	144	1	-	-	145
65001 Development Plan & Strategic Housing	2,094	13	(100)	(345)	1,662
65002 Development Management	1,146	32	-	(138)	1,040
65003 Transport Strategy & Countryside	2,207	15	-	(220)	2,002
65004 Building Control	931	8	130	(5)	1,064
65005 Archaeology	(21)	12	-	(3)	(12)
65006 Customer First	-	-	-	-	-
	6,501	81	30	(711)	5,901
Total Regeneration and Business Support	8,200	105	30	(931)	7,404
Public Health					
8000 Director of Public Health	(8,643)	-	-	(631)	(9,274)
81000	(8,643)	-	-	(631)	(9,274)

2014/15 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD

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**Opening BASE
BUDGET**

**2014/15 NET
BUDGET**

	Opening BASE BUDGET	Inflation	Pressures	Efficiencies	2014/15 NET BUDGET
	£'000	£'000	£'000	£'000	£'000
8010 Asst Director of Public Health					
80100 Assistant Director	1,215	-	-	-	1,215
80101	3,250	-	-	-	3,250
80102 Children and Young People	3,058	-	-	-	3,058
80103 Adults and Older People	1,120	-	-	-	1,120
	8,643	-	-	-	8,643
Total Public Health	-	-	-	(631)	(631)
Improvement and Corporate Services					
1500 People and Organisation					
15000 People and Organisation	195	2	-	(438)	(241)
	195	2	-	(438)	(241)
2100 Communications					
21000 Communications	220	2	-	(140)	82
21100 Internal Communications Manager	156	1	-	-	157
21200 External Communications Manager	180	2	-	-	182
21300 Consultation Manager	205	2	16	-	223
	761	7	16	(140)	644
2200 AD Customer & Systems					
22200 Head of Customer Services	1,924	20	135	(109)	1,970
	1,924	20	135	(109)	1,970

2014/15 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD

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**Opening BASE
BUDGET**

**2014/15 NET
BUDGET**

	Opening BASE BUDGET	Inflation	Pressures	Efficiencies	2014/15 NET BUDGET
	£'000	£'000	£'000	£'000	£'000
2300 Strategy & Performance					
23000 Programme & Performance Operational	433	4	-	(67)	370
23400 Programme & Performance Non-Operational	98	-	-	-	98
	531	4	-	(67)	468
2500 Policy & Strategy					
25000 Policy & Strategy	156	1	-	-	157
	156	1	-	-	157
2600 Customer & Community Insight					
26000 Customer & Community Insight	127	1	-	-	128
	127	1	-	-	128
2700 E Procurement & Payments					
27000 E Procurement & Payments	371	5	-	(20)	356
	371	5	-	(20)	356
7300 AD People					
73000 Head of HR Strategy	2,344	23	-	(251)	2,116
73010 Head of HR Operations	74	-	-	-	74
73020 Head of Recruitment and Development	313	-	-	(5)	308
	2,731	23	-	(256)	2,498
7410 ICT					
74000 Head of Systems (Operations)	7,044	42	147	(216)	7,017
74001 Chief IT Officer	-	-	-	-	-
74010 Head of Systems (Strategy & Assurance)	-	-	-	-	-
	7,044	42	147	(216)	7,017

2014/15 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD

Appendix D(i)

**Opening BASE
BUDGET**

**2014/15 NET
BUDGET**

	Opening BASE BUDGET	Inflation	Pressures	Efficiencies	2014/15 NET BUDGET
	£'000	£'000	£'000	£'000	£'000
7500 Legal & Democratic Services					
75110 Head of Legal Services	1,410	11	236	(26)	1,631
75200 Head of Democratic Services	1,786	20	-	(107)	1,699
75210 Committee Services	249	2	-	(4)	247
75300 Registration & Coroner Service	378	8	(15)	(52)	319
	3,823	41	221	(189)	3,896
7600 AD Assets					
76050 Chief Assets Officer	4	2	-	-	6
76000 Chief Assets Officer	1,385	57	(43)	(516)	883
76300 Head of Facilities and Maintenance	4,812	90	-	(1,182)	3,720
	6,201	149	(43)	(1,698)	4,609
Total Improvement and Corporate Services	23,864	295	476	(3,133)	21,502
Corporate Resources					
1100 Chief Executive	299	3	-	-	302
11000 Chief Executive	299	3	-	-	302
7200 Chief Finance Officer					
72000 Chief Finance Officer	124	1	-	(23)	102
22400 Head of Revenues & Benefits	1,283	28	110	(93)	1,328
72020 Financial Management	1,369	15	-	(39)	1,345
72010 Head Of Financial Strategy	1,434	10	-	(143)	1,301
77000 Head of Audit	674	4	-	(30)	648
	4,884	58	110	(328)	4,724
Total Corporate Resources	5,183	61	110	(328)	5,026

2014/15 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD

Appendix D(i)

**Opening BASE
BUDGET**

**2014/15 NET
BUDGET**

	£'000	Inflation £'000	Pressures £'000	Efficiencies £'000	£'000
Corporate Costs					
7800 Corporate Costs	14,245	4	1,673	(499)	15,423
78000 Corporate Costs	14,245	4	1,673	(499)	15,423
7900 Non Specific Entitlement	(3,205)	-	(1,962)	358	(4,809)
79100 Contingency & Reserves	(3,205)	-	(1,962)	358	(4,809)
Total Corporate Costs	11,040	4	(289)	(141)	10,614
TOTAL ALL	188,964	2,557	11,850	(17,396)	185,975

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2014/15 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE

Appendix D(ii)

	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2014/15 NET BUDGET £'000
Social Care, Health & Housing							
5000 Director of Social Care, Health, Housing	217	10	227	-	(35)	(35)	192
50000 Director of Social Care Health & Housing	217	10	227	-	(35)	(35)	192
5150 Housing Management (GF)	-	-	-	-	-	-	-
51400 Supporting Housing	-	-	-	-	-	-	-
51500 Prevention, Options & Inclusion (GF)	1,427	857	2,284	-	(721)	(721)	1,563
51600 Private Sector Housing options (GF)	-	78	78	-	(315)	(315)	(237)
51700 Housing Management (GF)	-	203	203	(208)	-	(208)	(5)
	1,427	1,138	2,565	(208)	(1,036)	(1,244)	1,321
5200 Adult Social Care							
52000 Assistant Director Adult Social Care	597	1,879	2,476	-	(3,117)	(3,117)	(641)
52100 Older People and Physical Disability Mgt	285	95	380	-	-	-	380
52140 Older People - Day Care	731	97	828	(161)	(134)	(295)	533
52160 Enablement	2,471	79	2,550	-	(1,150)	(1,150)	1,400
52180 OPPD Care Management - Central	845	243	1,088	-	-	-	1,088
52185 OPPD Care Management - North	880	12,564	13,444	(3,536)	-	(3,536)	9,908
52190 OPPD Care Management - South	751	13,030	13,781	(3,845)	-	(3,845)	9,936
52300 LD and MH Management	382	31	413	-	-	-	413
52301 Under 65 Mental Health Packages	-	1,198	1,198	(14)	-	(14)	1,184
52420 Learning Disabilities - A&C	1,118	16,825	17,943	(2,024)	(727)	(2,751)	15,192
52440 Learning Disabilities - Direct - South	3,983	(17)	3,966	(53)	-	(53)	3,913
52460 Sheltered Employment	186	-	186	-	(154)	(154)	32
52600 Emergency Duty Team	520	11	531	(342)	-	(342)	189
52700 BUPA Block Contract	-	6,708	6,708	(2,717)	-	(2,717)	3,991
	12,749	52,743	65,492	(12,692)	(5,282)	(17,974)	47,518

2014/15 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE

Appendix D(ii)

	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2014/15 NET BUDGET £'000
5300 Commissioning							
53000 Assistant Director Commissioning	113	(386)	(273)	-	-	-	(273)
53300 Contracts	-	5,719	5,719	(615)	(1,447)	(2,062)	3,657
53301 LD Transfer	2	4,420	4,422	-	-	-	4,422
53400 Housing Support Service	-	2,395	2,395	-	-	-	2,395
53500 Bedfordshire Drug Action Team	181	67	248	(123)	(66)	(189)	59
53600 Contracting	461	237	698	-	-	-	698
53700 Personalisation	2	434	436	-	-	-	436
53800 Commissioning	460	55	515	-	-	-	515
	1,219	12,941	14,160	(738)	(1,513)	(2,251)	11,909
5400 Business and Performance							
54000 Asst Director Business and Performance	115	73	188	-	-	-	188
54100 Business Systems	979	69	1,048	(51)	(95)	(146)	902
54200 Business Infrastructure	1,062	17	1,079	-	(197)	(197)	882
	2,156	159	2,315	(51)	(292)	(343)	1,972
Total Social Care, Health and Housing	17,768	66,991	84,759	(13,689)	(8,158)	(21,847)	62,912
Childrens' Services							
4000 Director of Childrens' Services	296	(19)	277	(100)	(64)	(164)	113
40000 Directors Cost Centre	296	(19)	277	(100)	(64)	(164)	113

2014/15 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE

Appendix D(ii)

	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2014/15 NET BUDGET £'000
4100 Childrens Services Operations							
41000 AD - CSS	1,071	754	1,825	-	(603)	(603)	1,222
41200 Children in Care & Care Leavers	2,252	5,795	8,047	-	(574)	(574)	7,473
41210 Intake and Family Support	5,204	813	6,017	-	-	-	6,017
41300 Children with Disabilities Service Manager	2,638	1,376	4,014	(47)	-	(47)	3,967
41400 Quality Assurance CRS Service Manager	1,083	73	1,156	-	(41)	(41)	1,115
41500 Fostering & Adoption Service Manager	2,443	8,941	11,384	(43)	(3,456)	(3,499)	7,885
41600 Local Safeguarding Children's Board	177	54	231	-	(164)	(164)	67
43300 Early Intervention / Prevention Serv Manager	1,926	4,893	6,819	(179)	(1,793)	(1,972)	4,847
	16,794	22,699	39,493	(269)	(6,631)	(6,900)	32,593
4200 Learning and Strategic Commissioning							
42000 AD - Learning & Strategic Commissioning	560	118	678	-	(204)	(204)	474
42300 Children's Services Commissioning	495	13	508	-	-	-	508
43100 Youth Service	494	1,428	1,922	(7)	-	(7)	1,915
44300 School Support Service	2,133	7,432	9,565	(425)	(8,062)	(8,487)	1,078
44400 Other School Budgets	-	1,401	1,401	-	(1,401)	(1,401)	-
44500 Head of Partnerships & Workforce Dev	1,183	500	1,683	(45)	(355)	(400)	1,283
45600 Music Service	729	228	957	(627)	(283)	(910)	47
45700 School Organisation & Capital Planning	535	195	730	-	(533)	(533)	197
	6,129	11,315	17,444	(1,104)	(10,838)	(11,942)	5,502
4300 Transport							
42350 JSCS Transport	165	7,784	7,949	(73)	(91)	(164)	7,785
	165	7,784	7,949	(73)	(91)	(164)	7,785
4400 Partnerships							
44000 Partnerships	161	441	602	-	-	-	602
	161	441	602	-	-	-	602

2014/15 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE

Appendix D(ii)

	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2014/15 NET BUDGET £'000
4950 Central DSG/YPLA							
49500 Central Retained Funds	-	-	-	-	(1,832)	(1,832)	(1,832)
	-	-	-	-	(1,832)	(1,832)	(1,832)
Total Children's Services	23,545	42,220	65,765	(1,546)	(19,456)	(21,002)	44,763
Community Services							
6200 Community Services Director	181	17	198	-	-	-	198
62000 Director of Sustainable Communities	181	17	198	-	-	-	198
6400 Highways Transportation							
64000 AD Highways & Transportation	141	-	141	-	-	-	141
64001 Highways Contracts	196	4,122	4,318	(360)	-	(360)	3,958
64003 Passenger Transport Services	1,942	4,509	6,451	(545)	(51)	(596)	5,855
	2,279	8,631	10,910	(905)	(51)	(956)	9,954
6800 Environmental Services							
68000 CSPPWL Management	148	8	156	-	-	-	156
68001 Emergency Planning	285	52	337	(112)	-	(112)	225
68002 Public Protection	1,797	150	1,947	(589)	(120)	(709)	1,238
68003 Community Safety	884	319	1,203	(104)	(20)	(124)	1,079
68004 Waste Strategy	802	17,903	18,705	(788)	-	(788)	17,917
68005 Leisure Services	357	696	1,053	(337)	(132)	(469)	584
68006 Traffic Management	766	1,220	1,986	(1,735)	(23)	(1,758)	228
	5,039	20,348	25,387	(3,665)	(295)	(3,960)	21,427

2014/15 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE

Appendix D(ii)

	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2014/15 NET BUDGET £'000
6900 Libraries							
63005 Libraries	1,921	1,317	3,238	(431)	-	(431)	2,807
	1,921	1,317	3,238	(431)	-	(431)	2,807
Total Community Services	9,420	30,313	39,733	(5,001)	(346)	(5,347)	34,386
Regeneration and Business Support							
6100 Service Development							
62010 Service Development	398	(2)	396	-	-	-	396
	398	(2)	396	-	-	-	396
6300 Economic Growth, Skills & Regeneration							
63000 AD Econ Growth, Skills & Regeneration	793	37	830	-	-	-	830
63001 Business Investment & Marketing	25	17	42	-	(12)	(12)	30
63002 Economic Dev & Physical Regeneration	50	148	198	-	-	-	198
63003 Community Regeneration & Adult Skills	106	391	497	-	(355)	(355)	142
63004 Adult Skills	1,088	979	2,067	(169)	(1,991)	(2,160)	(93)
63006 Customer First	-	-	-	-	-	-	-
	2,062	1,572	3,634	(169)	(2,358)	(2,527)	1,107
6500 Planning							
65000 AD Planning	140	5	145	-	-	-	145
65001 Development Plan & Strategic Housing	1,240	509	1,749	-	(87)	(87)	1,662
65002 Development Management	3,186	507	3,693	(2,268)	(385)	(2,653)	1,040
65003 Transport Strategy & Countryside	1,333	754	2,087	(68)	(17)	(85)	2,002
65004 Building Control	856	1,015	1,871	(736)	(71)	(807)	1,064
65005 Arcaeology	1,206	369	1,575	(1,507)	(80)	(1,587)	(12)
65006 Customer First	-	-	-	-	-	-	-
	7,961	3,159	11,120	(4,579)	(640)	(5,219)	5,901

2014/15 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE

Appendix D(ii)

	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2014/15 NET BUDGET £'000
Total Regeneration and Business Support	10,421	4,729	15,150	(4,748)	(2,998)	(7,746)	7,404
Public Health							
8000 Director of Public Health	-	1,240	1,240	(10)	(10,504)	(10,514)	(9,274)
81000 Assistant Director	-	1,240	1,240	(10)	(10,504)	(10,514)	(9,274)
8010 Asst Director of Public Health							
80100 Assistant Director	329	886	1,215	-	-	-	1,215
80101	-	7,293	7,293	(2,410)	(1,633)	(4,043)	3,250
80102 Children and Young People	193	3,387	3,580	(522)	-	(522)	3,058
80103 Adults and Older People	425	731	1,156	(36)	-	(36)	1,120
	947	12,297	13,244	(2,968)	(1,633)	(4,601)	8,643
Total Public Health	947	13,537	14,484	(2,978)	(12,137)	(15,115)	(631)
Improvement and Corporate Services							
1500 People and Organisation	187	(428)	(241)	-	-	-	(241)
15000 People and Organisation	187	(428)	(241)	-	-	-	(241)
2100 Communications							
21000 Communications	173	60	233	(100)	(51)	(151)	82
21100 Internal Communications Manager	154	3	157	-	-	-	157
21200 External Communications Manager	165	17	182	-	-	-	182
21300 Consultation Manager	167	56	223	-	-	-	223
	659	136	795	(100)	(51)	(151)	644

2014/15 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE

Appendix D(ii)

	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2014/15 NET BUDGET £'000
2200 AD Customer & Systems							
22200 Head of Customer Services	2,126	98	2,224	-	(254)	(254)	1,970
	2,126	98	2,224	-	(254)	(254)	1,970
2300 Strategy & Performance							
23000 Programme & Performance Operational	356	14	370	-	-	-	370
23400 Programme & Performance Non-Operational	-	98	98	-	-	-	98
	356	112	468	-	-	-	468
2500 Policy & Strategy							
25000 Policy & Strategy	146	11	157	-	-	-	157
	146	11	157	-	-	-	157
2600 Customer & Community Insight							
26000 Customer & Community Insight	126	2	128	-	-	-	128
	126	2	128	-	-	-	128
2700 E Procurement & Payments							
27000 E Procurement & Payments	459	7	466	(80)	(30)	(110)	356
	459	7	466	(80)	(30)	(110)	356
7300 AD People							
73000 Head of HR Strategy	2,115	72	2,187	-	(71)	(71)	2,116
73010 Head of HR Operations	-	74	74	-	-	-	74
73020 Head of Recruitment and Development	277	31	308	-	-	-	308
	2,392	177	2,569	-	(71)	(71)	2,498

2014/15 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE

Appendix D(ii)

	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2014/15 NET BUDGET £'000
7410 ICT							
74000 Head of Systems (Operations)	4,276	4,765	9,041	(714)	(1,310)	(2,024)	7,017
74001 Chief IT Officer	-	-	-	-	-	-	-
74010 Head of Systems (Strategy & Assurance)	-	-	-	-	-	-	-
	4,276	4,765	9,041	(714)	(1,310)	(2,024)	7,017
7500 Legal & Democratic Services							
75110 Head of Legal Services	1,379	508	1,887	(166)	(90)	(256)	1,631
75200 Head of Democratic Services	1,918	238	2,156	(451)	(6)	(457)	1,699
75210 Committe Services	240	7	247	-	-	-	247
75300 Registration & Coroner Service	686	653	1,339	(615)	(405)	(1,020)	319
	4,223	1,406	5,629	(1,232)	(501)	(1,733)	3,896
7600 AD Assets							
76050 Chief Assets Officer	176	4	180	-	(174)	(174)	6
76000 Chief Assets Officer	1,604	5,169	6,773	(3,499)	(2,391)	(5,890)	883
76300 Head of Facilities and Maintenance	572	3,399	3,971	(242)	(9)	(251)	3,720
	2,352	8,572	10,924	(3,741)	(2,574)	(6,315)	4,609
Total Improvement and Corporate Services	17,302	14,858	32,160	(5,867)	(4,791)	(10,658)	21,502
Corporate Resources							
1100 Chief Executive	294	8	302	-	-	-	302
11000 Chief Executive	294	8	302	-	-	-	302

2014/15 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE

Appendix D(ii)

	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2014/15 NET BUDGET £'000
7200 Chief Finance Officer							
72000 Chief Finance Officer	160	66	226	-	(124)	(124)	102
22400 Head of Revenues & Benefits	2,848	58,000	60,848	(1,519)	(58,001)	(59,520)	1,328
72020 Financial Management	1,455	-	1,455	-	(110)	(110)	1,345
72010 Head Of Financial Strategy	854	1,614	2,468	(1,057)	(110)	(1,167)	1,301
77000 Head of Audit	408	273	681	-	(33)	(33)	648
	5,725	59,953	65,678	(2,576)	(58,378)	(60,954)	4,724
Total Corporate Resources	6,019	59,961	65,980	(2,576)	(58,378)	(60,954)	5,026
Corporate Costs							
7800 Corporate Costs							
78000 Corporate Costs	3,501	12,396	15,897	-	(474)	(474)	15,423
	3,501	12,396	15,897	-	(474)	(474)	15,423
7900 Non Specific Entitlement							
79100 Contingency & Reserves	-	2,138	2,138	-	(6,947)	(6,947)	(4,809)
	-	2,138	2,138	-	(6,947)	(6,947)	(4,809)
Total Corporate Costs	3,501	14,534	18,035	-	(7,421)	(7,421)	10,614
TOTAL ALL	88,923	247,143	336,066	(36,405)	(113,685)	(150,090)	185,976

2014/15 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE

Appendix D(ii)

	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2014/15 NET BUDGET £'000
MEMORANDUM ITEMS							
HRA							
5100 Housing Services (HRA)							
51000 Assistant Director Housing Service (HRA)	503	19,162	19,665	-	(121)	(121)	19,544
51100 Housing Management (HRA)	2,087	1,535	3,622	(1)	(28,500)	(28,501)	(24,879)
51200 Asset Management (HRA)	1,230	4,359	5,589	(17)	(428)	(445)	5,144
51300 Prevention, Options & Inclusion (HRA)	-	260	260	-	(69)	(69)	191
	3,820	25,316	29,136	(18)	(29,118)	(29,136)	-
Schools Budgets							
45500 PVI's	-	-	-	-	5,828	5,828	5,828
30000 Nursery School Control Account	-	-	-	-	1,336	1,336	1,336
60000 Lower School Control Account	-	-	-	-	63,135	63,135	63,135
70000 Middle School Control Account	-	-	-	-	45,177	45,177	45,177
80000 Upper School Control Account	-	-	-	-	42,011	42,011	42,011
90000 Special School Control Account	-	-	-	-	8,301	8,301	8,301
49000 School ISB Funding	-	84	84	-	(165,872)	(165,872)	(165,788)
	-	84	84	-	(84)	(84)	-

Robustness of Estimates and Adequacy of Reserves (Incorporating the Reserves Policy)

Background

- 1) Since coming into being on 1 April 2009 Central Bedfordshire has made continuing improvements to the corporate budget process. This has enabled a greater insight into trends over time as the amount of robust historical information grows.
- 2) Past experience combined with an assessment of future risks and opportunities provides a sound basis for determining the robustness of estimates and appropriate levels of reserves.

Robustness of Estimates

Overall Approach

- 3) The 2014/15 Budget setting process formally commenced with the approval of the process and Budget Strategy at the Executive on 13 August 2013. The Strategy assessed the assumptions in the existing Medium Term Financial Plan (MTFP), approved by council in February 2013, in light of the continued adverse economic situation and the Coalition Government's commitment to reduce overall public spending.
- 4) The 2014/15 Budget process was based on a continuation of the process undertaken for 2013/14. This included a series of "Head of Service Reviews" at an early stage during the process. These reviews involved each Head of Service making a presentation to senior management which:
 - provided an overview of the service;
 - split the budget into activities and explained the basis for the total budget for each activity;
 - identified pressures and efficiencies, both existing in the previous MTFP and new items;
 - outlined potential options for further savings; and
 - provided benchmarking information on performance and cost.
- 5) As a result, the budget process allowed for full consideration of where savings should be made. Relevant Portfolio Holders were involved in each of the above reviews to provide direction on political priorities.
- 6) The baseline position for the budget reviews was the 2013/14 agreed budget.
- 7) This process allowed for savings proposals to be developed across the late summer and early autumn. The high level budget position was presented to the Corporate Resources Overview and Scrutiny

Committee in October, to which all Members were invited. This presentation covered the known and anticipated changes in Government funding, the budget process and the high level MTFP figures as they then stood. During January all Overview & Scrutiny committees reviewed the Draft Budget, including savings proposals and pressures, Draft Capital Programme and Fees & Charges.

- 8) The latest position was presented to the Executive, together with the Draft Budget and the most up to date information on funding, on 14 January. This enabled consultation to commence with the residents of Central Bedfordshire when the papers were published on 2 January. Staff have also had the opportunity to input into the savings proposals as they have been assessed within Directorates.
- 9) The Chancellor of the Exchequer did not deliver the Autumn Statement until 5 December with the subsequent announcement of the Finance Settlement on 18 December. This followed the timetable of the previous year, but constituted a significant delay to normal practice in previous years. As a result there was a very short time in which to assess and incorporate changes to assumptions following the Settlement.
- 10) The Settlement figure for 2014/15 was very close to the planning assumption, so that changes required for that year on the MTFP were minimal. However, for 2015/16 there was a very substantial reduction on the funding, beyond the reductions already anticipated. This has resulted in a budget shortfall where additional savings will have to be identified in order to present a balanced position. This is not new, as previous MTFPs have also not balanced over the medium term and it does not represent any immediate risk, but rather emphasises the need for further financial planning in the medium term.

Budget Assumptions

- 11) The headline assumptions within the budget concern the levels of external support and inflationary pressures, as well as the consideration of Directorate pressures and efficiencies outlined above. All of this has been considered in the context of the national economic conditions, and those specifically relating to Central Bedfordshire.

Funding sources

- 12) The main funding sources are Formula Grant, Retained Business Rates (NNDR), specific grants and Council Tax.
- 13) The Local Government Financial Settlement repeated the '4-block model' and used the floor damping methodology introduced for 2011/12, which groups authorities into four separate floor bands.
- 14) The Settlement covers only two financial years, the second of which is provisional. This naturally gives less certainty over the medium term. It

reflects changes announced in Budget 2013 and the outcome of the Government's Spending Review 2013, which covered 2015/16 only. Amounts for future years of the MTFP may therefore be subject to significant change. There is increased risk associated with these future years given the state of the economy, Central Government's commitment to reduce public spending and the General Election in May 2015. This potential volatility adds uncertainty to financial estimates and makes long term planning more difficult. Central Government has indicated an intention to return at some stage in the future to an earlier practice of providing indicative funding for a four year period, which would be a welcome move. Appendix F to the budget report sets out the funding anticipated to be received from various sources, showing year on year movements to each source,

- 15) Central Bedfordshire will continue to benefit significantly from the New Homes Bonus over the course of the MTFP. The grant is built into the overall resources in the budget and is predicated on tax base growth over the medium term. Clearly any slowing of growth is a risk but there has been a detailed assessment of the significant value of this grant to the Council, which may amount to as much as £12.0m by 2017/18.

- 16) Council Tax is frozen for 2014/15, although the loss of potential additional income is partially compensated by Council Tax Freeze Grants from Central Government across the spending review years up to 2015/16. The Budget includes the 2010 Grant plus the 2012 Grant both of which have now been 'baselined' and form part of continuing funding.

- 17) Central Bedfordshire has, since 2013/14, been able to keep a portion of National Non-Domestic Rates (NNDR) income under the Business Rates retention scheme. For 2014/15 the MTFP takes the prudent approach of not recognising NNDR growth over and above the Government's baseline estimate, until more experience is gained in how this scheme will operate in practice. However some growth has been recognised for future years based on modelling of planning data and anticipated business expansion.

Inflation

- 18) The key assumptions are set out in the main body of the report and reproduced below:

Spend type	2014/15	2015/16 and onwards
	%	%
Pay	1.0	1.0
National Insurance	1.0	1.0
Non-pay	Case-by- case basis	2.0

- 19) The Council Budget includes a provision of £89.3 million for employee costs and an assumption for the annual pay award, as above. The outlook for the economy is continuing to give rise to pay restraint and for this reason a 1% increase only is provided for in future years of the plan. All pay awards are subject to national negotiations.
- 20) In a change from previous years, a general percentage uplift on non-pay items was not allocated for 2014/15. Instead, specific inflation was provided only on a case-by-case basis where contractual conditions or similar factors necessitated an uplift. The intention is to make sure inflation is better targeted to the right areas and this approach will be reviewed for 2015/16 onwards.
- 21) Price inflation has remained relatively stable over the last year with rates of 2.4 – 2.9% (CPI) and 2.9 – 3.3% (RPI), although in November these dropped to 2.1% and 2.6% respectively. Interest rates remain very low, with base rate fixed at 0.5%. Most economic commentators, including the Council's treasury management advisors, do not anticipate any increase in base rates until 2016 at the earliest.

Service Expenditure

- 22) The robustness of estimates for each of the Directorates has been considered during the budget setting process, with an assessment of the general robustness of service budgets as well as the impact of pressures, growth and efficiencies.
- 23) The Base Budget build provides assurance that budget and activity are aligned and that budgets are at the correct level for 1 April 2014. A core part of the budget strategy has been to ensure that additional resources are allocated to Children's Services to reflect the continuing pressures in the number of looked after children.

- 24) There is an Efficiencies Implementation Group in place, chaired by the Chief Finance Officer, which will oversee the delivery of all efficiencies with a specific focus on those categorised as 'red' or high risk. This is a continuation of previous years' practice which has successfully overseen the delivery of significant savings. Nevertheless, continued delivery of further savings year on year, including £16 million of savings in 2014/15, is a significant challenge.
- 25) This successful track record demonstrates a sound corporate approach to the delivery of budgeted savings and gives a measure of confidence that the 2014/15 Budget is realistic and achievable. Nevertheless each year it becomes harder to deliver savings whilst maintaining service levels and there will be significant challenges to be faced in the years ahead. This is reflected in the fact that for the years 2015/16 onwards, the MTFP continues to show that additional, as yet unspecified, savings will need to be delivered.

Adequacy of Reserves

Introduction

- 26) In November 2013, the Audit Commission issued its third and final report on financial resilience in local Government. It noted:

“Reserves are an essential part of councils’ strategic, financial and risk management. Councils hold reserves either as a contingency fund in the event of unforeseen circumstances, such as unexpected demand for services or a shortfall in income, or to smooth the impact of planned spending requirements over time, for example, setting aside funds for staff redundancies or to invest in large-scale capital projects. Our 2012 report on councils’ decision making on reserves encouraged councils to:

- *examine routinely how much they hold in reserves, and the purposes for which reserves are held; and*
- *ensure their decisions on reserves are clearly explained to local taxpayers to promote accountability.”*

- 27) Somewhat contrary to the above view, there is continued pressure from Central Government for local authorities to minimise reserve levels to ease financial pressures. There is a view that, nationally, local authority reserve levels suggest that there are excess reserves that could be used to provide services to the public.
- 28) In light of this, the level of reserves this Council should seek to hold is kept under review. It is recognised that this level needs to balance resilience against financial shocks, whilst guarding against unnecessary build up when services are facing pressures to maintain delivery.
- 29) Monitoring of both general and earmarked reserves takes place every month, to ensure these are correctly identified and are being used appropriately. The creation of new earmarked reserves, and transfers to

and from reserves, are subject to approval by Executive as part of the final outturn position. The reserves position is therefore transparent to all Members.

- 30) Central Bedfordshire inherited £14.4 million of reserves from the legacy authorities at 1 April 2009 but a significant element of this was taken up by transition costs in setting up the new authority. Central Bedfordshire's General Fund balance as at 31 March 2010 was as low as £5.1 million.
- 31) One of the key objectives of previous budgets has been to increase General Fund reserves to a risk assessed minimum prudent level. This level was achieved by 1 April 2013, one year ahead of schedule, after making annual planned contributions of £1.4 million in each of the two years 2011/12 and 2012/13. Reserves stood at £14.2 million at 1 April 2013.
- 32) The General Fund planned reserves as at 31 March 2014 are now £13.8 million after allowing for a budgeted one off draw down to manage budget pressures in 2013/14, of £0.4 million.

Policy

- 33) The reserves policy is to have a *minimum* level of reserves which would equate to 3% of gross expenditure. This level is based on the need for greater financial resilience as a result of the changes in funding for local government and the greater variability in the net expenditure.
- 34) This would provide a minimum prudent level of reserves of £11 million based on the 2013/14 budget.
- 35) There are continued downward pressures in funding from Central Government, where the stated aim is to reduce Local Government expenditure even while the economy improves. The changes to NNDR funding from 2013/14 has also introduced greater volatility into Local Government funding. As a result of this increased uncertainty, maintaining an additional reserve of 4% of the Central Government funding element would be a prudent approach to guard against these pressures, at least until more experience is gained of how these funding streams will develop during the MTFP period. This would mean an additional £2.7m of reserves, bringing the total prudent level to hold to £13.7m.
- 36) In addition to General Fund reserves, Central Bedfordshire holds £21.4 million of reserves earmarked for specific purposes. Appropriate use of these is included within the budget estimates presented, although in some cases the use may span more than one year. As an emergency measure these earmarked reserves could provide additional resilience, and therefore assist as a mitigation of risk to the Council.

Risk Assessment

BUDGET / MTFP 2014/15

- 37) The above assessment of the robustness of estimates has identified a number of risks in the budget. A risk register is compiled at the start of each financial year to enable these risks to be rated (high / medium / low) and monitored monthly during the new financial year.

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Central Bedfordshire Grant Schedule

Appendix F

Grant	2013/14	2014/15
	£'000	£'000
Formula funding		
Formula Grant and previous Council Tax Freeze Grants rolled in	43,558	36,886 Based on announced allocation
2014/15 Council Tax Freeze Grant	-	1,310 Estimated based on Government announcements
Returned New Homes Bonus Topslice	239	- Included in Formula Grant for 2014/15
Council Tax Support paid to Parishes	(801)	- Subject to approval at Council
<i>Sub-total</i>	43,797	38,196
Estimated Retained Business Rates	28,106	28,141 As per latest estimates
Total Formula Funding	71,903	66,337
<u>Social Care Health & Housing</u>		
NHS Funding Grant	3,099	3,969 Based on announced allocation
Local Welfare Provision	431	425 Based on announced allocation
Local Reform and Community Voices DH Revenue Grant	152	156 Based on announced allocation
<u>Children's Services</u>		
Education Services Grant	2,981	2,607 Based on announced allocation
Extended Rights to Free Travel	143	158 Based on announced allocation
Music Grant	283	283 Latest estimate
Asylum Seekers	333	333 Latest estimate
<u>Regeneration and Business Support</u>		
Skills Funding Agency	1,291	1,291 Follows Academic year
European Social Fund Grant	550	550 Latest estimate
Lead Local Flood Authorities	66	66 Based on announced allocation
<u>Corporate Resources</u>		
PFI	1,886	1,886 Same value over the life of project
NNDR Cost of Collection	316	316 Latest estimate
New Homes Bonus	4,985	6,947 Based on announced allocation
Housing Benefit Admin Subsidy	1,280	1,164 Based on announced allocation
Community Right to Challenge	9	9 Based on announced allocation
Community Right to Bid	8	8 Based on announced allocation
Total other funding	17,813	20,168
TOTAL	89,716	86,505

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Appendix G

Central Beds Council - Taxbase
calculation 2014-15 Summary

Parish	Parish name	Band D equivalents										Non collection (at 1%)	Band D total for parish	Rounded Band D total for parish
		Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total				
100	Amphill	69.90	270.20	669.96	618.42	580.04	549.96	188.75	18.00	2,965.23	29.65	2,935.58	2,936	
101	Arlesey	102.52	346.76	647.68	284.57	275.66	148.07	24.17	0.00	1,829.43	18.29	1,811.14	1,811	
102	Aspley Guise	16.40	22.60	222.42	86.84	115.57	209.78	289.93	68.00	1,031.54	10.32	1,021.22	1,021	
103	Aspley Heath	2.33	20.03	24.51	31.45	41.60	76.56	145.00	31.50	372.98	3.73	369.25	369	
104	Astwick	0.00	0.00	0.00	1.75	1.22	5.78	6.25	0.00	15.00	0.15	14.85	15	
105	Battlesden	0.00	0.00	0.00	4.75	5.01	2.89	5.00	2.00	19.65	0.2	19.45	19	
106	Biggleswade	278.97	1,327.87	1,548.31	1,090.87	1,099.83	331.23	67.60	5.00	5,749.68	57.5	5,692.18	5,692	
107	Blunham	9.98	15.26	70.26	53.91	99.31	66.81	103.75	10.00	429.28	4.29	424.99	425	
108	Brogborough	2.50	45.60	36.08	8.50	4.58	1.44	2.92	0.00	101.62	1.02	100.60	101	
109	Campton/Chicksands	0.00	6.62	345.87	95.36	40.03	41.53	27.92	42.00	599.33	5.99	593.34	593	
110	Clifton	71.51	58.86	249.42	201.68	261.34	170.40	109.17	5.00	1,127.38	11.27	1,116.11	1,116	
111	Clophill	10.58	11.34	134.54	105.06	168.26	160.72	122.08	2.00	714.58	7.15	707.43	707	
112	Cranfield	51.36	122.61	401.36	325.67	359.50	183.34	57.50	2.00	1,503.34	15.03	1,488.31	1,488	
113	Dunton	2.00	21.12	64.94	31.50	64.33	30.56	39.75	0.00	254.20	2.54	251.66	252	
114	Edworth	0.67	2.08	6.89	6.00	4.58	1.44	5.00	2.00	28.66	0.29	28.37	28	
115	Eversholt	2.81	6.46	33.30	22.39	32.96	40.08	54.58	10.00	202.58	2.03	200.55	201	
116	Everton	0.00	4.56	47.19	40.03	42.67	32.30	37.97	4.00	208.72	2.09	206.63	207	
117	Eyeworth	0.00	0.00	4.21	6.00	3.67	17.69	12.50	0.00	44.07	0.44	43.63	44	
118	Flitton/Greenfield	1.79	15.13	63.51	90.21	117.38	128.45	192.42	24.00	632.89	6.33	626.56	627	
119	Flitwick	79.45	781.95	1,379.12	756.90	967.00	451.62	84.17	0.00	4,500.21	45	4,455.21	4,455	
120	Gravenhurst	1.78	8.82	46.87	46.58	44.28	45.86	50.00	3.50	247.69	2.48	245.21	245	
121	Harlington	12.68	19.25	215.42	274.00	165.26	116.05	72.08	0.00	874.74	8.75	865.99	866	
122	Haynes	14.49	21.69	51.66	69.38	121.65	90.70	137.30	6.00	512.87	5.13	507.74	508	
123	Henlow	35.01	149.64	422.20	334.35	270.50	191.98	84.97	7.50	1,496.15	14.96	1,481.19	1,481	
124	Houghton Conquest	8.21	54.79	145.71	111.49	102.20	83.78	54.58	4.00	564.76	5.65	559.11	559	
125	Hulcote & Salford	3.33	4.22	9.08	14.25	11.31	18.06	29.17	5.00	94.42	0.94	93.48	93	
126	Husborne Crawley	1.33	1.17	28.50	28.19	8.56	13.72	17.50	6.96	105.93	1.06	104.87	105	
127	Langford	15.39	98.30	240.84	274.08	238.60	227.60	156.80	0.00	1,251.61	12.52	1,239.09	1,239	
128	Lidlington	6.08	93.75	136.95	49.85	88.33	47.98	26.15	2.00	451.09	4.51	446.58	447	
129	Marston Moretaine	43.28	322.21	381.29	342.02	358.70	95.95	67.92	1.50	1,612.87	16.13	1,596.74	1,597	
130	Maulden	38.90	78.31	153.63	124.28	327.13	299.46	207.20	10.00	1,238.91	12.39	1,226.52	1,227	
131	Meppershall	6.65	32.95	104.98	139.36	137.87	204.09	73.75	4.00	703.65	7.04	696.61	697	
132	Millbrook	1.17	0.93	9.33	15.06	11.00	5.78	12.92	4.54	60.73	0.61	60.12	60	
133	Milton Bryan	0.67	1.17	8.57	8.84	11.00	3.25	34.58	9.50	77.58	0.78	76.80	77	
134	Mogerhanger	6.47	27.31	51.40	42.78	38.57	54.31	16.25	4.00	241.09	2.41	238.68	239	

Band D equivalents

Parish	Parish name	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total	Non collection (at 1%)	Band D total for parish	Rounded Band D total for parish
135	Northill LA	2.14	17.37	117.83	75.15	146.47	68.61	32.92	2.00	462.49	4.62	457.87	458
136	Northill NLA	12.75	33.94	37.50	83.53	92.88	109.71	124.75	24.00	519.06	5.19	513.87	514
137	Old Warden	6.17	2.33	20.50	20.05	26.68	19.14	29.95	5.50	130.32	1.3	129.02	129
138	Potsgrove	0.67	0.00	0.00	3.13	1.83	5.08	5.83	6.00	22.54	0.23	22.31	22
139	Potton	107.96	232.31	466.60	300.06	371.70	217.95	123.97	4.00	1,824.55	18.25	1,806.30	1,806
140	Pulloxhill	1.89	9.33	75.58	47.97	75.12	122.04	114.00	3.50	449.43	4.49	444.94	445
141	Ridgmont	3.67	17.33	27.19	31.84	25.36	23.83	19.17	6.00	154.39	1.54	152.85	153
142	Sandy	166.77	895.11	842.30	710.12	793.04	305.49	97.12	6.00	3,815.95	38.16	3,777.79	3,778
143	Shefford	115.63	247.67	519.31	390.08	621.99	231.85	85.00	0.00	2,211.53	22.12	2,189.41	2,189
144	Shillington	15.23	53.19	152.70	140.83	166.06	168.64	80.10	15.50	792.25	7.92	784.33	784
145	Silsoe	8.67	32.06	143.40	163.13	191.09	210.99	196.98	10.00	956.32	9.56	946.76	947
146	Southill	6.96	16.78	127.27	52.91	96.23	110.56	47.88	6.00	464.59	4.65	459.94	460
147	Steppingley	2.17	2.58	5.78	26.75	9.78	15.89	40.42	2.00	105.37	1.05	104.32	104
148	Stondon	96.58	85.41	198.68	100.24	98.46	204.66	98.75	7.00	889.78	8.9	880.88	881
149	Stotfold	65.13	301.15	669.05	869.32	631.30	260.45	104.28	0.00	2,900.68	29.01	2,871.67	2,872
150	Sutton	0.67	7.04	21.97	10.00	20.47	28.53	33.82	4.00	126.50	1.27	125.23	125
151	Tempsford	2.33	14.03	43.90	43.75	41.73	33.58	45.42	4.00	228.74	2.29	226.45	226
152	Tingrith	0.50	0.78	6.67	12.50	4.89	15.53	41.25	5.50	87.62	0.88	86.74	87
153	Westoning	8.45	44.05	166.84	155.89	98.19	150.97	203.67	24.50	852.56	8.53	844.03	844
154	Woburn	5.83	22.26	106.71	77.28	56.76	56.69	85.83	11.50	422.86	4.23	418.63	419
155	Wrestlingworth & Cockayne Hat	1.34	2.33	63.59	41.22	96.98	56.85	66.67	4.00	332.98	3.33	329.65	330
156	Fairfield	0.00	13.71	161.16	356.64	279.55	126.33	213.33	0.00	1,150.72	11.51	1,139.21	1,139
AE	Barton Le Clay	11.77	55.54	503.95	524.71	346.72	304.62	199.05	8.00	1,954.36	19.54	1,934.82	1,935
BW	Billington	28.69	0.00	21.08	21.51	19.25	15.53	65.42	6.00	177.48	1.77	175.71	176
CE	Caddington	68.13	25.69	375.97	358.18	313.43	225.07	89.17	4.00	1,459.64	14.6	1,445.04	1,445
DW	Chalgrave	4.07	4.53	38.82	32.16	23.66	33.21	61.48	4.00	201.93	2.02	199.91	200
EE	Dunstable	790.39	1,635.11	3,362.28	3,670.79	1,348.29	593.32	266.25	3.00	11,669.43	116.69	11,552.74	11,553
FW	Eaton Bray	8.14	46.04	179.83	139.03	183.60	303.45	258.98	6.00	1,125.07	11.25	1,113.82	1,114
GW	Eggington	1.33	3.01	6.42	24.67	24.96	20.96	36.25	6.00	123.60	1.24	122.36	122
HW	Heath & Reach	5.54	32.66	126.89	113.79	91.23	139.39	70.90	20.00	600.40	6	594.40	594
JW	Hockliffe	8.40	44.78	128.49	73.13	58.29	17.59	16.25	8.00	354.93	3.55	351.38	351
KW	Houghton Regis	322.91	2,158.96	1,037.17	572.62	256.72	71.76	25.50	5.00	4,450.64	44.51	4,406.13	4,406
LE	Hyde	1.00	1.56	38.74	35.37	32.74	20.94	22.90	8.00	161.25	1.61	159.64	160
ME	Kensworth	13.27	7.82	113.25	89.13	141.02	93.11	107.08	26.00	590.68	5.91	584.77	585
NW	Leighton-Linslade	476.47	2,247.76	4,006.90	2,706.14	2,405.25	1,041.72	398.68	26.50	13,309.42	133.09	13,176.33	13,176
PW	Stanbridge	1.17	6.21	11.88	38.42	100.43	97.07	87.50	2.00	344.68	3.45	341.23	341
QE	Stratley	0.67	38.62	221.24	137.10	125.14	88.62	66.67	6.00	684.06	6.84	677.22	677
RE	Studham	4.17	4.08	14.53	46.19	50.38	154.19	336.67	13.00	623.21	6.23	616.98	617

Band D equivalents

Parish	Parish name	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total	Non collection (at 1%)	Band D total for parish	Rounded Band D total for parish
SE	Sundon	5.53	21.77	60.35	16.25	21.08	28.53	13.33	2.00	168.84	1.69	167.15	167
TW	Tilsworth	2.01	10.59	27.32	22.79	19.25	26.00	34.17	4.00	146.13	1.46	144.67	145
UE	Toddington	31.51	103.76	432.61	300.87	394.36	271.92	232.90	10.00	1,777.93	17.78	1,760.15	1,760
VE	Totternhoe	35.81	13.15	101.54	58.25	100.88	111.01	72.50	2.00	495.14	4.95	490.19	490
WW	Whipsnade	42.38	1.17	2.44	11.00	7.94	20.22	98.85	29.00	213.00	2.13	210.87	211
XE	Chalton	1.17	4.18	33.38	68.29	63.86	26.36	32.50	0.00	229.74	2.3	227.44	227
YE	Slip End	111.47	10.69	106.22	222.10	141.85	93.47	15.42	0.00	701.22	7.01	694.21	694
		3,505.72	12,522.00	22,881.83	18,731.25	16,436.39	10,490.65	7,117.13	643.50	92,328.47	923.32	91,405.15	91,405

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	2014/15 £'000s	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	Total £'000s
Social Care Health & Housing	2,988	3,786	3,341	3,400	13,515
Children's Services	7,833	1,097	912	426	10,268
Community Services	702	536	1,161	711	3,110
Regeneration and Business Support	30	(100)	-	-	(70)
Public Health	-	-	-	-	-
Improvement and Corporate Services	476	(48)	-	-	428
Corporate Resources	110	-	-	-	110
Sub-total	12,139	5,271	5,414	4,537	27,361
Corporate Costs	(289)	(368)	(80)	552	(185)
Total	11,850	4,903	5,334	5,089	27,176

Social Care Health and Housing

Ref	Detail of pressure	Implications/Impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments
ASC1	Ageing Population - predicted increase in the cost of frontline services for older people due to projected population growth for 80+ age group - 4% on average per annum		1,500	1,700	1,773	1,800	Both assessment and care packages are impacted by rising numbers of older people.
ASC2	Transitions from Children to Adults with Disabilities New Starts 2014/15 - 48 Learning Disability and 9 Physical Disabilities. Also includes full year effect of 13/14 new starts.		938	1,238	1,238	1,600	This covers a range of customers including those with moderate learning disabilities. Risk of numbers being higher as number of SEN children turning 18 in 2014/15 is 88. Lack of information on previous service costs
ASC3	Ordinary Residence - estimated package costs for 17 Learning Disability service users with a number of providers located in Central Bedfordshire. De-registration of their services will mean that responsibility for their funding passes from the current host		-	848	330	-	2013/14 funded by earmarked reserve. Later years are base budget increases. Totals numbers for 13/14 are xx with further 34 anticipated over the MTFP period.
ASC6	Use of earmarked reserves Mental Health Packages Full Year Effect		100 450	- -	- -	-	One-off use in 13/14 to offset unfunded base budget pressure/efficiency shortfall Full Year Effect of Pressure arising from additional residential placements - 6 new for 1st half year of 13/14
Total pressures			2,988	3,786	3,341	3,400	

Ref	Detail of pressure	Implications/impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments
CP2	Foster Care Allowance	This was the prediction in the MTFP to pay for the increase in allowances for foster carers.	60	60	-	-	This is an allowance to pay for the needs of the child. It is separate from the fee which is essentially wages for foster carers, see pressure CSP1407.
CSP06	Partnerships - recruitment against reserves in prior year, but reserves run out in 15/16	Reserves not available to cover salary commitments in the corporate partnership team.	-	-	22	-	The Community Engagement Manager post is externally funded and the pressure emerges part way through 16/17 when that reserves runs out.
CSP07	Use of Earmarked Reserves	Mitigate pressures in 13/14	180	-	-	-	The 2012/13 reserve of £250k was originally set aside for OFSTED Action Plan party held (£180k). This reserve was drawn down to address social care pressures in 2013/14. This is an on going need in the budget and links to CSP 1401.
CSP1401	Children in Care and case work on children in need via Intake and Assessment Teams	Relates to the increased social care workers needed to address rising case loads for Looked After Children and Children in Need.	3,044	50	-	-	Within this pressure is a replacement of 2012/13 reserve of £1.7M set aside for increased pressures within these teams. It is also linked with the use of the reserve in CSP07. All these pressures arise as a direct impact of increases in the number of Looked After Children and Children in Need.
CSP1402	Dunstable Family Support Team	Restructure and enhancement of this Team which was under resourced and experiencing management difficulties	100	-	-	-	Audit of the work of this team showed that it was under performing. The team has been restructured to address competency and to reduce case loads. This is linked to but slightly different to the increasing case loads as this team has been additionally staffed over and above what would normally be the case.
CSP1403	Quality Assurance/Conference and Review Service	This team provides an Independent Reviewing Officer for each child in certain categories. There are pressures on this team which needs an additional Reviewing Officer.	-	60	60	60	Statutory guidance suggests that this team should work with a caseload of no more than 70. At the time of writing it is 79 and rising. This pressure should ideally be funded in 2014/15 but as caseloads may level off, this is held at risk but built in as a precaution for future years in the MTFP.
CSP1404	Quality Assurance/Conference and Review Service	It is an essential statutory requirement to audit caseloads. The budget provides for 1 Audit Officer. During the year a second auditor has been required due to rising caseloads.	60	-	-	-	Additional audit capacity is required. Intensive audit will occur around the time of any Ofsted inspection. During the year it was determined that having only one auditor did not provide sufficient cover.
CSP1405	Fostering & Adoption	Pressure of existing numbers of children coming through for placement in fostering and adoption.	900	-	-	-	Continued increase of overall number of Looked After Children and hence, increased number cared for in foster placements (both in-house and Independent provisions). Close scrutiny of all cases is on going to see if alternatives to foster placements, e.g. placements with close family relatives, can occur.
CSP1406	Fostering & Adoption (Council Staffing)	Duplicate structure required due to disaggregation of service	300	-	-	-	The process of disaggregation of Adoption and Fostering in line with plan (16 December 2013). Pressure arises from both increased volumes of cases coming through and additional panels etc. required following disaggregation.
CSP1407	Fostering & Adoption (Foster Carers)	This pressure links to the Executive Report 5 November 2013 where a fee in addition to allowance for the child is to be paid to foster carers. This is an "invest to save" style of proposal.	-	170	669	170	Estimated increase of in-house unit cost per week from £397 to £491. The weekly unit cost for independent agencies is currently £724; an increase through in-house fee scheme would save £233 for each in-house additional placement instead of an independent placement. Whilst mixed market remains a reality, the proportion of independent placement is to be driven down and in-house placements up. Pressure of £499k in 14/15 and 15/16 will be funded from a new EMR carried forward from 13/14
CSP1421	Biggleswade Family Support Team	To mitigate identified information governance risk	23	-	-	-	Senior Independent Review Officer identified a risk in information governance. Additional Resource for subject specific searches due to volume - 0.5 post.
CSP1410	Children with Disabilities	This is additional pressures for funding health provision	-	44	-	-	Historically health have funded therapies for some children who used to have respite in a health resource. The young people have gradually transferred to adult services and the funding has stopped. This is held as a future risk and it is hoped that this finance can be identified in health grants.
CSP1413	Transport	We will not meet the statutory duties to provide eligible children with transport to School.	643	113	161	137	Pressure included to reflect demographic growth as demonstrated through the School Organisation Plan. Pressure calculated based on current % of pupils who are entitled to free transport being projected forwards with demographic growth and based on known average cost per child for mainstream routes (£750). Current year pressure of £504k based on actual commitments in SAP - pressure based on increased demand, especially for specialist transport and current market pressures (not enough providers, especially in the south)

Ref	Detail of pressure	Implications/impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments
CSP1416	Partnerships	Loss of External funding to meet salary costs	-	-	-	59	2 Staff Supported by external funding since 2009
CSP1417	Early Intervention Grant Reduction	Fund services across Children Services including Youth, Children with Disabilities Short Breaks, Children Centres, Workforce Development, Early Intervention and Prevention.	1,193	-	-	-	Reduction in Early Intervention Grant in 13/14 not funded in base budget met by reserves.
CSP1418	Dedicated School Grant Contribution to Corporate Overheads	Reduced application of Grant against Corporate Overheads	848	-	-	-	Raised as risk in 13/14 but no funding set aside. Dedicated School Grant has in previous years contributed to corporate overheads, however, due to the reduction in central School support services, it is not possible to apply grant to corporate services at the same level.
CSP1419	Education Services Grant	Reduced grant funding due to number of Academy conversions	445	-	-	-	Based on expected number of Academy conversion 13/14 and 14/15. Reduced from original estimate (£700k) due to a reduction in the rate of schools converting to Academy
CSP1420	Education Services Grant	20% reduction in grant. Latest Government announcement	-	600	-	-	Education Services Grant is intended to pay for central education functions. These include Therapies and other health related services, Pupil support, Education Welfare service, Asset management - education, Visual and performing arts (other than music), Monitoring national curriculum assessment etc. Over recent years the Council has reduced such functions and this reduction from national government assumes that all Councils will be reducing these functions.
CSP1422	Music Service Vacancy Factor		37	-	-	-	The music service is set up to be cost neutral. To apply a vacancy factor to the budget means that projects that meet the needs of vulnerable groups is the only area that this can be applied. The Council has to reapply for its external grant in September 2014 and this will be picked up by evaluators if not removed from the budget.
Total pressures			7,833	1,097	912	426	

Community Services

Ref	Detail of pressure	Implications/impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments
SC100	Landfill tax uplift		31	18	18	18	A small amount of residual waste will continue to be sent to landfill, however this pressure has reduced from £440k to £70k due to new residual waste treatment and disposal contracts.
SC102	Houghton Regis Leisure Centre		(65)	-	-	-	Unwinding of previous years' pressure to keep Houghton Regis Leisure centre dryside open. This budgetary pressure is expected to cease when the management contract for the centre is retendered.
SC103	Operational costs to support the guided busway.		50	50	50	-	This is on-going maintenance costs (including winter maintenance) plus the increase in statutory support for concessionary fares as the busway will increase overall bus travel.
SC106	Highways contract retendering resource.			-	(50)	-	Specialist advice and capacity required to procure a new highways maintenance contract for 1 April 2016.
SC109	Increase in waste collection costs as a result of increase in housing growth.			15	15	15	Housing growth impacts on waste management costs - the pressure reflects the expected number of new homes.
SC111	Replacement of external funding for Domestic Abuse Multi Agency Risk Assessment Conference (MARAC) Coordinator and Independent Domestic Abuse Violence Advice Service (IDVA). Libraries bookfund		-	115	-	-	IDVA provide advice to high risk victims of domestic abuse through MARAC. Existing funding for the MARAC Coordinator and IDVA service ceases in 2015/16. This pressure ensures services for high risk victims continue.
SC112	Libraries bookfund		50	-	50	-	To keep library stock up to date and respond to increase in library users whilst maintaining satisfaction of library users.
SC200	Waste services - resource for management of disposal contracts		50	-	-	-	
SC201	Management of Household Waste Recycling Centres		-	300	-	-	
SC202	Unachievable prior year waste saving		547	-	-	-	
SC203	Food waste roll out in the south		-	-	389	(77)	
SC204	Residual treatment of waste		39	38	404	470	
SC205	Additional cost of bulking and haulage in the south		-	-	285	285	
Total pressures			702	536	1,161	711	

Regeneration and Business Support

Ref	Detail of pressure	Implications/impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments
SC101	New Local Plan for Central Bedfordshire		(100)	(100)	-	-	Unwinding of previous years' pressure arising from the cessation of the Joint Planning Committee with CBC producing its own Whole District Local Plan
	Reduction in Flood Defence revenue		130				
Total pressures			30	(100)	-	-	

Improvement and Corporate Services

Ref	Detail of pressure	Implications/Impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments
PR-PRES-ASS-03	Costs associated with moving out of Technology House - removal costs (50k), space planning (£100k) & minor other costs (17k)		(150)	-	-	-	Remove previous one-off pressure re the implementation of the YS2 programme.
PR-PRES-ASS-08	PFI - School PFI contract and budget transferred to Assets by Children's Services in line with creating a single property budget for all CBC assets within Assets.	Due to Annual Contract increase. The PFI does not allow the Council to request any further contribution from the schools. The Sinking Fund was removed.	35	37	-	-	
PR-P&O-L&D-07	One off pressure in 2013/14 Coroner's Service for dilapidation costs for coming out of 8 Goldington road		(15)	-	-	-	Remove previous one-off pressure re property dilapidations.
EFF-PRO-POL-01	PeopC1: Potential to capitalise one member of Community Insight staff for Web Strategy work (one off)		-	50	-	-	One off efficiency in 2012/13 becomes a pressure in 2015/16, to re-instate the budget following the end of the temporary assignment.
ICSP-1415-01	Medical Centre resulting in loss of Revenue income.	Short term loss of income whilst development takes place	72	-	-	-	
ICSP-1415-02	Comms - Annual licence for Gov Delivery (customer first)		16	-	-	-	Additional licence cost for Gov Delivery (resulting from Customer First programme)
ICSP-1415-03	Legal & Demo - Staffing pressure due to Legal restructure		206	-	-	-	This partially addresses the staffing pressures that have arisen following an independent review of the Council's legal services provision and the resulting re-structure that was approved by CMT in November 2012. The new structure includes, in particular, increased support for Children Services and Adult Social Care.
ICSP-1415-04	Legal & Demo - Pressure due to continued increase in external legal fees		30	-	-	-	In July 2013 the MOJ increased the court fees for child protection cases by 50%. It is estimated that this will result in an increase in court costs of £60k in 2014/15. This partially addresses the pressure.
ICSP-1415-05	Customer Services - Additional Fixed Term Cust Services staffing (Your Space 2 (YS2) Related)		135	(135)	-	-	As a result of the accommodation rationalisation, there is a requirement to support the set up of a second Customer Contact Centre for a short period of time. This one off pressure reverses in 2015/16.
ICSP-1415-06	Information Assets - YS2 Mobile pressure		40	-	-	-	To facilitate flexible working in support of the YS2 programme, there is a requirement to provide additional mobile phones to staff.
ICSP-1415-07	Information Assets - SQL Subscription Costs		107	-	-	-	Review of the subscriptions identified a shortfall in SQL license provision.
Total pressures			476	(48)	-	-	

Corporate Resources

Ref	Detail of pressure	Implications/impact	2014/15	2015/16	2016/17	2017/18	Comments
			£'000	£'000	£'000	£'000	
	Reduction in Housing Benefit Administration Grant		110	-	-	-	
Total pressures			110	-	-	-	

Corporate Costs

Ref	Detail of pressure	Implications/impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments
CCP-1415-01	Employer's Pension Contribution		722	550	238	-	Actuarial review - revised contribution rate agreed.
CCP-1415-02	Capital Financing - MRP		484	469	399	447	To reflect revised interest and MRP assumptions based on latest capital programme.
CCP-1415-03	Capital Financing - Interest Payable		283	802	1,245	946	To reflect revised interest and MRP assumptions based on latest capital programme.
CCP-1415-04	Capital Financing - Interest Receivable		200	200	-	-	To reflect revised interest and MRP assumptions based on latest capital programme.
CCP-1415-05	New Homes Bonus		(1,962)	(1,962)	(1,962)	(841)	New Homes Bonus is a six year rolling programme. 2014/15 - 2016/17 covers years 4, 5 and 6 of the programme. The amount for 2017/18 represents the net of the ending of the first year allocation from 2011/12 and the addition of a new allocation for 2017/18.
CCP-1415-07	Customer Service Migration (brought forward efficiency not achievable)		145	-	-	-	Brought forward efficiencies which have not been achieved need to be removed from base budget.
CCP-1415-08	Customer First	13/14 Unachievable	319	(427)			Launch of next phase of Customer First programme.
CCP-1415-09	Surplus (remaining) budget in 13/14 re increased pension contributions		(380)				Over achievement of 13/14 savings to be built into base budget.
CCP-1415-10	Cease allocating interest to s106 balances		(100)	-	-	-	Interest saving to the general fund by not applying interest to s106 receipts
Total pressures			(289)	(368)	(80)	552	

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Category Summary

Ref	Category	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	Total £000s
A	Moving from institutional investment to personal solutions	3,150	2,780	1,025	-	6,955
B	Early Intervention and enabling independence	700	-	-	-	700
C	Review of contract and tendering arrangements	4,249	2,627	2,818	565	10,259
D	Income generation - new sources and methods	2,982	417	388	60	3,847
E	Self service through digital channels	150	100	-	-	250
F	Rationalisation	6,165	1,476	281	-	7,922
Total		17,396	7,400	4,512	625	29,933

Social Care, Health and Housing

Ref	Category	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	Total £000s
A	Moving from institutional investment to personal solutions	3,150	2,780	1,025	-	6,955
B	Early Intervention and enabling independence	700	-	-	-	700
C	Review of contract and tendering arrangements	1,078	887	245	-	2,210
D	Income generation - new sources and methods	800	-	-	-	800
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	1,081	142	23	-	1,246
Total		6,809	3,809	1,293	-	11,911

Children's Services

Ref	Category	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	Total £000s
A	Moving from institutional investment to personal solutions	-	-	-	-	-
B	Early Intervention and enabling independence	-	-	-	-	-
C	Review of contract and tendering arrangements	1,301	1,350	1,738	565	4,954
D	Income generation - new sources and methods	329	-	-	-	329
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	961	318	18	-	1,297
Total		2,591	1,668	1,756	565	6,580

Community Services

Ref	Category	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	Total £000s
A	Moving from institutional investment to personal solutions	-	-	-	-	-
B	Early Intervention and enabling independence	-	-	-	-	-
C	Review of contract and tendering arrangements	802	145	757	-	1,704
D	Income generation - new sources and methods	240	115	63	-	418
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	1,790	224	237	-	2,251
Total		2,832	484	1,057	-	4,373

Regeneration and Business Support

Ref	Category	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	Total £000s
A	Moving from institutional investment to personal solutions	-	-	-	-	-
B	Early Intervention and enabling independence	-	-	-	-	-
C	Review of contract and tendering arrangements	119	-	-	-	119
D	Income generation - new sources and methods	172	178	320	60	730
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	640	50	(150)	-	540
Total		931	228	170	60	1,389

Public Health

Ref	Category	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	Total £000s
A	Moving from institutional investment to personal solutions	-	-	-	-	-
B	Early Intervention and enabling independence	-	-	-	-	-
C	Review of contract and tendering arrangements	-	-	-	-	-
D	Income generation - new sources and methods	631	-	-	-	631
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	-	-	-	-	-
Total		631	-	-	-	631

Improvement and Corporate Services

Ref	Category	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	Total £000s
A	Moving from institutional investment to personal solutions	-	-	-	-	-
B	Early Intervention and enabling independence	-	-	-	-	-
C	Review of contract and tendering arrangements	538	245	78	-	861
D	Income generation - new sources and methods	745	124	5	-	874
E	Self service through digital channels	150	100	-	-	250
F	Rationalisation	1,700	627	153	-	2,480
Total		3,133	1,096	236	-	4,465

Corporate Resources

Ref	Category	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	Total £000s
A	Moving from institutional investment to personal solutions	-	-	-	-	-
B	Early Intervention and enabling independence	-	-	-	-	-
C	Review of contract and tendering arrangements	11	-	-	-	11
D	Income generation - new sources and methods	65	-	-	-	65
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	252	115	-	-	367
Total		328	115	-	-	443

Corporate Costs

Ref	Category	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	Total £000s
A	Moving from institutional investment to personal solutions	-	-	-	-	-
B	Early Intervention and enabling independence	-	-	-	-	-
C	Review of contract and tendering arrangements	400	-	-	-	400
D	Income generation - new sources and methods	-	-	-	-	-
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	(259)	-	-	-	(259)
Total		141	-	-	-	141

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Existing efficiencies	2014/15 £000s	2015/16 £000s	2016/17 £000s	2017/18 £000s	Total £000s
Social Care Health & Housing	6,809	3,809	1,293	-	11,911
Children's Services	2,591	1,668	1,756	565	6,580
Community Services	2,832	484	1,057	-	4,373
Regeneration and Business Support	931	228	170	60	1,389
Public Health	631	-	-	-	631
Improvement and Corporate Services	3,133	1,096	236	-	4,465
Corporate Resources	328	115	-	-	443
Sub-total	17,255	7,400	4,512	625	29,792
Corporate Costs	141	-	-	-	141
Total	17,396	7,400	4,512	625	29,933

Social Care Health and Housing

Ref	Detail of efficiency proposal	Implications/Impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments	Cat
EA32	Harmonise Housing Needs with Private Sector Housing.	Reduce operational cost of the two services to deliver a more efficient and joined up service	100	50	-	-	- Need to consult employees.	F
EA37	Modernisation of Services for Older People	Review of available facilities over the next four years to provide day opportunities encompassing the personalisation and reablement agenda.	-	225	-	-	There is a plan to consult with customers, partners and relatives throughout the development of this efficiency. This is part of the move away from institutional care to more personal solutions	A
EA44	Continue to renegotiate high cost Learning Disability and Physical Disability residential placements and other changes to block purchasing for these groups.	May result in opposition from current providers. No impact on the quality of care to customers.	100	100	-	-	Contract negotiations need to be carried out.	C
EA46	Continue the development of a joint approach with the health service to deliver an improved care and reablement service which will have a more positive outcome for customers.	Improved outcomes for some customers who will be diverted from requiring social care support and therefore will enjoy an improved quality of life.	600	600	350	-	None.	A
EA48	Business Process Re-engineering of procurement, brokerage and customer finance functions.	More efficient use of ICT and staff resources.	50	50	-	-	Need to consult employees.	F
EA51	Continue to reduce the usage of residential care.	We will continue to invest money in preventative solutions and reablement to support more people but reduce expenditure on residential care. This may be adversely impaired by the number of people funding their own care requiring the Council to fund their	800	600	-	-	None - managed through Adult Social Care management team.	A
EA53	Continue to maximise use of all contracts for Domiciliary Care for Older people, Adults with Learning Disabilities and supported housing.	May result in opposition from current providers.	362	362	245	-	Contract negotiations need to be carried out.	C
EA55	Seek further efficiencies from Mental Health services	Reduce administration and management costs within the current contract Mental health by 5%.	150	150	-	-	Contract negotiations are required	C
EA61	Continue to extend the Reablement service to all customers with domiciliary care packages	Improved outcomes for some customers who will be diverted from requiring social care support and therefore will enjoy an improved quality of life.	450	350	250	-	None.	A
EA64	Extra Care Housing Scheme 1. HRA Capital investment to achieve revenue savings.	Project Management capacity and agreed investment as part of HRA Self Financing	-	280	-	-	Consultation with customers, providers and stakeholders will be carried out during the development of this efficiency. Reflects HRA development plan for extra-care housing	A
EA65	Extra Care Scheme 2. Capital investment to achieve revenue savings.	Strategic Business Case agreed over the provision of accommodation need for Older people	-	200	-	-	Consultation with customers, providers and stakeholders will be carried out during the development of this efficiency.	A
EA68	Seek further efficiencies from Domiciliary and Community Care services.	Maximise the impact of joint commissioning arrangements for customers	300	275	-	-	Contract negotiations are required	C
EA69	Reduce delays of Financial Assessments	Continue to improve income collection arrangements	90	-	-	-	None	D

Ref	Detail of efficiency proposal	Implications/Impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments	Cat
EA70	Continue to increase contributions to support the strategic workforce training programme.		50	-	-	-	Access external funds to support social care training	D
EA73	Deliver savings within Private Sector Housing and Housing Needs by better use of ICT and further income generation activity	More efficient use of ICT and staff resources.	32	42	23	-	Need to consult employees.	F
EA74	Continue to review all Care Packages within Learning Disabilities	May result in opposition from current providers. No impact on the quality of care to customers.	1,300	525	425	-	Contract negotiations are required.	A
EA75	Modernisation of Adult Social Care workforce.	More efficient use of staff resources.	625	-	-	-	Need to consult employees.	F
EA76	Review of Physical Disability Care contracts prices in Residential Care.	Use of costing tool to establish benchmark costs for residential placements. May result in opposition from current providers. No impact on quality of care to customers.	137	-	-	-	Contract negotiations are required.	C
EA77	Reduce placement pressures by commissioning Step Up/Step Down facility in the North of Central Bedfordshire.		200	-	-	-	Diversion from residential care and avoidance of unnecessary hospital admissions. Investment in new facility agreed with health.	B
EA78	Joint approach to hospital discharge/preventing emergency (re)admissions		500	-	-	-	Use of health funding to secure better health and social care outcomes	B
EA79	Maximise income generation across Adult Social Care.	Appropriate notice to be given to other full costs and other local authority users. Specific approval required for above inflationary increases.	282	-	-	-	Ensure full cost charges are reflective of true costs. Dependent on Autumn Statement on benefit changes and on revised national guidance on charging.	D
EA80	Reconfiguration of Business & Performance workforce.		65	-	-	-	Need to consult employees.	F
EA81	More efficient use of Direct Payments.		145	-	-	-	Improved business process will ensure that funding is only used to meet support needs & improve recovery of surplus funds	F
EA82	Use of Public Health Grants to fund Health & Wellbeing priorities.		298	-	-	-	Public Health Funded activities - Village Care Schemes, Prevention activity with voluntary organisations, dementia support, Drug and Alcohol packages.	D
EA83	Improve customer outcomes by reviewing management arrangements with Bedford Borough Council	Appropriate notice to be given and alternative services identified	64	-	-	-		F
EA84	Increase in Technical Support fees associated with DFG's and Renewal Assistance/Empty Homes loans.	Specific approval required for above inflationary increases.	80	-	-	-	Further capitalisation of staffing costs	D
EA85	Procurement savings		29	-	-	-	Identified contract savings from Supplier Engagement Programme, vendor neutral approach to consultancy spend, demand management of temporary staff, channelling off-contract spend through CMS, stationery moratorium, and mail services.	C
Total efficiencies			6,809	3,809	1,293	-		

Children's Services

Ref	Detail of efficiency proposal	Implications/Impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments	Cat
CS3	Special Educational Needs	This continues previously successful programme of bringing children back into local placements which address their Special Educational Needs.	100	100	-	-	- Moving to accommodate children within "in authority" special schools rather than placements with out of county schools. This is the Special Recoupment budget.	C
CS10	Reallocation of school improvement activity	Reduction of Council led school improvement activity replacing it with school to school support and increased trading with academies who wish to buy back school support.	221	-	-	-	- Please read alongside new efficiency CSE1410.	F
CS11	Further application of grant to core budget as the Early Intervention Grant increases.	This efficiency was built in the previous MTFP and unless savings are found from recommissioning services currently paid for from the Early Intervention Grant, will become a pressure.	279	-	-	-	- As projects paid for by the Early Intervention Grant to support families and young people come to the end of their commission/contract, savings will need to be made. See pressure CSP1417	C
CSE01	Child Protection - Increased LAC / cover from Agency (pressure) offset by the chance of 3 residential placements (efficiency)	There was an original efficiency of £629k for 2013/14 which has now been netted off with the pressure CP1	829	300	600	-	- There are a range of programmes that seek to reduce the spend in children's social care. This is particularly focused on the nature and type of placement for children looked after. At the most expensive end of placements, there is a project to commission and additional children's home within the area so saving out of area costs.	C
CSE02	Children with Disabilities - Use of Early Intervention Grant to fund Core services	The Disability Team uses an element of Early Intervention Grant and within the terms of the Grant is the disability work. This assumes that there is an opportunity to set the Grant against core funding.	187	190	-	-	- This switches core funding with Early Intervention Grant and is high risk. It assumes a reduction or no increase in the need for disability activity so enabling the setting off of core funding against the grant.	F
CSE03	Early Intervention and Prevention - Use of EIG to release core funding and recommission of service	The Early years Team uses an element of Early Intervention Grant and within the terms of the Grant is the early years activity. This assumes that there is an opportunity to set the Grant against core funding.	16	-	-	-	- This switches core funding with Early Intervention Grant and is high risk. It assumes a reduction or no increase in the need for early years activity so enabling the setting off of core funding against the grant.	F
CSE04	Partnerships & Workforce Reduction in generic workforce opportunities that are core funded.	Reduction in training and workforce development and seeking opportunities to sell services. Existing 2013/14 agreements to be honoured.	41	40	-	-	- Efficiency 2014/15 - reduction in delivery of face-to-face generic workforce learning opportunities that are core funded and the development of an enhanced blended learning opportunities at all levels with e-learning. Marketing this offer more widely.	F
CSE06	Transport CWD - reviewing policies	Rationalising of existing transport for children with disabilities	13	10	-	-	- Efficiency 2014/15 - parents will be travelling different distances. This follows on from the realignment of Ivel Valley where parents will provide transport themselves. Part of the improvements from the disability review.	C
CSE08	Partnerships	This is a planned reduction in partnership funding	10	12	18	-	- These savings can be achieved by a reduction in the team's contracts and operational costs.	F
CSE1401	Children in Care and Intake and Assessment	Reduction to Agency costs for social workers	220	76	-	-	- Accelerating the existing recruitment drive could yield 10% reduction in current agency costs, in addition, a further 10% reduction forecast, however this is a high risk target in the light of national pressures.	F
CSE1402	Admin Review Children Services Operations	Reduced workforce by streamlining administrative functions	100	-	-	-	- Following the recent Framework upgrade work will start in the Autumn with the view to ensuring that savings will take effect from 14/15	F
CSE1403	Special Educational Needs	Reduced workforce in the Special Educational Needs Team	50	-	-	-	- Reduction in 1 post from a restructure in Special Educational Needs services. This is high risk in that the Children and Families Bill could increase pressures (currently being debated in the House of Lords)	F

Ref	Detail of efficiency proposal	Implications/Impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments	Cat
CSE1404	School Organisation	Offset the management costs in the admission service by generating school income	50	-	-	-	The admission service is fully funded by the Dedicated School Grant. The funding level is set based on the previous years grant allocation and cannot be increased above this level, according to School Finance Regulations. Income generation can be used to bring in this efficiency by selling more services to academies.	D
CSE1405	Fostering & Adoption	Retention and increase of current in house Fostering Placements and reduction in Independent Fostering Placements	-	940	565	565	Reduction of 25 Independent Fostering Agency Placements by 15/16 followed by 15 in 16/17 and 17/18	C
CSE1406	Transport Mainstream - Walking assessments (April 2014), policy reviews	This saving will not be achievable unless walking assessments are carried out by April or Sept 2014	-	-	573	-	Efficiency to take effect 2016/17 this efficiency assumes that the walking assessments will not take place until 2015.	C
CSE1408	Biggleswade Childrens Centre	This is related to an emergent discussion regarding the possibility of a more efficient use of Council assets in the Biggleswade area. There is a concentration of Council buildings that could be used more effectively whilst maintaining services to the public. This saving assumes that services for children can be more efficiently delivered.	116	-	-	-	To be funded from 13/14 EMR for 2 years (14/15 and 15/16) at £116k pa	F
CSE1409	Social Worker Funding	This is related to a possibility of paying for social care work that links to the objectives of the Housing Revenue Account (HRA).	100	-	-	-	To ensure that this efficiency is delivered a clear written agreement regarding the work of the social care staff will need to be put in place.	D
CSE1411	Public Health contribution to children's centres	Children's centre provision addresses public health outcomes. There is an opportunity to bring in joint funding.	179	-	-	-	There is a possibility to use public health funding to jointly fund children's centres.	D
CSE1412	Procurement savings		80	-	-	-	Identified contract savings from Supplier Engagement Programme, vendor neutral approach to consultancy spend, demand management of temporary staff, channelling off-contract spend through CMS, stationery moratorium, and mail services.	C
Total efficiencies			2,591	1,668	1,756	565		

Community Services

Ref	Detail of efficiency proposal	Implications / Impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments	Cat
SC2	Development of car parking strategy	Improve effectiveness and efficiency with the introduction and extended use of Automatic Number Plate Recognition technology.	20	10	-	-	Implementation of strategy continues.	D
SC5	Negotiate further efficiencies with highways contractor	Investment of additional £4m capital spend results in savings.	100	100	-	-	Later years' impact of saving implemented from 2012/13.	C
SC8	Revenue savings from implementation of Street Lighting Strategy	Project to ensure structural integrity of Street Lights through replacement of lanterns with low columns and replacement of lanterns with low maintenance energy types. Revenue maintenance and energy costs reduced.	83	75	70	-	This saving is a continuation of saving implemented in 2012/13 and is dependent on continuing capital investment.	F
SC166	Review of CCTV	Review of camera locations.	-	-	15	-	Subject to implementation of CCTV plan.	F
SC170	Integration of Leighton Buzzard theatre and library and further improvements to working practices across the service.		100	-	-	-		F
SC171	Reduction in shared library hub back office costs		-	(37)	102	-	This will require ICT investment and capacity.	F
SC172	Review of Library link and housebound service		-	35	-	-	This will improve the quality and effectiveness of the service to users whilst reducing costs.	F
SC173	Additional libraries income and Leighton Buzzard theatre		10	10	13	-	Additional focus on marketing and income will improve performance in this area.	D
SC177	BEaR Project Team	Rationalise team.	530	-	-	-		F
SC250	Integration and reconfiguration of community services	Reduction of 7.5 posts and operational budgets.	417	80	50	-	This saving is across a range of services and includes reduction in salary and non-salary budgets.	F
SC251	Increased income from leisure contracts		145	45	-	-	Additional income from leisure management operator from refurbishment programme and revised operating model.	C
SC252	Cease provision of free pest control services	Cessation of free first visit may result in increase in complaints. PR and communication required to implement.	25	-	-	-	Free first visit of pest control applicable to rats, mice, cockroaches and bed bugs.	D
SC253	Increase range of fees and charges (and income generated)		80	95	50	-	Includes licensing and income from Financial Investigations Unit.	D
SC254	New leisure management contract		20	-	757	-	Additional income anticipated from the leisure management operator at the new Flitwick Leisure Centre.	C
SC255	Review of bus subsidy		70	71	-	-		F
SC256	Application of national guidelines to time concessionary fares are applicable		60	-	-	-	Adoption of the standard hours of operating concessionary fare scheme.	F
SC257	Highways contract savings		183	-	-	-	Efficiencies in the operation of the highway services.	C
SC258	Archives efficiency		15	-	-	-		F
SC259	Libraries Management budget saving		65	-	-	-		F
SC260	Directorate restructure		250	-	-	-		F
SC261	Purchase and lease back of gritter lorries for provision of winter maintenance		200	-	-	-	Purchase of the gritter fleet and lease back to operator.	F
SC262	Public Health Grant		105	-	-	-	To fund physical activity programme to deliver public health outcomes.	D
SC263	Waste contract savings		80	-	-	-		C

Central Bedfordshire Council
Medium Term Financial Plan 2014-15

Appendix I(ii)
Efficiencies

Regeneration and Business Support

Ref	Detail of efficiency proposal	Implications / Impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments	Cat
SC222	Economic Development restructure		-	50	-	-		F
SC151	Community Infrastructure levy (CIL) administration fee			75	175	-	Some of the CIL charge can be used as administration fee.	D
SC152	Further development management income		110				Reflection of anticipated increase in fee income as a consequence of approval of strategic housing sites in the south.	D
SC153	Local sustainable transport expenditure to be funded from grant following successful bid to Central Government.		-	(50)	-	-	Expenditure to be met from within grant funding - this ceases March 2015 requiring budget to be re-instated.	D
SC154	Reduce development plan consultancy budget		150	-	(150)	-	Reduction of development planning budget at conclusion of the current Local Plan development process and re-instatement in 2016/17 at commencement of next Local Plan review.	F
SC158	Countryside sites - wider provision of services to provide increased income and revised maintenance regime		32	93	75		Additional income and savings to be generated from the countryside service and revised maintenance regime.	D
SC174	Business support & regeneration - private sector contributions		-	30	10	-	Service to seek further private sector contributions eg through Time Bank and sponsorship of events.	D
SC175	Recovery of additional adult and community learning back office costs from external grant		30	30	60	60		D
RG250	Reduction in transport strategy "professional services" budget		88					F
RG251	Restructure and reduction of resource in Countryside Services		86				Includes reduction in specialist support for village greens and associated area due to reduction in demand	F
RG252	Removal of discretionary grant to Groundworks Trust		10				This grant helped fund a range of projects undertaken by Groundwork Trust. However, the primary focus of the Trust's work has been in the Luton area and as such does not deliver value for money for residents of Central Bedfordshire	F
RG253	Restructure and reduction of resource in Development plan and Strategic Housing team		165					F
RG254	Reduction and restructure of Service Development Team		141	-				F
RG255	Procurement savings		119	-	-	-	Identified contract savings from Supplier Engagement Programme, vendor neutral approach to consultancy spend, demand management of temporary staff, channelling off-contract spend through CMS, stationery moratorium, and mail services.	C
Total efficiencies			931	228	170	60		

Central Bedfordshire Council
Medium Term Financial Plan 2014-15

Appendix I(ii)
Efficiencies

Public Health

Ref	Detail of efficiency proposal	Implications / Impact	2014/15		2015/16		2016/17		2017/18		Comments	Cat
			£'000	£'000	£'000	£'000	£'000	£'000				
	Contribution to overheads		631	-	-	-	-	-	-	-		D
Total efficiencies			631	-	-	-	-	-	-	-		

Central Bedfordshire Council
Medium Term Financial Plan 2014-15

Appendix (ii)
Efficiencies

Improvement and Corporate Services

Ref	Detail of efficiency proposal	Implications / Impact	2014/15		2015/16		2016/17		2017/18		Comments	Cat
			£'000	£'000	£'000	£'000	£'000	£'000				
EFF-RES-ASS-02	Reduce revenue staffing costs - more accurate recording and allocation of profession and project management costs to Lifecycle and Capital Build projects		15	16	-	-	-	-	-	-		F
EFF-RES-ASS-03	Increased income generation - achieve by increasing: rents for commercial and farm properties; and occupancy levels for commercial properties from 87% to 90%.		30	30	-	-	-	-	-	-		D
EFF-RES-ASS-06	Review and retendering of Facilities Management contracts e.g. consumables.		35	35	-	-	-	-	-	-		C
EFF-RES-ASS-07	Facilities management staff reductions as we move out of Technology House.		-	50	-	-	-	-	-	-		F
EFF-RES-PERF-03	Review of P&PM team structure following introduction of new performance reporting system.		-	55	-	-	-	-	-	-		F
EFF-RES-ICT-06	Transfer of adjusted budget (i.e. net of the % saving) to budget holders with retained central administration of contract and invoice payments.		-	20	20	-	-	-	-	-		F
EFF-RES-ICT-07	Transfer of adjusted budget (i.e. net of the % saving) to budget holders with retained central administration of contract and invoice payments.		-	20	20	-	-	-	-	-		F
EFF-RES-ICT-08	Application Portfolio reduction & Contract renegotiation to achieve a substantial reduction in the number and variety of IT Applications used across CBC - consolidating down to a core set of business applications and accepting the loss of some niche functionality		-	55	55	-	-	-	-	-		F
EFF-RES-ICT-09	Retender for a combined Corporate and school voice and data network		-	140	-	-	-	-	-	-		C
EFF-RES-ICT-10	Admin Charge generation for running the schools network		-	39	-	-	-	-	-	-		D
EFF-RES-ICT-11	Smart sourcing of support services - focussing on single points of specialist technical or functional knowledge that command high market salaries.		-	20	28	-	-	-	-	-		C
EFF-RES-ICT-12	Providing that process rationalisation delivers streamlined and automated efficiencies - Reduce the headcount in the Business & Commissioning Team.		-	-	28	-	-	-	-	-		F
EFF-RES-ICT-18	Microsoft Enterprise agreement		-	50	50	-	-	-	-	-		C

Ref	Detail of efficiency proposal	Implications / Impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments	Cat
EFF-P&O-HR02	Review of staffing levels following payroll integration, improved use of technology and management development.		150	100	-	-		E
EFF-P&O-L&D-03	Rent and rates saving due to reduction of buildings occupied in Coroner's Service		12	-	-	-		F
EFF-P&O-L&D-05	Reduction in Legal Services Staffing		-	50	-	-		F
EFF-P&O-L&D-06	Reduction in Education Appeals Costs		12	-	-	-		F
EFF-P&O-L&D-08	Savings resulting from reduced canvass costs following the proposed introduction of revised legislation for Individual Electoral Registration in 14/15.		-	100	-	-		F
EFF-P&O-L&D-09	Savings due to Registration Service's move from Pilgrim House to Amphill Court House		-	-	30	-		F
EFF-P&O-COMM-03	Increase in News Central income		5	5	5	-		D
EFF-P&O-COMM-04	Reduction in print and distribution costs for News Central		16	6	-	-		F
EFF-P&O-POL-03	PeopCf1: removal of Previous Efficiency Adjustment		-	50	-	-		F
EFF-P&O-CS-01	Savings from reduction in Face to Face Provision (£25k reception merger, £30k merging functions)		55	-	-	-		F
EFF-P&O-CS-05	Increase of income resulting from Customer Services Staff multitasking to carry out JCP work		-	50	-	-		D
EFF-RES-ASS-07	Facilities management staff reductions as we move out of Technology House.	Bring forward 1 year	50	(50)	-	-		F
CCE05 now Assets	Following Your Space 2 (YS2) programme, the authority will exit Technology House by 31 March 2014, achieving the savings in 2014/15. The 2015/16 savings are dependent on the exit from other satellite buildings.		900	200	-	-		F
CCE06	Centralisation and rationalisation of directorate IT support and development activities		100	-	-	-	This is a cross-cutting savings target led by Information Assets. This saving is dependent on identifying ICT resource in directorates that can be transferred to Information Assets, combined with Information Assets resource and reviewed to drive efficiencies. Dependant upon there being no duplication of savings already identified by directorates.	F
ICSE-1415-01	Assets - Rationalisation of structure and reduced use of external consultants.		100	-	-	-		F
ICSE-1415-02	Assets - Facilities management staff reductions as we move out of Technology House.		50	-	-	-		F
ICSE-1415-03	Assets - Additional rental income from Dept of Work & Pensions	Lease in place	31	-	-	-		D
ICSE-1415-04	Assets - Additional rental income from Central Beds College	Lease in place	78	-	-	-		D
ICSE-1415-05	Assets - Anticipated savings from managing surplus properties		40	-	-	-		F
ICSE-1415-06	Assets - Additional rental income from the Shops & Offices portfolio		111	-	-	-		D
ICSE-1415-07	Assets - Additional rental income from the County Farms Estate		120	-	-	-		D

Ref	Detail of efficiency proposal	Implications / Impact	2014/15		2015/16		2016/17		2017/18		Cat
			£'000	£'000	£'000	£'000	£'000	£'000	Comments		
ICSE-1415-08	Assets - Increased Revenues from Academies by the Buy Back service		50	-	-	-	-	-	-	-	D
ICSE-1415-09	Assets - PFI contract cost recovery.		150	-	-	-	-	-	-	Following a review of the costs and recovery against the contract, additional recovery has been identified.	D
ICSE-1415-10	Assets - Delay in achieving full Tech House savings resulting from continued occupation of Tech House by Contact		(55)	55	-	-	-	-	-	Customer Contact Centre to occupy a wing of Tech House for the first 6 months of 2014/15, resulting in a temporary shortfall against the full efficiency.	F
ICSE-1415-11	Procurement - Staff Savings		20	-	-	-	-	-	-	Reduced headcount from ten to nine.	F
ICSE-1415-12	Procurement - Optimising Printing across CBC		65	-	-	-	-	-	-	CBC Cross Cutting comprises the development of a print strategy that optimises print production across the Multi Functional Device fleet, onsite print room and offsite factory environment.	C
ICSE-1415-13	Procurement - Stationery reduction across ICS		5	-	-	-	-	-	-	ICS Cross Cutting creating a demand management approach to stationery sourcing within the ICS directorate to reduce consumption.	F
ICSE-1415-14	Comms - New Advertising and Sponsorship contract		100	-	-	-	-	-	-		D
ICSE-1415-15	Comms - Equality & Diversity service reduction		18	-	-	-	-	-	-	Reduction against subscriptions budget.	F
ICSE-1415-16	P & PM - Reduction in Staffing (1FTE)		50	-	-	-	-	-	-	Review of P&PM delivery	F
ICSE-1415-17	P & PM - Reduction in Professional Fees		17	-	-	-	-	-	-	More efficient use of external professional services.	F
ICSE-1415-18	Legal & Demo - Staff Savings through consolidation of structure		40	-	-	-	-	-	-	Consolidation of Democratic Services structure.	F
ICSE-1415-19	Legal & Demo - Realignment and identification of various efficiencies against the Members' Budgets		46	-	-	-	-	-	-		F
ICSE-1415-20	Legal & Demo - Recharge portion of Lord Lieutenant costs.		20	-	-	-	-	-	-		D
ICSE-1415-21	Legal & Demo - Various efficiencies against Legal & Democratic budgets		55	-	-	-	-	-	-		F
ICSE-1415-22	Customer Services - Unachievable Previous Efficiency against implementation of the Appointments System.		(75)	-	-	-	-	-	-		F
ICSE-1415-23	Customer Services - Removal of 2 FTE		79	-	-	-	-	-	-	Review of business support activity	F
ICSE-1415-24	Customer Services - Job Centre Plus (JCP) Multiskilling		50	-	-	-	-	-	-	Efficiencies driven by multiskilling teams.	D
ICSE-1415-25	Information Assets - Unachievable Post Room Efficiency		(46)	-	-	-	-	-	-	Following a change to the provision of records management and the creation of a hub to support the YS2 programme, the previous efficiency is not achievable.	F
ICSE-1415-26	Information Assets - Unachievable Training Income Efficiency		(30)	-	-	-	-	-	-	Included in a previous efficiency was a proposal to raise internal recharges for IA training. This proposal has been reviewed and discontinued.	F
ICSE-1415-27	Information Assets - Removal of 3 FTE		121	-	-	-	-	-	-	Deletion of 2 junior support posts and deletion of a management post (the latter of which is predicated on a corporate review of service).	F
ICSE-1415-28	HR - Removal of 1 FTE		27	-	-	-	-	-	-	Following implementation of self service, process re-engineering and a move towards electronic working, an efficiency of 1 FTE is achievable.	F
ICSE-1415-29	HR - Reduction of TU Facilities Time		70	-	-	-	-	-	-	A full review and renegotiation of our facilities agreement with a view to saving £70k	F
ICSE-1415-30	HR - Reduction in HR Subscriptions		8	-	-	-	-	-	-	Reduced annual subscription to XperHR and a reduction to development budget.	F
ICSE-1415-31	Procurement savings		438	-	-	-	-	-	-	Identified contract savings from Supplier Engagement Programme, vendor neutral approach to consultancy spend, demand management of temporary staff, channelling off-contract spend through CMS, stationery moratorium, and mail services.	C
Total efficiencies			3,133	1,096	236	-	-	-	-		

Central Bedfordshire Council
Medium Term Financial Plan 2014-15

Appendix I(ii)
Efficiencies

Corporate Resources

Ref	Detail of efficiency proposal	Implications / Impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments	Cat
EFF-RES-FCO-01	Reduction in Financial Control staff costs from restructure & multi-skilling		143	-	-	-	Restructure of the Financial Control Team and reduction in specialist advice such as VAT and Treasury.	F
EFF-RES-FPS-01	Financial Performance Team restructure		39	115	-	-	Introduction of more efficient ways of working across teams.	F
EFF-RES-R&B-01	Reduction of 2FTE following introduction of the Risk Based Verification Software		28	-	-	-	New DWP approved approach to benefit assessment will streamline the process and enable efficiency savings.	F
CRE-1415-01	Internal Audit - Reduction in internal audit staff costs from rationalisation of structure and review of processes		30				Focused audit programme and streamlining of administration enables efficiency savings.	F
CRE-1415-02	Revs & Bens - Increase in recovery of overpaid housing benefit		65				Full staff team in place enables greater focus on recovery activities to the benefit of the general fund.	D
CRE-1415-03	Finance - Reduction of professional services budget Chief Financial Officer		12				Reduced use of external consultancy.	F
CRE-1415-04	Procurement savings		11	-	-	-	Identified contract savings from Supplier Engagement Programme, vendor neutral approach to consultancy spend, demand management of temporary staff, channelling off-contract spend through CMS, stationery moratorium, and mail services.	C
Total efficiencies			328	115	-	-		

Corporate Costs

Ref	Detail of efficiency proposal	Implications / Impact	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	Comments	Cat
CCE07	Short term use of reserves		(358)	-	-	-	Reversal of 2013/14 use of general reserves.	F
CS7	Passenger Transport Review - Build on Phase 1, efficiencies to be achieved through implementing transport policies, improved passenger routing, service provision and procurement.	This is the third year of the cross cutting transport efficiency relating to recommissioning of transport.	400	-	-	-	Shown as cross cutting pending detailed breakdown of the saving in-year.	C
CCE-1415-01	Corporate - Premature Retirement Costs		99	-	-	-	Reduction in PRC costs as advised by Pension Fund Administrators.	F
Total efficiencies			141	-	-	-		

Medium Term Financial Plan

Appendix J(i)

Changes to Fees and Charges other than 2%

For the majority of services there will be a 2% increase for 2013/14. There are instances where this is not practically possible and these are highlighted in the following paragraphs. The detail of the changes is set out below:

Social care Health & Housing

Housing

Service Charges (VAT n/a) - per week (48 week basis)

A service charge is a payment made by a tenant towards the cost of services and repairs beyond those specifically for their house or flat. For example, tenants in a block of flats with communal areas outside their flat are all charged a proportion of the costs that are incurred to clean and light this area.

A review has found that a small number of charges can be reduced, but a number - especially for heating, lighting and cleaning - should be increased to properly reflect the cost of providing these services. Fuel costs in particular have seen a significant increase in prices over the last few years.

In order to minimise the potential financial impact on tenants, but to ensure that the Council begins to recover the true cost of these items, it is proposed that any increase in service charges for 2014-15 will be limited to a maximum overall increase of £1.10 per week.

This protection is limited to existing tenants. The true cost however will be charged for all new tenancies, even those who are already Council tenants but are transferring to another Council property. (The increased charge will be included in the property advertisement on the Choice Based Lettings site.)

Guest Rooms

An increase for guest rooms in sheltered schemes is also proposed, from £9.50 (current) to £10 for single rooms and from £14.80 (current) to £15 for double rooms. This slight increase in charges will contribute to the additional service that is being introduced to ensure that guest rooms are properly cleaned between bookings.

Lifeline Emergency Response (VAT n/a) - per week (48 week basis) - new customers from 01.04.2014

Although existing clients will remain on the same contractual agreements and charging structure, a new pricing model and improved service is proposed for introduction for new clients as of April 2014.

Outreach Service – Lifeline + (VAT n/a)

Following a review of the interest in this service, and the time taken to complete the initial visits, it is proposed that Lifeline+ customers are charged as follows:

£6 per week for the Lifeline and 1 visit per week;
£8 per week for the Lifeline and 2 visits per week;
£10 per week for the Lifeline and 3 visits per week.
(Most clients are opting for 1 visit per week.)

Park Homes Charges (per pitch unless otherwise stated)

The Mobile Homes Act 2013 places new responsibilities on the Council but also allows recovery of some costs for Park Homes administration. The Council administers Site Licences for more than 80 Park Home sites.

Fees are proposed for the administration of Park Homes licences as enabled by the 2013 Act. Fees would be based upon service costs and will be published within a Fees Policy developed for 1 April 2014.

Private Sector Housing

Fees of 12% of the value of the Disabled Facilities Grant (DFG) works are proposed, to be added to the DFG being provided to the client except in cases where addition of a fee will reduce the clients' ability to receive the full DFG for works that are necessary and appropriate.

Fees are proposed for the technical support work undertaken under the Renewal Policy programme, which includes Empty Homes Loan assistance. A fee of 10% of the value of the agreed works would be charged to the client's Loan or grant (minor cases).

A fee of £40 is proposed for a 24 hour (1 working day) response to a solicitors (or other party's) enquiry. The response will include a written confirmation of the charges

The UK Border Agency requires a report from a competent Officer that a property proposed as accommodation for someone looking to enter the UK meets the required standards. The Council is not obliged to provide these reports, which require a property survey, but it is proposed that Housing Services will undertake an immigration survey and provide a full report for a fee of £200. The survey and report will be provided by an Officer with suitable qualification and expertise in applying the Housing Health and Safety Rating System.

Residential Care (VAT n/a)

Uplift linked to Sept CPI 2.7% (closely linked to benefits uprating which affects many adult social care customers ability to pay). Many vary from 2.7% due to roundings.

Day Opportunities and Day Care (VAT n/a), Telecare Services, Telecare Monitoring Service, Meals: (VAT n/a), Day Centres, Lettings.
Uplift linked to CPI (2.7%) and rounded.

Domiciliary Care

Reflects updated average purchase price - year-on year reduction - previous average hourly cost reflected in-house service cost (now outsourced)

Social Care Services

Linsell House (Home for Adults with Multiple Disabilities) (per week)

Reflects full cost recovery

Community Services

Licensing

Following a freeze on increases for the last four years it is proposed that the fees and charges in relation to Private Hire / Hackney Carriages should be increased.

Following new legislation, new statutory fees have been introduced in relation to the Licensing Act and Licences for Scrap Metal Traders.

Pest Control

A new and simplified charging structure is proposed to be introduced for pest control. Rats, mice, bedbugs and cockroaches of £60 per infestation (£30 for concessions). Wasps, ants and fleas will be £68 per infestation (£34 for concessions). The first infestation will no longer be free.

Abandoned/End of life vehicles

A single charge is proposed to cover domestic and non-domestic premises and a new fee has been introduced for caravans.

Parking

It is proposed to continue to freeze parking charges. New fees have been set for the car park in Flitwick, once the Council takes full control of it in 2014. The charge will remain £5 per day Monday to Friday and introduce a £1 charge on Saturday and Sunday.

A new excess overnight charge for parking in multi storey car park and for any lost car park token is proposed to be introduced.

Libraries and Theatre

Internet access is proposed to be free for the first 2 hours and then charged at £1 per hour.

Following the refurbishment of the libraries and theatre it is proposed that room hire is based on the room size and its facilities.

The late vacating charge for Leighton Buzzard Theatre is now proposed to be based on the appropriate hourly rate rather than a fixed amount.

Regeneration and Business Support

Adult Skills Service

It is proposed to introduce room hire charges for Kingsland and Samuel Whitbread.

Improvement & Corporate Services

Registration (Fees jointly agreed with Bedford Borough Council (BBC) under a Service Level Agreement)

Following discussion with BBC and benchmarking with neighbouring districts, in most instances 3.5% has been applied to the fees set by LAs. These have been rounded to the nearest £5.00. Fees for marriages and civil partnerships in Local Authority Venues have, for historical reasons, been charged at less than cost recovery. For 2014/15 it is proposed that these fees be increased towards cost recovery and that a sliding scale be introduced to recognise the differing numbers of guests which can be accommodated at these venues.

Nationality Checking Service, Settlement Checking Service, Citizenship Ceremonies - Individual Ceremony (VAT n/a), Approved Premises Licence Fee (Three year) First application (minimum fee for 2 rooms only - £100 to be added for each additional room to be licenced), Approved Premises Licence Fee (Three year) Renewal (minimum fee for 2 rooms only - £100 to be added for each additional room to be licenced).

Following discussion with BBC and benchmarking with neighbouring districts, in most instances 3.5% has been applied to the fees set by Local Authorities. These have been rounded to the nearest £5.00

Coroners

New fees introduced by legislation with effect from July 2013

Advertising in News Central

News Central advertising is now provided on behalf of the council by Immediate Solutions. To find out about advertising rates and availability call 01422 354300.

Legal Services

Proposed charges for 2014/15 are based on benchmarking

Note: yellow highlighting indicates national set charges or statutory charges.

	2013/14 Rate	2014/15 Rate
Directorate: Social Care Health and Housing	£	£
Housing		
Service Charges (VAT n/a) - per week (48 week basis)		
Door Entry Systems	0.20	0.20
District Heating	3.80 - 19.60	3.90 - 37.00
Communal Heating	0.10 - 4.20	0.10 - 5.70
Communal Cleaning	0.40 - 6.00	0.60 - 14.30
Communal Electric	0.10 - 6.90	0.10 - 9.90
Window Cleaning	0.30	0.30 - 0.50
General Management for sheltered and mini schemes	0.10 - 3.00	0.10 - 3.00
Staircase Lighting - General Dwellings	0.10 - 1.50	0.10 - 6.80
Supporting People Charges (VAT n/a) - per week (48 week basis)		
Red House Court	19.50	19.50
Other sheltered accommodation	19.40	19.40
Designated elderly person dwellings	6.90	6.90
Community Alarm System		
persons in council sheltered accommodation or disabled	3.80	3.80
not in council sheltered accommodation (includes VAT)	4.50	4.50
Guest Rooms		
Per night		
Single	9.50	10.00
Double	14.80	15.00
Laundry - per wash	2.00	2.00
Laundry - per dry	1.50	1.50
Garages VAT n/a)		
Per week exclusive of rates (48 week basis)		
Council Tenant	9.75	9.75
Not Council Tenant (includes VAT)	11.70	11.70

	2013/14 Rate	2014/15 Rate
Directorate: Social Care Health and Housing	£	£
Emergency Accommodation Management Fee (VAT n/a)		
Self contained accommodation	3.50	3.50
Shared accommodation single person	3.50	3.50
Shared accommodation family of 2	4.00	4.00
Shared accommodation family of 3+	4.50	4.50
Short Term Leased Properties (VAT n/a) - per week (52 weeks)	149.30	149.30
Homeless Hostels (VAT n/a) - per week (52 weeks)		
Scheme Manager	37.20	37.20
Communal Heating	1.50	1.50
Communal Electric	3.10	3.10
Heating & Domestic Hot Water	3.90 - 5.80	3.90 - 5.80
TV	0.30	0.30
Communal Cleaning	2.30	2.30
Window Cleaning	0.30	0.30
Communal Television (VAT n/a) - per week (48 week basis)	0.30	0.30
Lifeline Emergency Response (VAT n/a) - per week (48 week basis) - existing customers as at 31.03.2014	2.80	2.80
Lifeline Emergency Response (VAT n/a) - per week (48 week basis) - new customers from 01.04.2014		
Weekly rental		3.50
Installation Cost		25.00
Supply of additional pendant		50.00
No fault call out fee		25.00
Supply and fit key safe		80.00
Lifeline One Call set up cost		30.00
Annual subscription		14.40

	2013/14 Rate	2014/15 Rate
Directorate: Social Care Health and Housing	£	£
Outreach Service (VAT n/a)		
Lifeline + 1 visit from Sheltered Housing Officer per week	4.50	6.00
Lifeline + 2 visits from Sheltered Housing Officer per week	6.00	8.00
Lifeline + 3 visits from Sheltered Housing Officer per week	8.00	10.00
Charges for reference to banks & building societies (VAT n/a)	28.50	28.50
Consent for Cable Installations (VAT n/a)	123.70	123.70
Housing Act 2004 and Park Homes Enforcement (VAT n/a)		
Recipient of Housing Act or Park Homes Enforcement Notice (per person)	208.10	208.10
Admin charge for undertaking Works in Default in relation to enforcement activity - per Enforcement Notice	20% of cost	20% of cost
Houses of Multiple Occupation		
Licensing Scheme (per property) - license granted for 5 years	397.50	397.50
Traveller site pitch fees (VAT n/a) - per week (52 weeks)		
Single pitch	97.10	97.10
Double pitch	105.90	105.90
Service charges	9.60	9.60
Park Homes Charges (per pitch unless otherwise stated)		
Initial Licence Fee		53.32 (TBC)
Amendment or transfer fee (per site/application)		249.88 (TBC)
Site expansion amendment fee		27.68 (TBC)
Annual fee		12.38 (TBC)
Fit and Proper Persons Register Application (per application)		105.75 (TBC)
Fee for Depositing Site Rules (per Deposit)		30.91 (TBC)

	2013/14 Rate	2014/15 Rate
Directorate: Social Care Health and Housing	£	£
Private Sector Housing		
Fee for technical assistance with a Disabled Facilities Grant - % of cost (for grants not exceeding £27,000)		12%
Fee for technical assistance with a Renewals Grant - % of cost		10%
Fee chargeable in relation to Empty Homes cases - % of cost		10%
Solicitor "Fast Track" enquiries		40.00
Immigration survey request - per survey		200.00
Sheltered Housing		
Sheltered Communal Lounge hire (per hour)	13.20	13.20
Lifeline Response Charge (VAT n/a - per response)	20.80	20.80

Adult Social Care		
	2013/14 Rate	2014/15 Rate
Directorate: Social Care Health and Housing	£	£
Charges to Customers and Individuals		
Maximum Applicable charge following Financial Assessment		
Residential Care (VAT n/a)		
Linsell House (Home for Adults with Multiple Disabilities) (per week)	1,900.50	1,950.00
Day Opportunities and Day Care (VAT n/a)		
Day Centres for Adults with Learning Disabilities (per day)	52.50	54.00
Day and Social Centres for Older People (per day)	29.50	30.00
Travel to Day Centre (per journey)	1.50	1.55
Domiciliary Care		
Home Care (per hour) (VAT n/a)	18.20	17.00
Care provided in Supported Living units (per hour) (VAT n/a)	18.20	17.00
Care provided in Extra Care Sheltered Housing (per hour) (VAT n/a)	18.20	17.00
Telecare Services		
Telecare Service provided to meet eligible social care needs per week (VAT n/a)	4.10	4.20
Flat rate charge		
Meals: (VAT n/a)		
Frozen meal (per meal)	3.30	n/a
Hot meal (per meal)*	3.70	3.80
Meals at day centres (per meal)*	3.70	3.80
Telecare Monitoring Service		
Telecare Service provided outside social care eligibility criteria where customer has VAT exemption (VAT n/a)	4.10	4.20
Telecare Service provided outside social care eligibility criteria	4.90	5.00
Fee for Issue of a Blue Badge (statutory maximum charge)	10.00	10.00

Directorate: Social Care Health and Housing	2013/14 Rate	2014/15 Rate
	£	£
Charges to Organisations and Other Local Authorities		
Social Care Services		
Linsell House (Home for Adults with Multiple Disabilities) (per week)	1,900.50	2,100.00
Day Centres for Adults with Learning Disabilities incl. transport (per day) (VAT n/a)	64.50	66.00
Day Centres for Adults with Learning Disabilities excl. transport (per day) (VAT n/a)	52.50	54.00
Day Centres for Older People - per day incl. transport (per day) (VAT n/a)	43.80	45.00
Day Centres for Older People excl. Transport (per day) (VAT n/a)	29.50	30.00
Lettings: (VAT n/a)		
Side Room / Small Room		
up to 4 hours	29.40	30.00
additional hour	5.30	5.40
Main Hall		
up to 4 hours	42.00	43.00
additional hour	10.70	11.00
Kitchen		
up to 4 hours	14.10	14.50
Cost per Social Work hour	35.00	35.50
Best Interest Assessments / Deprivation of Liberty Safeguards (based on Association of Directors of Adult Social Services regulations)	600.00	600.00

	2013/14 Rate	2014/15 Rate
Directorate: Children's Services	£	£
Music Service VAT (n/a)		
Lesson Setting (Per Term)	Direct Debit	Direct Debit
Lower Schools		
Group	86.90	88.60
Individual	130.50	133.00
Middle, Upper and Community		
Group	86.90	88.60
Individual 20 mins	130.50	133.00
Middle and Upper		
Individual 30 mins	195.60	199.50
Individual 40 mins	260.80	266.00
Out of County and non-LEA schools		
Group	92.50 - 90.70 by DD	93.35 - 92.50 by DD
Individual 20 mins	144.20 - 141.40 by DD	147.00 - 144.30 by DD
Individual 30 mins	216.30 - 212.10 by DD	220.60 - 216.30 by DD
School Transport		
Concessions & Post 16 bus pass		
per term	149.80	149.80
half term	74.75	74.75
year	406.80	406.80
Replacement Bus Pass	four operators charge plus a handling fee of £10	four operators charge plus a handling fee of £10

	2013/14 Rate	2014/15 Rate
Directorate: Improvement & Corporate Services	£	£
	rounded to nearest 0.10p where applicable	rounded to nearest 0.10p (£5.00 for Registration) where applicable
Freedom of Information		
Requests that require 18 hours or less to compile	No charge	No charge
Requests that require 18 hours to compile	450.00	450.00
Additional cost per hour	25.00	25.00
Disbursement Costs		
Postage under £20	No charge	No charge
Postage £20 or over	Actual cost	Actual cost
E-mail Transmission	No charge	No charge
CD / DVD per disk	5.50	5.50
Registration (Fees jointly agreed with Beds Borough under a Service Level Agreement)		
Marriages - Approved Premises		
Local Authority Venue Monday - Thursday	115.00	
Local Authority Venue Friday	120.00	
Local Authority Venue Saturday	170.00	
Outside Venue Monday - Friday	400.00	415.00
Outside Venue Saturday	475.00	490.00
Outside Venue Sunday	530.00	550.00
Marriages and Civil Partnerships - Approved Premises (Local Authority Venue)		
Ceremony Rooms with maximum capacity of 70-100: Monday -Thursday		135.00
Ceremony Rooms with maximum capacity of 70-100: Friday		150.00
Ceremony Rooms with maximum capacity of 70-100: Saturday		200.00
Ceremony Rooms with maximum capacity of 40-69: Monday -Thursday		125.00
Ceremony Rooms with maximum capacity of 40-69: Friday		140.00
Ceremony Rooms with maximum capacity of 40-69: Saturday		175.00
Ceremony Rooms with maximum capacity of 7-39: Monday -Thursday		120.00
Ceremony Rooms with maximum capacity of 7-39: Friday		120.00

	2013/14 Rate	2014/15 Rate
Directorate: Improvement & Corporate Services	£	£
Fees set by General Register Office (per item)		
Notice of Marriage	35.00	35.00
Notice of Civil Partnership	35.00	35.00
Register Office Marriage	45.00	45.00
Register Office Civil Partnership Registration	45.00	45.00
Standard certificate of birth, death or marriage - form closed register	10.00	10.00
Short birth cert from closed register	10.00	10.00
Short birth cert issued at time of registration	Free	Free
Any other short birth cert issued at time of registration	4.00	4.00
Any other short birth cert issued after the time of registration	7.00	7.00
Standard certificate of birth, death or marriage - at the time of registration	4.00	4.00
Standard certificate of birth, death or marriage - after the time of registration	7.00	7.00
Civil Partnerships - certified copy or extract issued at the time of registration	4.00	4.00
Civil Partnerships - certified copy or extract issued after the time of registration	10.00	10.00
Attendance to take a notice - housebound or detained (e.g. prison)	46.00	46.00
Attendance to take a notice - detained (e.g. prison)	67.00	67.00
Attendance of SR to conduct marriage or CP - housebound or detained	82.00	82.00
Attendance of SR to conduct marriage or CP - detained	93.00	93.00
Register marriage at Church, housebound or detained - Registrar's fee	84.00	84.00
Register marriage at Church, housebound - Registrar's fee	79.00	79.00
Register marriage at Church, detained eg prison - Registrar's fee	86.00	86.00
Certificate of worship (to licence a building for worship)	28.00	28.00
Licence a religious building for marriage	120.00	120.00
General Search of the Indexes	18.00	18.00
Coroners		
Supply of transcript of inquest on CD	33.00	5.00
Additional copies of CD	11.02	5.00
Charge for paper copies per document of 10 pages or less	1.10	5.00
Charge for paper copies for each additional page		0.50
Fee for transcription of an inquest hearing of 360 words or less		6.20
Fee for transcription of an inquest hearing of between 361 and up to and including 1439 words		13.10
Fee for transcription of an inquest hearing of 1440 words or more, for the first 1440 words		13.10
Fee for transcription of an inquest hearing of 1440 words or more, after the first 1440 words, per each additional 72 words or part thereof		0.70

	2013/14 Rate	2014/15 Rate
Directorate: Improvement & Corporate Services	£	£
Elections		
For each register per 1000 names or part thereof - data format	£20.00 plus £1.50 per 1,000 (or part thereof)	£20.00 plus £1.50 per 1,000 (or part thereof)
For each register per 1000 names or part thereof - printed format	£10.00 plus £5.00 per 1,000 (or part thereof)	£10.00 plus £5.00 per 1,000 (or part thereof)
Local Land Charges		
Full Residential Search (LLC1 and Con29)	133.00	133.00
Full Commercial Search (LLC1 and Con29)	201.00	201.00
LLC1 Certificate of Search	20.00	20.00
Con 29 Local Enquiries (Residential)	113.00	113.00
Con 29 Local Enquiries (Commercial)	181.00	181.00
Part II optional	15.00	15.00
Solicitors own question	25.00	25.00
Additional parcel of land	13.50	13.50
Personal Search	Free	Free
Copy documents	2.24	2.24
Human Resources		
Disclosure and Barring Service (DBS) Checks		
Cost Per DBS check		
Standard	26.00	26.00
Enhanced	44.00	44.00
Administrative Charge	20.40	21.00

	2013/14 Rate	2014/15 Rate
Directorate: Improvement & Corporate Services	£	£
Local Taxation		
Cost of Collection		
Administration charge on Court Costs		
Council Tax	83.00	83.00
NDR	83.00	83.00
Communications		
Advertising in News Central		
Full page	1,600.00	News Central advertising is now provided on behalf of the council by Immediate Solutions. To find out about advertising rates and availability call 01422 354300
Half page	950.00	
Quarter page	550.00	
Eighth of page	280.00	
Legal Services		
S38	£133.00 per hour, minimum charge £1100.00	£140.00 per hour, minimum charge £1155.00
S278	173.00	182.00
Planning Agreements	173.00	182.00
Unilateral Undertaking (VAT n/a)	Minimum charge £500	Minimum charge £600
Notice of Registration (VAT n/a)	90.00	95.00
Consent to Postpone (VAT n/a)	90.00	95.00
Deed of Covenant (VAT n/a)	90.00	95.00
Consent to Sub-let (VAT n/a)	90.00	95.00
Deferred Payment Charge	225.00	236.00
ANO Paying	£133.00 per hour	£140.00 per hour
Leashold enquiries	£133.00 per hour	£140.00 per hour
Photocopying (external solicitors and other parties)	25p per sheet plus £5 admin	25p per sheet plus £5 admin

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Community Services	£	£
VAT not applicable unless stated		
Public Protection		
Licences - Animals		
Riding Establishments		
Full Licence		
1-5 Horses	120.00	123.00
6-12 Horses	180.00	184.00
13+ Horses	250.00	255.00
Provisional Licence	25% of relevant full fee	25% of relevant full fee
Dangerous Wild Animals	190.00	194.00
Renewal of Dangerous Wild Animals	80.00	82.00
Pet Shops	190.00	195.00
Animal Breeders	175.00	180.00
Animal Boarding Establishments	120.00	123.00
Animal Home Boarding	175.00	180.00
Animal Boarding and Breeding	225.00	230.00
Zoos	50.00 Plus costs calculated on basis of officer	50.00 Plus costs calculated on basis of officer
Grant / New	hourly rate for each hour spent	hourly rate for each hour spent
Renewal	Hourly rate = 45.00	hourly rate for each hour spent
Performing Animals (per licence)	33.00	34.00
Hackney Cabs and Private Hire Vehicles		
Licence Fee (12 months or less)		
Private Hire - New	240.00	250.00
Private Hire - Renew	162.00	170.00
Hackney Carriage - New	290.00	300.00
Hackney Carriage - Renew	220.00	230.00
Replacement Plate	25.00	26.00
Temporary Replacement Vehicle (3 Month Licence)	90.00	95.00
Variation / withdrawal / application administration fee	25.00	26.00
Private Hire Vehicle and Hackney Cab Driver Licence		
New or renewal combined 3 year driver's licence	150.00	155.00
New or renewal combined 1 year driver's licence	90.00	95.00
Driver Knowledge Test	25.00	26.00
Replacement badge	20.00	21.00
DBS enhanced check		44.00
Disclosure and Barring Scheme		15.00 admin fee
DVLA enquiry fee		7.00
Variation / withdrawal / application administration fee	25.00	26.00
Private Hire Operators Licence		
New Private Hire Operators Licence	195.00	200.00
Renewal Private Hire Operators Licence	72.00	75.00
Hackney cab and private hire vehicle licence - pre- application advice		
Per hour	25.00	26.00

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Community Services	£	£
VAT not applicable unless stated		
Transfer of Ownership of Vehicles		
Where the ownership of a vehicle already licensed by Central Bedfordshire Council is transferred to another person the following fees will be due by the new owner upon receipt of a successful application	110.00	115.00
Where the vehicle licence is transferred and is to remain in force until its expiry date	110.00	115.00
Petroleum Licence Fees		
Up to 2,499 litres		
1 year	42.00	42.00
3 years	126.00	126.00
2,500 up to 50,000 litres		
1 year	58.00	58.00
2 years		
3 years	174.00	174.00
Over 50,000 litres		
1 year	120.00	120.00
2 years		
3 years	360.00	360.00
Transfer of Petroleum Licence	8.00	8.00
Other Licensing		
Skin Piercing, including Tattooing, Acupuncture, Electrolysis and Ear Piercing		
One-off registration fees:		
Premises	151.90	155.00
Person	142.80	146.00
Person(if member of accredited body)	45.00	46.00
Lottery Cert		
Grant (statutory fee / charge)	40.00	40.00
Renewal (statutory fee / charge)	20.00	20.00
Gambling Act 2005 Premises Licence Fees:		
New Premises Licence	600.30	615.00
Vary a Premises Licence	600.30	615.00
Transfer a Premises Licence	154.00	158.00
Re-instatement of a Premises Licence	273.70	280.00
Provisional Statement	600.30	615.00
Premises Licence with a Provisional Statement	107.20	110.00
Copy of Licence	20.00	21.00
Notification of Change of Address	33.30	34.00
Annual Premises Licence Fee	273.70	280.00
Sex Shop/Cinema		
Grant	593.00	610.00
Renewal	416.20	425.00
Transfer or Variation	416.20	425.00
Sexual Entertainment Venues		
Grant	1,394.10	1,430.00
Renewal	998.80	1,025.00
Transfer or Variation	998.80	1,025.00
Poisons Act 1972:		
New entry or change of name on list	34.00	35.00
Subsequent renewal of name on list	18.00	19.00
Alteration to premises (where listed person is entitled to sell)	9.20	10.00

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Community Services	£	£
VAT not applicable unless stated		
Explosives Manufacture and Storage of Explosives Regulations 2005		
Storage:		
New - one year licence	178.00	178.00
New - two year licence	234.00	234.00
Renew - one year licence	83.00	83.00
Renew - two year licence	141.00	141.00
Registration:		
New - one year licence	105.00	105.00
New - two year licence	136.00	136.00
Renew - one year licence	52.00	52.00
Renew - two year licence	83.00	83.00
Variations/Replacements/Transfers	35.00	35.00
Fireworks Act 2003-Fireworks Regulations 2004 (licence for all year sale)	500.00	500.00
Contaminated Land		
Contaminated Land Enquiries		
To provide additional information to solicitors, developers etc.	90.50	93.00
Food		
Food Export Certificate	53.00	55.00
Food Hygiene Course Lecturing	65.60	67.00
Food Premises Register		
Full	1,009.20	1,030.00
Single Entry	19.80	20.00
Primary Authority status		
Other - Public Protection		
Water Sampling	Cost Recovery	Cost Recovery
Voluntary Surrender Certificate	105.10	108.00
Preparation of report for accident investigation	69.70	72.00
Street Trading - annual	390.20	400.00
Street Trading - One off event	87.40	90.00
Trading Standards		
Annual Membership Fee	189.30	189.30
Renewal Fee for Existing Member	142.50	142.50
United Kingdom Trade Confederation Membership Fee	159.20	159.20
United Kingdom Trade Confederation Renewal Fee	159.20	159.20
Trading Standards Approved Stickers		
per 100	13.60	13.90
per 500	18.80	19.00
per 1000	25.00	25.50
Consumer Guide Leaflet		
per 100	30.20	30.50
per 500	76.00	77.50
per 1000	155.00	158.50
Trading Standards Approved Plaque	38.50	39.50
Replacement/Additional Membership Certificate	13.60	13.90

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Community Services	£	£
VAT not applicable unless stated		
Licensing Act 2003		
Temporary Event Notices - new application		21.00
Premises Licences/club certificates - new application/variation fee:		
Rateable value band A - new application/variation fee		100.00
Rateable value band A - renewal fee		70.00
Rateable value band B - new application/variation fee		190.00
Rateable value band B - renewal fee		180.00
Rateable value band C - new application/variation fee		315.00
Rateable value Band C - renewal fee		295.00
Rateable value Band D - new application/variation fee		450.00
Rateable value Band D - renewal fee		320.00
Rateable value Band E - new application/variation fee		635.00
Rateable value Band E - renewal fee		350.00
In addition, a multiplier will be applied to town and city centre pubs (those in bands D and E) where they are exclusively or primarily in the business of selling alcohol:		
Rateable value Band D (x2) - town centre pub application fee		900.00
Rateable value Band D (x2) - town centre pub annual charge		640.00
Rateable value Band E (x3) - town centre pub application fee		1,905.00
Rateable value Band E (x3) - town centre pub annual charge		1,050.00
Minor Variation to Premises Licence		89.00
Transfer responsibility from DPS to management committee (where the premises already has a DPS)		23.00
Transfer of DPS on new applications or variations to add alcohol sales		Full/new variation fee
Personal Licence New/Renewal		37.00
Personal Licence Change Name/address		10.50
New from October 2013		
Scrap Metal Dealers Licence		
Collectors Licence (3 years)		455.00
Site Licence (3 years)		530.00
Community Safety		
Community Safety - Fixed Penalty Notices - charging the maximum allowed by law	Maximum / Discounted	Maximum / Discounted
Nuisance parking - cars for sale and repair	100 / 60	100 / 60
Abandoning a vehicle	200 / 140	200 / 140
Litter	80 / 50	80 / 50
Street litter control notices and litter clearing notices	100 / 60	100 / 60
Unauthorised distribution of free literature	80 / 50	80 / 50
Graffiti and fly posting	80 / 50	80 / 50
Failure to produce authority (Waste Transfer Notes)	300 / 200	300 / 200
Failure to possess a Waste Carriers Licence	300 / 200	300 / 200
Offence in relation to waste receptacles	100 / 60	100 / 60
Offences under Dog Control Orders	80 / 50	80 / 50
Failure to nominate key holder and inform Local Authority	80 / 50	80 / 50
Noise from licensed premises under Noise Act 1996	Not adopted	Not adopted
Allowing a dog to foul under Dog Fouling of Land Act 1979/Environmental Protection Act 1990	50.00 / no discount	50.00 / no discount

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Community Services	£	£
VAT not applicable unless stated		
Abandoned / End-of-life Vehicles		
To collect and dispose of end-of-life vehicles from domestic premises	Free (except caravans - contact the service)	
To collect and dispose of end-of-life vehicle or abandoned vehicles from non-domestic premises	28.10	see below
To collect and dispose of end-of-life vehicles		Free
To collect and dispose of end-of-life caravans		170.00
Highways and Transportation		
Temporary Traffic Regulation Orders (including where orders extended by applicant)		
Orders from companies	1,250.00	1,280.00
Orders from individuals	750.00	770.00
Temporary Traffic Regulation Orders for special events	1,250.00	1,280.00
Special Events Orders for charities and local authorities	155.00	160.00
Emergency Traffic Regulation Orders either through Highways or Countyside Access Teams		
Orders from companies	625.00	645.00
Orders from individuals	375.00	380.00
Scaffold Licences, excavation of carriageway and hoarding	105.00	108.00
Streetworks Licences	260.00	267.00
Road Opening Permit Fee (non refundable)	95.00	97.00
Road Opening Permits (Refundable Bond) - less £100 inspection fee	450.00	461.00
Additional charge for above, over 5m2 (Refundable Bond)	90.00 per m2	92.00 per m2
Additional charge for excavations of footway or verge (Refundable Bond)	30.00 per m2	31.00 per m2
Developer Directional Signage - per application (non refundable)	140.00	145.00 or cost if higher
Developer Directional Signage (per sign) refundable deposit	60.00	62.00
Off Street Car Parking Charges		
VAT applicable included at current standard rate		
Dunstable		
West Street (2hr time limit)	Free	Free
Westfield Road (3 hr time limit)	Free	Free
Houghton Regis		
Bedford Square (3 hr time limit)	Free	Free
Tithe Farm Road (3 hr time limit)	Free	Free
Leighton Buzzard		
Baker Street (2 hr time limit)	Free	Free
Linslade		
New Road (2 hr time limit)	Free	Free
Off Street Car Parking Charges Aston Square, St Mary's Gate, Eleanor's Cross		
2 Hour	0.50	0.50
3 Hour	1.50	1.50
5 Hour	3.50	3.50
All Day	6.00	6.00

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Community Services	£	£
VAT not applicable unless stated		
Off Street Parking Charges - Flitwick		
Monday to Friday		5.00
Saturday and Sunday		1.00
Off Street Parking Charges - all other		
1 Hour	0.50	0.50
2 Hour	1.00	1.00
3 Hour	1.50	1.50
5 Hour	3.50	3.50
All Day	6.00	6.00
Other parking charges		
Excess Overnight Charge for parking in multi storey car park		12.00
Overnight parking (before 6.00am and after 8.00pm) - off street	Free	Free
Sunday parking	Free	Free
Lost car park token		6.00
Penalty Charge Notices		
Charges set by government as national standard and cannot be changed without the direction of the government (VAT N/A)		
Standard Rate	70.00 (high level) 50.00 (low level)	70.00 (high level) 50.00 (low level)
Discounted Rate- if paid within 14 days	35.00 (high level) 25.00 (low level)	35.00 (high level) 25.00 (low level)
Charge Certificate stage	105.00 (high level) 75.00 (low level)	105.00 (high level) 75.00 (low level)
Court and Bailiff Stage	110.00 (high level) plus costs 80.00 (low level) plus costs	110.00 (high level) plus costs 80.00 (low level) plus costs
Permits		
Resident Permit per annum	10.00	10.00
Resident Permit: Incremental increased fee - 2nd vehicle	70.00	70.00
Resident Permit: Incremental increased fee -3rd and subsequent vehicle	90.00	90.00
Commercial Permit (for town centre businesses) (for use in CBC car parks)		
12 months	386.00	386.00
Employee (for town centre workers) (for use in CBC car parks)		
12 months	386.00	386.00
3 months	129.00	129.00
1 month	52.00	52.00
Market Trader Allocated Parking Bay - per pitch per market day		
12 months	64.00	64.00
1 day	3.50	3.50
General Public Permit (for use in CBC car parks) - 1 week	12.80	12.80
Dispensation - per day	5.00	5.00
Dispensation: per week	20.00	20.00
Visiting Carers Permit		Free
Book 25 visitor's day tickets	30.00	30.00
Disabled badge holders	Free in designated bays only	Free in designated bays only

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Community Services	£	£
VAT not applicable unless stated		
Highway Licences		
Deposit for scaffolding on or over highway	No charge	No charge
Deposit for hoarding/fences on highway	No charge	No charge
Consent to deposit materials on the highway	35.00	36.00
Oversailing of crane over the highway	105.00	108.00
Permission to place skip on highway	35.00	36.00
Provision of estimate for construction of crossover	105.00	110.00 (+ 10% admin fee)
Construction of crossover	At cost	At cost
Mobile Food Trading		
First application inspection fee		
Annual fee	51.00	52.50
Provision of H bar road markings	Cost	Cost
Charges for damaged highway assets	Cost	Cost
Concessionary Fares		
Replacement concessionary travel permits	10.00	10.50
Travel Aid Scheme	5.00	5.00
Room Hire Charges - hourly rate		
NB Requests for use of space (other than meeting rooms) will be negotiated by the library service on an individual basis		
Library Meeting Rooms:		
Flitwick Meeting Room:		
Within opening hours		
Commercial	19.80	21.50
Community	9.90	10.50
Outside opening hours		
Commercial	33.30	36.50
Community	23.50	25.50
Flitwick Small Meeting Room:		
Within opening hours:		
Commercial	13.60	14.00
Community	6.70	7.00
Outside opening hours:		
Commercial	26.00	29.00
Community	19.80	22.00
Biggleswade lvel Room:		
Within opening hours:		
Commercial	13.60	14.00
Community	6.70	7.00
Outside opening hours:		
Commercial	26.00	29.00
Community	19.80	22.00
Leighton Buzzard Learning Room 1 (first floor):		
Within opening hours:		
Commercial	n/a	14.00
Community	n/a	7.00
Outside opening hours:		
Commercial	n/a	29.00
Community	n/a	22.00
Leighton Buzzard Learning Room 2 (first floor):		
Within opening hours:		
Commercial	n/a	20.00
Community	n/a	10.00
Outside opening hours:		
Commercial	n/a	35.00
Community	n/a	25.00
Leighton Buzzard Activities Room:		
Within opening hours:		
Commercial	n/a	10.00
Community	n/a	5.00
Outside opening hours:		
Commercial	n/a	25.00
Community	n/a	20.00
Sandy Library Meeting Room (within opening hours):		
Commercial	13.60	14.00
Community	6.70	7.00
Houghton Regis Library Meeting Room (within opening hours):		
Commercial	13.60	14.00
Community	6.70	7.00
Dunstable Library Meeting Room (within opening hours):		
Commercial	13.60	14.00
Community	6.70	7.00

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Community Services	£	£
VAT not applicable unless stated		
Leighton Buzzard Theatre - Meeting Rooms (hourly charge):		
Leighton Buzzard Theatre Lounge Area:		
Within opening hours:		
Commercial	26.00	27.00
Community	18.40	19.00
Outside opening hours:		
Commercial	n/a	42.00
Community	n/a	34.00
Leighton Buzzard Theatre Meeting Room:		
Within opening hours:		
Commercial	20.40	21.00
Community	13.30	13.50
Outside opening hours:		
Commercial	n/a	36.00
Community	n/a	28.50
Leighton Buzzard Theatre Prices		
Auditorium - Non Performance		
Commercial per hour	40.80	42.00
Non commercial per hour	30.60	32.00
Sunday per hour - (4 hours minimum)	51.00	53.00
Auditorium - Performance		
VAT applicable at current standard rate		
Commercial - Mon-Wed per hour (4 hours minimum)	46.00	47.00
Non commercial - Mon-Wed per hour (4 hours minimum)	40.80	42.00
Commercial - Mon-Wed 9.30 to 23.00	591.60	609.00
Non commercial - Mon-Wed 9.30 to 23.00	510.00	525.00
Commercial - Thur-Sat per hour (4 hours minimum)	56.10	58.00
Non commercial -Thur-Sat per hour (4 hours minimum)	51.00	53.00
Commercial - Thur-Sat 9.30 to 23.00	663.00	683.00
Non commercial Thur-Sat 9.30 to 23.00	561.00	578.00
Auditorium - Non Performance Plus Meeting Room		
Commercial per hour		52.00
Non-Commercial per hour		38.00
Sunday per hour - (4 hours minimum)		73.00
Auditorium - Performance Plus Meeting Room		
VAT applicable at current standard rate		
Commercial per hour (4 hours minimum)		67.00
Non-Commercial per hour (4 hours minimum)		50.00
Commercial - Mon-Wed 9.30 to 23.00		685.00
Non-commercial - Mon-Wed 9.30 to 23.00		575.00
Commercial - Thur-Sat per hour (4 hours minimum)		78.00
Non commercial -Thur-Sat per hour (4 hours minimum)		60.00
Commercial - Thur-Sat 9.30 to 23.00		757.00
Non commercial Thur-Sat 9.30 to 23.00		628.00

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Community Services	£	£
VAT not applicable unless stated		
Other Charges		
Technician per hour - VAT applicable at standard rate	20.40	21.00
Late Vacating - to be charged at the appropriate hourly rate above (minimum charge one hour) -for VAT see above	30.60	See hourly rate above
Block bookings of 5 days inclusive of 'get in and get out' 20% discount		
Note - Technical hire is a separate item. In addition to the Fees and Charges a number of long standing and regular hirers have 'side agreements' within the Terms & Conditions of hire		
Libraries		
All items for hire are free to Registered blind, partially sighted and hearing impaired people, people with dyslexia, people with dyspraxia		
Audio Visual (per item)		
CDs - per week		
Standard rate	1.00	1.00
Concessions	0.50	0.50
Videos - per week		
Standard rate	1.50	1.50
Concessions & children's Videos	0.80	0.80
DVD's - per week		
Standard rate	2.35	2.50
Concessions and children's DVDs	1.25	1.25
Spoken Word CDs and Cassettes (3 week loan period)		
Standard rate	1.35	1.50
Concessions	0.75	0.75
Library Fines		
Standard		
per day open	0.25	0.26
Maximum (after 5 weeks)*	7.50	7.80
Concessions		
per day open	0.12	0.13
Maximum (after 5 weeks)*	3.60	3.90
Children's Tickets and Children's Books		
per day open	0.05	0.07
Maximum (after 5 weeks)*	1.50	2.10
CD's, DVD's and Videos.	Further hire charge is made	Further hire charge is made
Lost and Damaged items	Charge on library catalogue plus £1. If not on catalogue refer to Service Development Manager	Charge on library catalogue plus £1. If not on catalogue refer to Service Development Manager
Magazines - charged at face value plus	0.00	0.65
No charge for damaged books borrowed by or for children aged 0 – 5 years. Charges for lost children's books, adult books damaged by a child, or damaged audio visual items still apply.		
British Library Lost Book Charge		
(50% remission if subsequently returned)		
	Actual + 3.40 admin fee	Actual + 3.50 admin fee
Requests (viewpoint and staff assisted) charge per request		
Standard rate		
	1.20	1.20
Children's rate		
	No charge	No charge
Concessions		
	0.60	0.60
Additional charge for books borrowed from outside Bedfordshire		
	2.20	2.50
Vocal scores : per set of 5 - 30		
	6.10	6.10
Vocal scores per set of 31+		
	12.20	12.20
Request charges for 16 – 18 year olds are at the concessionary rate		
	0.60	0.60

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Community Services	£	£
VAT not applicable unless stated		
Lost Ticket Replacement		
Charge per lost ticket (Adult only)	1.00	1.50
Libraries - Photocopies and Print Outs - VAT included at standard rate		
i) Black and white photocopies, fax, CD-ROM and internet prints		
Per copy A4	0.10	0.10
A3	0.15	0.15
ii) Black and white microfilm reader/printers		
Per copy A4	0.35	0.35
iii) Colour CD-ROM and Internet prints containing photographs, artwork or charts	0.50	0.50
iv) Colour photocopies		
Per copy A4	1.00	1.00
A3	1.50	1.50
(Use discretion where library only has colour printers and print would have been b & w if available)		
Libraries fax charges per copy sent - Vat included at standard rate		
UK		
first sheet	1.50	1.55
subsequent sheets	0.70	0.75
Europe & N America		
first sheet	2.90	2.90
subsequent sheets	1.50	1.60
Rest of world		
first sheet	4.20	4.20
subsequent sheets	2.10	2.30
Receiving faxes (per sheet)	1.00	1.00
Receiving faxes from premium rate lines		
standard charge	3.40	3.50
plus price per sheet	1.00	1.20
Occasional local publications (to be agreed with Operations Manager)		At cost +commission
Events and activities for adults and children		Charge to be determined as appropriate by the service for events and activities outside the core offer
Internet access		
VAT included at standard rate		
First 2 hours		Free
Per hour		1.00
Archives - charges set by Bedford Borough as part of its responsibility under the SLA (published on their internet site)		

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Regeneration & Business Support	£	£
VAT applicable unless stated		
Building Control		
duplicate certificate - administration charge on projects prior to 1st April 2003	29.50	30.00
confirmation of satisfactory final inspection where certificate has not previously been issued	29.50	30.00
Site Inspection and letter of confirmation of satisfactory completion of works (Building Regs)	59.50	60.00
Sale of Plans - VAT applicable at standard rate		
A2	9.40	10.00
A1	11.90	12.00
A0	15.10	16.00
Street Naming		
Existing Property - House Name Change	60.20	62.00
New Property - Naming / Numbering		
1-5 Plots	180.50	185.00
6-25 Plots	301.90	310.00
26-75 Plots	725.20	750.00
76+ Plots	997.60	1,030.00
Additional charge where this includes naming a building (e.g. block of flats)	241.70	250.00
Existing Street - Rename	301.90	310.00
Existing Street - Rename - additional charge per property	60.20	62.00
New Street - Additional charge to house numbering where this includes naming of a street	241.70	250.00
Existing properties - additional charge where this includes naming of a building (e.g. block of flats)		
Heritage		
Use of Historic Environmental Records (HER):		
Per hour by visit	46.80	48.00
Per hour by remote enquiry	67.60	69.00
Development Management		
High Hedges		
High Hedges Legislation - Administer a complaint brought under Part 8 of Anti-Social Behaviour Act 2003	700.00	720.00
Concession for applicants on means tested benefit	50% reduction	
Section 106 Town & Country Planning Act 1990 Agreement - Larger Colour Documents	As A4 sheets + Plan Fee at cost	As A4 sheets + Plan Fee at cost
Tree Preservation Orders	As A4 sheets + Plan Fee at cost	As A4 sheets + Plan Fee at cost
Completion Certificates		
Section 106 Town & Country Planning Act 1990 Agreement and Unilateral Undertakings: Compliance monitoring fee (charges associated with monitoring obligations contained in agreements and undertakings):		
Unilateral Undertakings	312.10	320.00
Agreements	468.20	480.00
Section 38 Highways Act 1980 Agreements - Technical audit, administration and supervision - percentage based on estimated cost of works before a signed Agreement for a proposed road scheme is in place	11%	11% for schemes up to a value of £750K, For schemes above this the percentage to be negotiated
Section 38 Highways Act 1980 Agreements - Technical audit, administration and supervision - percentage based on estimated cost of works after a signed Agreement for a road scheme is in place	8.50%	8.5% for schemes up to a value of £750K, For schemes above this the percentage to be negotiated
Section 278 Highways Act 1980 Agreements - Administration of schemes for the improvement or alteration to a public highway - percentage of fee based on scheme value	7%	7%
Highway Enquiry and Search letters: per standard enquiry	16.00	17.00
Highway Enquiry & Search Letters : per non standard enquiry including VAT	49.20	51.00
Minerals Letters: per enquiry	43.70	45.00
Planning Application fees http://www.planningportal.gov.uk/planning/usefultools	Charges set nationally	
Mineral & Landfill Monitoring Fees - (nationally set fees)		
Current Site	Charges set nationally - not yet set	

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Regeneration & Business Support	£	£
VAT applicable unless stated		
Rights of Way		
Growth and Infrastructure Act documents:		
Landowner Statements (village greens)		
Processing applications:	44.80	Cost Recovery using flat rate fee of £48.00 per hr
Additional site notices		£20 each + mileage and travel time at £48/ hour
Highways statements and declarations (section 31 deposits)		
Processing applications		Cost Recovery using flat rate fee of £48.00 per hr
Definitive Map Modification Orders		
All aspects of processing applications	No Charge	No Charge
Public Path/Town & Country Planning Act Orders		
Pre application advice - only charged if an application is subsequently submitted and an order made.	Cost Recovery	Cost Recovery using flat rate fee of £48.00 per hr
Processing where no objection received	Cost Recovery	£2,000 or actual cost
Processing past point where an objection is received	No Charge	No Charge
Advertising costs	Cost Recovery	Cost Recovery based on charges from publishing paper
Public documents		
All copies listed below, sent by post, are subject to £2 P&P charge		
Definitive Statement	0.62	1.00
Confirmed Orders	3.70	4.00
Policy statements	11.40	12.00
Documents/requests relating to statutory procedures		
Completed user evidence forms	0.62	1.00
Witness interview write ups	0.62	1.00
Statutory declarations by Council officers [per hour]	35.40	48.00
Certified true copy of Definitive Statement	0.62	1.00
Certified true copy of Definitive Map		
per copy A4	22.50	23.20
per copy A3	30.00	31.00
per copy 60x80cm	40.00	41.20
GIS Maps		
A4	3.70	3.80
A3	7.20	7.50
A2	15.10	15.50
A1	19.30	20.00
A0	49.50	51.00
Other		
One-off Definitive Map searches, planning enquiries etc	58.10	60.00
Produce plan	35.40	Cost Recovery using flat rate fee of £48.00 per hr
Adult Skills Service		
Room Hire - Kingsland & Samuel Whitbread - per hour		
Within business hours		
Commercial	n/a - new	20.00
Community	n/a - new	10.00
Outside business hours		
Commercial	n/a - new	30.00
Community	n/a - new	20.00

Fees/Charges	2013/14 Rate	2014/15 Rate
Directorate - Regeneration & Business Support	£	£
VAT applicable unless stated		
Rights of Way		
Growth and Infrastructure Act documents:		
Landowner Statements (village greens)		
Processing applications:	44.80	Cost Recovery using flat rate fee of £48.00 per hr
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Adult Skills Service		
Room Hire - Kingsland & Samuel Whitbread - per hour		
Within business hours		
Commercial	n/a - new	20.00
Community	n/a - new	10.00
Outside business hours		
Commercial	n/a - new	30.00
Community	n/a - new	20.00

Pre-Application Advice – Charging & Information

CATEGORY	TYPE OF DEVELOPMENT	FEE
1	50 dwellings + Please speak to a Planning Officer regarding undertaking a PPA	£2,000 + £100 per dwelling
2	3000sqm + or 30-49 dwellings	£2,000
3	2000sqm – 2999sqm or 20 – 29 dwellings	£1,200
4	1000sqm – 1999sqm or 10 – 19 dwellings	£800
5	Under 1000sqm or 5 – 9 dwellings	£500
6	2 – 4 dwellings	£250
7	1 dwelling including replacement dwellings	£150
8	Household extensions, alterations, outbuildings, PD check or Change of Use (no floor space created) N.B. A formal determination can be obtained through a Lawful Development Certificate for half the normal planning fee.	£70

Categories 1- 4: 8 weeks process, up to 2 hours of officer meeting time, a written response, full consultation with relevant planning consultees

Categories 5- 6: 28 day process, up to an hour of officer meeting time, a written response, full consultation with relevant planning consultees

Category 7: 28 day process, a written response, full consultation with relevant planning consultees

Category 8: 28 day process, a written response, consultation at case officer's discretion.

Free – Listed Building Advice, Tree Preservation Advice, Requests for Information.

Any development not falling within the above categories please contact the planning department to discuss a fee for pre-application advice, this is likely to be no more than £500.

Building Regulation Charges			
2013/14 & 2014/15 Rates			
Standard Charges for the creation or conversion to New Dwellings			
No of Dwellings	Full Plans		Building Notice Charge
	Plan Charge	Inspection Charge	
	£	£	£
1	195.00	460.00	655.00
2	255.00	515.00	770.00
3	315.00	635.00	950.00
4	375.00	690.00	1,065.00
5	435.00	870.00	1,305.00
6	495.00	930.00	1,425.00
7	555.00	985.00	1,540.00
8	615.00	1,110.00	1,725.00
9	675.00	1,225.00	1,900.00
10	725.00	1,350.00	2,075.00
11	775.00	1,420.00	2,195.00
12	825.00	1,490.00	2,315.00
13	875.00	1,615.00	2,490.00
14	925.00	1,685.00	2,610.00
15	975.00	1,815.00	2,790.00
16	1,025.00	1,880.00	2,905.00
17	1,075.00	2,005.00	3,080.00
18	1,125.00	2,075.00	3,200.00
19	1,175.00	2,205.00	3,380.00
20	1,225.00	2,335.00	3,560.00

Domestic Extensions to a Single Building					
SINGLE STOREY EXTENSIONS					
Category	Description	Plan Charge	Inspection Charge	Building	Additional Charge
		£	£	£	£
1	Single Storey Extension floor area not exceeding 40m2	160.00	195.00	355.00	60.00
2	Single Storey Extension exceeding 40m2 but not exceeding 60m2	160.00	285.00	445.00	60.00
3	Single Storey Extension exceeding 60m2 but not exceeding 100m2	160.00	375.00	535.00	60.00

TWO STOREY EXTENSIONS					
Category	Description	Plan Charge	Inspection Charge	Building	Additional Charge
		£	£	£	£
4	Two Storey Extension floor area not exceeding 60m2	160.00	285.00	445.00	60.00
5	Two Storey Extension exceeding 60m2 but not exceeding 100m2	160.00	375.00	535.00	60.00

LOFT CONVERSIONS					
Category	Description	Plan Charge	Inspection Charge	Building	Additional Charge
		£	£	£	£
6	Loft conversion not exceeding 40m2 floor area	160.00	255.00	415.00	60.00
7	Loft conversion exceeding 40m2 floor area but not exceeding 100m2	160.00	375.00	535.00	60.00

GARAGES AND CARPORTS					
Category	Description	Plan Charge	Inspection Charge	Building	Additional Charge
		£	£	£	£
8	Erection or extension of a non exempt attached or detached domestic garage or carport up to 100m2	160.00	140.00	300.00	60.00
9	Conversion of a garage to a dwelling to a habitable room(s)	210.00	Nil	210.00	60.00
10	Alterations to extend or create a basement up to 100m2	210.00	Nil	210.00	60.00

DOMESTIC ALTERATIONS TO A SINGLE BUILDING						
Category	Description	Basis of Charge	Plan Charge	Inspection Charge	Building Notice Charge	Reduction for work carried out at the same time as an extension
		£	£	£	£	
1	The installation of a controlled fitting or other building work ancillary to the building of an extension	Included in charge for extension	n/a	n/a	n/a	n/a
2	Traditional Underpinning	Up to 25m in length	265.00	Nil	265.00	50.00
3	Renovation of a thermal element	Fixed Price	200.00	Nil	200.00	50.00
4	Other Alterations, installations of fittings (not electrical) and/or structural alterations. (If ancillary to the building of an extension no additional charge)	Fixed Price Based on Estimated Cost Bands				
		Estimated Cost up to £5000	175.00	Nil	175.00	
		Estimated Cost exceeding £5000 up to £25,000	175.00	150.00	325.00	
		Estimated cost exceeding £25,000 up to £50,000	175.00	300.00	475.00	
		Estimated cost				

PRE-APPLICATION ENQUIRY CHARGING REGIME FOR MINERALS & WASTE

Pre-application advice in writing following a formal written enquiry, including allowance for a single meeting with one or two officers for up to 2 hours

A flat fee of £510 will be charged for pre-application advice on the following matters :

1. Waste Management Development including landfilling, landraising, built development and associated land/facilities. These would include, but not exclusively, energy from waste facilities, gasification plants, mechanical biological treatment (MBT)_pyrolysis, composting, anaerobic digesters, household recycling centres, waste transfer stations, materials recycling facility,
2. New mineral winning and working sites and extensions including the use of land for storage of minerals in the open or for the deposit of materials remaining after mineral extraction and any
3. All applications for variations of existing planning permissions for Waste Management Development including landfilling, waste disposal and landraising and the winning and working of
4. Review of Old Mineral/Mining Permissions (ROMPS) or Interim Development Orders (IDOs)
5. Certificates of Lawfulness or Existing Use or Development OR Certificates of Lawfulness of Proposed Use or development for all mineral and waste development.

A fee of £155 will be charged for pre-application advice on the following:

Discharge of pre-development conditions or request for confirmation of compliance with conditions

Subsequent / follow up meetings:

charged at £80.

Pre-application advice in writing following a formal written enquiry (excluding meetings)

£180 standard charge (*all categories of development as identified above*)

Nb. In accordance with the fee exemptions set out in the current Town and Country Planning (Fees for Applications and Deemed Applications) (Amendment) (England) Regulations 2008, Parish and

Complex and/or significant proposals:

Proposals which require a number of meetings, specialist advice from a number of subject areas and a schedule of timescales for determination of the application may be subject to Planning Performance Agreement (PPA) although this is not mandatory. Each PPA must be agreed on its

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Meeting: Executive
Date: 4 February 2014
Subject: Capital Programme 2014/15 to 2017/18
Report of: Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources
Summary: The report proposes the Capital Programme (excluding HRA) for the four years from 1 April 2014.

Advising Officer: Charles Warboys, Chief Finance Officer
Contact Officer: Ralph Gould, Head of Financial Control
Public/Exempt: Public
Wards Affected: All
Function of: Executive
Key Decision No
**Reason for urgency/
exemption from call-in
(if appropriate)** Not applicable

CORPORATE IMPLICATIONS

Council Priorities:

As a key part of the Council's overall financial plan the Capital Programme supports the delivery of all the organisation's priorities.

Financial:

1. As a component of the Council's Medium Term Financial Plan (MTFP) the financial implications of the proposed changes to the Capital Programme are set out within the body of the report.

Legal:

2. The Capital Programme forms part of the Council's budget as defined in the Constitution. It includes funding that is required to enable the authority to discharge its statutory obligations and failure to approve the Capital Programme may therefore have implications on the Council's ability to comply with these obligations.

3. The Local Government Act 2003 (as amended) emphasises the importance of sound and effective financial management. In relation to capital financing, there is a statutory requirement for each local authority to set and arrange their affairs to remain within prudential limits for borrowing and capital investment. There is a statutory duty on the Chief Finance Officer to report to the Council, at the time the budget is considered and the council tax set, on the robustness of the budget estimates and the adequacy of financial reserves.

Risk Management:

4. The affordability and sustainability of the proposed Capital Programme is particularly dependent on the generation of capital receipts, external grants and contributions, the level of interest rates and the Council's ability to access external borrowing. The Council seeks to manage the various risks associated with funding its capital plans through a number of regularly updated strategies and policies (e.g. the Medium Term Financial Plan, the Treasury Management Strategy and prudential indicators). Performance against the capital plan is regularly monitored and reviewed and the Council aims to maintain a prudent level of General Fund Reserves and liquidity.

Staffing (including Trades Unions):

5. Not applicable.

Equalities/Human Rights:

6. Where appropriate, Equalities Impact Assessments will be carried out for proposals.

Public Health:

7. Not applicable.

Community Safety:

8. Under section 17 of the Crime and Disorder Act 1998 the Council has a duty to consider community safety issues across all of its functions. In developing and implementing the detailed business cases supporting the various Capital Programme projects officers have considered relevant community safety issues.

Sustainability:

9. Schemes include works to promote more sustainable modes of travel and improve the lifespan of assets and reduce energy consumption.

Procurement:

10. Procurement will be actively involved in the delivery of the programme to ensure that we maximise value for money when tendering for capital schemes and that we meet statutory and legislative requirements.

Overview and Scrutiny:

11. Detailed comments from the Overview & Scrutiny (O&S) Committee meetings will be set out in Appendix B (if required). At the time of writing this report the O&S Committees had not met. Appendix B will therefore be tabled if required at the Executive meeting on 4 February.

RECOMMENDATION:

The Executive is asked to recommend the Council to:

- 1. approve the Capital Programme for 2014/15 to 2017/18.**

Reason for Recommendation: To confirm the Capital Programme for the Council's MTFP 2014 – 2018 and associated Prudential Indicators.

Executive Summary

12. The Council's capital programme has been reviewed during the current financial year and there have been a number of changes to profiles, reductions and additions.
13. Capital programme development continues to be dominated by a few large projects including the requirement to provide Schools Places, the enhanced waste disposal facilities and Woodside Link. The development of Flitwick Leisure Centre has also been added to the Medium Term Financial Plan.
14. A driving principle underlying capital programme development has always been to minimise the revenue impact in future years arising from interest payments and the Minimum Revenue Provision (MRP) or alternatively, to identify future revenue resources to facilitate borrowing for capital purposes in a sustainable and prudent manner.
15. The budget proposed in this report reduces revenue liabilities against those already earmarked in the medium term financial plan. However risks associated with the realisation of capital receipts, the movement of interest rates and future programmes/liabilities could adversely impact future revenue financing.
16. A summary of the proposed capital programme has been included in Appendix A and shows individual schemes alongside the financing source for each scheme. Particular attention is drawn to schemes that require the use of the Council's own resources i.e. capital receipts or unsupported borrowing as it is these schemes that create future revenue liabilities.
17. Capital receipt projections for the 2014/15 to 2017/18 period have been reviewed in year and forecasts have been revised downwards, particularly in 2016/17 and 2017/18, due to lower anticipated Local Development Fund (LDF) receipts.
18. The Housing Revenue Account (HRA) Capital Programme is included as part of a separate report and is therefore excluded from this report.

Summary of Capital Programme 2014/15 to 2017/18

19. Capital investment is required to ensure the delivery of the Council's priorities but the programme needs to be both affordable and sustainable. Capital expenditure that is not financed through existing capital resources (e.g. grants, developer contributions and capital receipts) will reduce revenue resources over the longer term by incurring additional capital financing costs.
20. The table below shows a summary of the capital programme reflecting revisions in year and a planning assumption of 20% per annum slippage in programme spend. The detailed programme is presented in Appendix A.

Table 1 – 2014/18 Medium Term Financial Plan Capital Programme (excluding HRA and assuming 20% annual programme slippage)

	2014/15** £000	2015/16 £000	2016/17 £000	2017/18 £000
Gross Expenditure	90,053	107,532	80,814	51,471
Funded by:				
Less: Grants & Contributions	(36,898)	(54,700)	(41,907)	(29,967)
Capital Receipts	(7,450)	(11,200)	(8,845)	(5,850)
Borrowing*	(45,705)	(41,632)	(30,062)	(15,654)
Total Funding	(90,053)	(107,532)	(80,814)	(51,471)

* Includes internal borrowing whilst cash balances permit. It is estimated that external borrowing will be required from 2014/15.

** Includes actual forecast slippage from 2013/14.

Expenditure and income in each year is reduced by 20% to exclude slippage and increased by 20% deferred from the previous year.

Specifically, the figure for 2014/15 includes an allowance for schemes approved for spend in 2013/14 which will be deferred into 2014/15. This therefore assumes that the 2013/14 capital programme will be fully delivered by the end of 2014/15.

- 21 By including an assumption of 20% of capital schemes being deferred, there is recognition that dependencies within the capital programme exist (for example on third parties, including external funders) and often capital schemes are deferred from one year to the next as delivery is delayed.

Financing of the Capital Programme

- 22 The full financing cost of the proposed Capital Programme, including what has been built into the base budget are:

Table 2 – 2014/18 Annual Revenue Implications of Capital Programme compared to Original Budget

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Base Budget b/f	14,107	15,732	17,020	-
Additional Charge	(1,061)	(1,417)	(1,007)	-
Total Charge	13,046	14,315	16,013	17,439

Estimated revenue costs are lower than the base budget from 2014-2017.

- 23 The table above sets out the position over the medium term. Although there is less certainty in determining future spend and financing, the table shows that the Capital Programme will continue to produce cost pressures without further generation of new capital receipts and external grants and contributions.

Interest Rates

- 24 The Council has borrowed internally from its own cash balances to fund the capital programme, as opposed to borrowing from financial markets. Cash balances support the Council's reserves, grants received in advance and amounts due to creditors. As at 31 March 2013 the Council had borrowed £75.4m from its own balances to fund capital expenditure. It is anticipated that external borrowing will be required from 2014/15 once cash balances are fully utilised.
- 25 Revenue implications of the capital programme have been calculated on the assumption that any borrowing will be taken on a variable short term basis to the extent permitted by the Council's Treasury Management Strategy, taking advantage of current low interest rates.
- 26 The rate of interest used is important in determining revenue implications of borrowing arising from the capital programme. There is a risk that interest rates may increase or be higher than current rates when it comes to borrowing or refinancing debt taken out on a short term basis. This would lead to higher revenue implications arising from the capital programme over the longer term, most likely beyond the current Medium Term Financial Plan period.
- 27 The Council reviews its Treasury Management Strategy annually and monitors financial markets on an on-going basis. It is possible that, based on market conditions, the Council may choose to borrow at a fixed rate of interest to reduce exposure to variable debt. Fixed interest rates are higher than variable rates and any decision to fix these in the short term would adversely impact revenue implications within the Medium Term Financial Plan Period.

Capital Receipts

- 28 The medium term forecast includes substantial new capital receipts in respect of the LDF project. These are heavily dependant upon progress with planning and the state of the housing market with regard to timing and valuation.
- 29 The generation and timing of new capital receipts is critical to the capital programme over the medium term and represent a specific risk as to its sustainability and affordability.
- 30 Capital receipt projections have been revised down from the projections included in the 2013/14 Council approved capital programme due to a reduction in forecasted LDF receipts. The table below compares the projections included in this capital programme compared to the revised figures.

Table 3 – Capital receipts movement between 2013/14 Council Approved Capital Programme and revised 2014/15 Capital Programme

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Original Forecast Receipts	(6,308)	(11,897)	(14,963)	(16,538)
Revised Forecast 13/14	(7,450)	(11,200)	(8,845)	(5,850)
Total Change	(1,142)	697	6,118	10,688

Reserve List

- 31 Appendix A includes a list of reserve schemes, which the Council will progress if the revenue impacts can be accommodated within the approved revenue budget.
- 32 Approval of reserve list schemes which require Council resources would be required by the Executive, following the production of outline and detailed business cases and confirmation from the Chief Finance Officer and the Deputy Leader and Executive Member for Corporate Resources that the schemes can be incorporated in the revenue budget for the financial year.

- 33 The total costs of schemes on the reserves list are enclosed below. Inclusion of any of the reserve list schemes without removing the equivalent amount of net expenditure from the capital programme would increase the impact on revenue over the medium term financial plan period.

Table 4 – Net Cost of Total Reserve List Schemes 2013/18

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	Total £000
Total Net Cost of Reserve List Schemes	17,830	20,850	10,090	6,540	55,310

Major Capital Schemes

- 34 **Enhanced Waste Disposal Facilities** The Capital Programme includes estimated expenditure on this project. Costs are currently being finalised and the project will be subject to a separate report to the Executive. The original capital programme agreed that capital receipts for 2016/17 and 2017/18 would be earmarked to fund this project. Table 3 above shows reduced forecasts for capital receipts in those years and any shortfall will have to be made up by additional borrowing.
- 35 **Woodside Link**
The Capital Programme includes expenditure of £36m on the Woodside Link Road over 2014 – 2017 (total project cost £42m). It was anticipated in the Capital Programme Report to the Executive in February 2013 that this would be initially funded by borrowing and the Council would explore funding sources to offset the borrowing costs of this project. The project has since been awarded £5m of external funding. The Local Transport Board for the South East Midlands has agreed an indicative allocation of a further £10m for this project, subject to an agreed business case which is currently being developed. This represents good progress in securing external funding for this project and justifies the same assumption to be held in regard to this project going forward.
36. **Flitwick Leisure Centre**
Flitwick Leisure Centre has been separately approved by the Executive and figures have been included in the Medium Term Financial Plan in Appendix A.
37. The project is to be part funded by the sale of adjoining land for residential development at the end of the project, with the remainder recovered through increased revenue income from the redeveloped leisure centre after it becomes operational in 2016/17.

Background Papers:

None

Appendices:

Appendix A – Full capital programme 2014-18 and Reserve list

Appendix B – Overview and Scrutiny comments to be table (if required)

Appendix A – Revised Capital Programme

Directorate	Scheme Title	2014/15 Capital Budget				2015/16 Capital Budget				2016/17 Capital Budget				2017/18 Capital Budget				Total Budget 2014/15 - 2017/18			
		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	
Children's Services	New School Places	16,953	-16,953	0	31,117	-31,117	0	23,926	-22,843	1,084	12,958	-12,958	0	84,954	-83,871	1,084		84,954	-83,871	1,084	
Children's Services	Schools Capital Maintenance	2,200	-2,200	0	2,100	-2,100	0	2,000	-2,000	0	2,000	-2,000	0	8,300	-8,300	0		8,300	-8,300	0	
Children's Services	Schools Devolved Formula Capital	470	-470	0	460	-460	0	450	-450	0	450	-450	0	1,830	-1,830	0		1,830	-1,830	0	
Children's Services	Temporary Accommodation	400	0	400	400	0	400	400	0	400	0	400	0	1,600	0	400		1,600	0	400	
Children's Services	Schools Access Initiative	200	0	200	200	0	200	200	0	200	0	200	0	800	0	200		800	0	200	
Children's Services	2 year old entitlement	704	-704	0	0	0	0	0	0	0	0	0	0	704	-704	0		704	-704	0	
Community Services	Highways Structural Maintenance Block	3,571	-3,571	0	3,500	-3,500	0	3,500	-3,500	0	3,500	-3,500	0	14,071	-14,071	0		14,071	-14,071	0	
Community Services	Highways Structural Maintenance Additional Expenditure	4,075	0	4,075	2,100	0	2,100	3,125	0	3,125	0	3,125	0	12,425	0	3,125		12,425	0	3,125	
Community Services	Highways Fixed Cost Services (Lump Sums)	1,850	0	1,850	1,850	0	1,850	1,850	0	1,850	0	1,850	0	7,400	0	1,850		7,400	0	1,850	
Community Services	Additional Local Highways Maintenance Funding	1,367	-367	1,000	0	0	0	0	0	0	0	0	0	1,367	-367	0		1,367	-367	0	
Community Services	Highways Integrated Schemes	1,882	-1,882	0	1,882	-1,882	0	1,000	-1,000	0	1,000	-1,000	0	5,764	-5,764	0		5,764	-5,764	0	
Community Services	Highways Planned Maintenance	870	0	870	870	0	870	870	0	870	0	870	0	3,480	0	870		3,480	0	870	
Community Services	Highways Street Lighting (Efficiency)	1,675	0	1,675	1,163	0	1,163	850	0	850	0	850	0	4,538	0	850		4,538	0	850	

Appendix A – Revised Capital Programme

Directorate	Scheme Title	2014/15 Capital Budget				2015/16 Capital Budget				2016/17 Capital Budget				2017/18 Capital Budget				Total Budget 2014/15 - 2017/18			
		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	
Community Services	Highways Street Lighting Maintenance Backlog	750	0	750	750	0	750	0	0	0	0	0	0	0	0	0	0	1,500	0	1,500	0
Community Services	Highways Bridge Assessment and Maintenance	950	0	950	750	0	750	0	750	0	750	0	750	0	750	0	750	3,200	0	3,200	0
Community Services	Co-ordinated non-emergency repairs whilst undertaking emergency repairs on roads	775	0	775	750	0	750	0	725	0	725	0	725	0	725	0	725	2,975	0	2,975	0
Community Services	Stratton Street Railway Bridge	210	0	210	2,290	0	2,290	0	0	0	0	0	0	0	0	0	0	2,500	0	2,500	0
Community Services	West street Car park Leighton Buzzard	140	0	140	360	0	360	0	360	0	360	0	360	0	360	0	360	500	0	500	0
Community Services	Winter maintenance fleet	800	0	800	0	0	0	0	0	0	0	0	0	0	0	0	0	800	0	800	0
Community Services	Fleet replacement programme	250	0	250	250	0	250	0	250	0	250	0	250	0	250	0	250	1,000	0	1,000	0
Community Services	Co-ordinated replacement of street furniture as a result of vehicle damage	150	0	150	150	0	150	0	150	0	150	0	150	0	150	0	150	600	0	600	0
Community Services	Highway Maintenance Grant	0	0	0	500	-500	0	0	500	-500	0	0	500	-500	0	0	0	1,500	-1,500	0	0
Community Services	Highways Flooding & Drainage	340	0	340	340	0	340	0	340	0	340	0	340	0	340	0	340	1,360	0	1,360	0
Community Services	Waste & Recycling Containers - Provision of Replacement bins & containers.	263	-10	253	276	-10	266	280	290	-10	280	280	304	-10	294	294	294	1,133	-40	1,093	1,093
Community Services	Sundon / Bluewater Landfill Sites	10	-423	-413	400	-400	0	300	400	-100	300	300	289	-923	289	289	289	1,099	-923	176	176

Appendix A – Revised Capital Programme

Directorate	Scheme Title	2014/15 Capital Budget				2015/16 Capital Budget				2016/17 Capital Budget				2017/18 Capital Budget				Total Budget 2014/15 – 2017/18			
		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	
Community Services	Waste Infrastructure Grant	428	-428	0	0	0	0	0	0	0	0	0	0	0	0	0	0	428	-428	0	0
Community Services	Enhanced Waste Disposal Facilities	6,000	0	6,000	0	15,000	0	10,000	0	10,000	0	10,000	0	0	0	0	0	31,000	0	0	31,000
Community Services	Leisure Strategy Implementation Invest to Save Project	1,800	0	1,800	0	1,100	0	1,100	0	300	0	300	0	0	0	0	0	3,200	0	0	3,200
Community Services	Leisure Strategy Implementation Flitwick Leisure centre Phase 1 - Football pitches	640	0	640	0	0	0	0	0	0	0	0	0	0	0	0	0	640	0	0	640
Community Services	Flitwick Leisure Centre redevelopment	4,461	0	4,461	0	7,529	0	7,529	0	179	-2,500	-2,321	0	0	0	0	0	12,169	-2,500	9,669	9,669
Community Services	Condition/Asset Management Plan	500	0	500	0	500	0	500	0	500	0	500	0	0	0	0	0	2,000	0	0	2,000
Community Services	CCTV	200	0	200	0	0	0	0	0	0	0	0	0	0	0	0	0	200	0	0	200
Community Services	Biggleswade Parking Improvements	125	-125	0	0	0	0	0	0	0	0	0	0	0	0	0	0	125	-125	0	0
Community Services	Speed Camera Upgrades to Digital Enforcement	750	0	750	0	0	0	0	0	0	0	0	0	0	0	0	0	750	0	0	750
Improvement & Corporate Services	Thorn Turn	150	0	150	0	0	0	0	0	0	0	0	0	0	0	0	0	150	0	0	150
Improvement & Corporate Services	CBC Corporate Property Rolling Programme	1,500	0	1,500	0	1,500	0	1,500	0	1,500	0	1,500	0	0	0	0	0	8,000	0	0	8,000
Improvement & Corporate Services	North of Luton	0	0	0	0	250	0	250	0	500	0	500	0	0	0	0	0	750	0	0	750
Improvement & Corporate Services	Kingsland Campus	0	0	0	0	150	0	150	0	0	0	0	0	0	0	0	0	150	0	0	150

Appendix A – Revised Capital Programme

Directorate	Scheme Title	2014/15 Capital Budget				2015/16 Capital Budget				2016/17 Capital Budget				2017/18 Capital Budget				Total Budget 2014/15 - 2017/18			
		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	
Improvement & Corporate Services	Stratton Ph4 Access	750	0	750	0	0	0	0	0	0	0	0	0	0	0	0	0	750	0	750	0
Improvement & Corporate Services	Arlesey Phase 1	550	0	550	0	0	0	0	0	0	0	0	0	0	0	0	0	550	0	550	0
Improvement & Corporate Services	Farm Estate Capital works	115	0	115	0	0	0	0	0	0	0	0	0	0	0	0	0	115	0	115	0
Improvement & Corporate Services	ICT Strategic Investment	1,000	0	1,000	0	1,000	0	1,000	0	1,000	0	1,000	0	1,000	0	1,000	0	4,000	0	4,000	0
Improvement & Corporate Services	IA Infrastructure Rolling Programme	500	0	500	0	500	0	500	0	500	0	500	0	500	0	500	0	2,000	0	2,000	0
Improvement & Corporate Services	Asbestos / Health & Safety	400	0	400	0	400	0	400	0	400	0	400	0	400	0	400	0	1,600	0	1,600	0
Improvement & Corporate Services	Energy Efficiency Measures / Carbon Reduction Improvements	300	0	300	0	300	0	300	0	300	0	300	0	300	0	300	0	1,300	0	1,300	0
Improvement & Corporate Services	Customer First Phase 2	622	0	622	0	445	0	445	0	445	0	445	0	445	0	445	0	1,067	0	1,067	0
Improvement & Corporate Services	PSN Re-Architecture and Compliance Phase 2	500	0	500	0	500	0	500	0	500	0	500	0	500	0	500	0	500	0	500	0
Improvement & Corporate Services	Customer First	300	0	300	0	300	0	300	0	300	0	300	0	300	0	300	0	300	0	300	0
Improvement & Corporate Services	Applications Architecture Phase 2	250	0	250	0	250	0	250	0	250	0	250	0	250	0	250	0	250	0	250	0

Appendix A – Revised Capital Programme

Directorate	Scheme Title	2014/15 Capital Budget					2015/16 Capital Budget					2016/17 Capital Budget					2017/18 Capital Budget					Total Budget 2014/15 - 2017/18				
		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000				
Improvement & Corporate Services	Integrated Asset Management System	150	0	150	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	150	0	150				
Improvement & Corporate Services	Consolidation of Applications	50	0	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	50	0	50				
Improvement & Corporate Services	LDF related costs for land in Arlesey, North of Houghton Regis, North of Luton and Stratton Park Biggleswade.	750	0	750	750	0	750	0	750	0	750	0	500	0	500	0	500	0	500	2,500	0	2,500				
Regeneration	East West Rail (Western Section)	30	0	30	40	0	40	0	40	0	40	0	40	0	40	0	2,560	0	2,560	2,670	0	2,670				
Regeneration	Luton Dunstable Busway	2,000	0	2,000	2,000	0	2,000	0	2,000	0	2,000	0	2,000	0	2,000	0	0	0	0	6,000	0	6,000				
Regeneration	F10 (next generation broadband project)	0	0	0	0	0	0	0	0	0	0	0	500	-250	250	1,500	-750	750	2,000	-1,000	1,000					
Regeneration	Section 278 Schemes	0	0	0	1,000	-1,000	0	1,000	-1,000	0	1,000	-1,000	0	1,000	-1,000	0	3,000	-3,000	0	3,000	-3,000	0				
	Rights of Way Network and Countryside and Heritage Sites - Structural Renewal and Improvement Works	250	0	250	250	0	250	0	250	0	250	0	250	0	250	0	250	0	250	1,000	0	1,000				
Regeneration	Outdoor Access and Greenspace Improvement Projects	233	-83	150	250	-100	150	250	-100	150	250	-100	150	250	-100	150	250	-100	150	983	-383	600				
Regeneration	Houghton Hall Urban Country Park (2014/15 onwards previous reserve scheme)	56	-50	6	1,646	-1,468	178	229	-204	25	194	-173	21	2,125	-1,895	230	2,125	-1,895	230	2,125	-1,895	230				
Regeneration	Woodside Link	16,921	-5,000	11,921	13,574	-10,000	3,574	5,400	0	5,400	0	5,400	0	5,400	-20,000	15,995	35,995	-20,000	15,995	35,995	-20,000	15,995				
Regeneration	Dunstable A5/M1 Link Road Strategic Infrastructure	20	0	20	20	0	20	20	0	20	0	20	20	0	20	0	20	0	20	80	0	80				

Appendix A – Revised Capital Programme

Directorate	Scheme Title	2014/15 Capital Budget				2015/16 Capital Budget				2016/17 Capital Budget				2017/18 Capital Budget				Total Budget 2014/15 - 2017/18			
		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	Gross Expenditure £'000	External Funding £'000	Met Expenditure £'000	Gross Expenditure £'000	External Funding £'000	Met Expenditure £'000	Gross Expenditure £'000	External Funding £'000	Met Expenditure £'000	Gross Expenditure £'000	External Funding £'000	Met Expenditure £'000	Gross Expenditure £'000	External Funding £'000	Met Expenditure £'000	Gross Expenditure £'000	
Regeneration	Local Broadband Infrastructure	-826	383	-443	4,394	-3,364	1,030	1,301	-1,301	0	0	0	0	0	0	0	4,869	-4,282	0	587	
Regeneration	Land Drainage Work (Non Highways)	0	0	0	60	0	60	60	0	60	0	60	0	0	0	0	120	0	0	120	
Regeneration	Swiss Garden Heritage Lottery Fund Project	100	0	100	58	0	58	58	0	58	0	58	0	0	0	0	216	0	0	216	
Regeneration	Local Flood Defence Scheme	333	0	333	333	0	333	0	0	333	0	0	0	0	0	0	666	0	0	666	
Regeneration	Biggleswade Transport Interchange	450	-230	220	550	-148	402	0	0	402	0	0	0	0	0	0	1,000	-378	0	622	
Regeneration	Leighton Buzzard Transport Interchange	150	-150	0	850	0	850	0	0	850	0	0	0	0	0	0	1,000	-150	0	850	
Regeneration	A1 South Roundabout (Biggleswade)	2,000	-1,500	500	0	-1,000	-1,000	0	0	0	0	0	0	0	0	0	2,000	-2,500	0	-500	
Regeneration	Local Sustainable Transport Fund (LSTF)	395	-395	0	0	0	0	0	0	0	0	0	0	0	0	0	395	-395	0	0	
SCH & H	Disabled Facilities Grants Scheme	2,500	-588	1,912	2,500	-588	1,912	2,500	-588	1,912	1,912	1,912	2,500	-588	1,912	1,912	10,000	-2,352	0	7,648	
SCH & H	Empty Homes	200	0	200	200	0	200	200	0	200	0	200	200	0	200	0	800	0	0	800	
SCH & H	Renewal Assistance	150	-50	100	150	-50	100	150	-50	100	100	100	200	-50	150	150	650	-200	0	450	
SCH & H	Additional Gypsy & Traveller Sites	240	-150	90	1,320	-825	495	1,800	-1,125	675	675	675	0	0	0	0	3,360	-2,100	0	1,260	
SCH & H	Review of Accommodation/Day Support, "New Approaches to Outcome"	742	-742	0	941	-941	0	941	-941	0	0	0	0	0	0	0	1,683	-1,683	0	0	

Appendix A – Revised Capital Programme

Directorate	Scheme Title	2014/15 Capital Budget				2015/16 Capital Budget				2016/17 Capital Budget				2017/18 Capital Budget				Total Budget 2014/15 - 2017/18			
		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	
	Children's Services	£20,927	-£20,327	£600	£34,277	-£33,677	£600	£26,976	-£25,293	£1,684	£16,008	-£15,408	£600	£98,188	-£94,705	£3,484					
	Community Services	£34,832	-£6,806	£28,026	£42,310	-£6,292	£36,018	£25,579	-£7,610	£17,969	£15,003	-£5,010	£9,993	£117,724	-£25,718	£92,006					
	Improvement & Corporate Services	£7,887	£0	£7,887	£5,295	£0	£5,295	£4,700	£0	£4,700	£6,300	£0	£6,300	£24,182	£0	£24,182					
	Regeneration	£22,112	-£7,025	£15,087	£25,025	-£17,080	£7,945	£11,108	-£2,855	£8,253	£5,874	-£7,023	-£1,149	£64,119	-£33,983	£30,136					
	Social Care, Health & Housing	£3,832	-£1,530	£2,302	£5,111	-£2,404	£2,707	£4,650	-£1,763	£2,887	£2,900	-£638	£2,262	£16,493	-£6,335	£10,158					
	CBC Capital Programme	£89,590	-£35,688	£53,902	£112,018	-£59,453	£52,565	£73,013	-£37,521	£35,493	£46,085	-£28,079	£18,006	£320,707	-£160,741	£159,966					
	Total																				

Appendix A – Revised Capital Programme

Reserve List

Directorate	Scheme Title	2014/15 Capital Budget				2015/16 Capital Budget				2016/17 Capital Budget				2017/18 Capital Budget				Total Budget 2013/14 - 2016/17			
		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	
Improvement & Corporate Services	SAP Optimization Phase 3	1,250	0	1,250	0	0	0	0	0	0	0	0	0	0	0	0	0	1,250	0	1,250	0
Improvement & Corporate Services	Your Space 3 - Technical Enablers	500	0	500	0	0	0	0	0	0	0	0	0	0	0	0	0	500	0	500	0
Improvement & Corporate Services	Your Space 3 - Assets Costs	500	0	500	0	0	0	0	0	0	0	0	0	0	0	0	0	500	0	500	0
Community Services	Replacement Dunstable library	80	0	80	1,850	0	1,850	0	1,850	0	1,850	0	540	0	0	0	0	4,160	0	4,160	0
Community Services	Highways Depot	3,000	0	3,000	7,000	0	7,000	0	7,000	0	7,000	0	0	0	0	0	0	10,000	0	10,000	0
Community Services	Northern salt Barn and depot	1,000	0	1,000	1,500	0	1,500	0	1,500	0	1,500	0	0	0	0	0	0	2,500	0	2,500	0
Community Services	Speed Camera Upgrades to Digital Enforcement	0	0	0	350	0	350	0	350	0	350	0	400	0	0	0	0	750	0	750	0
Improvement & Corporate Services	CBC Corporate Property Rolling Programme	2,100	0	2,100	2,150	0	2,150	0	2,150	0	2,150	0	2,000	0	0	0	0	6,250	0	6,250	0
Improvement & Corporate Services	Acquisition of the Ambulance Station, Dunstable	400	0	400	0	0	0	0	0	0	0	0	0	0	0	0	0	400	0	400	0
Improvement & Corporate Services	Dunstable Medical Centre	0	0	0	0	0	0	0	6,000	0	6,000	0	6,000	0	0	0	0	12,000	0	12,000	0
Improvement & Corporate Services	Project Monarch	8,000	0	8,000	7,000	0	7,000	0	7,000	0	7,000	0	0	0	0	0	0	15,000	0	15,000	0
Improvement & Corporate Services	Biggleswade Medical Centre	1,000	0	1,000	700	0	700	0	700	0	700	0	0	0	0	0	0	1,700	0	1,700	0
Improvement & Corporate Services	Biggleswade Campus	0	0	0	300	0	300	0	300	0	300	0	0	0	0	0	0	300	0	300	0
Total		17,830	0	17,830	20,850	0	20,850	0	20,850	10,090	10,090	0	10,090	6,540	6,540	0	6,540	55,310	0	55,310	0

Meeting: Executive

Date: 4 February 2014

Subject: Budget for the Housing Revenue Account (Housing Service) Business Plan

Report of: Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources; and Cllr Carole Hegley, Executive Member for Social Care, Health and Housing

Summary: The report sets out the financial position of the Housing Revenue Account (HRA). There are proposals concerning the debt strategy, investment potential and increases to rents.

Advising Officer: Julie Ogley, Director of Social Care, Health and Housing and Charles Warboys, Chief Finance Officer

Contact Officer: Tony Keaveney, Assistant Director Housing
Nick Murley, Assistant Director, Resources

Public/Exempt: Public

Wards Affected: There is investment potential to enable homes to be provided in all wards in Central Bedfordshire.

Function of: Council

Key Decision Yes

**Reason for urgency/
exemption from call-in** N/A

CORPORATE IMPLICATIONS

Council Priorities:

The report relates directly to the Council's priority to manage growth effectively, to balance regeneration aims with growth, through investment to promote economic benefit, employment and renewal.

Financial:

1. The Business Plan shows that rental income will exceed the anticipated costs of managing the stock over the 30 year period, which will provide annual surpluses that will create opportunities for new investment, as well as repaying the self-financing debt (£165m).

Legal:

2. The budget sets out the resources that are required to enable the authority to discharge its statutory obligations.

Risk Management:

3. In considering the budget proposals, it is necessary to take account of the associated risks and in particular the assumptions contained within Appendix D attached. Any changes to these could impact on the financial position of the HRA Business Plan.

The main risk is in relation to the HRA Debt Strategy. The current average rate of interest on HRA debt is 2.40%. Increases to this rate would have an immediate effect on the variable rate loans, and could affect the fixed rate loans that mature from 2024. Close monitoring of financial market conditions, allied to a consideration of principal debt repayment, is required to deliver a debt strategy that will support the Housing Service Business Plan.

There are risks that relate to income collection, arising from Welfare Reform. The mitigation of those risks is a proactive approach being taken to enable tenants to move. During 2013/14, more than 150 new tenancies have been created through enabling Mutual Exchanges and Transfers, so that people are able to secure accommodation that they can afford to occupy in the long term.

The Housing Service is informing tenants of Benefit changes and allocating additional staff resources to monitoring arrears and supporting tenants to manage their income. During 2014/15, an approach will be developed to assist tenants with employment advice, to complement the advice services that are currently provided, which include money management and debt advice.

There is a further risk that future Right to Buy (RtB) sales will reach levels that adversely affect the Business Plan, by significantly reducing income streams. The government is committed to helping those tenants with an aspiration to own their own home and to this end, the discounts available under Right to Buy were increased in April 2012. Further incentives are proposed, such as a reduction in the qualifying period from 5 to 3 years (subject to legislation). Whilst there has been an increase in RtB sales since April 2012, with 19 sales in 2012/13 and 20 in the financial year up to December, this represents a small percentage of the stock of approximately 5,200 homes. Further information is provided at Appendix D.

Staffing (including Trades Unions):

4. There are no staffing implications arising directly from this report.

Equalities/Human Rights:

5. There are no Human rights or equality implications arising directly from this report, although the re-provision and re-modelling of sheltered and general needs housing, which this report could make possible through increased investment, would be subject to Equalities Assessment in taking any specific proposals forward.

Community Safety:

6. The options set out in the report provide opportunities to work with community safety partners to ensure the best outcomes for Central Bedfordshire.

Sustainability:

- 7 Investment in the housing stock will contribute to regeneration across Central Bedfordshire and provide wider economic benefits and employment.

Procurement:

8. Not applicable.

Overview and Scrutiny:

9. Detailed comments from the Overview & Scrutiny (O&S) Committee meetings will be set out in Appendix E (if required). At the time of writing this report the O&S Committees had not met. Appendix E will therefore be tabled if required at the Executive meeting on 4 February.

RECOMMENDATIONS:

Executive is asked to recommend to Council to approve the HRA budget proposals for 2014/15, as follows:

- (a) note the HRA's debt portfolio and interest payments due in 2013/14;**
- (b) approve the proposal for principal debt repayments to begin in 2017/18;**
- (c) approve the use of £3.237m from the Major Repairs Reserve to finance part of the HRA Capital programme for 2013/14;**
- (d) approve the development of an Investment Plan during 2014/15 to set out future development objectives, subject to consultation with stakeholders;**
- (e) approve the HRA Revenue Budget for 2014/15 and the Landlord Service Business Plan summary at Appendix A and B;**
- (f) approve the 2014/15 to 2017/18 HRA Capital Programme at Appendix C; and**
- (g) approve the average rent increase of 5.46% for 2014/15 in line with the national rental increase as per the Government's Rent Convergence Policy.**

Reason for Recommendation: To facilitate effective financial management and planning for the HRA under self-financing.

Executive Summary

10. The HRA business plan shows that rental income will exceed the anticipated costs of managing the stock over the 30 year business plan period. There are many opportunities for investment. Inevitably, there are competing priorities. The predicted annual surpluses can be used for debt repayment, or to invest in the stock itself, as well as making better places to live. Several sheltered schemes are in need of improvement to bring them up to modern standards. Alternatively, the focus for investment could be to deliver new build homes as part of local regeneration schemes or to respond to demographic change.

11. As part of a balanced approach towards investment and debt repayment it is proposed to commence the repayment of principal debt from 2017/18, such that by 2019/20 an estimated £15m of repayment could occur. Forecasts in the Housing Service Business Plan indicate that over the 6 years to 2019/20 a further £56m is available. This report proposes that an Investment Plan is developed during 2014/15, to formulate proposals for the use of these funds.
12. The budget proposes to increase tenants' rents by an average of 5.46%, in line with the Government's rent restructuring policy, whilst also making provision of £0.220m specifically to tackle hardship and facilitate moves to smaller properties.

Budget Objectives

13. The primary objectives of the 2014/15 Budget have been:
 - i. Produce a sustainable plan which enables the Housing Service to achieve the objectives within the Housing Asset Management Strategy (HAMS), by maintaining investment in the existing stock whilst continuing to expand the new build programme and promote regeneration.
 - ii. Maintain a realistic level of expenditure on supervision and management.
 - iii. Provide for debt related interest costs based on a prudent estimation of interest rate charges.
 - iv. Maintain HRA Balances at £2.000m, with a further contingency of £0.2m in the Major Repairs Reserve (MRR).
 - v. A continuing commitment to a value for money approach as a means of reducing unit costs, increasing income and maximising business efficiency.
14. The budget is based upon a range of economic, financial, operational and external assumptions that are presented separately in Appendix D.

Introduction

15. The HRA Budget should balance priorities for maintaining the existing assets with opportunities for new investment. A similar balance is sought between the Council's strategic priorities, as well as tenant aspirations for improvement. In developing a draft HRA Budget, the aim is to achieve "win, win" solutions wherever possible, that have tenant support, aligned to the Council's strategic priorities. The HRA Budget for 2014/15 also relates to the thirty year business plan and so strikes a balance between current and future investment.
16. The Business Plan includes annual budgets for the HRA Capital programme, split between investment in the existing stock and an allowance for new build. The Capital programme is financed from revenue contributions, use of Reserves, and capital receipts retained after housing pooling. The brought forward balance of unapplied Capital Receipts was £0.657m on 1 April 2013.

17. The brought forward balance in HRA Balances was £2.0m on 1 April 2013.
18. The brought forward balance in the Major Repairs Reserve (MRR) was £3.437m on 1 April 2013. It is proposed that £3.237m of this balance will be used to finance the HRA Capital Programme in 2013/14, thereby reducing the direct revenue financing of the programme and enabling an equivalent amount to be transferred to the Strategic Reserve at the 2013/14 year end. This would leave an amount of £0.2m as a contingency.
19. It is proposed to focus the Sheltered Housing Re-Provision Reserve (SHRR) on the provision of Extra Care housing, and therefore to rename it the Extra Care Development Reserve (ECDR). The brought forward balance in this reserve was £8.653m on 1 April 2013.
20. The Strategic Reserve (SR) could be used to finance specific projects or to finance the building of general needs housing, or to transfer funds back to revenue to repay debt. The brought forward balance in this reserve was £1.284m on 1 April 2013.

Self Financing Loan Portfolio and Debt Strategy

21. The constituent loans and interest rates applicable in 2013/14 are presented in the table below:

Loan Type	Amount £m	Maturity Date	Rate %	Annual interest payment £m
Fixed	20.000	2024	2.70	0.540
Fixed	20.000	2026	2.92	0.584
Fixed	20.000	2028	3.08	0.616
Fixed	20.000	2030	3.21	0.642
Fixed	20.000	2032	3.30	0.660
Fixed	20.000	2034	3.37	0.674
Variable	44.995	2022	0.56 (variable)	0.252
TOTAL	164.995		2.40 (average)	3.968

22. All loans have been taken on a maturity (interest only) basis. This approach enables money to be released, for investment purposes, in the early years of the Plan, without the need for principal debt repayments.
23. The Council has saved a significant sum in the current financial year by taking 27% of its debt portfolio on a variable basis, as that rate has been confirmed at an average of 0.56% for the year. The current expectation in financial markets is for rates to remain low in the short to medium term (1 to 3 years).
24. Interest rates are difficult to predict. Relatively minor increases to rates could lead to a significant increase in interest costs, for example a 2% increase would incur an additional £0.900m of interest cost on the variable debt.

25. It is worth considering the risk of an increase in interest rate costs when refinancing some or all of the £120m of fixed rate debt that matures between 2024 and 2034. It is unlikely that the Council will achieve the preferential interest rates that were available at the time of the Self Financing settlement.
26. As a means to reinforce the longer term viability of the Housing Service Business Plan, it is proposed to commence principal debt repayment in 2017/18, with an intention to make annual repayments such that by 2020 approximately £15m of the self financing debt is repaid.
27. In order to avoid early redemption penalties, any debt repayments that occur in the period up to 2022 would be made from the variable rate proportion of the debt (which totals £44.995m).

Housing Service Investment Plan

28. The HRA is forecast to generate surpluses after interest repayments of £6-8m each year for the next 6 financial years. The Business Plan allows the Council to have flexibility as to whether it repays debt in the early years of the plan or chooses to invest its surpluses. It is proposed that a Housing Service Investment Plan is developed that will balance improvements to existing stock and estates with other investment projects. A crucial part of this process is to engage with tenants so that their priorities are taken into account.
29. If the proposals for principal debt repayment above are accepted, with the first instalment occurring in 2017/18, it is forecast that (excluding contingencies of £2.2m) there is a total amount of approximately £48m available for investment over the MTFP and a total of £56m in the 6 year period to 2020.
30. The Council has committed to the creation of a new Extra Care facility at Priory View in Dunstable. Expenditure at this site will utilise part of the resources identified above. £14m has been provisionally allocated for 2014/15 and 2015/16.
31. This leaves a forecast balance of approximately £34m over 4 years (£42m over 6 years) that could be invested.

Housing Business Plan & Reserves

32. **Table 1** below shows a summary of the Plan for the period of the Council's Medium Term Financial Plan (MTFP).

£M	2014/15	2015/16	2016/17	2017/18
Income	(28.7)	(29.7)	(30.7)	(31.7)
Spending on Revenue	12.2	12.0	12.1	12.2
Direct Revenue Financing*	6.7	7.2	7.4	7.6
Debt costs (interest)	4.0	4.0	4.1	4.2
Debt repayment (principal)	0	0	0	6.0
Efficiency Savings	(0.4)	(0.1)	(0.1)	(0.1)
Contribution to ECDR**	5.2	5.5	1.6	1.2
Contribution to SR***	1.0	1.1	5.6	0.6
Net Balance	0.0	0.0	0.0	0.0

* Financing of Capital programme by Revenue

** Extra Care Development Reserve *** Strategic Reserve

33. **Table 2** below shows a summary of the balances predicted to be available in Reserves as at 1 April 2014, together with transfers to and from Reserves that are forecast to occur during the MTFP.

£M	2014/15	2015/16	2016/17	2017/18
<i>Extra Care Development</i>				
Balance b/fwd	11.4	6.7	8.0	5.5
Contributions to Reserve	5.2	5.5	1.6	1.2
Contributions from Reserve	(9.9)	(4.2)	(4.1)	(4.2)
Balance c/fwd	6.7	8.0	5.5	2.5
<i>Strategic</i>				
Balance b/fwd	6.4	7.4	8.5	14.1
Contributions to Reserve	1.0	1.1	5.6	0.6
Contributions from Reserve*	-	-	-	-
Balance c/fwd	7.4	8.5	14.1	14.7
<i>Major Repairs</i>				
Balance c/fwd	0.2	0.2	0.2	0.2
<i>HRA Balances</i>				
Balance c/fwd	2.0	2.0	2.0	2.0
TOTAL c/fwd	16.3	18.7	21.8	19.4

*Proposals for use of this Reserve will be developed in the Investment Plan.

Efficiency and Value for Money

34. Benchmarking analysis, undertaken on an annual basis, has provided activity-based comparisons with other providers on cost, quality and performance. This exercise has produced options for efficiency savings across the service.

35. The analysis provided by benchmarking has assisted the Housing Service to identify the areas where HRA budgets are higher relative to other stock retained authorities. The benchmarking work has been a tool to point to areas where the Service can look to improve. This has enabled efficiencies in staffing, reduced void periods, increased rental income and reduced repair costs.
36. The 2013/14 HRA efficiency programme is on target to deliver £0.190m of savings. A further efficiency programme has been designed, incorporating £0.395m of savings in 2014/15, with further savings identified throughout the HRA Business Plan. Work continues in developing a Value for Money (VfM) Strategy, in particular to develop a methodology that will measure the benefits of investment (as a cost benefit analysis), so as properly to evaluate the return on investment.
37. This methodology being developed will identify the true value yielded from the Housing Service approach to efficiency. That approach is typically focussed on creating additional value, meaning we look for 'more for less', 'more for the same' or 'a lot more for a little more'. The approach overall could be described as 'invest to save'. The main thrust of the efficiency programme is to optimise income (as well as benefits), rather than just to reduce unit cost.
38. Value will be measured in terms of Quality, Customer Satisfaction and Cost and it can be related to both capital and revenue resources. The approach to VfM is in everything that we do and is particularly relevant to procurement. The efficiency savings for 2014/15, valued at £0.395m, will include specific proposals in the following specific areas:
- Invest in Electronic Content Management (ECM) to create a paperless office, reduce office space to support the corporate Your Space Programme and improve operational processes.
 - Prevent homelessness through tenancy sustainment.
 - Strengthen the approach to Troubled Families, to reduce costs related to managing problems like Anti-Social Behaviour or costs related to other council interventions, or support to help generate further General Fund efficiency.
 - Utilise Housemark benchmarking to identify activities where unit cost is an outlier. Learn from what others are doing well or more efficiently.
 - Optimise income from Leaseholders.
 - Optimise income, through re-letting properties at target rent.
 - Optimise income, through actions to promote financial inclusion, and a focus on improving the approach to Former Tenant Arrears.
 - Additional service charge income (recouping of under-charged service charges).
39. The Housing Service approach is forward thinking, to avoid upstream costs or knock on costs to other services, that could arise from these or any further proposals. Efficiency must lead to better outcomes, as well as financial savings. The Service will think creatively, or laterally, as to how best to add value, or increase income, or produce additional benefit, so as to optimise the Return On Investment (ROI).

40. Since 2011 the Council has been reletting properties at the formula rent, such that by 2014/15 it is anticipated that 27% of tenancies will be on the formula rent. The gradual increase in properties at this level of rent will augment rental income by approximately £0.020m per year. An explanation of formula rent is given in the Rent Increase section below.
41. The Housing Services undertook a full review of charging during the summer/autumn of 2013, to determine whether the current level of service charges recouped the actual cost of providing those services.
42. The review found that a small number of charges can be reduced, but a number – especially for heating, lighting and cleaning – should be increased to properly reflect the cost of providing these services. Fuel costs in particular have seen a significant increase in prices over the last few years. In total there is a shortfall of £0.149m annually between what is charged and the cost to the Housing Service.
43. In order to minimise the potential financial impact on tenants, but to ensure that the Council begins to recover the true cost of these items, it is proposed that any increase in service charges for 2014/15 will be limited to a maximum overall increase of £1.10 per week.
44. This protection is limited to existing tenants. The true cost however will be charged for all new tenancies, even those who are already Council tenants but are transferring to another Council property. (The increased charge will be included in the property advertisement on the Choice Based Lettings site.) The anticipated savings for 2014/15 are £0.050m and for 2015/16 are £0.040m.
45. Further savings are forecast as a result of the additional net rent received from the new build properties, in particular the Extra Care Facilities that become operational from 2015/16. These are estimated at a total of £0.192m over the MTFP.

Rent increase

46. Income from rents and service charges is the main revenue funding for the HRA. The model assumes that rents will rise in line with inflation, consistent with the Government's Rent Convergence policy, introduced in April 2002.
47. The Rent Convergence Policy aims to ensure that the rents for similar properties in the same area are the same, whether managed by a Council or Housing Association. The Policy essentially uses a formula to determine rent levels, which includes three main factors – property size, market value and local earnings – to determine what rents should be in an area. Council rents, and also the rents of Aragon Housing Association (mainly the stock of the former Mid Beds District Council), are typically below the level of rent which the formula determines as the prescribed rent level in Central Bedfordshire.
48. The proposed rent increase for 2014/15 is based on an increase in rent of the Retail Prices Index (RPI) + 0.5% + a contribution to close the gap between average local authority rents and Housing Association Rents. This is limited to a maximum individual increase of no more than RPI + 0.5% + £2.

49. In July 2013 the Department for Local Government and Communities (DCLG) announced that the policy of rent convergence will cease in 2015/16. From that point forward, until 2024/25, all rents will increase by the Consumer Prices Index (CPI) + 1%. The movement from RPI + 0.5% to CPI + 1% is not likely to result in a significant decrease or increase in rental income, as in recent times CPI has been approximately 0.5% below RPI.
50. However, a significant proportion of the Council's stock will not achieve rent convergence by 2015/16. This will have a revenue implication for the Business Plan, which is estimated to be £0.700m per annum. The value of this dis-benefit will diminish over time because the Council re-lets properties, when vacant, at the level of the formula rent.
51. Currently, Council rents are approximately 55% of current private sector market rents, which is affordable and within limits eligible for Housing Benefit. Further analysis of affordability, compared with market rents locally will be undertaken during 2014/15, as an action within the Housing Service Plan.
52. It is proposed that rents are set in line with the Government's recommended guideline rent increase (i.e. the formula), which is an increase of 5.46% on average for Central Bedfordshire Council tenants.
53. The rationale to implement this level of rent increase is to optimise income to the business plan for the next 30 years, thereby to maximise the investment potential, enabling the council to provide new homes, meet housing need, and maintain the stock in good condition.
54. In order to mitigate any hardship that results from a relatively high level of rent increase, a provision is being made in the budget of £0.220m, (an increase of £0.020m), specifically to be able to support tenants who experience hardship. This resource will be used to provide financial advice and tackle debt and money management problems. It will be used to enable individual solutions to be achieved, for example to facilitate moves that enable tenants to downsize to smaller sized accommodation.
55. This level of resource is significant, to mitigate any hardship experienced by some tenants. In effect, the relatively high level of rent increase overall is enabling the Council to target a significant resource towards the resolution of individual problems and to create solutions in individual cases that are long term.
56. The proposed rent increase will result in an average increase per week of £5.59 from the 2013/14 average weekly rent of £102.52 to £108.11. In a limited number of cases, the weekly increase is higher, up to a maximum of 6.82%.

HRA Capital Programme

57. The 2014/15 – 2017/18 Housing Revenue Account (HRA) detailed Capital programme is attached at Appendix C.

58. The capital programme is financed by capital receipts from Right to Buy (RtB) and land sales, contributions from retained rentals (revenue contributions), and contributions from Reserves. A breakdown of this financing is shown at the bottom of Appendix A.

Engagement with Overview & Scrutiny Committees and Tenants

59. The draft HRA budget report has been presented to the Social Care, Health & Housing and Corporate Resources Overview & Scrutiny committees in January 2014. The draft budget and Investment plan were presented to the chairs of the Way Forward Panel and Sheltered Tenants Action Group (STAG) during November 2013, and further discussion occurred in January 2014.
60. Feedback from the tenant groups was generally positive, however they stressed the importance of balancing new build against the need to remodel and enhance the existing stock.
61. Council tenants and leaseholders will still have the opportunity to be involved in any site specific or area based proposal for investment. For example, it is proposed to establish a tenant led approach to Estate Improvement proposals, on the basis of a Dragon's Den type approach. The aim is to strengthen our approach to Pride of Place and neighbourhood management more generally.
62. Concerns were also raised about the average increase to tenants rents, and views were expressed by a proportion of tenants that the average percentage increase, as determined by the rent convergence formula, did not match the level of increases in wages or pension uplifts.

NEXT STEPS

63. Central Bedfordshire Council is already benefiting from the ability to be more strategic in planning how best to manage the asset, to benefit tenants and residents, as well as to achieve the Council's strategic objectives.
64. As a result of the flexible debt strategy, the Council has an opportunity to increase the resources available to deliver its district wide objectives by deferring debt repayments. It is proposed to defer debt repayments until 2017/18, whilst monitoring closely all fluctuations in interest rate costs.
65. It is forecast that the HRA will have a total of £19.992m in its Reserves as at 31 March 2013, comprised of £11.416m in the Extra Care Development Reserve, £6.376m in the Strategic Reserve, and £2.200m of contingencies. In addition it is forecast that £1.957m will be available for capital investment from unapplied Capital Receipts.
66. The Housing Service is well placed to deliver regeneration, through investment in new build housing for rent and shared ownership, as well as Extra Care housing to meet the needs of older people and to replace outdated sheltered provision. The Investment Plan can be used to benefit all wards in Central Bedfordshire.

Appendices:

Appendix A 30 year forecast of Housing Service capital and revenue expenditure; and also income, which is the summary of the Housing Service Business Plan

Appendix B Summary of the Business Plan for the period 2014-2020

Appendix C 2014/15 – 2017/18 Housing Revenue Account (HRA) detailed Capital programme

Appendix D HRA Budget Assumptions

Appendix E Overview and Scrutiny Comments to be table (if required)

Background/Briefing Papers

None

HOUSING SERVICE BUSINESS PLAN

Revenue Account	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024-44	TOTAL
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Income	-28,580	-29,608	-30,640	-31,709	-32,815	-33,960	-35,145	-36,372	-37,641	-38,955	-1,139,266	-1,474,690
Expenditure												
Housing Management	4,642	4,661	4,667	4,697	4,820	4,947	5,076	5,209	5,344	5,483	143,972	
Financial Inclusion	220	224	229	233	242	250	259	268	277	287	8,400	
Asset Management	1,045	1,017	1,025	1,033	1,069	1,106	1,145	1,185	1,226	1,269	37,153	
Corporate Services	1,610	1,642	1,675	1,709	1,768	1,830	1,894	1,961	2,029	2,100	61,473	
Maintenance	4,473	4,275	4,295	4,340	4,493	4,650	4,813	5,397	5,156	5,336	156,884	
Debt Related Costs	119	121	124	126	131	135	140	145	150	155	4,540	
Direct Revenue Financing	6,667	7,260	7,401	7,604	7,895	8,194	9,003	9,325	9,658	10,003	294,611	
Landlord Service Efficiency Programme	-395	-130	-80	-82	-84	-87	-90	-94	-97	-100	-2,936	
Total Expenditure	18,381	19,072	19,335	19,660	20,333	21,025	22,240	23,396	23,744	24,533	704,096	915,815
Net Operating Expenditure	-10,200	-10,536	-11,305	-12,049	-12,482	-12,935	-12,905	-12,976	-13,897	-14,422	-435,170	-558,875
Interest payments	4,008	4,008	4,121	4,233	4,882	5,159	5,990	5,882	5,772	7,034	71,105	122,196
Debt Repayment	0	0	0	5,984	4,674	4,575	2,715	2,747	3,626	2,731	136,831	163,883
Net surplus	-6,191	-6,527	-7,184	-1,832	-2,925	-3,200	-4,200	-4,347	-4,499	-4,657	-227,234	-272,796
Memorandum												
Debt Repayment Profile												
Capital Financing Requirement (CFR) b/fwd	163,883	163,883	163,883	163,883	157,899	153,225	148,650	145,935	143,188	139,562	136,831	
Increase in CFR (int/ext borrowing)	0	0	0	0	0	0	0	0	0	0	0	
Reduction in CFR (principal repayment)	0	0	0	-5,984	-4,674	-4,575	-2,715	-2,747	-3,626	-2,731	-136,831	
CFR c/fwd	163,883	163,883	163,883	157,899	153,225	148,650	145,935	143,188	139,562	136,831	0	
Extra Care Development Reserve												
Balance Brought Forward	-11,416	-6,723	-8,068	-5,543	-2,525	0	0	0	0	0	0	
Contribution to Reserve (from Net Surplus)	-5,182	-5,470	-1,600	-1,232	-2,325	0	0	0	0	0	0	-15,809
Contribution from Reserve (to fund expenditure)	9,875	4,125	4,125	4,250	4,850	0	0	0	0	0	0	
Balance Carried Forward	-6,723	-8,068	-5,543	-2,525	0	0	0	0	0	0	0	
Strategic Reserve												
Balance Brought Forward	-6,376	-7,385	-8,443	-14,027	-14,627	-15,227	-13,927	-13,627	-13,224	-12,973	-12,629	
Contribution to Reserve (from Net Surplus)	-1,009	-1,058	-5,584	-600	-600	-3,200	-4,200	-4,347	-4,499	-4,657	-136,297	-166,050
Contribution from Reserve (to fund expenditure)	0	0	0	0	0	4,500	4,500	4,750	4,750	5,000	125,000	
Balance Carried Forward	-7,385	-8,443	-14,027	-14,627	-15,227	-13,927	-13,627	-13,224	-12,973	-12,629	-23,926	
Major Repairs Reserve												
Balance Brought Forward	-200	-200	-200	-200	-200	-200	-200	-200	-200	-200	-200	
Contribution to Reserve (from Net Surplus)	0	0	0	0	0	0	0	0	0	0	0	0
Contribution from Reserve (to fund expenditure)	0	0	0	0	0	0	0	0	0	0	0	
Balance Carried Forward	-200	-200	-200	-200	-200	-200	-200	-200	-200	-200	-200	
HRA Balances												
Balance Brought Forward	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	
Contribution (to)/from Reserve	0	0	0	0	0	0	0	0	0	0	-90,937	-90,937
Balance Carried Forward	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-92,937	
Unapplied HRA Capital Receipts												
Unapplied Capital Receipts b/fwd	-1,957	-2,757	-4,557	-6,157	-6,257	-6,357	-6,457	-6,457	-6,457	-6,457	-6,457	
Contribution (to) Capital Receipts	-1,500	-2,500	-2,300	-800	-800	-800	-200	-200	-200	-200	-4,000	
Use of Capital Receipts	700	700	700	700	700	700	200	200	200	200	4,000	
Unapplied Capital Receipts c/fwd	-2,757	-4,557	-6,157	-6,257	-6,357	-6,457	-6,457	-6,457	-6,457	-6,457	-6,457	
Capital Programme												
Existing HRA Programme	7,367	7,960	8,101	8,304	8,595	13,394	13,703	14,275	14,608	15,203	423,611	535,121
Extra Care Development	9,875	4,125	4,125	4,250	4,850	0	0	0	0	0	0	27,225
Total Capital programme	17,242	12,085	12,226	12,554	13,445	13,394	13,703	14,275	14,608	15,203	423,611	562,346
Financed by:												
Capital Receipts	700	700	700	700	700	700	200	200	200	200	4,000	9,000
Revenue Contributions	6,667	7,260	7,401	7,604	7,895	8,194	9,003	9,325	9,658	10,003	294,611	377,621
Contributions from Reserves	9,875	4,125	4,125	4,250	4,850	4,500	4,500	4,750	4,750	5,000	125,000	175,725
Total Capital programme	17,242	12,085	12,226	12,554	13,445	13,394	13,703	14,275	14,608	15,203	423,611	562,346

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HOUSING SERVICE BUSINESS PLAN

Revenue Account	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	TOTAL
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Income	-28,580	-29,608	-30,640	-31,709	-32,815	-33,960	-187,312
Expenditure	18,381	19,072	19,335	19,660	20,333	21,025	117,806
Net Operating Expenditure	-10,200	-10,536	-11,305	-12,049	-12,482	-12,935	-69,506
Interest payments	4,008	4,008	4,121	4,233	4,882	5,159	26,413
Debt Repayment	0	0	0	5,984	4,674	4,575	15,233
Net surplus	-6,191	-6,527	-7,184	-1,832	-2,925	-3,200	-27,860
Memorandum							
Extra Care Development Reserve							
Balance Brought Forward	-11,416	-6,723	-8,068	-5,543	-2,525	0	
Contribution to Reserve (from Net Surplus)	-5,182	-5,470	-1,600	-1,232	-2,325	0	-15,809
Contribution from Reserve (to fund expenditure)	9,875	4,125	4,125	4,250	4,850	0	
Balance Carried Forward	-6,723	-8,068	-5,543	-2,525	0	0	
Strategic Reserve							
Balance Brought Forward	-6,376	-7,385	-8,443	-14,027	-14,627	-15,227	
Contribution to Reserve (from Net Surplus)	-1,009	-1,058	-5,584	-600	-600	-3,200	-12,051
Contribution from Reserve (to fund expenditure)	0	0	0	0	0	4,500	
Balance Carried Forward	-7,385	-8,443	-14,027	-14,627	-15,227	-13,927	
Major Repairs Reserve							
Balance Carried Forward	-200	-200	-200	-200	-200	-200	
HRA Balances							
Balanced Carried Forward	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	
							-27,860
Unapplied HRA Capital Receipts							
Unapplied Capital Receipts b/fwd	-1,957	-2,757	-4,557	-6,157	-6,257	-6,357	
Contribution (to) Capital Receipts	-1,500	-2,500	-2,300	-800	-800	-800	-8,700
Use of Capital Receipts	700	700	700	700	700	700	
Unapplied Capital Receipts c/fwd	-2,757	-4,557	-6,157	-6,257	-6,357	-6,457	
Capital Programme							
Existing HRA Programme	7,367	7,960	8,101	8,304	8,595	13,394	53,721
Extra Care Development	9,875	4,125	4,125	4,250	4,850	0	27,225
Total Capital programme	17,242	12,085	12,226	12,554	13,445	13,394	80,946
Financed by:							
Capital Receipts	700	700	700	700	700	700	4,200
Revenue Contributions	6,667	7,260	7,401	7,604	7,895	8,194	45,021
Contributions from Reserves	9,875	4,125	4,125	4,250	4,850	4,500	31,725
Total Capital programme	17,242	12,085	12,226	12,554	13,445	13,394	80,946

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HOUSING SERVICE CAPITAL PROGRAMME

Scheme Title	2014/15 Capital Budget				2015/16 Capital Budget				2016/17 Capital Budget				2017/18 Capital Budget				Total Budget 2014/15 - 2017/18			
	Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000		Gross Expenditure £'000	External Funding £'000	Net Expenditure £'000	
General Enhancements	100	0	100		105	0	105		111	0	111		120	0	120		436	0	436	
Garage Redurbishment	31	0	31		31	0	31		32	0	32		33	0	33		127	0	127	
Paths & Fences Siteworks	80	0	80		83	0	83		86	0	86		88	0	88		337	0	337	
Estate Improvements	250	0	250		265	0	265		271	0	271		280	0	280		1,066	0	1,066	
Energy Conservation	800	0	800		812	0	812		818	0	818		830	0	830		3,260	0	3,260	
Roof Replacement	250	0	250		258	0	258		263	0	263		272	0	272		1,043	0	1,043	
Central Heating Installation	1,000	0	1,000		1,049	0	1,049		1,065	0	1,065		1,077	0	1,077		4,191	0	4,191	
Rewiring	372	0	372		379	0	379		386	0	386		399	0	399		1,536	0	1,536	
Kitchens and Bathrooms	1,099	0	1,099		1,122	0	1,122		1,151	0	1,151		1,167	0	1,167		4,539	0	4,539	
Central Heating communal	77	0	77		78	0	78		80	0	80		82	0	82		317	0	317	
Secure Door Entry	281	0	281		286	0	286		292	0	292		302	0	302		1,161	0	1,161	
Structural Repairs	156	0	156		159	0	159		162	0	162		168	0	168		645	0	645	
Aids and Adaptations	905	0	905		923	0	923		941	0	941		974	0	974		3,743	0	3,743	
Capitalised Salaries	357	0	357		364	0	364		371	0	371		384	0	384		1,476	0	1,476	
Asbestos Management	150	0	150		153	0	153		156	0	156		161	0	161		620	0	620	
Stock Remodelling	1,000	0	1,000		1,009	0	1,009		1,015	0	1,015		1,034	0	1,034		4,058	0	4,058	
Stock Refurbishment	408	0	408		416	0	416		424	0	424		439	0	439		1,687	0	1,687	
Drainage & Water Supply	51	0	51		52	0	52		53	0	53		55	0	55		211	0	211	
Plasticisation	0	0	0		416	0	416		424	0	424		439	0	439		1,279	0	1,279	
Sheltered Housing Re-provision	8,250	0	8,250		4,125	0	4,125		4,125	0	4,125		4,250	0	4,250		20,750	0	20,750	
HRA	15,617	0	15,617		12,085	0	12,085		12,226	0	12,226		12,554	0	12,554		52,482	0	52,482	

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APPENDIX D

BUDGET ASSUMPTIONS: HRA BUDGET

The budget is based upon, and includes, the following key assumptions:

Economic

- i. For 2014/15, inflation of 1% on pay, inflation on supplies and services where contractually agreed, 5.46% on rental income to match the uplift required for rent restructuring;
- ii. Inflation of 1% on pay, and 2% on supplies and services and capital programme expenditure up until 2017/18, with 3.5% in the following years;
- iii. Inflation of 3.5% on income for future years (forecast of the Consumer Prices Index + 1%)
- iv. An average interest rate on debt of 2.43% in 2014/15 and 2015/16, increasing to 2.5% for 2016/17 and 2.57% for 2017/18. This reflects the known average interest on fixed rate loans and forecasts for variable interest rates used in the Council's Treasury Management Strategy.

Financial

- i. HRA Balances to remain at approximately £2.000m until such time as the debt is repaid, thereby reducing debt related costs rather than building up unnecessary levels of reserves;
- ii. Surpluses that remain after revenue expenditure, capital expenditure, and debt interest costs are to be allocated to the earmarked reserve for Extra Care Development (ECDR) and the Strategic Reserve (SR). The SR is then available to support the business plan, e.g. for further investment;
- iii. 2% allowance for voids in calculation of rental income over plan period. Voids performance is improving which has enabled the Housing Service to achieve an efficiency saving during 2014/15.
- iv. A Value for Money (VFM) strategy relating specifically to the Efficiency Programme that is set out within the Housing Service Business Plan Summary, which identifies a saving of £0.395m against the cost of the Housing Service in 2014/15, and projects year on year savings over the life of the plan; and

- v. A prudent approach to treasury management with a debt profile balanced between an element of variable rate loans and fixed rate loans in accordance with the Council's Treasury Management Strategy.

Operational

- i. The plans for stock investment are in line with the stock condition survey data over a 30 year period;
- ii. The delivery of the priorities set out in the HAMS; and
- iii. A continuing improvement in the Council's offer to tenants and leaseholders, as well as delivery of estate improvements and wider regeneration aims.

External – Changes to Right to Buy

- i. Potential loss of income arising from an increased number of Right to Buy (RtB) sales will not adversely affect the Housing Service Business Plan.
- ii. New RTB discounts and proposals for re-investing the capital receipts came into effect from April 2012, which increase the maximum discount available to tenants from £0.034m to £0.075m.
- iii. Central Government have increased the discounts in order to incentivise tenants to exercise their Right to Buy, as it is the intention to replace each property sold in this way with a new build property.
- iv. The self-financing settlement was based on the average amount of RtB sales in the 4 preceding financial years, and therefore did not take into account the changes to discounts.
- v. Government have altered the Housing Pooling regulations to compensate Local Authorities for this change, so that the proportion of debt attributable to those extra properties sold by RtB, as a result of the increased discount, is deducted from the sale receipt prior to the calculation of the amount to be transferred (or "pooled").
- vi. The calculation of pooling takes into account the receipts for the Council and Government as modelled into the self-financing calculations. The residual (or "surplus") receipt is retained by the Council, under the strict condition that the Council facilitates new build on a one for one basis for each property sold.

- vii. For the additional properties sold as a result of increased discounts there is a resultant loss of rental income, which affects the 30 year cash flows in the Business Plan. However there will also be a reduction in expenditure on each of these properties, which will vary depending upon the archetype and condition of each property.
- viii. In the majority of cases, each property will add a financial value to the Business Plan so there is a loss experienced as a result of the extra RtB sales. The compensation for debt attributable to each property mitigates this loss, providing funds that can either be used for debt repayment or capital investment (with no requirement to fund one for one replacements).
- ix. As at the second quarter of 2013/14 the Council has useable HRA capital receipts of £1.615m, of which £0.731m is reserved for investment in one for one replacements
- x. Careful monitoring of RtB sales will be required. Current projections suggest that these will not have a material impact on the Business Plan, particularly if the number of new build properties exceeds the properties sold. However if annual RtB sales were to make up a significant percentage of the Housing Stock , such that it diminished by 10% or more over the period to 31 March 2018, then this would pose a threat to the surpluses predicted both in the medium to longer term.
- xi. If a high rate of sales continued into the medium term the viability of the Council's HRA could be called into question as unit costs would be likely to increase.

Other

- i. Future governments will not re-open the debt settlement and increase the amount payable. The Government retained the power to re-open the settlement.

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Meeting: Executive
Date: 4 February 2014
Subject: Treasury Management Strategy and Treasury Policy
Report of: Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources
Summary: This report outlines the Treasury Policy and Treasury Management Strategy for 2014-15.

Advising Officer: Charles Warboys, Chief Finance Officer
Contact Officer: Ralph Gould, Head of Financial Control
Public/Exempt: Public
Wards Affected: All
Function of: Executive
Key Decision Yes
**Reason for urgency/
exemption from call-in
(if appropriate)** N/A

CORPORATE IMPLICATIONS

Council Priorities:

- | |
|---|
| <ol style="list-style-type: none">1. Effective management of the Council's financial resources and the associated risks is a cornerstone to the delivery of the Council's priorities. |
|---|

Financial:

- | |
|--|
| <ol style="list-style-type: none">2. The Council's Treasury Management Strategy and prudential indicators are derived from the Medium Term Financial Plan (MTFP). Treasury Strategy and prudential indicators are explained within the body of this report.3. Treasury management is defined by the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice for Treasury Management in the Public Services as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks." |
|--|

Legal:

4. The Council's treasury management activities are regulated by statute, professional codes and official guidance. The Local Government Act 2003 (the Act) provides the powers to borrow and invest as well as providing controls and limits. Under the Act, Communities and Local Government has issued Guidance on Local Government Investments (revised March 2010) to structure and regulate the Council's investment activities. The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 – Statutory Instrument (SI) 3146 (plus subsequent amendments), develops the controls and powers within the Act. The SI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities. The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services (the Code of Practice).

CIPFA revised the Code of Practice in November 2011 to reflect developments in financial markets and the introduction of the Localism Act for English local authorities.

Risk Management:

5. The approved strategy aims to manage the risks to the Council's finances from instability in financial markets.

Staffing (including Trades Unions):

6. Not applicable.

Equalities/Human Rights:

7. Not applicable.

Public Health

8. Not applicable.

Community Safety:

9. Not applicable.

Sustainability:

10. Not applicable.

Procurement:

11. Not applicable.

Overview and Scrutiny:

12. Detailed comments from the Overview & Scrutiny (O&S) Committee meetings will be set out in Appendix D (if required). At the time of writing this report the O&S Committees had not met. Appendix D will therefore be tabled if required at the Executive meeting on 4 February.

RECOMMENDATION:

The Executive is asked to:

- 1. recommend to Council to approve the Treasury Management Policy and Strategy Statement for 2014/15.**

Reason for Recommendation: To enable the Council to have an effective treasury management framework in place.

Executive Summary

13. Central Bedfordshire Council agrees its Treasury Strategy annually and, as a minimum every three years, the Treasury Management Policy. This is in line with the CIPFA Treasury Management Code of Practice and the Prudential Code for Capital Finance in Local Authorities 2011.

Background

14. The Council's Treasury Management Strategy has been underpinned by the adoption of the CIPFA Code of Practice on Treasury Management 2011, which includes the requirement for determining a treasury strategy covering the likely financing and investment activity for the forthcoming financial year.
15. The Treasury Management Policy is attached at Appendix A; this was revised February 2012 and is subject to review every three years. A revised Treasury Management Strategy is attached at Appendix B with prudential indicators at Appendix C.
16. The CIPFA Code requires the Treasury Strategy for the year to be approved by Full Council, proposed to be submitted for approval on 20 February 2014. Local arrangements require the Overview and Scrutiny Committee to scrutinise the proposed revised strategy on an annual basis and both the strategy and policy documents were reported to Corporate Resources Overview and Scrutiny on 28 January 2014.
17. This report summarises the changes to the Treasury Management Strategy as a result of continuous review with our external advisers, Arlingclose Ltd.

Treasury Management Policy

18. No changes are proposed for the Treasury Management Policy (Appendix A) adopted by the Council in February 2012.
19. The Treasury Management Policy sets out the objectives and the regulatory requirements of the authority's Treasury Management Function.

20. The principal objectives of this Treasury Management Policy Statement are to provide a framework within which:
- i) Risks which might affect the Council's ability to fulfil its responsibilities or which might jeopardise its financial security, can be identified.
 - ii) Borrowing costs can be minimised whilst ensuring the long term security and stability of the Council's financial position.
 - iii) Investment returns can be safely maximised and capital values maintained.
 - iv) The use of assets as loan security is minimised.

Treasury Management Strategy Statement

21. The Chartered Institute of Public Finance and Accountancy's Code of Practice for Treasury Management in Public Services (the "CIPFA TM Code") and the Prudential Code require local authorities to determine the Treasury Management Strategy Statement (TMSS) on an annual basis.
22. The TMSS is included at Appendix B, and is made up of three main components:
- i) Economic Forecast drafted by the Council's external treasury advisors, Arlingclose Ltd. This is important as the rate at which the Council can borrow and the return it will obtain on cash balances are linked to the performance of the wider UK economy.
 - ii) Borrowing Strategy should any borrowing be required, including the approved sources of long term and short term borrowing.
 - iii) Investment Strategy, including the type of institutions the Council is able to place its cash with and the limits with each type of institution.
23. The TMSS also includes other items that the Council is required by CIPFA or CLG to include as part of its strategy, including the Council's policy on the use of financial derivatives, charges between the HRA and the General Fund and borrowing in advance of need.

Prudential Indicators

24. The CIPFA Prudential Code for Capital Finance in Local Authorities requires performance against specified key indicators to be measured and reported. The purpose of these indicators is to demonstrate prudence, affordability and sustainability.
25. Explanation of prudential indicators is included in Appendix C. Key objectives of the indicators are to:
- Ensure borrowing is less than the capital financing requirement, demonstrating that all long term borrowing has been undertaken for capital purposes in line with the Prudential Code.

- Set the Council's authorised and operational borrowing limits.
 - Demonstrate the percentage of the revenue budget required to be spent on financing borrowing.
 - Demonstrate the incremental impact expenditure from the Council's capital programme would have if it was all to be funded by Council Tax, based on the charge for a Band D property.
26. Prudential indicators are monitored throughout the year and reported to Members at Full Council mid-year and at the end of the financial year, in line with best practice requirements within the CIPFA Code for Treasury Management.
27. Appendix C also includes a statement of the Council's Minimum Revenue Provision (MRP) policy, used to calculate the amount the Council is annually required to set aside towards repaying its capital financing requirement.

Background Papers:

None

Appendices:

Appendix A – Treasury Management Policy

Appendix B – Treasury Management Strategy Statement (TMSS)

Appendix C – Prudential Indicators

Appendix D – Overview and Scrutiny comments to be tabled (if required)

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Appendix A

TREASURY MANAGEMENT POLICY STATEMENT FOR JANUARY 2012 – MARCH 2015

1. INTRODUCTION

In accordance with the Chartered Institute of Public Finance & Accountancy (CIPFA) Code of Practice on Treasury Management (Revised 2011), this Council defines the policies and objectives of its treasury management activities as follows:

- 1.1 This Council defines its treasury management activities as:
“The management of the authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.
- 1.2 This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will include their risk implications for the Council, and any financial instruments entered into to manage these risks.
- 1.3 This Council acknowledges that effective treasury management will provide support towards the achievement of its Medium Term Financial Strategy. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.
- 1.4 The Chief Finance Officer will produce for adoption by Full Council prior to the commencement of each financial year an annual Treasury Management Strategy Statement which will set out the borrowing and investment strategy to be adopted for the year ahead along with the associated Prudential Indicators, in compliance with the CIPFA Prudential Code for Capital Finance in Local Authorities.
- 1.5 The Chief Finance Officer will maintain suitable Treasury Management Practices (TMPs) which will set out the manner in which this Council will seek to achieve its treasury management policies and objectives and how it will manage and control those activities.
- 1.6 The Council’s borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt.

1.7 The Council's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Authority's investments followed by the yield earned on investments remain important but are secondary considerations.

2. Objectives

2.1 The principal objectives of this Treasury Management Policy Statement are to provide a framework within which: -

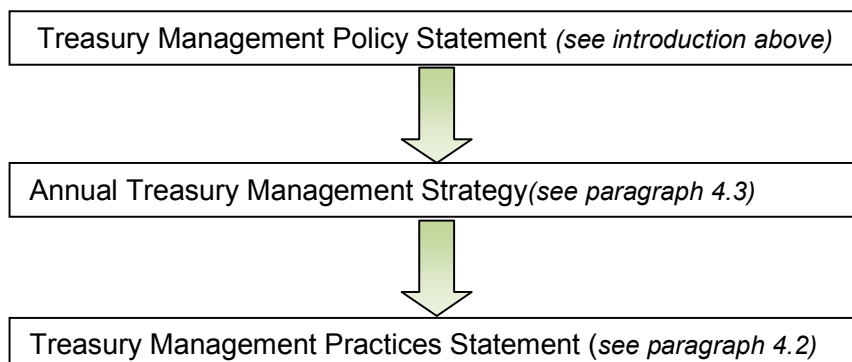
- i) Risks which might affect the Council's ability to fulfill its responsibilities or which might jeopardise its financial security can be identified and managed;
- ii) Borrowing costs can be minimised whilst ensuring the long term security and stability of the Council's financial position;
- iii) Investment returns can be safely maximised and capital values maintained;
- iv) The use of assets as loan security is minimised.

3. Review Period

It is the Council's responsibility to approve a Treasury Management Policy Statement on a periodic basis. This policy will be reviewed every three years or whenever legislative, regulatory or best practice changes materially affect the effectiveness of the current policy. In the absence of changes, the next scheduled date for review is therefore January 2015.

4. Documentation

This document forms part of a suite of Treasury documents intended to govern and regulate treasury management activity. The hierarchy of documents is set out below and the role of each is explained



4.2 The Treasury Management Practices Statement sets out the detailed procedures behind the policy and sets out the manner in which the organisation will seek to achieve the policy objectives, describing how it will manage and control the activities listed below:

- Treasury Risk Management
- Best value and performance measurement
- Decision making and analysis
- Approved instruments, methods and techniques
- Organisation, clarity and segregation of responsibilities; dealing arrangements
- Reporting requirements, Management information arrangements
- Budgeting, Accounting and Audit Arrangements
- Cash and Cash Flow Management
- Money Laundering
- Staff training and qualifications
- Use of external service providers
- Corporate governance

4.3 The Annual Treasury Management Strategy integrates with the Prudential Indicators being set and will include the following:

- Links to Capital Financing and Treasury Management Prudential Indicators for the current and ensuing year
- Strategy for financing new borrowing requirements (if any) and refinancing maturing borrowing (if any) over the next year and for restructuring of debt
- the extent to which surplus funds are earmarked for short term requirements
- the investment strategy for the forthcoming year (*see below*)
- the minimum to be held in short term/specified investment during the coming year

- the interest rate outlook against which the treasury activities are likely to be undertaken.
- 4.4 Based on the CLG Guidance on Investments, the Council will produce as part of the Annual Treasury Management Strategy, an investment strategy that sets out
- § the objectives, policies and strategy for managing its investments;
 - § the determination of which Specified and Non Specified Investments the Council will utilise during the forthcoming financial year(s) based on the Council's economic and investment outlook and the expected level of investment balances;
 - § the limits for the use of Non-Specified Investments.

5. Basis of Policy

- 5.1 The Council will adhere to the regulatory framework set out in the following documents: -
- a) CIPFA Code of Practice on Treasury Management (Revised 2011);
 - b) The 2011 Prudential Code for Capital Finance (the 2003 document having first introduced requirements for the manner in which capital spending plans are to be considered and approved) and in conjunction with this, the development of an integrated Treasury Management Strategy;
 - c) The Council's Constitution, Code of Financial Governance and the scheme of Officer Delegations.
- 5.2 Copies of the documents listed above are available from the Chief Finance Officer, if required. The Council will be bound by the requirements of any successor documents to those listed above unless a subsequent review of this policy deems them no longer to be appropriate.
- 5.3 In arriving at treasury management decisions, due cognisance will be taken of written and verbal advice provided by Treasury Advisors but neither the Council nor its officers will be bound by such advice.
- 5.4 The Chief Finance Officer will only transact with brokers, funders and counterparties who have accepted the principles set out in the current Bank of England's "Non Investment Products Code (NIPS Code) (<http://www.bankofengland.co.uk/markets/forex/fxjsc/nipscode.pdf>).

Appendix B - Treasury Management Strategy Statement (TMSS) 2014/15

Introduction

In a Council meeting on the 29th November 2012 the Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year.

In addition, the Department for Communities and Local Government (CLG) issued revised *Guidance on Local Authority Investments* in March 2010 that requires the Council to approve an investment strategy before the start of each financial year.

This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the CLG Guidance.

The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's treasury management strategy.

External Context

Economic background: The Bank of England's Monetary Policy Committee (MPC) through its recent forward guidance is committed to keeping policy rates low for an extended period using the Labour Force Survey unemployment rate of 7% as a threshold for when it would consider whether or not to raise interest rates, subject to certain knock-outs. Unemployment was 7.7% in August 2013, but is not forecast to fall below the threshold until 2016, due to the UK's flexible workforce.

The flow of credit to households and businesses is slowly improving but is still below pre-crisis levels. The fall in consumer price inflation from the high of 5.2% in September 2011 to 2.7% in September 2013 will allow real wage increases (i.e. after inflation) to slowly turn positive and aid consumer spending.

Stronger growth data in 2013 (0.4% in Q1, 0.7% in Q2 and 0.8% in Q3) alongside a pick-up in property prices mainly stoked by Government initiatives to boost mortgage lending have led markets to price in an earlier rise in rates than warranted under Forward Guidance and the broader economic backdrop. However, with jobs growth picking up slowly, many employees working shorter hours than they would like and benefit cuts set to gather pace, growth is likely to only be gradual. Arlingclose

forecasts the MPC will maintain its resolve to keep interest rates low until the recovery is convincing and sustainable.

In the US expectations for the slowing in the pace of asset purchases ('tapering') by the Federal Reserve (Fed) and the end of further asset purchases will remain predominant drivers of the financial markets. The Fed did not taper in September and has talked down potential tapering in the near term. It now looks more likely to occur in early 2014 which will be supportive of bond and equity markets in the interim.

Credit outlook: The credit risk of banking failures has diminished, but not dissipated altogether. Regulatory changes are afoot in the UK, US and Europe to move away from the bank bail-outs of previous years to bank resolution regimes in which shareholders, bond holders and unsecured creditors are 'bailed in' to participate in any recovery process. This is already manifest in relation to holders of subordinated debt issued by the Co-op which will suffer a haircut on its conversion bail-in to alternative securities and/or equity. There are also proposals for EU regulatory reforms to Money Market Funds which will, in all probability, result in these funds moving to a VNAV (variable net asset value) basis and losing their 'triple-A' credit rating wrapper. Diversification of investments between creditworthy counterparties to mitigate bail-in risk will become even more important in the light of these developments.

Interest rate forecast: Arlingclose's forecast is for the Bank Rate to remain flat until late 2016, the risk to the upside (i.e. rates being higher) are weighted more heavily towards the end of the forecast horizon.. Gilt yields are expected to rise over the forecast period with medium- and long-dated gilts expected to rise by between 0.7% and 1.1%.

A more detailed economic and interest rate forecast provided by the Council's treasury management advisor is attached at Schedule 1.

Local Context

The Council currently has £311.1m of borrowing and £54.4m of investments. This is set out in further detail at *Schedule 2*. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance Sheet Summary and Forecast

	31.3.13 Actual £m	31.3.14 Estimate £m	31.3.15 Estimate £m	31.3.16 Estimate £m	31.3.17 Estimate £m
General Fund CFR	235.6	269.5	308.1	341.4	359.7
HRA CFR	163.9	163.9	165.0	165.0	165.0
Total CFR	399.4	433.4	473.1	506.4	524.7
Less: Other long-term liabilities *	(17.4)	(16.8)	(16.3)	(15.7)	(15.3)
Borrowing CFR	382.1	416.6	456.8	490.7	509.4
Less: External borrowing **	315.5	308.0	291.6	282.2	275.6
Internal (over) borrowing	66.6	108.6	165.2	208.5	233.8
Less: Usable reserves	66.1	70.8	67.1	69.5	72.5
Less: Working capital	44.9	45.8	46.7	47.6	48.6
Investments (or New borrowing)	44.4	(6.4)***	(51.4)	(91.4)	(112.7)

* finance leases and PFI liabilities that form part of the Council's debt

** shows only loans to which the Council is committed and excludes optional refinancing

*** Forecasted borrowing is based on the full capital programme being achieved. The capital budget however assumed that 20% of the capital programme will be deferred to the next financial year and thus borrowing would not be required in practice till the 2014/15 financial year.

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. However, usable reserves include schools balances, those specific to the Housing Revenue Account (HRA) and other earmarked reserves. The usable General Fund reserves balance as at 31 March 2013 was £14.2m.

The Council has an increasing CFR due to the capital programme and investments are expected to fall to minimal levels. The balance sheet forecast in table 1 shows that the Council cannot fund future capital borrowing requirements by internally borrowing from its own cash balances going forward and will have to externally borrow in the next financial year.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Council expects to comply with this recommendation during 2014/15.

Borrowing Strategy

The Council's current debt portfolio stands at £311.1m, which will fall to £308m by the end of the 2013/14 financial year; this reduction has resulted from repaying and not replacing naturally maturing debt.

Previously the Council's borrowing strategy has been to fund its capital programme by internal borrowing and where possible this will continue. It is expected that the Council will need to borrow externally during 2014/15, the timing of this will be dependent the timing of the receipt of grants and other contributions.. It is anticipated that any significant borrowing can be delayed until the second half of the 2014/15 financial year by utilising internal resources..

The primary objective when borrowing money is to strike an appropriate balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

Given the significant cuts to public expenditure and in particular to local government funding, the borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. Whilst such a strategy is most likely to be beneficial over the next 2-3 years as official interest rates remain low, it is unlikely to be sustained in the medium-term. The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise. Arlingclose will assist with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council considers borrowing additional sums at long-term fixed rates in 2014/15 with a view to keeping future interest costs low, even if this incurs some short-term additional cost..

In addition, the Council may borrow short-term loans (normally for up to one month) to cover cash flow shortages.

The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board
- UK local authorities
- any institution approved for investments (see below)
- any other bank or building society authorised by the Prudential Regulation Authority to operate in the UK
- UK public and private sector pension funds

- capital market bond investors
- Special purpose companies created to enable joint local authority bond issues.

The Council and its predecessors raised the majority of the long-term borrowing from the Public Works Loan Board, but it continues to investigate other sources of finance, such as local authority loans and bank loans, that may be available at more favourable rates.

The Council holds £13.5m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. All of these LOBOS have options during 2014/15, and although the Council understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. The Council will take the option to repay LOBO loans at no cost if it has the opportunity to do so.

Short-term and variable rate loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators below.

Debt Rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Some bank lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, where this is expected to lead to an overall saving or reduction in risk.

Investment Strategy

The Council currently holds £49.7m of invested funds, (excluding externally invested funds) representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £36m and £90m.

Both the CIPFA Code and the CLG Guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

The Council may invest its surplus funds with any of the counterparties in table 2 below:

Table 2: Approved Investment Counterparties

Counterparty	
Banks and other organisations and securities whose lowest published long-term credit rating from Fitch, Moody's and Standard & Poor's is:	AAA
	AA+
	AA
	AA-
	A+
	A
	A-
UK Central Government (irrespective of credit rating)	
UK Local Authorities (irrespective of credit rating)	
UK Registered Providers of Social Housing whose lowest published long-term credit rating is A- or higher	
UK Registered Providers of Social Housing whose lowest published long-term credit rating is BBB- or higher and those without credit ratings	
UK Building Societies without credit ratings	
Money market funds and other pooled funds	
Any other organisation, subject to an external credit assessment and specific advice from the treasury management adviser	

There is no intention to restrict investments to bank deposits, and investments may be made with any public or private sector organisations that meet the above credit rating criteria. This reflects a lower likelihood that the UK and other governments will support failing banks as the bail-in provisions in the *Banking Reform Act 2014* and the EU *Bank Recovery and Resolution Directive* are implemented.

In addition, the Council may invest with organisations and pooled funds without credit ratings, following an external credit assessment and advice from the treasury management adviser.

Current Account Bank: The Council's current accounts are held with Natwest which is currently rated at the minimum A- rating in table 2. Should the credit ratings fall below A-, the Council may continue to deposit surplus cash with Natwest providing that any investments can be withdrawn on the next working day, and that the bank maintains a credit rating no lower than BBB- (the lowest investment grade rating).

Registered Providers: Formerly known as Housing Associations, Registered Providers of Social Housing are tightly regulated by the Homes and Communities Agency and retain a high likelihood of receiving government support if needed. The Council will consider investing with unrated Registered Providers with adequate credit safeguards, subject to receiving independent advice.

Building Societies: The Council takes additional comfort from the building societies' regulatory framework and insolvency regime where, in the unlikely event of a building society liquidation, the Council's deposits would be paid out in preference to retail depositors. The Council will therefore consider investing with unrated building societies where independent credit analysis shows them to be suitably creditworthy. The Government has announced plans to amend the building society insolvency regime alongside its plans for wide ranging banking reform, and any investments in lower rated and unrated building societies will therefore be kept under continuous review.

Money Market Funds: These funds are pooled investment vehicles consisting of money market deposits and similar instruments. They have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager. Fees of between 0.10% and 0.20% per annum are deducted from the interest paid to the Council. Funds that offer same-day liquidity and aim for a constant net asset value will be used as an alternative to instant access bank accounts, while funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Other Pooled Funds: These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. They offer enhanced returns over the longer term, but are potentially more volatile in the shorter term, and are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council investment objectives need be monitored regularly. The Council has one pooled fund, inherited from one of the legacy councils (The Lime Fund). This continues to be a sound investment and is monitored regularly with our treasury management adviser. There are no plans currently to invest further in pooled funds.

Other Organisations: The Council may also invest cash with other organisations, for example by making loans to small businesses. Because of the higher perceived risk of unrated businesses, such investments may provide considerably higher rates of return. They will however only be made following a favourable external credit assessment and on the specific advice of the Council treasury management adviser.

Externally Managed Funds: these are managed on a discretionary basis by fund manager. The manager has scope to add value through the use of the investments listed in table 2 and must operate within the same limits. Performance is monitored

and measured against the benchmark set for the fund, prevailing economic conditions and investment opportunities.

Risk Assessment and Credit Ratings: The Council uses long-term credit ratings from the three main rating agencies Fitch Ratings, Moody's Investors Service and Standard & Poor's Financial Services to assess the risk of investment default. The lowest available counterparty credit rating will be used to determine credit quality, unless an investment-specific rating is available. Credit ratings are obtained and monitored by the treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a A- rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments: The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office for example, or with other local authorities. This will cause a

reduction in the level of investment income earned, but will protect the principal sum invested.

Specified Investments: The CLG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of “high credit quality”.

Non-specified Investments: Any investment not meeting the definition of a specified investment is classed as non-specified. The Council defines “high credit quality” organisations as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. The Council does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality. Limits on non-specified investments are shown in table 3 below.

Table 3: Non-Specified Investment Limits

	Cash limit
Total long-term investments	£20m
Total investments without credit ratings or rated below A-	£15m
Total investments in foreign countries rated below AA+ by individual country	£10m

Investment Limits: The Council’s general revenue reserves available to cover investment losses are forecast to be £14.2 million on 31st March 2014.

Table 4: Investment Limits

	Cash limit
Any single organisation, except the UK Central Government	£15m each
UK Central Government	unlimited

Any group of organisations under the same ownership	£15m per group
Any group of pooled funds under the same management	£10m per manger
Negotiable instruments held in a broker's nominee account	£10m per broker
Foreign countries	£10m per country
Registered Providers	£10m in total
Building Societies	£10m in total
Loans to small businesses	£10m in total
Money Market Funds	70% in total

Approved Instruments: The Council may lend or invest money using any of the following instruments:

- interest-bearing bank accounts,
- fixed term deposits and loans,
- callable deposits and loans where the Council may demand repayment at any time (with or without notice),
- callable deposits and loans where the borrower may repay before maturity,
- certificates of deposit,
- bonds, notes, bills, commercial paper and other marketable instruments, and
- shares in money market funds and other pooled funds.

Investments may be made at either a fixed rate of interest, or at a variable rate linked to a market interest rate, such as LIBOR, subject to the limits on interest rate exposures below.

Liquidity management: Cash flow forecasting is used to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a pessimistic basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium term financial plan and cash flow forecast.

Maturity Structure of Borrowing: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Upper	Lower
--	--------------	--------------

Under 12 months	20%	0%
12 months and within 24 months	20%	0%
24 months and within 5 years	60%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment. The maturity of the council's fixed rated borrowing will be profiled in order that no more than 20% of the fixed rated debt matures in any one financial year.

Principal Sums Invested for Periods Longer than 364 days: The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end will be:

	2014/15	2015/16	2016/17
Limit on principal invested beyond year end	£20m	£20m	£20m

Other Items

There are a number of additional items that the Council is obliged by CIPFA or CLG to include in its Treasury Management Strategy.

Policy on Use of Financial Derivatives: Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

Standalone financial derivatives (such as swaps, forwards, futures and options) will only be used where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a

derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

Policy on Apportioning Interest to the HRA: The Council has adopted a two pooled approach and all the costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured and interest transferred between the General Fund and HRA at the Council's average interest rate on investments, adjusted for credit risk.

Investment Training: The needs of the Council's treasury management staff for training in investment management are assessed regularly as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change.

Staffs regularly attend training courses, seminars and conferences provided by Arlingclose Ltd and CIPFA.

Investment Advisers: Arlingclose Limited are the appointed treasury management advisers providing specific advice on investment, debt and capital finance issues.

Investment of Money Borrowed in Advance of Need: The Council may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Council is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Council's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit of £516.2 million. The maximum period between borrowing and expenditure is expected to be two years, although the Council is not required to link particular loans with particular items of expenditure.

Other Options Considered

The CLG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The Chief Financial Officer believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Reduced risk of losses from credit related defaults
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs will be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long term costs will be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs will be less certain

Schedule 1 – Arlingclose Economic & Interest Rate Forecast

(drafted by Arlingclose Ltd, December 2013)

Underlying assumptions:

- Growth continues to strengthen with the second estimate for Q3 growth coming in at an unrevised 0.8%. The service sector remains the main driver of growth, boosted by a contribution from construction.
- The unemployment rate has fallen to 7.6%. The pace of decline in this measure will be dependent on a slower expansion of the workforce than the acceleration in the economy, alongside the extent of productivity.
- The CPI for November has fallen to 2.1%, a much more comfortable position for the MPC. Utility price increases are expected to keep CPI above the 2% target in 2014, before falling back again.
- The principal measure in the MPC's Forward Guidance on interest rates is the Labour Force Survey (LFS) unemployment rate. The MPC intends not to raise the Bank Rate from its current level of 0.5% at least until this rate has fallen to a threshold of 7%.
- The reduction in uncertainty and easing of credit conditions have begun to unlock demand, much of which has fed through to the housing market. In response to concerns over a house price bubble, the Bank of England announced a curtailment of the Funding for Lending Scheme, which will henceforth concentrate on business lending only.
- The MPC will not hesitate to use macro prudential and regulatory tools to deal with emerging risks (such as curtailing the FLS). Absent risks to either price stability or financial stability, the MPC will only tighten policy when it is convinced about the sustained durability of economic growth.
- Federal Reserve monetary policy expectations - the slowing in the pace of asset purchases ('tapering') and the end of further asset purchases - will remain predominant drivers of the financial markets. Tapering of asset purchases will begin in Q1 2014. The US political deadlock over the debt ceiling will need resolving in Q1 2014.
- The European backstop mechanisms have lowered the risks of catastrophic meltdown. The slightly more stable economic environment at the aggregate Eurozone level could be undone by political risks and uncertainty in Italy, Spain and Portugal (doubts over longevity of their coalitions). The ECB has discussed a third LTRO, as credit conditions remain challenging for European banks.
- China data has seen an improvement, easing markets fears. Chinese leaders have signalled possible monetary policy tightening.

- On-going regulatory reform and a focus on bail-in debt restructuring of is likely to prolong banking sector deleveraging and maintain the corporate credit bottleneck.

Forecast:

- Our projected path for short term interest rates remains flat. Markets are still pricing in an earlier rise in rates than warranted under Forward Guidance and the broader economic backdrop. The MPC will not raise rates until there is a sustained period of strong growth. However, upside risks weight more heavily at the end of our forecast horizon.
- We continue to project gilt yields on an upward path through the medium term. The recent climb in yields was overdone given the soft fundamental global outlook and risks surrounding the Eurozone, China and US.

	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16
Official Bank Rate													
Upside risk		0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.75	1.00
Arlingclose Central Case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk				-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
3-month LIBID rate													
Upside risk	0.20	0.25	0.30	0.35	0.40	0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.80
Arlingclose Central Case	0.45	0.45	0.50	0.55	0.55	0.55	0.55	0.60	0.65	0.70	0.80	0.80	0.80
Downside risk	-0.25	-0.25	-0.25	-0.30	-0.30	-0.30	-0.35	-0.40	-0.45	-0.50	-0.55	-0.55	-0.55
1-yr LIBID rate													
Upside risk	0.35	0.30	0.35	0.40	0.45	0.50	0.60	0.70	0.75	0.75	0.75	0.80	0.80
Arlingclose Central Case	0.90	0.95	0.95	0.95	1.00	1.05	1.10	1.15	1.20	1.25	1.30	1.40	1.40
Downside risk	-0.25	-0.25	-0.25	-0.30	-0.35	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
5-yr gilt yield													
Upside risk	0.50	0.75	0.75	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	1.45	1.50	1.55	1.60	1.65	1.70	1.75	1.85	1.95	2.10	2.30	2.50	2.50
Downside risk	-0.50	-0.50	-0.50	-0.50	-0.55	-0.60	-0.60	-0.60	-0.65	-0.75	-0.80	-0.80	-0.80
10-yr gilt yield													
Upside risk	0.50	0.50	0.50	0.65	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	2.55	2.60	2.65	2.70	2.75	2.80	2.85	2.90	3.00	3.10	3.30	3.50	3.50
Downside risk	-0.50	-0.50	-0.50	-0.50	-0.55	-0.60	-0.60	-0.60	-0.65	-0.75	-0.80	-0.80	-0.80
20-yr gilt yield													
Upside risk	0.50	0.75	0.75	0.75	0.85	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.25	3.30	3.35	3.40	3.45	3.50	3.55	3.65	3.75	3.85	4.05	4.15	4.15
Downside risk	-0.50	-0.50	-0.50	-0.50	-0.55	-0.60	-0.60	-0.60	-0.65	-0.70	-0.75	-0.80	-0.80
50-yr gilt yield													
Upside risk	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.45	3.50	3.55	3.60	3.65	3.70	3.75	3.80	3.85	3.95	4.05	4.15	4.15
Downside risk	-0.50	-0.50	-0.50	-0.50	-0.55	-0.60	-0.60	-0.60	-0.65	-0.70	-0.75	-0.80	-0.80

Schedule 2 – Existing Investment & Debt Portfolio Position

	30/11/13 Actual Portfolio £m
External Borrowing:	
PWLB – Fixed Rate	217.0
PWLB – Variable Rate	80.6
Local Authorities	0.0
LOBO Loans	13.5
Total External Borrowing	311.1
Other Long Term Liabilities:	
PFI	17.4
Finance Leases	
Total Gross External Debt	328.5
Investments:	
<i>Managed in-house</i>	
Short-term investments	46.0
Long-term investments	0.0
Pooled Funds	4.8
Total Investments	50.8
Net Debt	277.7

Appendix C – Prudential Indicators 2014/15

The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure: The Council's planned capital expenditure and financing can be summarised as follows.

Capital Expenditure and Financing	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
General Fund	94.6	89.6	112.0	73.0
HRA	8.6	17.2	12.1	12.2
Total Expenditure	103.2	106.8	124.1	85.2
Capital Receipts	4.2	8.2	11.9	9.5
Government Grants	49.5	35.7	59.5	37.5
Revenue	8.4	16.5	11.4	11.5
Borrowing	41.1	46.5	41.4	26.6
Total Financing	103.2	106.8	124.1	85.2

Estimates of Capital Financing Requirement: The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose.

Capital Financing Requirement	31.03.14 Revised £m	31.03.15 Estimate £m	31.03.16 Estimate £m	31.03.17 Estimate £m
General Fund	269.5	308.1	341.4	359.7
HRA	163.9	165.0	165.0	165.0
Total CFR	433.4	474.1	506.4	524.7

The CFR is forecast to rise by £91.3m over the next three years as capital expenditure financed by debt outweighs resources put aside for debt repayment.

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

Debt	31.03.14 Revised £m	31.03.15 Estimate £m	31.03.16 Estimate £m	31.03.17 Estimate £m
Borrowing	308.0	338.1	370.0	390.0
PFI liabilities	16.8	16.3	15.7	15.3
Total Debt	324.8	354.4	385.7	405.3

Total debt is expected to remain below the CFR during the forecast period.

Operational Boundary for External Debt: The operational boundary is based on the Council's estimate of most likely, i.e. prudent, but not worst case scenario for external debt. It links directly to the Council's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Council's debt.

Operational Boundary	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
Borrowing	442.4	483.3	510.2	529.3
Other long-term liabilities	19.8	19.3	18.8	18.3
Total Debt	462.2	502.6	528.9	547.6

Authorised Limit for External Debt: The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Authorised Limit	2013/14 Revised £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
Borrowing	452.4	493.3	520.2	539.3
Other long-term liabilities	22.3	21.78	21.3	20.8
Total Debt	474.7	515.1	541.4	560.1

Ratio of Financing Costs to Net Revenue Stream: This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2013/14 Revised %	2014/15 Estimate %	2015/16 Estimate %	2016/17 Estimate %
General Fund	6.6	7.2	8.2	9.2
HRA	13.9	13.9	13.6	13.3

Incremental Impact of Capital Investment Decisions: This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax and housing rent levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the capital programme proposed.

Incremental Impact of Capital Investment Decisions	2014/15 Estimate £	2015/16 Estimate £	2016/17 Estimate £
General Fund - increase in annual band D Council Tax	39.3	41.7	34.6
HRA - increase in average weekly rents	0.3	0.3	0.3

Adoption of the CIPFA Treasury Management Code: The Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* in November 2012.

Housing Revenue Account (HRA) Debt - The purpose of this limit is to report the level of debt imposed on the Council at the time of the implementation of self-financing by the department for communities and Local Government.

	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate
	£M's	£M's	£M's	£M's
HRA	165	165	165	165

Annual Minimum Revenue Provision Statement 2014/15

Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Department for Communities and Local Government's *Guidance on Minimum Revenue Provision* (the CLG Guidance) most recently issued in 2012.

The broad aim of the CLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The CLG Guidance requires the Council to approve an Annual MRP Statement each year, and recommends four options for calculating a prudent amount of MRP. In summary these are:

Option 1 - For capital expenditure incurred before 1st April 2008, MRP will be determined in accordance with the former regulations that applied on 31st March 2008, incorporating an "Adjustment A" as defined in the former regulations.

Option 2 - For capital expenditure incurred before 1st April 2008 MRP will be determined as 4% of the Capital Financing Requirement in respect of that expenditure.

Option 3 - For capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant, on an equal sum or annuity basis, starting in the year after the asset becomes operational.

Option 4 - For capital expenditure incurred after 31st March 2008, MRP will be determined as being equal to the accounting charge for depreciation.

The Council utilises a combination of options 1 and 3 from the guidance, which involves the use of 4% for certain assets and spreading the provision across the useful economic life of others. The calculation is reviewed annually by the Council's external auditors as part of the audit of the Statement of Accounts.

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Meeting: Executive

Date: 4 February 2014

Subject: **Determination of the content of the consultation regarding the future of Brewers Hill Community Middle School, Streetfield Community Middle School and Ashton Cof E VA Middle School, following an analysis of the future viability of these Dunstable schools**

Report of: **Cllr Mark Versallion, Executive Member for Children's Services**

Summary: The report proposes to initiate consultations on the phased closure of the Community Schools of Brewers Hill Middle School and Streetfield Middle School and the Church of England Voluntary Aided School of Ashton Middle School from September 2015, with full closure from August 2016. This is as a consequence of the changing pattern of provision in the area, which has an impact on the future viability of all 3 schools.

Advising Officer: Edwina Grant, Deputy Chief Executive, Director of Children's Services

Contact Officer: Helen Redding, Assistant Director School Improvement

Public/Exempt: Public

Wards Affected: Dunstable Central, Dunstable Icknield, Dunstable Manshead, Dunstable Northfields, Dunstable Watling, Caddington.

Function of: Executive

Key Decision Yes

Reason for urgency This report seeks commencement of the statutory process required in education law that is required to be followed for proposals of this nature. Timeframes for the process are prescribed by regulations that were amended in December 2013, coming into effect in late January 2014. To comply with the statutory timeframe, to commence consultation on the 24 February 2014 and to ensure compliance with statutory guidance this report cannot be deferred to the March meeting of the Council's Executive, as originally intended. The outcome of the initial phase of consultation will be reported to the Council's Executive on 27 May 2014.

CORPORATE IMPLICATIONS

Council Priorities:

The report supports Central Bedfordshire's Medium Term Plan: Delivering your priorities – Our Plan for Central Bedfordshire 2012- 2016 and the specific priority of Improved Educational Attainment.

Financial:

1. Schools budgets are funded through Dedicated Schools Grant (DSG). There are financial implications for the schools identified within this report with regard to their budgets for 2014/2015 and beyond. Detail is provided in paragraph 61. Budgetary provisions for redundancy payments as a consequence of a school closure are the responsibility of the Council. Should a maintained school close with a deficit budget, the deficit falls to the de-delegated school DSG contingency budget. If there is not sufficient budget within the de-delegated DSG school contingency, a deficit on central expenditure can be applied to the next year to be funded by the schools budget. The School Forum makes this decision, and the Department for Education (DFE) adjudicates where School Forum does not agree.
2. Streetfield Middle School and Brewers Hill Middle School are both Community Schools with land and buildings owned by the Council. This report does not include consideration of potential future use or disposal of either site but focusses on the viability of the current Schools that are accommodated in each location. If the recommendations in this report result in the closure of these schools, subsequent reports will be made to the Council's Executive on options for the land and buildings.
3. The land occupied by Ashton Middle School is owned by the Ashton Foundation and the school is a St Albans Diocese School. Should a decision be taken to consult on closure of the school, the Ashton Foundation would need to consider future use of the land.

Legal:

4. Section 14 of the Education Act 1996 places a duty on Councils to secure sufficient and suitable school places to provide for 5 – 16 year old statutory aged children in its area. The Education and Inspections Act 2006 gives Councils a strategic role as commissioners, but not providers, of school places to promote parental choice, diversity, high standards, the fulfilment of every child's educational potential and fair access to educational opportunity.
5. To help meet these duties and restructure local provision Council's also have the power to close all categories of maintained schools. Reasons for closing a maintained mainstream school may include:
 - Where it is being replaced by a new school;
 - Where it is to be amalgamated/merged with another school; or
 - Where it is surplus to requirements (e.g. as a result of area wide school reorganisation and/or where there are sufficient places in neighbouring schools to accommodate displaced pupils).

6. The main legislation governing the discontinuance of Council maintained schools is currently found in the Education and Inspections Act 2006 (EIA 2006) and The School Organisation (Establishment and Discontinuance of Schools)(England) Regulations 2007 (as amended by The School Organisation and Governance (Amendments) (England) Regulations 2007 which came into force on 21 January 2008 and The School Organisation and Governance (Amendment)(England) Regulations 2009 which came into force on 1 September 2009).
7. As a result of DfE proposals these regulations are due to be revoked as The School Organisation (Establishment and Discontinuance of Schools) Regulations 2013 and The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013 will come into force on 28 January 2014. The Department for Education (DfE) is also due to publish revised statutory guidance to provide additional information on the procedures established by the new regulations to outline the detailed requirements and process for proposals to close Council maintained schools that include full public consultation, the publication of statutory proposals and the decision making process.
8. The revised statutory process to close a Council maintained school continues to have 5 stages:
 1. Full public consultation - Minimum of 6 weeks recommended in DfE guidance.
 2. Publication of Statutory notice – following consideration of outcome of initial consultation.
 3. Representation period – Final period of 4 weeks to enable people and organisations to express their views about the proposals and ensure that they will be taken into account by the Decision Maker.
 4. Decision – Council Executive determination of the proposal, within 2 months of the end of the representation period
 5. Implementation – Putting into effect of the proposed closure
9. The Council is able to propose the discontinuance of the maintained schools as set out in this report and is also decision maker for these proposals.
10. The current Department for Education guidance for decision makers contains a number of key factors to be considered when they make a final decision on proposals of this nature. The guidance is clear that these factors should not be taken to be exhaustive and all proposals should be considered on their individual merits. It is expected that the revised statutory guidance will contain similar factors that the decision maker must consider in the final determination of closure proposals.
11. The key factors outlined in current statutory guidance include:
 - The effect on standards and school improvement;
 - The need for places;
 - Impact on the Community and Travel;
 - School Characteristics including equal opportunity issues;
 - Special Educational Needs Provision;
 - Views of interested parties.

12. The final report to Executive in August 2014 will reflect upon each of the factors required within the new statutory guidance, when published, and any others that arise throughout the initial consultation phase.
13. The local Church of England Diocese of St Albans, the Bishop of the local Roman Catholic Diocese of Northampton and the governing body and trustees (if relevant) of each school have a right of appeal to the schools adjudicator if they disagree with the Council's final decision.
14. The new Regulations have arisen as a result of a DfE consultation launched on the 12 September 2013 on a range of proposed changes to the existing legislative and policy requirements for making changes to schools and academies, including school closure. The aim of the proposals was for schools and academies to be more in control of their own decisions about size and composition and to remove or reduce restrictions of the current legislative processes.
15. One of a number of key proposals set out within the consultation by the DfE is that Council maintained schools would be given the freedom to propose and determine their own changes including expansion and age ranges without following a statutory process, as long as they had secured any necessary funding. The Council would not be decision maker for proposals of this nature.
16. Likewise the consultation proposed amendments to the current requirements for Council led proposals to close schools that would reduce the statutory timeframe of the representation period from 6 to 4 weeks. It also proposed to remove prescription from the statutory process.
17. On 18 December 2013 the DfE published its response to the consultation and stated its intention to proceed with the policy direction set out in the consultation document, with some changes to details in the draft regulations in light of the responses it had received to the consultation. On the same day the revised regulations were laid before Parliament and will now come into force on 28 January 2014. Revised statutory guidance will provide further detail and is expected to be published imminently.
18. Officers will amend this report if the new statutory guidance is published before publication.

Risk Management:

19. The proposals to close the 3 maintained schools as set out in this report supports the need to manage the supply of school places in the Dunstable area by reducing the significant surplus in places in Years 5 to 8, and addressing the impact that reducing rolls will have on the financial viability of these 3 schools and the education of children accommodated within them.

20. Key risks associated with inaction include:

- Failure to discharge the Council's legal and statutory duties/guidance.
- Failure to deliver the Council's strategic priorities.
- Reputational risks associated with the ineffective management of school places.
- Inefficient use of dedicated schools grant and corresponding reduction in funding for all other schools and Academies in Central Bedfordshire.
- Financial and educational unviability as pupil numbers fall further.
- Unplanned and un-coordinated loss of teaching and support staff.

21. If these proposals are approved once due process has been followed, each will be project managed to delivery which will include risk assessment and management processes overseen by a Project Team of the Council and School staff. External support for each school will be commissioned as appropriate by the Council utilising its school improvement budget.

Staffing (including Trades Unions):

22. Staff and Trade Unions/Professional Associations are consulted on proposals to close Council maintained schools as part of the informal and statutory process required by regulations and DfE guidance.

23. Irrespective of the proposal set out in this report, all 3 schools will need to seek advice from their Human Resources (HR) Provider regarding any restructuring of staffing as a consequence of the reducing numbers of pupils at the schools from September 2014. If staffing numbers do need to be reduced for September 2014 these schools will need to consult with staff and Trade Unions/Professional Associations early in 2014 in order to meet the timescales for implementation.

24. The Council's Schools Statutory HR Team will monitor all restructures to ensure redundancy charges to the Council are minimised and justified and the Team will be represented in the Project Team created to deliver each school's closure.

25. Opportunities would be sought to ensure that good staff are retained in the area where possible and staff wish it. Schools will be supported to consider incentives for retention of key staff throughout a phased closure process. If agreed and affordable, this process would need to be in accordance with conditions of service, be transparent and be discussed and agreed with Trade Unions/Professional Associations. Employment in other schools in the area that will have opportunities due to their changing age ranges can also be encouraged, although the Council do not have any powers to redeploy staff to other schools. The Governing Body of each school is responsible for the appointment of staff.

Equalities/Human Rights:

26. The consultation and decision making process set out in regulation for proposals to close Council maintained schools requires an evaluation of any equalities and human rights issues that might arise.

27. Public authorities have a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and to foster good relations in respect of the following protected characteristics: age, disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
28. This statutory duty includes requirements to:
- Remove or minimise disadvantages suffered by people due to their protected characteristics.
 - Take steps to meet the needs of people from protected groups where these are different from the needs of other people.
 - Encourage people from protected groups to participate in public life or in other activities where their participation is disproportionately low.
29. Where it is identified that the proposals impact on provision for children with special educational needs and disabilities or on provision of extended school services, these will be outlined in the proposal documents attached to the final report.

Public Health:

30. The range of Extended Services provided by schools may include:
- Parenting and family support officers
 - Transition support for pupils, schools and families
 - Combined clubs and after school activities
 - Holiday activities
 - Support for vulnerable pupils and families

These services can have an important impact on public health and be of benefit to the communities in which the schools are based although they will become increasingly unviable as any hosting school suffers a significant fall in pupil numbers. The consultation process will include an evaluation of the impact of closure on any extended service currently being provided from these school sites and further reports to the Council's Executive will propose how these can be sustained or re-provided through alternative local services.

Community Safety:

31. Whilst it is acknowledged that schools have an important role under Section 17 of the Crime and Disorder Act 1998 to work alongside a range of other agencies to ensure safety in their local communities, the closure of any school site also has the potential to increase community safety issues around the school's location as disused buildings can attract anti social behaviour and have a significant impact on residents living in the school vicinity, placing additional demand upon the services responsible for dealing with them. To meet its statutory duty in relation to crime and disorder the Council as landlord for both Brewers Hill Middle School and Streetfield Middle, and the Ashton Foundation as Trustees of Ashton Middle School will need to work to ensure that community safety issues are considered and appropriate measures are put in place to mitigate any risks.

Sustainability:

32. Not applicable.

Procurement:

33. Not applicable.

Overview and Scrutiny:

34. This matter has not been considered by Overview and Scrutiny prior to its publication, but will be considered within the consultation phases.

RECOMMENDATIONS:

The Executive is asked to:

1. **approve the initiation of a consultation to close Brewers Hill Community Middle School in Dunstable, phased from September 2015, with final implementation in August 2016;**
2. **approve the initiation of a consultation to close Ashton Church of England Voluntary Aided Middle School in Dunstable, phased from September 2015, with final implementation in August 2016;**
3. **approve the initiation of a consultation to close Streetfield Community Middle School in Dunstable, phased from September 2015, with final implementation in August 2016;**
4. **agree to receive a report providing the responses to each consultation at the Council's Executive on 27 May 2014, and make a decision on whether to proceed to the publication of statutory notices for each school, with a view to receiving a final report and making final decisions at the Council's Executive on 19 August 2014.**

Reason for Recommendations: To ensure the Council continues to meet its statutory obligations to provide sufficient school places and also to meet the legal requirements placed on the Council by The School Organisation (Establishment and Discontinuance of Schools)(England) Regulations 2013 regarding proposals to close the three maintained schools as set out in this report. Final approval of the proposals set out in recommendations 1-3 will be determined by the Council's Executive on 19 August 2014, informed by the outcome of the consultation exercises. The Council's Executive is required to make its decision within 2 months of the end of the consultation period.

Executive Summary

35. The purpose of this report is to provide the Council's Executive with sufficient information and guidance to enable it to consider the recommendations to undertake consultation on proposals to close Streetfield Community Middle School, Brewers Hill Community Middle School and Ashton Church of England Voluntary Aided Middle School.

36. The report will set out the background to the proposals and the process that they must followed, aligned with the statutory requirements set out in legislation and Department for Education guidance for proposals of this nature.
37. The report concludes with a recommendation to commence consultation on the proposals to close these three schools, with an implementation date of August 2016.

Background

38. National changes in Education legislation has meant that the Council's role in determining the pattern of provision for an area has changed.
39. Central Bedfordshire Council has been and continues to be supportive of schools' academisation across the Council area.
40. If an Academy wishes to change their age range, they are required to consult and present their proposals to the Secretary of State for approval.
41. The Council has ensured that maintained schools have the same opportunities as Academies in changing their age range, if they can demonstrate sufficient demand from parents for these changes and can meet other criteria set out in DfE guidance. For maintained schools the Council is the decision maker, and for Academies, the Secretary of State is the decision maker.
42. These new freedoms have led to a change to the historical pattern of provision concentrated largely on the Dunstable and Houghton Regis area as a result of previous Council and DfE decisions to change existing age ranges in a number of schools and Academies, fundamentally towards a more traditional primary/secondary pattern of provision.
43. From September 2014 within the planning area of Dunstable and Houghton Regis there will be 17 primary schools serving the 5-11 age range (Lark Rise, St Augustine's, Ardley Hill, Lancot, Kensworth, Ashton St Peters, Hawthorn Park, Thornhill, Tithe Farm, Thomas Whitehead, Houghton Regis, St Marys, Eaton Bray, Hadrian, St Christophers, Barnfield Vale and St Vincents).
44. There will also be a middle deemed primary serving the 5-13 age range (Caddington Village School) and a middle deemed secondary serving the 9-16 age range (Priory Academy).
45. There will be 4 secondary schools serving the 11-19 age range (Houghton Academy, All Saints Academy, Queensbury Academy and Manshead Church of England VA) and a University Technical College serving the 14-19 age range.
46. Dunstable Icknield, Watling, Studham and Slip End Lower Schools are developing partnership arrangements with other schools and Academies in the area to sustain their existing 5-9 age range and traditional point of transfer at the end of Year 4.

47. Of the remaining schools in the area Beecroft Lower (Academy) is currently undertaking a consultation on its proposal to change its current 4-9 years age range and become a 4-11 primary school from September 2015. Totternhoe Lower School has previously considered its options and may do again in the future. If the recommendations in this report are approved, there will be no Year 5 transfer to Brewers Hill Middle School, Ashton Middle School or Streetfield Middle School in September 2015 and beyond. This change would be reflected in the Statutory Admissions consultation which occurs annually. There has been no pupils transfer to Dunstable schools from Totternhoe Lower School in recent years. Parents could still apply to Priory Academy if they chose to do so.
48. These changes to the pattern of provision and admissions transfer points has significantly altered the supply of places in each year group across the area, and has impacted specifically on middle school provision in the area in 2 key parts.
49. Firstly, the implementation of former lower schools becoming primary schools has meant that a significant number of parents have chosen to retain their children in the new Year 5 year group within their existing school, rather than apply to transfer to Year 5 in a middle school. The corresponding reduction in Year 5 transfer applications to middle schools can be seen in the data provided later in this report.
50. Secondly, the implementation of former upper schools becoming secondary schools has meant that a significant number of parents have chosen to apply for transfer to a secondary school in Year 7, rather than retain their children within Year 7 in a middle school. The speed of the loss of pupil numbers in middle schools between September 2013 and 2014 has been further exacerbated by the removal of a Year 9 transfer point after September 2015, as new secondary schools focus in future years on a single point of entry in the normal admissions round at Year 7 after that date.
51. In September 2013, parents of Year 6 children were advised that they would not have the choice of a Year 9 application as part of the normal admissions round in 2016. A significant number have chosen to apply for a Year 7 place in a secondary school from September 2014, rather than remain within their current middle school and make an in year admission application to a Year 9 place within one of the local secondary schools in 2016. The corresponding reduction in Year 6 children moving into Year 7 in middle schools can be seen in the data provided later in this report.
52. The following table illustrates the size of each school year group cohort currently in schools and academies in the Dunstable and Houghton Regis area (May 2013 School Census data).

Year	R	1	2	3	4	5	6	7	8	9	10	11
Total number of pupils	897	822	819	793	750	675	686	648	656	610	576	663

53. The local impact of the rise in birth rate which is significant at a National level can be seen in the data, although historical analysis of pupil journeys in the area also reflects traditional patterns of the transfer of pupils to Roman Catholic secondary provision in Luton and to other schools in neighbouring authorities and areas of Central Bedfordshire. There is however a significant increase in pupil population in schools and academies in the Dunstable and Houghton Regis area which will need to be accommodated in future years. The data suggests that the size of cohort seeking a place in Year 7 could increase to 750 children in September 2015. In pupil place planning terms, to allow for parental preferences, this would require a minimum of 840 places to be provided.
54. It could be said that the increase in the population locally might suggest a need to retain these schools to accommodate the projected rise in the population locally in future years. The following paragraphs demonstrate why the retention of these middle schools would not be required to meet this demand.
55. A minimum total number of 840 places in each year group would currently allow for parental preferences to be accommodated while also balancing the negative impact of inefficient over supply of places across the area. This does not take account of new school provision which will be needed as a result of the proposed North Houghton Regis extension which will provide required additional education infrastructure as part of that development.
56. The following table illustrates the number of school places that are available across the area on the basis of changes to age ranges that have already been approved.

Year	R	1	2	3	4	5	6	7	8	9	10 **	11**
School planning need	840	840	840	840	840	840	840	840	840	840	840	840
Number of places	985	985	985	985	985	1366	1366	1382	1382	802	877	877
% surplus/ Deficit places	+17	+17	+17	+17	+17	+63	+63	+65	+65	-5	+4	+4

** this includes an assumed 75 places at the University Technology College (UTC) for pupils who may wish to transfer at the end of Year 9

57. This illustrates the level of surplus school places that exist particularly in Years 5 – 8 where provision is now duplicated in middle schools. In Years 5 and 6 it is duplicated in the primary schools, many of which have chosen to retain their original Published Admission Number (PAN) across their new age range, and in Years 7 and 8 it is duplicated in the secondary schools.

58. The table also illustrates that available capacity in Years 9 to 11 is at or below desired levels (i.e. +/- 5% noting that 75 places have been included as available through the University Technical College in the figures above) and the Council will be required to commission additional school places in the future (but probably not before September 2016) simply to accommodate the growth in pupil numbers that are already in the local school system.
59. The following table illustrates the number of school places that would be available across the area if the proposals outlined in this report are implemented.

Year	R	1	2	3	4	5	6	7	8	9	10 **	11**
School planning need	840	840	840	840	840	840	840	840	840	840	840	840
Number of places	985	985	985	985	985	961	961	977	977	802	877	877
% surplus/ Deficit places	+17	+17	+17	+17	+17	+14	+14	+16	+16	-5	+4	+4

60. The Council has been tracking admissions application data and sharing it with affected schools during the Autumn term and into the Spring term. September 2014 is the date at which many of the schools in the area have been approved to implement their change of their age range, and therefore admissions applications are significant in determining the numbers of pupils likely to be on roll in these schools compared to the capacity of the school.
61. The closing date for applications for secondary places in Year 7 was 31 October 2013, and the closing date for applications into Middle schools in Year 5 was 15 January 2014. The numbers of pupils in a school and in a year group has a significant impact on a school's ability to effectively deliver an appropriate and high quality curriculum, social interactions in peer groups as well as a significant impact on each school's budget.
62. The consultation on the school funding arrangements from April 2014 took place in September 2013. The Council's Executive approved the distribution of DSG at its meeting on 14 January 2014 based on the analysis of the responses to the consultation and the recommendations of School Forum. This included approval of the recommendation of using admissions applications data for calculating schools' budgets for a limited number of schools and Academies that are affected by their own change in age range or the impact of others locally. This is to ensure that as far as is possible the financial resources follow the pupils where age range changes are approved, based on January admissions applications data rather for the period September 2014 to March 2015, than the previous year's October Census data.

63. The schools' budget share will be calculated based on the October 2013 census for the period April to August, and on the admissions applications data in January for the period September to March. If the actual numbers differ by more than 10%, an adjustment will be applied to the following September. If the impact of this is that a school finds itself in financial difficulty, the school can apply for a licenced deficit and the Council will evaluate the proposal and support the school to address the issues.
64. This will particularly impact on Middle schools in the Dunstable area in their budgets for 2014/2015 (from September 2014). In 2014 this impacts mainly on the future financial viability of Brewers Hill Middle School, Ashton Middle School, and Streetfield Middle School due to a significant reduction in pupil numbers.
65. The following sections set out the anticipated numbers and context for the three schools, and therefore the basis for the judgement that the schools are not viable in the future.

Brewers Hill Middle School

66. Brewers Hill Middle School Governing Body and Headteacher approached Barnfield Academy Trust in 2011 with a view to converting to an Academy, with the intention post conversion to then consult on a change in age range to become a primary school with a studio school in the future.
67. With the impact of the changing pattern of provision in the area, Barnfield identified that there would not be sufficient demand for a primary school and given other site transfer issues, withdrew from the conversion.
68. Brewers Hill Middle School is judged by Ofsted to be a 'good' school, but the changing pattern of provision within its feeder lower schools as set out below has an impact on the future viability of the school.
69. Eaton Bray Academy is judged by Ofsted to be 'outstanding' and became a Primary School in September 2013. Historically their pupils have tended to transfer to schools in both Leighton Buzzard and in Dunstable.
70. Lancot Lower School is judged by Ofsted to be 'good' and will become a primary school in September 2014 retaining a Year 5 cohort.
71. Beecroft Lower School is judged by Ofsted to be 'outstanding' and has now converted as an Academy. It is consulting on extending their age range with an implementation date of September 2015, when it is proposing to retain its year 5 cohort.
72. Totternhoe Lower School is judged by Ofsted to be 'good'. It has not expressed any plans to consider an age range change as yet. There are currently 9 year 4 pupils attending Totternhoe who may be looking to transfer to middle school in September 2014, either in Dunstable or to seek a place in the Leighton Buzzard area. No children transferred from Totternhoe to Brewers Hill Middle School in September 2013. No parents of children from Totternhoe Lower School have applied for a place at Brewers Hill Middle School for September 2014. All parents have applied for a place in a Leighton Buzzard school.

73. Manshead Upper School, which is judged by Ofsted to 'require improvement', and Queensbury Academy, which is due to be inspected imminently as a 'new' school, will both become secondary schools from September 2014. They will have an intake at both Year 7 and Year 9 for 2014 and 2015 only. All Saints Academy, which is judged by Ofsted to 'require improvement', had a Year 7 intake in September 2013, which will mean that in September 2014 they will be running a secondary model accommodating all year groups from Year 7 to Year 13.
74. In September 2013 of the potential 117 catchment children only 64 (55%) transferred to Brewers Hill Middle School.
75. The table below sets out the current numbers on roll at Brewers Hill Middle School (as at 15 January 2014), the projected numbers in September 2014 based on actual applications and projected numbers for September 2015 based on assumptions regarding applications. Brewers Hill Middle School has a Published Admission Number of 120.

Year Group	Current	Projected September 2014	Projected September 2015
5	64	36	0
6	56	64	36
7	33	28	32
8	28	33	28
Total	181	161	96
Capacity	480	480	480

76. Parents of 28 of the current 56 Year 6 pupils have applied for a place in local secondary provision in Year 7. Not all parents will necessarily take up these places, and there may also be some additional late applications. However, schools budgets from September 2014 will be calculated on the position of applications in January as agreed at the Council's Executive on 14 January 2014.
77. As at 16 January 2014 Brewers Hill Middle School has received 36 first preference applications into Year 5. Although it had been anticipated that Beecroft Academy, as one of Brewers Hill Middle School's main feeder schools would apply to extend their age range to the full primary years from September 2014, they have delayed their proposed implementation date (if approved) to September 2015.
78. This has implications for the school's budget from September 2014, as well as the required staffing structure. The expectation would be that these numbers would require a reduced number of teaching staff. This would make it very difficult to deliver the Key Stage 2 Curriculum needed in years 5 and 6 as well as the more subject specialist Key Stage 3 curriculum in Years 7 and 8.

79. If the same assumptions on numbers were projected through to September 2015, these numbers would further decrease. The projected figures in the table are based on a number of assumptions.
- Beecroft Lower School is approved to become a primary school from September 2015 and that it and Lancot retain all of their Year 4 pupils into Year 5.
 - All of the Year 5 pupils transfer into Year 6 in 2015.
 - Approximately half of the parents with Year 6 children in 2014/2015 make a secondary application to a local secondary school for September 2015.
 - All pupils in Year 7 in 2014/2015 stay on into Year 8 in September 2015, although parents could make an in year application into Year 8 in any of the local secondary schools.
80. These numbers are not sufficient to enable a school to deliver the full curriculum.
81. There are already significant surplus Primary places in the area (+17% above demographic demand) as outlined previously.
82. There are currently sufficient secondary places in the area, and additional accommodation will be commissioned in due course as a result of the proposed 7000 new houses to the North of Houghton Regis, the first phase of which is unlikely to commence until 2016.
83. This would suggest that the only feasible option is to consult on a proposal to close Brewers Hill Middle School. If an alternative viable option is presented through the consultation process, this will be considered as part of the decision making at the Council's Executive on 27 May 2014, who will then determine whether or not to progress to the service of statutory notices and final representation period.
84. If the decision is taken to approve commencement of consultation on closure, it will be necessary to work with neighbouring schools. The priority must continue to be ensuring the pupils continue to receive a good quality of education and have a smooth onward educational journey.

Ashton Middle School

85. Officers have been holding regular meetings since September 2013 with the Headteacher, Deputy Headteacher, Governors and the Diocese to consider future options for Ashton Middle School. The school is being supported through the Council's School Intervention Strategy due to its performance. It has recently been inspected and was judged as 'Requires Improvement'.
86. The Governing Body of the school has already consulted with stakeholders on becoming a primary school and decided to not continue with this option. They have explored partnership arrangements with other schools, but have not been successful in securing any other options. They are still pursuing options, and Governors have sent a letter to all parents declaring an intention to become a secondary school. They have reported that they will be consulting on this imminently.

87. Ashton Middle School has historically admitted pupils from a number of schools across the Dunstable and Houghton Regis area. Ashton St Peters Lower School is a main feeder and is judged by Ofsted to be 'good'. It will become a Primary School in September 2014. Many schools in the area will be primary schools by September 2014, other than 5 that remain as lower schools (Dunstable Icknield Lower School, which is judged by Ofsted to be 'outstanding', Watling Lower School, which is judged by Ofsted to 'require improvement', Studham Lower School, which is judged by Ofsted to be 'good', Slip End Lower School, which is judged by Ofsted to be 'outstanding' and Totternhoe Lower School, which is judged by Ofsted to be 'good'). Parents from converting primary schools could still choose a middle school as an option.
88. Manshead Upper School, which is judged by Ofsted to 'require improvement', and Queensbury Academy, which is due to be inspected imminently as a 'new' school, will both become secondary schools from September 2014. They will have an intake at both Year 7 and Year 9 for 2014 and 2015 only. All Saints Academy, which is judged by Ofsted to 'require improvement', had a Year 7 intake in September 2013, which will mean that in September 2014 they will be running a secondary model accommodating all year groups from Year 7 to Year 13.
89. Ashton St Peters and Manshead Schools are both Church of England schools, and will be able to continue to provide a faith based education for the full age range with their extended age ranges which have been approved.
90. The table below sets out the current numbers on roll at Ashton Middle School (as at 15 January 2014), the projected numbers in September 2014 based on actual applications and projected numbers for September 2015 based on assumptions regarding applications. Ashton Middle School has a Published Admission Number (PAN) of 155.

Year Group	Current	Projected September 2014	Projected September 2015
5	106	35	0
6	118	106	35
7	104	37	33
8	140	104	37
Total	468	282	105
Capacity	620	620	620

91. As at 16 January 2014 parents of 81 of the current 118 Year 6 pupils have applied for a place in local secondary provision in Year 7. Not all parents will necessarily take up these places, and there may also be some additional late applications. However, schools budgets from September 2014 will be calculated on the position of applications in January as agreed at Executive on 14 January 2014.
92. As at 16 January 2014 Ashton have received 35 first preference applications into Year 5.

93. This has implications for the school's budget as well as the required staffing structure. The expectation would be that these numbers would require a reduced number of teaching staff. This profile of numbers would make it increasingly difficult to deliver the Key Stage 2 Curriculum needed in years 5 and 6 as well as the more subject specialist Key Stage 3 curriculum in Years 7 and 8.
94. If the same assumptions on numbers were projected through to September 2015, these numbers would further decrease. The projected figures in the table are based on a number of assumptions.
- All primary schools retain all of their Year 4 pupils into Year 5.
 - All of the Year 5 pupils transfer into Year 6 in 2015
 - A similar percentage of the parents with Year 6 children in 2014/2015 make a secondary application to a local secondary school for September 2015.
 - All pupils in Year 7 in 2014/2015 stay on into Year 8 in September 2015, although parents could make an in year application into Year 8 in any of the local secondary schools.
95. These numbers are not sufficient to enable a school to deliver the full curriculum.
96. The school has already consulted on becoming a primary school and the Governing Body decided that there was insufficient response to move forward with this option. There are also surplus primary places in the area.
97. There are currently sufficient secondary places in the area.
98. This would suggest that the only feasible option is to consult on a proposal to close Ashton Middle School. If an alternative viable option is presented through the consultation process, this will be considered as part of the decision making at the Council's Executive on 27 May 2014, who will then determine whether or not to progress to the service of statutory notices and final representation period.
99. If a decision was taken to initiate closure consultation, it will be necessary to work with neighbouring schools (and in particular Ashton St Peters and Manshead as other Ashton Foundation Church of England faith schools). The priority must continue to be ensuring the pupils continue to receive a good quality of education and have a smooth onward educational journey.

Streetfield Middle School

100. Officers have been holding regular meetings since March 2013 with the Headteacher, Deputy Headteacher and the Chair of Governors to consider the changing context and possible future options for Streetfield Middle School. The school is being supported through the Council's School Intervention Strategy due to its performance. It has recently been inspected and was judged as 'Requires Improvement'. The Headteacher left in December 2013, and the school is currently being led by the Deputy Headteacher in an Acting Headteacher capacity.

101. The school has expressed an interest in consulting on becoming a primary school, but has not as yet submitted a business case to initiate this process. The school would be able under the proposed new DfE regulations to propose and determine its own change in age range, although given the current demographic and supply of places it would appear difficult to prove demand for a viable alternative.
102. Streetfield Middle School has historically admitted pupils from a number of schools across the Dunstable area, including out of catchment children. They have a number of feeder lower schools. Studham Lower School is judged by Ofsted to be 'good' and is currently remaining as a Lower School and is in discussions with Priory Academy regarding transition of pupils into Year 5 where parents wish it. Ardley Hill Lower School, which is judged by Ofsted to be 'good', St Augustines Academy, which is judged by Ofsted to be 'good', and Kensworth Lower School, which is judged by Ofsted to be 'good', will be primary schools from September 2014. St Marys School (which is on the same site) became a primary school from September 2013 and is judged by Ofsted to 'require improvement'. Parents from converting primary schools could currently still choose a Middle School as an option.
103. Manshead Upper School, which is judged by Ofsted to 'require improvement', and Queensbury Academy, which is due to be inspected imminently as a 'new' school, will both become secondary schools from September 2014. They will have an intake at both Year 7 and Year 9 for 2014 and 2015 only. All Saints Academy, which is judged by Ofsted to 'require improvement', had a Year 7 intake in September 2013, which will mean that in September 2014 they will be running a secondary model accommodating all year groups from Year 7 to Year 13.
104. The table below sets out the current numbers on roll at Streetfield Middle School (as at 15 January 2014), the projected numbers in September 2014 based on actual applications and projected numbers for September 2015 based on assumptions regarding applications. Streetfield Middle School has a Published Admission Number (PAN) of 130.

Year Group	Current	Projected September 2014	Projected September 2015
5	78	22	0
6	86	78	22
7	85	29	26
8	114	85	29
Total	363	206	77
Capacity	520	520	520

105. As at 16 January 2014 parents of 57 of the current 86 Year 6 pupils have applied for a place in local secondary provision in Year 7. Not all parents will necessarily take up these places, and there may also be some additional late applications. However, schools budgets from September 2014 will be calculated on the position of applications in January as agreed at Executive on 14 January 2014.
106. As at 16 January 2014 Streetfield Middle School has received 22 first preference applications into Year 5.

107. This has implications for the school's budget as well as the required staffing structure. The expectation would be that these numbers would require a reduced number of teaching staff. This profile of numbers would make it increasingly difficult to deliver the Key Stage 2 Curriculum needed in Years 5 and 6 as well as the more subject specialist Key Stage 3 curriculum in Years 7 and 8.
108. If the same assumptions on numbers were projected through to September 2015, these numbers would further decrease. The projected figures in the table are based on a number of assumptions.
- All primary schools retain all of their Year 4 pupils into Year 5.
 - All of the Year 5 pupils transfer into Year 6 in 2015
 - A similar percentage of the parents with Year 6 children in 2014/2015 make a secondary application to a local secondary school for September 2015.
 - All pupils in Year 7 in 2014/2015 stay on into Year 8 in September 2015, although parents could make an in year application into Year 8 in any of the local secondary schools.
109. These numbers are not sufficient to enable a school to deliver the full curriculum.
110. The school has expressed an interest in becoming a primary school, although there are significant surplus places available in the area already. This option could provide a Primary Autism Provision as Streetfield already has this Specialist Provision, although this could be provided elsewhere in the area if another school agreed to this following an open commission process.
111. This would suggest that the only feasible option is to consult on a proposal to close Streetfield Middle School. If an alternative viable option is presented through the consultation process, this will be considered as part of the decision making at the Council's Executive on 27 May 2014, who will then determine whether or not to progress to the service of statutory notices and final representation period.
112. If the decision is taken to approve commencement of consultation on closure, it will be necessary to work with neighbouring schools. The priority must continue to be ensuring the pupils continue to receive a good quality of education and have a smooth onward educational journey.

Conclusion and Next Steps

113. As set out within this report, these three Middle Schools have falling pupil rolls and are unviable. If the recommendation to commence consultation on the closure of each is approved, the following timeframe will apply to each:
114. Executive approval to commence consultation: 4 February 2014
Statutory consultation: 24 February 2014 to 7 April 2014
Executive consideration of responses to consultations and decision to publish statutory notices if required: 27 May 2014
Representation period: 9 June 2014 to 7 July 2014
Determination by Executive: 19 August 2014

115. If approved, implementation of the closure of all three schools would follow the same timeframe and process:

September 2014 (in normal admissions round):

Applicants for Year 5 transfer admitted
Parents of Year 6 children invited to apply for transfer to secondary schools in Year 7 in September 2015
Year 7 operates, but on a reduced size of year group
Parents of Year 8 children to apply for transfer to secondary schools in Year 9 in September 2015

116. **April 2015 (following 'in year' admissions process):**

Parents of Year 7 children invited to consider an in year application to transfer to secondary schools in Year 8 in September 2015

117. **September 2015 (in normal admissions round):**

No admissions intake to Year 5
Parents of Year 6 children invited to apply for transfer to secondary schools in Year 7 in September 2016

118. **April 2016 (following 'in year' admissions process)**

Parents of any Year 8 children remaining in the school to apply in April 2015 for 'in year' transfer to Year 9 in a secondary school in September 2016

This may have implications for transport, although numbers would be small. This timescale would need to be reviewed during the phased implementation depending on actual numbers at each school.

Appendices:

None

Background Papers: (open to public inspection)

None

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Meeting: Executive
Date: 4 February 2014
Subject: Home to School Transport Policy
Report of: Cllr Mark Versallion, Executive Member for Children's Services
Summary: The report proposes that the Executive agrees to adopt the Home to School Transport Policy for Central Bedfordshire from September 2014.

Advising Officer: Edwina Grant, Deputy Chief Executive and Director of Children's Services

Contact Officer: Karen Oellermann, Assistant Director Commissioning and Partnerships

Public/Exempt: Public

Wards Affected: All

Function of: Executive

Key Decision Yes

**Reason for urgency/
exemption from call-in
(if appropriate)** Not applicable

CORPORATE IMPLICATIONS

Council Priorities:

The Home to School Transport Policy relates to the second of the Council's key priorities:

- Educating, protecting and providing opportunities for children and young people.

The Policy also supports the priorities set out in the Children and Young People's Plan:

- Improved educational attainment.
- Protecting vulnerable children.
- Early help and improving life chances.
- Being healthy and positive.

Financial:

1. The proposed changes to the Policy, if approved by the Executive, are not designed to achieve efficiencies but to improve the application and assessment process.

2. The cost of providing Home to School Transport in the financial year 2012/13 was £7.5m. The parental contribution in 2012/13 towards transport costs was £300k. The Council also received the Extended Rights to Free Travel grant of £91k from the Department for Education to assist providing transport for children from low income backgrounds (this will increase to £141k in 2014). This required the Council to fund approximately £7.1m from the core budget.
3. The Council receives the budget for home to school transport as part of the revenue support grant. It is up to the Council to determine how it is spent whilst meeting the statutory requirements.
4. The School and Early Years Finance Regulations state that councils cannot use the Dedicated Schools Grant (DSG) to fund home to school transport.
5. The home to school transport budget has reduced by £2.25m since 2010 due to securing procurement efficiencies, through improved assessment and application processes and by implementing new policies.
6. The Home to School Transport Policy adopted in March 2010 achieved efficiencies of £622k mainly due to the removal of denominational transport.

Legal:

7. The current Home to School Transport policy, agreed by the Executive on 9 March 2010 ensured the Council is compliant with the relevant legislation.
8. The policy details the way in which the Council will exercise its powers and duties to provide home to school transport in accordance with Section 509 of the Education Act 1996 and the Education and Inspections Act 2006.
9. Adopting the proposed policy will ensure that the Council is meeting its legal responsibilities.
10. The duty placed on the Council is to make such travel arrangements as they consider necessary to enable the attendance of “eligible children” within their area, at the relevant ‘qualifying school’.
11. The duty applies to ‘eligible children’ in the Council’s area who are attending their nearest ‘qualifying school’, where:
 - the school is beyond the statutory walking distances of two miles for children below the age of eight and three miles for those aged eight and over; or
 - the child is from a ‘low income family’ and is over age eight, but under 11 years of age, and they are living more than two miles from the nearest school; or

- the child is from a 'low income family' and is of secondary age (aged 11- 16) and attending a qualifying school that is between two and six miles from the child's home (as long as there are not three or more nearer suitable qualifying schools); or
- the child is from a 'low income family' and is of secondary age (aged 11-16) and attending their nearest school preferred on the grounds of religion or belief, between two and 15 miles from home.

12. The Council must also make travel arrangements for those pupils who are unable to walk to school because of their special educational need (SEN), disability or mobility problems and children who cannot reasonably be expected to walk because the nature of the route is such that they cannot walk in reasonable safety.

Risk Management:

13. The proposed changes to the policy will meet current legislative requirements and will provide a policy that will meet the proposed changes to appeals outlined below.

Staffing (including Trades Unions):

14. There would be no impact on staffing.

Equalities/Human Rights:

15. The Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
16. When the current Home to School Transport policy was developed in 2010 a full equality impact assessment was undertaken in consultation with the Equality Forum. As part of the policy review and consultation process undertaken in 2013 the equality impact assessment has been refreshed. The policy has not changed substantially and includes a number of provisions which take account of the needs of vulnerable groups.

Public Health:

17. Walking to school where possible would enhance the health outcomes for pupils and their accompanying family members.

Community Safety:

18. The Council has a statutory obligation to consider the Safe Routes requirements for transport to school. The proposed policy details how the Council will exercise this responsibility in line with the national standards captured with Road Safety GB guidance.

Sustainability:

19. The Council has developed and adopted a strategy which meets its Statutory Duty under the Education and Inspections Act (2006) to promote sustainable travel and transport. This is entitled 'Sustainable Travel to Schools and Colleges: A Strategy for Central Bedfordshire' and forms an important part of Central Bedfordshire's 'Access to Services' part of the Local Transport Plan 2011 - 2026 which was adopted by the Executive in March 2011. The proposed changes to the Home to School Transport Policy will take into account Central Bedfordshire's duty to promote travel by sustainable modes to educational establishments as set out in the strategy.

Procurement:

20. The process of procuring transport is handled separately from the process set out in this report.

Overview and Scrutiny:

21. The draft Home to School Transport Policy was originally presented to the Children's Services Overview and Scrutiny Committee on 3 September 2013.
22. The findings of the consultation and final draft policy were discussed and reviewed at the meeting of 13 December 2013.
23. In light of the report and the further clarification provided at the meeting the Committee discussed the following issues in detail:-
- Some of the language in the draft Policy was not appropriate for a public document. The Committee accepted that some of the language was necessary for a policy document and noted that a plain-English guide would also be produced in consultation with parents/carers and partners.
 - Whether it would be feasible to include a 'lay' member on the transport appeals panel. The Deputy Chief Executive/Director of Children's Services commented that it would be a challenge to include a lay person in light of the Council's responsibility for the Policy. However, the Deputy Chief Executive/Director of Children's Services agreed to consider how this principle might be addressed.
 - The Policy used terms that described specific disabilities and referred to levels of disability (for example 'severe') which may lead to confusion.
 - The Policy referred to children walking between home and school and walking with 'reasonable safety', this needed to be cross-referenced with the section on safeguarding.

The proposed policy has been amended to reflect the comments from members of the Overview and Scrutiny Committee.

24. **RECOMMENDED:** that the comments of the Children's Services Overview and Scrutiny Committee as detailed in the Minutes be considered and provided to the Executive for their consideration of this item.

RECOMMENDATIONS:

The Executive is asked to:

- 1. adopt the Home to School Transport Policy, attached at Appendix A, to apply to all transport provided from 1 September 2014, without phasing the new policy in; and**
- 2. grant delegated authority to the Deputy Chief Executive/Director of Children’s Services in consultation with the Executive Member for Children’s Services to approve any subsequent minor variations to the Home to School Transport Policy.**

- | | |
|------------------------------------|---|
| <i>Reason for Recommendations:</i> | <ul style="list-style-type: none"> • <i>To ensure that the Council meets its statutory obligations.</i> • <i>To ensure that the Council adopts a fair, equitable and transparent policy to support all pupils and their families.</i> • <i>To ensure that the Council adopts a Home to School Transport Policy that can be implemented within the available resources.</i> |
|------------------------------------|---|

Executive Summary

25. The Department for Education issued Home to School Transport Guidance in 2007. The proposed policy is designed to ensure that the Council meets its statutory responsibilities as set out in this guidance.
26. The eligibility criteria within the proposed policy have been developed to comply with the Department for Education guidance through discussion with education and transport experts from within the Council and its partners.
27. The eligibility criteria within the proposed policy adhere to the statutory requirements as set out on the Education Act 1996 and to best practice currently applied within other councils.
28. The proposed policy is designed to improve the application process and the way in which transport is provided. It has not been designed to secure financial efficiencies or to reduce the eligibility criteria.
29. The proposed policy includes more detail about all partners’ responsibilities, including schools, parents/carers and drivers, to improve sharing of relevant information and safeguarding practice.
30. The policy does not affect the Post 16 Transport Policy which was approved by the Executive on 23 August 2011.
31. A public consultation took place between 4 October and 22 November 2013. The consultation was sent directly to all schools within Central Bedfordshire and schools in neighbouring councils where large numbers of Central Bedfordshire children attend.

32. The proposed changes to the policy are being presented to the Executive now for implementation from September 2014. This is to ensure that parents/carers and pupils are aware of the eligibility criteria that will apply to them with appropriate notice before starting the new academic year.
33. There is a duty on the Council to keep the policy under review and a delegation is being sought to allow for minor variations to the policy to be made. The reference documents, including application forms are not part of the policy so can amended or improved if needed without consultation.

Background Information

34. The Council is required to have a Home to School Transport Policy to explain how the statutory service will be delivered.
35. The current Home to School Transport Policy was adopted on 9 March 2010 and meets the statutory requirements but does not meet the recent guidance outlined in paragraph 40 below.
36. In 2012/13 over 5,000 5-16 year old pupils received free, subsidised transport or paid for a concessionary place out of a total of 33,500 children in Central Bedfordshire. This includes pupils accessing mainstream schools, academies and special schools within Central Bedfordshire and in other council areas.
37. It is projected that around 6,500 more children will attend schools in Central Bedfordshire due to demographic growth within the next 5 years. This will impact on the transport budget in future years as more pupils will be entitled to statutory transport. However, the way that the Council has commissioned new school places means that more children will be accessing local schools, and therefore a much smaller proportion of the additional children will be entitled to home to school transport.
38. The additional number of pupils has been projected in budget figures to illustrate the potential pressures. The proposed policy will ensure that the best systems are in place to mitigate against financial pressures due to demographic growth.
39. The Council has reviewed the current Home to School Transport policy and compared it to best practice from other councils to identify how to improve clarity of eligibility and the application process for parents/carers and partners. The Transport Commissioning and Entitlement Team also consulted relevant internal teams to ensure the new policy was consistent with other travel related initiatives.
40. In March 2013 the Department for Education (DfE) issued further guidance "Guidance on home to school travel and transport" which changed the requirements for appeal processes. This guidance has since been retracted due to the DfE not following the detail of a satisfactory consultation. However the DfE have confirmed that they will re-start a consultation on the same proposed changes soon.

41. The proposed policy meets the new requirements of the guidance mentioned in paragraph 40 above.
42. Since 2010, more than £2.25m of efficiencies have been achieved from Children's Services transport budgets. These have been achieved by policy improvements and by retendering and better planning of routes.

Proposed Improvements to the Policy

43. The proposed changes to the current policy are:

- a) An explanation of how the Council will support 4 year olds with transport provision when they meet the standard eligibility criteria.

The current policy only provides transport for children after their 5th birthday in line with the statutory education age. However, many children start school aged 4. This proposed change is designed to provide transport to children in the academic year they become 5 using the same entitlement criteria outlined for all other children.

- b) An improved appeals process

The current policy enables parents to appeal against an entitlement decision using the Council complaints process. The proposed policy will implement an appeal process whereby parents can appeal in writing and also request that an appeal hearing take place, where they can present their case in person. This is in line with new DfE guidance mentioned in paragraph 40.

- c) A clearer explanation of eligibility as a result of medical needs

The proposed policy includes clearer guidance for parents, and medical practitioners about what evidence is required to provide transport on medical grounds relating to children and/or parents/carers. This also includes clearer guidance about when and how medical needs will be reviewed.

- d) Detail of how the Council withdraws transport if it has been awarded in error

The current policy states that if the Council awards transport in error, it will not be removed until the end of the academic year in which the error was realised. This can mean that transport is provided for nearly 12 months when it is not required in line with the policy. The proposed policy states that transport awarded in error will be removed in no less than 12 weeks. This is in line with best practice from other Councils.

- e) Improved guidance regarding the provision of transport on road safety grounds.

The current policy includes reference to national road safety guidance that is now out of date. The proposed policy includes updated information relating to the national guidance – Road Safety GB, and includes details about how assessments of transport routes will be completed.

- f) A clear explanation of what the Council recognises as ‘catchment areas’ and ‘qualifying schools’.

The current policy refers to ‘catchment areas’ and ‘qualifying schools’ as one of the entitlement criteria.

The proposed policy explains in much more detail what catchment areas and qualifying schools are, and reflects the changes to the educational landscape that have happened in the previous 3 years.

This includes reference to academies, free schools, University Technical Colleges and more. The proposed policy is more aligned with the Council’s school admissions guide to provide a more joined up approach.

Consultation Process

44. A public consultation started on 4 October 2013 and closed on 22 November 2013. This included consultation documents being sent directly to all Central Bedfordshire schools, details of the consultation being advertised on the Council web site and advertised via the Council social media platforms.
45. The consultation questionnaire and guidance notes were also sent to lead officers of neighbouring councils and schools outside of Central Bedfordshire where large numbers of Central Bedfordshire children currently attend.

Consultation Findings

46. The Council received 49 responses to the consultation and one letter on behalf of Campton Parish Council who queried why the consultation was not sent directly to them. However, residents of Campton were strongly represented in the responses, and the governing body of Campton Lower School submitted a detailed response.
47. The majority of responses agreed with the proposals and found that the new explanations regarding eligibility were clear.
48. Some responses to the consultation stated that the explanations could have been clearer, particularly around road safety. The Council will work closely with partners, schools and parents/carers to provide a clearer explanation of the national guidelines that have to be followed, and how these will be implemented.
49. The consultation documents and findings were reviewed in full by the Children’s Services Overview and Scrutiny Committee and are available for all members as background papers.

Conclusion and Next Steps

50. The Executive is asked to agree the proposed policy.
51. Following the decision of the Executive, the policy will be published on the Council website in accordance with the statutory guidelines and will be implemented from September 2014.

52. Following the decision of the Executive, the Council will develop, and continually review user guides with parents/carers and partner organisations. These will be designed to be simple explanations of the policy to support parents and schools to understand their roles and how this policy applies to them.

Appendices:

Appendix A – Proposed 2014/15 Home to School Transport Policy

Background Papers: (open to public inspection)

Home to School Transport Guidance, Department for Education, 2007

Guidance on home to school travel and transport, Department for Education, March 2013 (retracted)

Equality Impact Assessment

Consultation papers and findings

Location of papers: Priory House, Chicksands

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Children's Services

Home to School Transport Policy 2014/15

January 2014

DRAFT

Author(s):	Ben Pearson
Date agreed:	
Agreed by (e.g. council):	
Reviewed:	

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Introduction

1

This policy sets out who and in what way Central Bedfordshire Council (the Council) will help its residents with the transport of children of compulsory school age between home and school. It specifically relates to transport between home and school at the start and end of the school day and outlines the responsibilities that parents/carers and the Council have in this process.

It also explains the way in which the Council may help with the transport needs of those children who qualify for assistance as a result of specific special educational needs, disability or other mobility difficulties.

Details of travel assistance available under the Council's Post 16 Transport Policy are available on the Council's website (<http://www.centralbedfordshire.gov.uk/learning/schools/travel-to-school/default.aspx>)

1.1 Principles, Roles & Responsibilities of the Council

Central Bedfordshire Council is committed to providing free home to school transport in order to meet its statutory obligations. In so doing it the Council will:

- i. provide equitable, safe, efficient and cost effective transport for pupils entitled to transport in accordance with the Council's duties and powers as provided for in legislation;
- ii. ensure information is made accessible for parents and carers so that they are aware of their entitlement;
- iii. regularly review eligibility for transport to ensure that those who are receiving transport are still eligible;
- iv. monitor the take-up of services to ensure that access is fair and equitable and that hard to reach groups and those who are most vulnerable are aware of their entitlement;
- v. support sustainable modes of travel to school: as well as helping to boost children's fitness and concentration levels, walking and cycling helps to reduce the congestion caused by the journey to school, together with the associated accidents, pollution and carbon emissions.

The Children's Services Transport Commissioning & Entitlement Team (TC&ET) is responsible for:

- a. administering this and any other policies, determined by the Council, which govern eligibility for travel assistance;
- b. determining eligibility and identifying the transport needs of individual pupils;
- c. commissioning all home to school transport
- d. providing the overall budget for home to school transport, and budget management.

The Community Services Integrated Transport Unit (ITU) is responsible for:

- a. planning and securing the most appropriate and cost effective home to school transport;
- b. day to day management of all home to school transport provision;
- c. establishment of operating standards, in consultation with the TC&ET
- d. contract management and compliance with operating standards and policy objectives
- e. management of the Council's in-house passenger transport fleet.

1.2 Equality Statement

Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

This policy is subject to an Equality Impact Assessment. This assessment will be integral to all future policy and guidance reviews.

1.3 Safeguarding Statement

The Council and its partners recognise that safeguarding is everybody's responsibility. Whether their interest is in all young people 'staying safe' in all aspects of our services, or whether they are working in specific areas of vulnerability, all staff, including drivers and passenger assistants will have appropriate training and induction so that they understand their roles and responsibilities and are confident in carrying them out. Schools, settings, children, young people and their parents or carers, or any member of the community should feel secure that they can raise any issues or concerns about the safety or welfare of children and know that they will be listened to and taken seriously.

This will be achieved by maintaining an ethos of commitment to safeguarding and promoting the welfare of children and young people. It is supported by: a clear child protection policy; appropriate induction and training as well as briefings and refreshed learning to ensure compliance with current legislation and guidelines.

The Council acts as a Corporate Parent for Children in Care. This means that the Council has a legal and moral duty to provide the kind of support that any good parent/carer would provide his or her own child. This policy has been written to comply with these principles.

1.4 Roles & Responsibilities of the Parents and Carers

It is the responsibility of a child's parent or carer to:

- i. ensure the reasonable safety of themselves and their child(ren) between home and the designated pick up point, and from the designated drop-off point and home;
- ii. understand the provisions within the home to school transport policy;
- iii. ensure that a child of statutory school age receives appropriate full-time education;
- iv. make necessary arrangements for attendance at an appropriate school or other setting, including submitting applications as necessary for admission and for travel assistance to the Council;
- v. to make arrangements when not available themselves, for their child to be accompanied by a responsible person as necessary when walking to and from school or to and from a pick up point who will wait with the child until the vehicle arrives;
- vi. ensure that the child has their travel pass with them before they leave home;
- vii. ensure the child knows what to do should they lose their travel pass and thus be refused travel, or if for any reason the vehicle does not arrive: for example, this could be returning home, going to a neighbour or telephoning the parent/carer for assistance;
- viii. notify the ITU of any change of address or telephone number in good time. The Council will not be responsible for any interruption of service provided to a child or any other consequential difficulty from not having an up-to-date address or operational telephone number;

- ix. provide evidence of personal circumstances in support of any application or appeal for transport;
- x. submit an appeal to the Transport Eligibility Panel in accordance with Section 6.1.

All parents whose child/children are in receipt of travel assistance from the Council will be required to sign and return a copy of the *Parent/Carer School Transport Agreement*, (Ref Doc 2).

1.5 Status of This Policy

In accepting any offer of assistance made by the Council under this Policy, a parent/carer will be accepting all the provisions of this Policy.

1.6 General Statement of Policy

This statement of policy sets out the way in which the Council has decided to exercise its powers and duties to provide home to school transport in accordance with Section 509 of the Education Act 1996 and the Education and Inspections Act 2006. It links to the Council's Sustainable Transport Strategy.

Generally the Council will provide travel assistance for pupils of compulsory school age who are registered pupils at their nearest suitable (qualifying) school and live more than the recognised (statutory) walking distance from it, i.e. 2 miles for children aged under 8 and 3 miles for children aged 8 and over. For most children this travel assistance is free, but there are charges for those who make use of the Council's school transport services but are not themselves entitled under the terms of this policy. The Council makes no general transport provision for children under the age of compulsory education, or for children of any age who attend private schools or colleges.

The nearest suitable school includes the Council's designated catchment area school or, if closer than the designated catchment area school, the nearest qualifying school that is deemed by the Council as suitable to a particular child's age and needs. In all cases the distance to the school must exceed the statutory walking distance, as aforementioned.

In all other circumstances the Council will not usually provide free travel assistance or contribute towards the cost of transport

The above general statements are intended as a general guide and are without prejudice to the full policy set out below. A parent or carer may appeal against a transport decision through the Council's formal Appeals Process (Section 6.1).

1.7 Implementation and Monitoring of the Policy

The TC&ET will be responsible for the implementation of this policy through the development of their internal processes that will ensure the ability to monitor take up of service and regular reviews for those in receipt of the service. Data produced by the team will be reviewed and monitored within the Children's Services Directorate's senior management team.

Eligibility & Entitlement

2

2.1 General Policy for ALL Children

A child of statutory school age who meets one of the following criteria will be provided with free travel arrangements to school as follows.

- i. A child aged under 8 years who attends either the catchment area school designated by Central Bedfordshire Council or the nearest qualifying school but lives more than 2 miles from the school, by the shortest available walking route, unless parents voluntarily make suitable alternative arrangements.
- ii. A child aged between 8 and 16 years who attends either the catchment area school designated by Central Bedfordshire Council or the nearest qualifying school but lives more than 3 miles from the school, by the shortest available walking route, unless parents voluntarily make suitable alternative arrangements.
- iii. A child who is from a low income family aged between 11 and 16 who attends one of his or her three nearest qualifying schools and lives more than 2 miles but less than 6 miles from the school, by the shortest walking route if up to three miles or the shortest motorised route if over three miles.
- iv. A child who is from a low income family aged between 11 and 16 years who attends his or her nearest suitable school preferred by his or her parents on grounds of religion or belief and lives more than 2 miles but not more than 15 miles from the school, by the shortest available walking route if up to three miles or the shortest motorised route if over three miles.

A child aged 8 years of age who is entitled to transport under the above distance criteria will continue to receive free travel assistance until the end of the academic year in which he/she reaches the age of eight.

Home Address

Children who live in a joint home arrangement, who fulfil the other criteria for free transport, will be provided with travel assistance from the primary home address registered with their school and the Council. The Council will not provide travel assistance to or from any other address.

Walking Route - Distance Measurement

The walking distance between home and school, referred to in 2.1(i) and 2.1(ii), is measured by the shortest route along which a child, accompanied as necessary, may walk with reasonable safety. As such, the route measured may include footpaths, bridleways, and other pathways, as well as recognised roads (Section 5.3).

Catchment Area School

The catchment area school is defined as the school designated by the Council to serve the home address of the child at the time when an application for admission could have been made at the normal age of admission for the school. Information on school catchment areas is available from www.centralbedfordshire.gov.uk/admissions

Qualifying School

A qualifying school is defined as a:

- Community, foundation or voluntary school;
- mainstream academy;

- free school;
- community or foundation special school;
- special academy and free school;
- University Technical College or University Training School;
- Studio School;
- non-maintained special school;
- pupil referral unit;
- nursery school maintained by a local authority;
- city technology college (CTC), city college for the technology of the arts (CCTA) or an Academy;
- an independent school if it named as the local authority's preferred placement in the pupil's statement of special educational need.

In relation to a child with Special Educational Needs (SEN), an independent school (other than a CTC, CCTA or Academy) will be a qualifying school if it is the only school named in the child's statement, or it is the nearest of 2 or more schools named in the statement. In the case of special education, it will be the nearest suitable special school with places available that can provide an education appropriate to the age, ability and aptitude of the child and any special educational needs that the child has as specified in his or her statement of special educational need.

In individual exceptional circumstances, where an alternative form of education has been agreed, the term will be taken to include such agreed sources of alternative provision.

A school designated by the Council as the appropriate school for a particular pupil (e.g. a permanently excluded pupil, a pupil with a statement, a child in the care of the Council and placed at a particular school or a child placed at a particular school under the Hard to Place Pupil Protocol, where normal admissions procedures have failed) will normally be deemed to be the nearest suitable school for the purposes of this policy.

Low Income

Children from low-income groups or families are defined in legislation as those entitled to free school meals, or whose families receive the maximum level of Working Tax Credit. Annual confirmation of low-income status is required. Assistance will usually be withdrawn if a family ceases to hold low-income status. To qualify the child will need to be entitled to free school meals because their parent/carer receives one of these benefits:

- Income Support
- Income Based Job Seekers Allowance
- Employment Support Allowance (income related)
- Child Tax Credit with income less than £15,860.00 (unless you claim Working Tax Credit) - form TC602(A)
- Support under Part VI of the Immigration and Asylum Act 1999
- Guaranteed Element of State Pension Credit

2.2 Non-Availability of Places at Catchment Area School

If the designated catchment area school is unable to offer a place, free travel assistance is normally provided to the nearest qualifying school at which a place is available. In such cases

evidence must be provided by the parent/carer that the school was unable to admit the child. This may require confirmation by the School Admissions Team.

2.3 No Available Walking Routes

When determining whether the child's home is within the statutory distance, there must be an available walking route to the qualifying school that is 'safe'. If the nature of the route is such that the child cannot reasonably be expected to walk to school, even when accompanied by an adult, then the Council will deem it 'unsuitable for walking' and therefore not available. In determining what is 'reasonable', the Council will take into account the latest national guidance on this issue from road safety professionals and apply national Road Safety GB standards in making such assessments (See section 5.4).

2.4 Individual circumstances as determined by the Council's Transport Eligibility Panel

Assistance with transport will be offered if the authority's Transport Eligibility Panel decides that this should be provided in recognition of individual circumstances (Section 6.1)

2.5 Children at Boarding or Residential School

Where the Council arranges for a child to board at a school, travel assistance will be provided in accordance with the boarding arrangements where the usual distance criteria are also met.

Boarding arrangements for residential schools can be one of the following:

- a. Termly boarding – travel assistance will only be provided at the beginning and end of each term and at the beginning and end of the mid-term holiday.
- b. 12 day boarding – travel assistance will be provided on alternate weekends and at the beginning and end of each term.
- c. Weekly boarding - travel assistance will be provided to school on Monday and from school on Friday each week.
- d. 52 week placement – travel assistance will be provided up to a maximum of three return journeys a year.

For all boarding arrangements, any additional journey to those laid out above will remain the responsibility of the parent/carer.

In the interests of the efficient use of resources the Council will, in all cases, encourage the parent/carer to make their own travel arrangements for which appropriate reimbursement will be made (Section 4.7).

The cost of attending one statement review per year at an out of Council area school will be met by the Council by reimbursement of the most economical means of travel assistance available. No other additional costs (e.g. other members of the family, friends etc.) will be met by the Council.

One parent/carer may be transported with the child to act as a passenger assistant to out-county schools where it results in the most efficient use of the council's resources.

All additional transport requirements to those detailed above will remain the responsibility of the parent/carer.

2.6 Children with a Statement of Special Educational Needs (SEN)

This section applies to children who are the subject of a Statement of Special Educational Need made under s.324 of the Education Act 1996.

There is no automatic entitlement to travel assistance for a child who is the subject of a statement. Assistance will be given, when the child meets the general criteria in Section 2.1 or when a specific need can be identified for it. This will usually be founded upon the individual special needs of the pupil, see below.

Assessment of Specific Need

A child undergoing formal assessment for Special Education Needs will have their transport needs considered as part of that process. A copy of the *Special Educational Needs Transport Application Form* is available for information on the Council website. A decision will be based on written evidence from a range of sources, for example, the Educational Psychologist, the parent/carer and the school Special Needs Co-ordinator (SENCO). An eligible child will show one or more of the following factors that impact on their ability to travel to school in the same way as other children of their age:

- Long term¹ severely restricted independent mobility arising from factors such as:
 - § *a physical disability e.g. severe cerebral palsy which may necessitate the daily use of significant mobility aids such as a wheelchair,*
 - § *a medical condition resulting in severe persistent pain and/or extreme fatigue, an example of this might be juvenile arthritis,*
 - § *a medical condition resulting in serious persistent health and safety risks. Examples of this might be intractable epileptic seizure disorders.*
- Lack of awareness of common dangers and lack of age appropriate independence skills so the child could be at significant risk when travelling to school. This could be caused by factors such as:
 - § *severely restricted communication skills. Examples might be profound hearing impairment or severe autism or severe language disorder,*
 - § *a sensory impairment resulting in significantly restricted mobility, e.g. a severe visual impairment,*
 - § *significant learning disability, e.g. a child with severe learning difficulties who is unable to assess risk and adapt to everyday situations,*
 - § *severe difficulties with interpreting complex social situations or being able to cope with unexpected change, e.g. a pupil with Asperger's Syndrome who has very little awareness of personal danger,*
 - § *severe behavioural emotional and/or social difficulties in comparison with other children of their age.*

Just as an aim of special education provision is to increase the independence of the pupil, the way that a child travels to school should change over time, to reflect their increasing progress and maturity. For this reason, the transport needs of the child will be reviewed on a regular basis.

Transport will usually be arranged on a localised pick-up point basis, if assessed as appropriate through the transport needs assessment process. For all other children the pick-up and drop-off point will be as close as possible to the address at which they usually live.

¹ Long term describes something that is likely to last for at least a year or for the rest of the life of the person affected. This can include intermittent or sporadic conditions such as epilepsy or multiple sclerosis

Pupils who attend special schools often take part in integration programmes with mainstream schools. Pupils are expected to attend their local authority recognised catchment area or nearest qualifying school to enable the parent/carer to make their own arrangements to take or collect the child.

If a parent/carer moves home within Central Bedfordshire during the Academic Year, transport will continue to be available to the current school until the end of the Academic Year. The child should be transferred to the nearest appropriate school to the new address from no later than the beginning of the next academic year. However, if the parent/carer wishes their child to remain at the current school then transport will become their responsibility.

Arrangements may be made for a child below compulsory school age with SEN to attend a Foundation Stage Support Class (FSSC) or any similar setting offering special needs provision. When making such arrangements the normal eligibility criteria for children of primary school age, including walking distance, will apply. Where the journey exceeds 45 minutes the Council will provide additional transport support only in exceptional circumstances.

Travel arrangements to attend an FSSC or similar setting are provided on a discretionary basis. Parents/carers are advised not to rely upon the provision of travel assistance to enable attendance at a FSSC or similar setting.

Where the transport need has not been assessed at the annual review or as part of the statutory assessment process, it will be necessary for an *SEN Transport Needs Assessment form* to be completed by the child's parent/carer. Information is required on the mobility of the child, any special medical or behavioural conditions and any special equipment required to inform the individual assessment of transport need. The form should be passed to the Special Needs Co-ordinator at the school for endorsement. The view of the Special Needs Co-ordinator at the school will be taken into consideration when assessing the need for transport.

Parental Preference

It should be noted that the Council will consider transport to the nearest suitable school. If by parental preference a more distant school is named in the child's statement but in the Authority's view the child's needs could be suitably met at a nearer school, transport will be the responsibility of the parent/carer.

Review of Transport Need and Assistance

Eligibility for travel assistance and the type of provision required will be reviewed on a continuing basis and at least once a year. Wherever possible the review will be undertaken following the child's statutory annual SEN Statement review. Any changes will be implemented from the beginning of the next school term, or sooner by mutual agreement.

2.7 Pupils with Temporary Medical Problems

Free travel assistance may be considered where a child lives within the defined walking distance to school relevant to his or her age and is attending the designated or nearest school available but is unable to walk to school because of a medical condition. This is provided for a fixed period dependent upon the medical need identified, for example no more than 6 calendar weeks while the child is unable to walk the route due to a broken leg. The period may be extended on request by the parent/carer if the fixed term is likely to be inadequate because the medical condition persists.

It is the responsibility of the parent/carer to produce evidence of the medical condition in all cases, detailing:

- a. full medical details of the condition, including timescales for recovery;
- b. written medical confirmation regarding the child's fitness to return to school;
- c. the likely period for which revised travel assistance arrangements may be needed;

- d. the type of vehicle needed, where appropriate, for example, where the child is in a full body cast;
- e. any manual handling risks.

This should be endorsed by the family doctor or in certain circumstances by a medical consultant. The Council reserves the right to require the parent/carer to provide further medical evidence as deemed necessary. Any charges incurred by the parent/carer in providing this evidence will not be paid by the Council.

Similarly, if the travel arrangements made for a child, by the Council, are considered not appropriate as a result of an accident, planned surgery or an illness, then a request for revisions to the travel assistance arrangements must be made in writing, giving a minimum of 5 days notice.

All requests should be made to the TC&ET (Section 6.3).

All decisions will be based on the facts provided, taking into account the needs of the child, the availability of appropriate travel assistance and any significant increase in costs.

Appeals against decisions not to provide additional assistance in these circumstances should be made in writing to be considered by the Transport Eligibility Panel (Section 6.1).

2.8 Pupils with a Disability

Where a pupil has a disability, under the Equality Act 2010 (Disability Discrimination Act 1995 and 2005) reasonable adjustments will be made, as appropriate, in the application of this policy.

2.9 Parents with a Disability

The Council is committed to promoting equality of opportunity for disabled people and to eliminate discrimination.

The Council may exercise its discretion to provide travel assistance where a child lives within the walking distance to school relevant to his or her age and circumstances and is attending the designated or nearest school available but where his or her parents are unable to accompany him or her on the walk to school because of a medical condition or disability.

The Council will consider the availability of help from immediate and extended family members and from neighbours. The availability of help through a School Travel Plan will be considered as will the use of any disability benefits to help secure attendance. It is expected that the parent/carer will have made every effort to secure other help. The Council may seek confirmation of this from the parent/carer, school or other agencies.

It is the responsibility of the parent/carer to produce evidence of the medical condition. This is normally endorsed by the family doctor or medical consultant. The Council may ask the parent/carer to provide explicit further medical evidence. If provided, the requirement for transport will be reviewed no less than on a termly basis.

All requests should be made to the TC&ET (Section 6.3). Decisions will be based on the facts provided, taking into account the needs of the child, the availability of appropriate travel assistance and any significant increase in costs.

An appeal against a decision not to provide additional assistance in these circumstances should be made, in writing, to be considered by the Transport Eligibility Panel (Section 6.1).

2.10 Cared For Children, Refugees and Unaccompanied Asylum Seeking Children

The Council will exercise its discretion to provide a child with free travel assistance to continue to attend their school where the child:

- is temporarily living at a foster placement
- is within the Council area
- for a period of up to 12 calendar weeks.

Where a request for travel assistance does not meet the above criteria, arrangements for transport will fall to the Social Worker responsible, representing the Council as the corporate parent.

In general, where subsequent temporary placements occur after the initial 12 week period, no further transport assistance will be provided, however applications may be considered on the grounds of "individual or extenuating circumstances" (Section 2.17).

2.11 Pupils Excluded from School

A pupil permanently excluded from a school will be provided with assistance to their new school provided it is both the nearest suitable school and is outside statutory walking distance from home (Section 2.1). Exceptional arrangements may be made if a permanently excluded pupil attends alternative provision and this may include assistance with part-time attendance at other educational establishments as required by their particular needs.

The transport needs of pupils who attend alternative provision because of a fixed term exclusion from a school or academy will be a matter for the school and the parent/carer.

2.12 Children Admitted to School under the Fair Access Protocol

When considering the admission of pupils under the Council's Fair Access Protocol, which operates outside normal admission procedures, the nearest schools to the pupil's home address will be identified to determine which school should be offered. In administering this protocol the Council will consider a group of schools and identify with the pupil, their parent/carer and other relevant agencies the school to be approached. Account will be taken of the travelling distance to each school. Pupils who are placed under the Fair Access Protocol will be considered for transport as if the named school was their nearest suitable (qualifying) school.

2.13 Education Other Than at School

Where the Council arranges for a child to receive education other than in school then the location where education is provided will be considered as if it were a school when determining eligibility for transport assistance. In determining reasonableness, the Council will take into account the cost to the Council of the proposed transport and the availability of alternative arrangements.

Where a parent/carer has decided to educate the child other than at school, no assistance for transport will be available from the Council.

Where transport assistance is provided, there is an expectation that all children will travel by public transport unless either no public transport is available or the child's needs are such that this would not be appropriate, as decided by a relevant Officer. The parent/carer may be required to provide medical or other supporting evidence where there is a request for provision other than by public transport.

Where it is not appropriate to use public transport or where none is available then provision will be made by the ITU. Where it is more cost effective for the Council, a personal transport cost allowance will be offered to a parent/carer able to make their own travel arrangements (Section

4.7). Only where there is no reasonable alternative available will taxis/or minibuses be used for the entire journey.

Where a child remains on roll at a mainstream setting and that setting out-sources all or part of the education provision, the setting will be responsible for all transport arrangements for the child's off-site education provision.

The Council will only consider the provision of free travel assistance where a child:

- is of statutory school age and lives within the Central Bedfordshire Council area; and lives further from the setting than the walking distance for the child's age or meets entitlement criteria; and
- has been placed in the school/setting by the Council and either
 - § has been permanently excluded or is at risk of permanent exclusion, or
 - § is unable to attend the designated setting due to exceptional circumstances, with appropriate supporting evidence having been provided; or
 - § is dual registered and meets standard eligibility criteria.

2.14 Children in Temporary Residential Circumstances

Where a family is forced to re-locate temporarily to alternative accommodation owing to circumstances outside their control:

- a) The Council is prepared under this policy to consider on its merits an application in respect of a child accommodated under a temporary/emergency arrangement otherwise than where responsibility is accepted by the Council in (b) below, having regard to the usual distance criteria (Section 2.1), though this requirement may be waived in the case of a child accommodated in a refuge, whose safety would otherwise be at risk. Any such temporary arrangements made to provide travel assistance will be subject to review as necessary and at least on a termly basis.
- b) Where school transport becomes necessary on social grounds as a result of the intervention of Children's Services, transport will be provided

Regular work commitments or domestic difficulties of the parent/carer will not normally be considered. The parent/carer is expected to take their responsibility in enabling their child's attendance at school.

2.15 Children below Compulsory School Age

Where a child, aged under 5 years old, is admitted to school under the normal admission arrangements to the school agreed by the Council, a request for transport will be considered as if he or she were of compulsory school age. A child reaches statutory school age at the beginning of the term immediately following his or her fifth birthday. No travel assistance will be provided at lunchtimes or at any time other than the normal start and end of the school day. Transport between these times will remain a parental responsibility.

The Council does not provide free transport to a nursery or pre-school setting.

Arrangements may be made for a child below statutory school age with SEN to attend a special school nursery or a similar setting offering special needs provision. When making such arrangements the normal eligibility criteria for children of primary school age, including walking distance, will apply. Where the journey exceeds 45 minutes the Council will provide travel assistance only in exceptional circumstances.

2.16 Emergencies and Requests at Short Notice

The Council will attempt to make arrangements at short notice when requested. However, this cannot be guaranteed, and a parent/carer of a child who relies upon assistance may need to make their own arrangements at their own expense in the case of an emergency. The Council will not accept responsibility for any arrangements so made by a parent/carer.

No travel assistance will be made, other than at the beginning and end of the normal school day. In the cases of exclusion, illness, if a child has to go home during the course of the school day, or during examination periods, the school or parent/carer is responsible for transport.

2.17 Individual or Extenuating Circumstances

Individual consideration will be given to a child or children from vulnerable groups who do not meet the criteria set out above. The parent/carer must submit their application in writing, together with the details of any special exceptional circumstances they wish to be considered to the TC&ET (Section 6.3). Please note individual family work commitments, childcare arrangements or inconvenience to a parent/carer are not normally taken into account when considering eligibility for travel assistance.

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Circumstances Where Transport Assistance is Not Provided

3

3.1 Parental Preference

A child will be ineligible for travel assistance where he or she attends a school which is not designated for the home address or which is not the nearest available to the home address, where this is a result of parental preference.

When expressing a preference for a school other than the designated catchment area, or nearest school (qualifying school), parents and carers are strongly advised to consider their commitment to providing transport for the whole duration of a child's attendance at that school and to consider whether their ability to provide or pay for that transport is likely to continue over that period of time.

Particular care should be taken when using a concessionary seat on school transport (Section 4.11). These seats are subject to removal with a minimum of two week's notice if required for new passengers who have eligibility for a seat. The withdrawal of a concessionary seat alone will not be considered as grounds for an appeal for assistance from the Council. Parents/carers should consider whether they are likely to be able to make their own arrangements should this occur before taking up a school place or moving house.

Where a child is withdrawn by a parent/carer from one school and placed in another school, free travel assistance will not be provided unless the child is eligible, under the terms of this Policy, from the home address to the new school. Such a transfer of school will be regarded as an expression of parental preference.

3.2 Children Attending a School on the Grounds of Religion or Belief

Travel assistance will not be provided by the Council to a parent/carer of a child attending school on the grounds of religion or belief ('denominational grounds') except in one specific circumstance, where a child is from a low-income family, as detailed in Section 2.1(iv).

3.3 Outside the Normal Start and End of the School Day

No travel assistance will be provided at lunchtimes or at any time other than the normal start and end of the school day. Travel between these times will remain a parental responsibility.

3.4 Sibling, Brother, Sister

Assistance given for one child in a family will not create a precedent for any of his or her brothers or sisters or other children living at that address. Each child's case will be considered individually, and separate applications for assistance must be made for each child. If the Home to School Transport Policy has changed since the older sibling received assistance, the younger sibling will be subject to the new Transport Policy.

3.5 Change of Address

When there is a change of address, a child's transport entitlement will be reviewed under the policy in existence at that time. Travel assistance will not generally be given to maintain a pupil's place at a school if the family moves house to a more distant address from the pupil's school. However, if no place is available at the nearest qualifying school within the statutory walking distance from the new address then assistance would normally be given to the next nearest suitable (qualifying) school. Residents moving house are reminded that if they move to an address in another authority, their child or student will then become subject to the policies of the authority into which they have moved.

Where a child who is attending a school in Central Bedfordshire in years 10 and 11 has to move in exceptional circumstances to a new address in Central Bedfordshire they will be provided with travel assistance from their new address to their current school, as long as they have completed at least one term in year 10 at their current school.

Further information on what could be defined as “exceptional circumstance” and how to apply are available from the TC&ET (Section 6.3)

Parents/carers of a pupil with special educational needs, currently receiving transport who move house within Central Bedfordshire should provide at least one month’s notice to the TC&ET and to allow their eligibility to be reassessed. The Council may offer to move the child to a nearer suitable school bearing in mind any special circumstances, for example, examinations or students in their final year. Should this offer be refused the current school may be deemed as a “parental choice” and not meet the criteria in Section 2.6 of this policy.

3.6 Selective Schools

There is no additional entitlement to travel assistance on the grounds that the school attended is selective. The Council is not obliged to have regard to a parent’s/carer’s preference for the child to attend a selective school when determining eligibility for travel assistance.

3.7 Single Sex Schools

Travel assistance to single sex schools will not be supported unless the school concerned is the Council recognised catchment school or nearest qualifying school, where the usual transport criteria will apply.

Similarly, if the Council recognised catchment area or closest qualifying school is a single sex establishment, transport will not be provided to enable the child to attend a mixed school.

3.8 Part Time Attendance, Detention, After School Clubs, etc.

Travel assistance will not be provided at a time other than standard school times e.g. home during the day or late after school, including payback, detention, sporting or other after school clubs and societies. Pupils are expected to complete a full school day and fit into the normal timing of transport.

Where a child’s day starts or finishes earlier or later the parent/carer would generally be required to make other transport arrangements outside of the Council provision.

3.9 Other Circumstances

Travel assistance will not generally be provided:

- if the school attended is not the one which the Council deems to be the nearest suitable school;
- to/from any address other than the primary home address (Section 2.1);
- to enable the child to attend extra curricular activities or between institutions within the school day. (For journeys of this nature the organising school or institution will be responsible for transport arrangements);
- to attend dental or hospital appointments, or other non-educational appointments;
- in the event of sickness, where the child has to be collected from school (or returned to residential school midweek);
- for parents/carers attending review meetings;

- to attend work experience;
- to attend an induction day at another establishment;
- to accompany a friend home;
- following misbehaviour occurring on transport, which threatens the Health and Safety of staff and/or other pupils (Section 4.13).

3.10 Participation in Education or Training Post 16

The Education and Skills Act 2008 increased the age at which young people are required to participate in education or training to 17 years of age. However, this change does not extend the entitlement for the provision of free travel assistance beyond year 11.

Details of travel assistance available under the Council's Post 16 Transport Policy are available on the Council's website (<http://www.centralbedfordshire.gov.uk/learning/schools/travel-to-school/default.aspx>).

DRAFT

Travel Assistance Provided

4

4.1 Mode of Transport

The Council will endeavour to follow established best practice in the provision of the most cost effective and appropriate home to school travel assistance for each entitled child, taking into account their own individual needs. It will make arrangements that enable an eligible child to reach school without such stress, strain, or difficulty that would prevent them from benefiting from the education provided.

Travel assistance arrangements will be designed to allow the child to travel in reasonable safety and in reasonable comfort. Priority will be given to travel assistance solutions that help to develop travel independence skills, so as the child grows older, they are better equipped to lead independent lives. Types of assistance that may be considered include:

- Independent travel training (ITT)
- Cycle allowance, where available
- Travel pass for use on public transport
- Personal transport cost allowance payment to parents/carers
- Travel pass to travel on Council contracted services
- A wheelchair accessible vehicle, if so required, or,
- in exceptional cases a taxi.

Travel assistance will be provided at an appropriate specified place and time. It is the parents/carers responsibility to ensure that the child is ready and taken to the agreed pick-up point. No alternative transport will be made on the day and the parent/carer will be responsible for ensuring the child's attendance at school.

4.2 Pick-Up/Set Down Points and Timing

Children will be picked-up and set-down either from home, where their needs require this, or a convenient pick-up/set-down point. The ITU will notify these arrangements to the parent/carer.

Whilst the duty to make travel arrangements does not necessarily require a door to door service, arrangements will not expect a child to walk an unreasonably long distance to catch a public service bus, or a bus journey that ended an unreasonably long distance from the school. A child may be required to walk up to one mile from home to the pick-up point and one mile from the set-down point to home. The actual distances will depend on a range of circumstances, including the age of the child, their individual needs and the nature of the route they are expected to walk to the designated pick-up/ set-down point.

The parent/carer must take and collect their child safely to and from the vehicle (unless through prior notice and that due to medical conditions they are unable to do so, which should be indicated on the application form).

A parent/Carer may not vary the agreed pick up / drop off arrangements and neither passenger assistants nor drivers are authorised to agree route variations.

4.3 Route Planning and Route Reviews

The ITU regularly reviews transport provision and individual transport routes. A review may result in a change of arrangements to be provided. Wherever possible, notice will be given to parents/carers of any proposed changes to transport provision.

Consultation with the parent/carer will not normally take place as part of a route review. This is to enable route reviews to be carried out in a timely and efficient manner and to avoid raising parental expectations that a preference for a particular form of provision will override the cost-effectiveness or efficiency of the service provided. However, where a child's special educational needs indicate that he/she is particularly sensitive to change; the impact of any proposed change will be considered. This may involve discussion with the school or the parent/carer and school prior to any change to the travel assistance provided.

A parent/carer may receive notification at any time that the type of transport provision for their child's school transport is to be changed as a result of a review. Changes may involve:

- a. a new pick-up and set-down point (Section 4.2);
- b. a change to journey times;
- c. a change to the contractor employed;
- d. the withdrawal of a passenger assistant.

Notice will be given of changes wherever possible, but some may need to be made at very short notice, for example as a result of sickness, road closures or the termination of a contract with a vehicle operator.

Children who are not entitled to transport assistance are not included in the planning of transport networks. No additional expenditure will be incurred in order to accommodate non-entitled passengers. This may mean that, for example, a smaller vehicle may be used on a route. The size of vehicle will be sufficient to carry entitled passengers but may not include space for existing concessionary passengers (Section 4.11).

4.4 Maximum Journey Time

Best practice suggests that the maximum each way length of journey for a child of primary school age might be considered to be 45 minutes; whilst a child of secondary school age might be expected to travel up to 75 minutes each way. However, a child's special educational needs and/or disability might be such that it implies a shorter maximum journey time.

Journey times may exceed these limits for exceptions such as:

- exceptional traffic or weather conditions;
- attendance at a special school;
- attendance at a remote boarding school;
- attendance at a remote school or institution in order to avoid exclusion;
- attendance at a remote school following a move in order to maintain educational continuity;
or
- attendance at an alternative school following an exclusion or managed move.

4.5 Provision of Passenger Assistants (PA)

Mainstream Transport

PAs are generally not provided on mainstream transport, the need for exceptional provision, on either a temporary or permanent basis, will be determined by the TC&ET.

Transport for Pupils with Special Educational Needs

A PA is provided if, during the Transport Needs Assessment process, or at a later date, it is considered that the health and safety of the child, driver or anyone else travelling in the vehicle would be at risk if not provided. The need for such provision will be reviewed as part of the annual review.

PAs are generally only provided where the child has:

- a severe physical condition;
- a medical condition requiring immediate treatment;
- severe behavioural difficulties.

Except in exceptional circumstances, PAs will not be provided for:

- pupils attending mainstream schools;
- hearing impaired pupils;
- where there are fewer than three pupils in a vehicle.

The need for exceptional provision, on either a temporary or permanent basis, will be determined by the TC&ET.

Passenger Assistants' Role and Responsibility

PAs are given a range of training, including emergency aid and moving and handling techniques. The level of training is kept under review to ensure that the needs of all children carried can be met.

PAs will have had a Barring & Disclosure check for people working with children before taking up duty. They will display their ID badge at all times when on duty.

PAs monitor the well-being and conduct of pupils and ensure their safety while the journey is in progress. They familiarise themselves with the children and ensure good behaviour during the journey. However, PAs are not assigned for the specific purpose of managing behaviour, an acceptable standard of behaviour is expected as detailed in the *Code of Conduct for Pupils on School Transport* (Ref Doc 2).

In the event of a medical emergency, the PA will administer emergency aid to the level to which they have been trained by the Council; this will normally be to make the passenger safe and then request assistance from the emergency services, where necessary. The PA/driver will not administer medication, unless specifically trained and recognised by the ITU to carry out the particular procedure required.

PAs have a responsibility to report any accidents, incidents, near misses or illnesses that occur in transit, either to the school or to the ITU. They will take notes on the pupil's well-being, care for them on site and report back to the ITU, who will notify parents and schools, as appropriate.

4.6 Independence Training

For some children with SEN increased independence may be demonstrated by a child gradually developing the skills and confidence to travel by public transport, rather than on dedicated

transport, or by being able to walk to school. For others it could be that they need less support and supervision.

Plans to encourage independent travel should be put in place by the school and parents/carers, working in partnership to mutually agreed targets. Progress will be evidenced at each subsequent Annual Review. This step is regarded as a positive achievement towards the child's progress in becoming a more independent traveller.

A secondary aged child with a Statement of Special Educational Needs who is eligible for travel assistance because of their special needs may also receive support for independence and mobility training as part of their school curriculum, if this is identified as a need. The way that the child travels to and from school should be used to help develop and consolidate new skills.

4.7 Personal Transport Cost Allowance (PTCA)

Where it offers the most cost effective solution, the Council may offer a PTCA payment, currently referred to as a "petrol allowance". A parent/carer is under no obligation to accept the offer of such a payment. If they prefer their child to use Council provided transport assistance, this will be provided. PTCA payments are designed to provide a broader range of transport options and are available to those who wish to take up the offer, providing there is no alternative, cost effective travel assistance available. The current scheme is based on the distance between home and school for which a mileage allowance is paid and covers the element of the journey within which the pupil is in the vehicle.. This scheme will be reviewed on a regular basis and if the pupil's attendance at school falls below an acceptable limit the PTCA could be withdrawn.

Details of the scheme are available on the Council website (Ref Doc 3).

4.8 Sustainable Travel

The Council has legal duties, under the Education and Inspections Act 2006, to promote sustainable travel for children, these duties include:

- assessment of travel and transport needs
- audit of sustainable travel and transport infrastructure that may be used when travelling to or from school
- strategy to develop sustainable travel and transport infrastructure
- promotion of sustainable travel

4.9 Appeals against Suitability of Transport

If a parent/carer is dissatisfied by a decision taken in respect of the type of transport provided, they may challenge this in writing for it to be considered by the Transport Eligibility Panel (Section 6.1).

4.10 Monitoring of Transport Provision

The ITU will undertake regular checks to ensure compliance with service standards, these will include:

- spot checks on vehicles and licences;
- checks to ensure all drivers and passenger assistants are authorised and carry identification;
- undertake duties in accordance with service standards and requirements;
- checks to ensure that contracts are operated in accordance with the agreed timetable.

4.11 Concessionary Travel Scheme

The Council is committed to supporting children to access school. Where a child is not entitled to free travel assistance, parents/carers may be able to buy a pass for a spare seat on a school contract vehicle once those entitled have been allocated a place. Passes can be bought for one term at a time and are allocated on a first come first served basis. Details of the scheme are available on the Council website (Ref Doc 4).

Parents/carers should be aware that the seat can be withdrawn at any time, with a minimum of two weeks notice.

4.12 Requirement to Carry a Pass

All children are required to carry a pass, if issued to them, where this establishes that they may travel on the vehicle. A pass may be issued where a child has a statutory entitlement, is carried on a discretionary basis or has purchased a concessionary seat on the vehicle.

A child, who is unable to present a pass, when requested by the vehicle driver or officer of the Council, may be refused entry to the vehicle. Drivers will be given guidance and training on how to report these instances in accordance with the requirements described within the Transport Operators Handbook.

A child who has been issued with a pass and persistently travels without it will be deemed not to be abiding by the *Code of Conduct for Pupils on School Transport* (Ref Doc 2), a potential consequence of which is having their transport withdrawn.

4.13 Pupil Behaviour

The Council may withdraw its provision of travel assistance or employ other sanctions, as it considers appropriate, in the case of any child whose behaviour during the journey to or from school is not of an acceptable standard. In addition, schools can employ a number of sanctions ranging from detention to exclusion in order to deal with persistent misbehaviour on school transport.

Transport operators will advise the ITU where the behaviour of a child breaches the *Code of Conduct for Pupils on School Transport*, (Ref Doc 2) and in turn the parent/carer and school will be notified. Where a criminal act is suspected the police will be notified.

4.14 When School Transport Does Not Operate

There will be occasions when a vehicle does not operate; this may be because of bad weather including flooding or icy conditions where it is not possible for the vehicle to travel safely. In these circumstances a parent/carer may decide to make alternative arrangements to transport their child to school. This will be entirely at the parent's discretion and own cost. The parent/carer will also be responsible for the return journey should conditions not have improved sufficiently for school transport to be provided safely.

In all circumstances where a child has been taken to school by school transport, arrangements will be made to return the child home or to a place of safety.

Applying for Travel Assistance, Determining Eligibility & Setting Up Travel Arrangements

5

5.1 Children without a Statement of Special Educational Needs

Transport assistance is only provided on the basis of a formal application submitted by or on behalf of the parent/carer.

Details of how to apply are available on the Council's web-site (<http://www.centralbedfordshire.gov.uk/learning/schools/travel-to-school/default.aspx>) or by contacting the Transport Commissioning and Entitlement Team on 0300 300 8339 or via school.transport@centralbedfordshire.gov.uk, (Section 6.3)

The Council will aim to process your application within 15 working days of receipt of a complete application. This may be longer during busy periods. If arrangements take longer than 15 days, it may be possible to claim a refund from the 16th day and until such time as transport is provided. All refunds will be based on the cheapest fare available at the time of travel and tickets should be retained as proof of purchase.

5.2 Children with a Statement of Special Educational Needs

Transport assistance is only provided on the basis of a formal application submitted by or on behalf of the parent/carer or when the need for travel assistance is specifically identified as part of the annual review or statement process.

The type of assistance provided will be based on the assessment of individual needs; the Council will always seek to provide the most appropriate, cost effective provision.

Details of how to apply are available on the Council's web-site (<http://www.centralbedfordshire.gov.uk/learning/schools/travel-to-school/default.aspx>) or by contacting the TC&ET (Section 6.3)

5.3 Measurement of the Walking Route

The distance between home and school is measured, using the Council's electronic geographical information system, from the pupil's home gate or drive nearest to the school to the nearest pedestrian gate to the school grounds, by way of the shortest available walking route.

5.4 Assessment of the "Available" Walking Route

The Council recognises that some routes to school may be "unavailable". A route is considered by the Council to be unavailable when a child could not be expected to walk to school, accompanied as necessary by an appropriate adult, in reasonable safety. Queries regarding unavailable routes should be directed to the TC&ET (Section 6.3).

Where a child attends the designated or nearest available qualifying school and the walking route is unavailable and cannot be sufficiently improved, travel assistance will be provided unless there is an alternative available walking route under the walking distance defined in Section 2.1. It should be noted that measurement and assessment of a route does not require the authority to assess the most direct or convenient route – any route that is available within the maximum distance means travel assistance will not be provided.

In assessing the comparative safety of a route, the Council will conduct an assessment of the risks a child might encounter along the prescribed route using the latest national guidelines published by Road Safety GB and taking account of the latest Department for Education guidance.

Such assessments will feed into the Council's duty relating to sustainable school travel, and may inform the Council's plans to upgrade the highway infrastructure, support sustainable school travel or feed into school travel plans.

The Council will work with schools, road safety professionals, Central Bedfordshire Council highways engineers and transport planners to reduce the number of unavailable routes. Where a route is no longer unavailable as a result of new building developments and roads, and/or remedial safety works, any transport previously provided but no longer required will be withdrawn. Transport provision will not be withdrawn with less than 12 weeks' notice.

5.5 Change in Circumstances

If there is a significant change in circumstances, such as a change in school or home address, a change in the parent's/carer's circumstances, or a change in the child's needs an immediate review of transport entitlement / provision may be required. It is the responsibility of the parent/carer to promptly notify the TC&ET (Section 6.3) of any change in circumstances that may affect the provision of travel assistance.

Where travel assistance is provided for temporary medical needs, a review date, based on medical evidence, will be set when the travel assistance is agreed. Where this is not possible, all arrangements will be reviewed in relation to the specific circumstances

5.6 Correcting Errors / Withdrawal of Transport

If travel assistance has been provided as a consequence of an error of the Council, provision will not be withdrawn with less than 12 weeks' notice.

Where an improvement in the accuracy of methods for assessing eligibility identifies that assistance has been provided for a non-eligible child, provision will not be withdrawn with less than 12 weeks' notice. This may occur where the distance from home to school is re-measured and found to be under the relevant walking distance, or a suitable, available walking route has now been identified. In this case, the child will have benefited from free transport and would be expected to be able to walk to school and not be obliged to transfer to another school.

Where an improvement to a route is made and results in the route becoming available for a child to walk, accompanied as necessary by an adult, provision will not be withdrawn with less than 12 weeks' notice.

If travel assistance has been provided as a consequence of information provided by the parent, which was false or misleading and where correct and accurate information would have resulted in a refusal of a request for travel assistance, provision may be withdrawn immediately and will normally be withdrawn with no more than four calendar weeks' notice. Should the Council believe that information provided was deliberately false or misleading; the costs of providing the transport may be sought from the parent/carer.

Review of Decisions, Appeals Process & Complaints

6

6.1 Decisions, Review of Decisions and Appeals Process

Decisions as to the eligibility for travel assistance, the mode of assistance, and other practical matters of travel assistance will be only taken by authorised Council staff. If a parent/carer is unhappy with a decision that has been made, that parent/carer should first take it up informally with the officer or Department that made the original decision. If it is necessary to put the query in writing, then the Council will offer assistance with this in the case of a parent/carer with a disability.

If the matter is not resolved informally in this way, then the parent/carer will be required to complete a *Transport Appeal Form* (TAF1) which can be downloaded from the Council website. Alternatively a copy of the form can be requested from the TC&ET (Section 6.3). The TAF1 form must be submitted within 20 working days of receipt of the original transport decision being made by the Council.

The completed form should then be returned to the TC&ET. The TC&ET Manager together with another Children's Services officer will review the initial decision and further information submitted. This will be completed within 20 working days of receipt of the TAF1 form.

It is anticipated that the majority of appeals will be resolved at this stage. If the appeal is unsuccessful the parent will receive a copy of the appeal form with the reasons given for the decision.

If the matter remains unresolved the parent/carer can make a further appeal to the Transport Eligibility Panel. Appeals must be submitted within 20 working days of the receipt of the decision. The Transport Eligibility Panel will consist of 3 representatives selected from:

- a. Children's Services Commissioning
- b. Client Transport Team, ITU
- c. Customer Services
- d. Assessment and Monitoring Team, as appropriate

Officers from the TC&ET or any other officers involved with the transport decision to date will not attend the panel to ensure the decision made is impartial and independent.

The Panel will consider the information provided within the completed School Transport Appeals Form and any supplementary information provided by the parent/carer. Consideration of cases will normally not take longer than 10 working days.

Where the pupil in question holds a statement of special educational need, it may be that a disagreement about travel is part of a wider question of school provision and placement. In such an instance, it may be necessary for the matter to be considered by a Special Educational Needs and Disability Tribunal. Though this body does not hear appeals specifically about transport, it may consider it as part of a wider appeal.

The Appeals Process detailed above does not prevent the parent/carer raising a school transport related issue with a local Councillor or any other person.

Where a parent/carer feels that an appeal has not been conducted in a fair manner, he or she may pursue a complaint using the Council's complaints procedure. (See 6.3 below).

6.2 Complaints/Queries

If a parent/carer has a query or is dissatisfied by any aspect with regard to the determination of eligibility/entitlement for travel assistance, this should initially be brought to the attention of the TC&ET.

Queries/complaints relating to journey planning, standard/condition of vehicles, drivers, passenger assistants and any other issues relating to the journey to/from school should initially be brought to the attention of the ITU.

If the complaint is not resolved to your satisfaction it may be escalated via the Council's Corporate Complaints Procedure www.centralbedfordshire.gov.uk/council-and-democracy/local-government-in-central-bedfordshire/customer-feedback/default.aspx

6.3 Contact Details

a. Transport Commissioning & Entitlement Team (TC&ET):

Watling House, High Street North, Dunstable, LU6 1LF

0300 300 8339

school.transport@centralbedfordshire.gov.uk

b. Integrated Transport Unit (ITU):

Priory House, Monks Walk, Chicksands, Shefford, Bedfordshire, SG17 5TQ

0300 300 8167

mainstream.transport@centralbedfordshire.gov.uk

c. Other useful contacts details:

School Admissions Team

Watling House, High Street North, Dunstable, LU6 1LF

0300 300 8037

admissions@centralbedfordshire.gov.uk

Customer relations

Priory House, Monks Walk, Chicksands, Shefford, SG17 5TQ

0300 300 6077 or 0300 300 4995

customer.relations@centralbedfordshire.gov.uk

Appendix 1: Definition of Terms

Academic Year, School Year

The academic year is deemed to start on 1st September in any given year and to end on 31st August in the following calendar year. In the exceptional case of a school whose academic year begins in August, the Council will consider whether it should take the date when that school's academic year starts as being the start of the academic year for a child or student attending that school.

Assessment & Monitoring Team (A&M)

Most children with special educational needs will get all the help that they need through School Action and School Action Plus, as schools have an allowance in their budgets to meet their needs. However, for a very small number of children, a statutory assessment may be required. A statutory assessment is when the Local Authority looks carefully at a child's learning difficulties. Once the Local Authority has received all the information and looked at it, a Referrals Panel will decide whether to assess the child to see if he/she needs a Statement. In Central Bedfordshire this process is managed by the Assessment and Monitoring Team.

Address, Home Address

For the purposes of home to school transport the home address will be deemed to be where the child predominantly resides, normally with someone who holds parental responsibility. Proof of residence may be requested to confirm that a child and the child's family are resident at a specified address. The following are examples of items that may suffice as proof:

- Child Tax Credits
- Working Tax Credits
- registration on the electoral roll
- utility bills
- bank statements
- driving licence
- mortgage or tenancy account details

The list of documents above is not exclusive and the Council may ask for permission to gain access to other local authority information, for example Council Tax or Housing Benefit records. If doubt exists, the Council may also require a parent/carer to complete a formal statement to certify the home address. This would be discussed at the appropriate time.

Alternative provision

For some children, an education outside of school can be the most appropriate option. When this is arranged by LAs, schools or a group of schools, it is called alternative provision. It can range from pupil referral units (PRUs) and further education colleges to voluntary or private-sector projects.

Boarding/Residential Schools

Boarding/Residential schools are those that provide overnight accommodation arranged or provided by the school, at the school or elsewhere.

Cared for Children (Looked After Children) and Children who were previously Cared for

A 'cared for child' is a child who is in the care of a local authority or provided with accommodation by that local authority (as defined in section 22 of the Children Act 1989).

Children previously 'cared for' are children who were 'cared for' as defined above, but immediately after being 'cared for' became subject to an adoption, residence, or special guardianship order. An adoption order is an order under section 46 of the Adoption and Children Act 2002. A 'residence order' is as an order settling the arrangements to be made as to the person with whom the child is

to live under section 8 of the Children Act 1989. Section 14A of the Children Act 1989 defines a 'special guardianship order' as an order appointing one or more individuals to be a child's special guardian (or special guardians).

Catchment Area School

A geographical area from which children are given priority for admission to the particular school. Please see www.centralbedfordshire.gov.uk/admissions for more information on school catchment areas.

Child, Children

A young person of compulsory school age (from 5 years to 16 years old).

Compulsory (Statutory) School Age

Children reach compulsory school age at the beginning of the term following their 5th birthday. In compliance with legal requirements, children may start school in the reception class in the September following their 4th birthday. Parents/carers can request that the date their child is admitted to the primary school is deferred until later in the school year or until the child reaches statutory school age in that school year. To help younger children adjust to school, schools may phase full-time admission, admitting these children on a part-time basis. Arrangements are decided at school level.

Statutory school age ceases on the last Friday in June in the school year when the young person reaches the age of 16. No account is taken of the National Curriculum Year in which a pupil is being educated when determining the year in which compulsory school ages ceases.

The Education and Skills Act 2008 raised the age at which young people are required to participate in education or training to 17 years of age. This does not necessarily mean they will have to stay on at school after Year 11 as they will have a choice about how they want to participate post-16, which could be through full-time education, such as school or college; work-based learning, such as an Apprenticeship; or part-time education or training if they are employed, self employed or volunteering for 20 hours or more a week. From 2015 the age increases to 18.

Council (Authority, Local Authority)

This is Central Bedfordshire Council. Decisions of the Authority are carried out in the name of the Authority by its officers.

Disability

From 1 October 2010, the Equality Act replaced most of the Disability Discrimination Act (DDA) 1995 and 2005. However, the Disability Equality Duty in the DDA continues to apply. The Equality Act 2010 aims to protect disabled people and prevent disability discrimination by ensuring that reasonable adjustments are made to accommodate the needs of all individuals. Under the Act, a person has a disability if they have a physical or mental impairment and the impairment has a substantial and long-term adverse effect on their ability to perform normal day-to-day activities.

Dual Registration

The law provides for pupils to be registered at two separate schools in cases where a child has no fixed abode for the reason that a parent is engaged in a trade or business of such a nature as to require travel from place to place.

Integrated Transport Unit (ITU)

The ITU are the Council department responsible for sourcing the most cost effective appropriate transport for entitled children. The ITU develop and maintain relationships with all transport providers and ensure that vehicles and drivers comply with all necessary statutory regulations.

Mainstream School

A school that is not a special school for pupils with special educational needs.

Out-of-County

In reference to a school, this means a school which is neither maintained by Central Bedfordshire Council nor is an academy, free school, UTC or Studio School within the Council's boundary. In reference to a place it means a place located outside the administrative boundary of Central Bedfordshire Council.

Parent/Carer or Guardian

In this Policy, the parent will be taken to be the person with whom the child or student predominantly resides. This can include a person who is not a parent but who has parental responsibility or care of the child or student. If the person is not the birth parent or adoptive parent, then evidence may be sought to ascertain that the legal basis of the relationship. In this policy the terms parent or parents are taken to include guardian or guardians.

Publicly Funded Schools

Maintained schools are funded by central government via the local authority and do not charge fees to students. The categories of maintained school are: community, community special, foundation (including trust), foundation special (including trust), voluntary aided and voluntary controlled. There are also maintained nursery schools and pupil referral units.

Academies and free schools are publicly funded independent schools. Some academies, generally those set-up to replace underperforming schools, will have a sponsor. Sponsors come from a wide range of backgrounds including successful schools, businesses, universities, charities and faith bodies. Academies receive their funding directly from the Education Funding Agency (EFA) rather than from local authorities.

The Funding Agreement between the establishment and the Secretary of State provides the framework within which Academies, Free Schools, UTCs and Studio Schools operate.

Private Schools

Private schools may be either non-maintained or independent, according to their foundation and legal status and receive their funding either direct from parents, from charitable trusts or from places purchased by local authorities. Generally, although not exclusively, an independent school is usually one run privately for profit whereas a 'non-maintained' school is run 'not for profit' usually by a charitable body.

Special Educational Needs

A Statement of Special Educational Need is a statement made by the local authority under Section 324 of the Education Act 1996 that specifies the special educational provision required for that child. Schools must admit a child with a Statement of Special Education Needs that names their school.

Special School

Schools that provide education for children and young people with complex or specific needs which generally cannot be fully met in a mainstream setting.

Studio Schools

Studio Schools cater for 14 to 19-year-olds, delivering project-based, practical learning alongside mainstream academic study. They are small schools - typically with around 300 pupils - delivering mainstream qualifications through project based learning. Students work with local employers and a personal coach, and follow a curriculum designed to give them the skills and qualifications they need in work or to continue in education.

Transport Commissioning & Entitlement Team (TC&ET)

The TC&ET are responsible for assessing the entitlement of all children against the Council Home to School Transport Policy. The TC&ET are also responsible for assessing the individual needs of children and commissioning travel assistance to meet specific identified needs. This includes all children accessing education in Central Bedfordshire.

University Technical Colleges (UTCs)

UTCs are Technical Academies for 14-19-year-olds. They offer technical courses and work-related learning, combined with academic studies. Each UTC is sponsored by a university and industry partner and responds to local skills needs. They provide young people with the knowledge and skills they need to progress at 19 into higher or further education, an apprenticeship or employment.

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Ref Doc 1: Parent/Carer School Transport Agreement

While my child is receiving transport to school, I will;

1. Ensure that my child is ready at the agreed time of pick-up when the vehicle arrives at our home or at the pick-up point (transport staff are instructed not to wait over 5 minutes).
2. Be there to meet him/her at the set down point on return, or agree in writing in advance when another responsible person will do this.
3. Ensure that my child understands the standard of behaviour that is expected whilst travelling to and from school, as set out in the *Code of Conduct for Pupils on School Transport*.
4. Ensure that my child understands the need for safety and that the wearing of a seat belt or harness is essential.
5. Inform the ITU, on 0300 300 8167 by 10.00 am on the day of the illness, if my child is unwell and will not be travelling to school, if travelling by taxi.
6. Inform the ITU of any change of wheelchair, or equipment so that a new risk-assessment may be reviewed.
7. Inform the TC&ET of any change of travelling requirements, or any change in medical needs.
8. Ensure that the TC&ET is informed of any change in address at least 1 month in advance (on 0300 300 8339 or via school.transport@centralbedfordshire.gov.uk).
9. Pay for any wilful damage caused by my child.
10. Supply the ITU with general and emergency contact details for getting in touch with me.
11. Ensure that only wheelchairs certified as being successfully crash-tested will be permitted to have a passenger travel in their wheelchair on a vehicle. A full risk assessment will have to be undertaken by Council officers before transport can commence. The Council will produce a 'wheelchair passport' if applicable for transport.
12. Ensure all medicines must have the original label and packaging .

Furthermore, I understand that:

13. Passenger Assistants are not responsible for the administration of drugs or any medical procedures;
14. The transport may be withdrawn if my child's behaviour is persistently unacceptable
15. If the transport is withdrawn because of bad behaviour I must make suitable arrangements for him/her to attend school.
16. Failure to notify the Council of changes in circumstances (change of address etc) may result in a delay in transport being re-arranged.

Signed..... Name

For child Date.....

Contact Phone Number..... Emergency Phone Number.....

Ref Doc 2: Code of Conduct for Pupils on School Transport

1. Always be punctual. The transport has a time schedule to keep.
2. If waiting at a pick-up point, stay safe by keeping away from the road. All children with Special Educational Needs should be supervised whilst waiting for the bus.
3. Children should carry the bus pass issued by the Council at all times.
4. Children should get on or into the vehicle one at a time.
5. Wear a seat belt at all times and remain seated throughout the journey.
6. Aggressive, violent or abusive behaviour is unacceptable and may result in temporary or permanent withdrawal of transport.
7. Bags must be kept out of the gangway.
8. Do not speak to the driver whilst he or she is driving, unless there is an emergency. .
9. Be reasonably quiet in the vehicle. Excessive noise can disturb the driver and can be dangerous.
10. Do not play radios or personal stereos unless using headphones.
11. Ensure mobile phones are on silent or vibrate settings.
12. Do not stand up or move around the vehicle whilst it is moving.
13. At the end of the journey, wait until the vehicle has stopped before getting out of your seat.
14. Do not eat, drink, smoke or drop litter in the vehicle.
15. Always follow the instructions of the driver or passenger assistant.
16. Be considerate towards other passengers and behave sensibly at all times.

Remember parents are responsible for any damage caused to the vehicle and will have to re-imburse the operator accordingly.

If you break these rules you may lose your entitlement to transport and your parents will have to make alternative arrangements to get you to school.

Ref Doc 3: Personal Transport Cost Allowance (PTCA)

1. The Council may request that a parent/carer who is willing make their own arrangements to convey their child to and from school:
 - where an entitlement to transport exists and there are difficulties in negotiating a suitable transport contract;
 - where an entitlement to transport exists and to make a mileage allowance payment is financially advantageous to the Council;
 - in other circumstances to be determined by the TC&ET.
2. Where this is agreed by the Council, the parent/carer will be paid a personal transport cost allowance. The current scheme is based on the distance between home and school for which a mileage allowance is paid and covers the element of the journey within which the pupil is in the vehicle. This scheme will be reviewed on a regular basis.
3. The parent/carer will be required to complete a PTCA form, supplied by TC&ET, this needs to be authorised by the school and submitted to the TC&ET monthly/termly, as agreed.
4. The Council is currently paying a rate of 36p per mile; the daily mileage payable will be agreed by the TC&ET.
5. Where agreed, the allowance may be paid for boarders on the following basis:
 - a. Termly boarding –at the beginning and end of each term and at the beginning and end of the mid-term holiday.
 - b. 12 day boarding – on alternate weekends and at the beginning and end of each term.
 - c. Weekly boarding - to school on Monday and from school on Friday each week.
 - d. 52 week placement – up to a maximum of three return journeys a year.
 - e. Attending one statement review per year at an out-county school.
 - f. Other exceptional circumstances agreed by the TC&ET.
 - g. Parking, subsistence and other expenses will not be paid.
6. The Council will review, on a regular basis, the payment of all PTCA payments and these may be withdrawn, with no less than 12 weeks' notice, if:
 - entitlement to home to school transport support is withdrawn;
 - a more cost effective form of transport provision becomes available;
 - in other circumstances determined by the TC&ET.
7. In the event that the PTCA is withdrawn as a result of concerns being raised about the unauthorised absence/punctuality of the child, the 12 week notice period will not apply.
8. The feasibility of the parent/carer of making their own travel arrangements and applying for a PTCA will be discussed by the Council when evidencing eligibility for travel assistance and at subsequent reviews.

9. A parent/carer who is agreeable should be advised that the allowance is not likely to be offered where a place in shared transport or more cost effective travel assistance can be offered
10. The TC&ET will discuss the possibility of a personal transport cost allowance payment as an alternative to taxis for existing entitled pupils.

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Ref Doc 4: Concessionary Travel Scheme

Where pupils live within the statutory walking distance or do not otherwise qualify for free transport, a charge may be made for "spare seats" in the school bus provided the route is operated on a contract basis. Concessionary spaces are:

- a. Charged on a termly basis.
- b. Free for children entitled to free school meals, or whose parents are in receipt of the maximum level of Working Tax Credit.
- c. Revised annually by the Council for the new financial year, with new charges to come into effect for the Summer Term each year.
- d. Issued on a first come first served basis where demand for places exceeds availability.
- e. Fixed at the termly rate. No pro-rata reductions are available for part week travel or single daily journeys or where for operational reasons, delays may occur in the issue of passes.

Concessionary places are not available on routes registered as public service routes, where the child pays the Fare direct to the driver.

It should be noted that the provision of a free concessionary pass will be based on the same benefit criteria as for families entitled to free transport on low income grounds. This will mean that certain families in receipt of working tax credit, but not at the maximum rate, who may have previously received passes free of charges, will in future, be required to pay.

The parent/carer should be aware that the concessionary place can be withdrawn at any time, with a minimum of two weeks notice. The place will be withdrawn if the seat is required for an entitled pupil, the service is withdrawn or the passenger carrying capacity of the vehicle is reduced.

Where a concessionary seat is withdrawn, this will not be on a last-in, first-out basis. The order of priority will be according to the following criteria:

- a. The presence of an entitled sibling on the vehicle.
- b. The presence of a concessionary sibling on the vehicle.
- c. Attendance at the designated school (where the school is under the statutory walking distance and there is no entitlement to transport).

The siblings of entitled passengers will be the last to be removed. In determining priority within each category, those with the shortest overall journey from home by distance will be withdrawn first.

When a concessionary place is abandoned by a parent or post-16 student, no refund for previously unused journeys will be given. If the Pass issued is returned a pro-rata refund will be given from the date received. Refunds may be subject to an administration charge.

The parent/carer must sign the Parent/Carer School Transport Agreement in the same way as a parent/carer for an entitled child, before a place is allocated. Concessionary places are not available by right and if behaviour is not of an acceptable standard, the seat will be withdrawn.

Ref Doc 5: Notes for Schools

1. Central Bedfordshire Council will help with the travel arrangements of children who qualify under distance or special needs criteria as set out in the Home to School Transport Policy for Pupils of Compulsory School Age.
2. When arrangements have been made, parents will be informed in writing. The letter will explain the pick-up arrangements, the responsibility of the parents to ensure their children are ready on time, that a responsible adult will be there to receive them and that their children will behave in a responsible way.
3. The safety of the child is fundamental to the policy. Seat belts are fitted and should be worn, assistants are trained and medical conditions are recorded.
4. Where Passenger Assistants travel with children they will:
 - inform the head teacher of the school of any incident, bad behaviour or accident involving the children;
 - take messages and medication between parents and schools;
 - report any notified absences or irregular incidents.
5. When a Passenger Assistant or driver has a problem with a child's behaviour the schools head teacher or member of staff with specific responsibility for transport will be contacted. The ITU may withdraw transport if unreasonable behaviour causes an increased risk to passengers, other road users and/or the driver.
6. The school is responsible for the child from the time of getting off the vehicle until the time the child is returned to the vehicle. School staff should be available to help with the assisting of children to and from the transport. The school is responsible for ensuring that pupils are ready for the transport on time. Drivers are instructed to leave the schools punctually. Pupils who are to be kept back for any reason will be the school's or parents/carers responsibility to arrange for transport to the pupils' home.

Any traffic management systems or problems relating to transport of pupils should be directed to 0300 300 8167 or mainstream.transport@centralbedfordshire.gov.uk.
7. Schools should:
 - promote compliance with the *Code of Conduct for Pupils on School Transport*;
 - have in place a system that checks the arrival and departure of school buses and provide information to the ITU on the quality of transport services provided;
 - Establish a traffic management system to ensure that home to school transport suppliers can manoeuvre and park safely and that passengers can board and alight safely.
 - advise the ITU of changes of address of pupils or other changed circumstances which may affect the transport requirements;
 - assist the ITU in dealing with cases of difficulty on transport, for example misbehaviour by pupils;

- receive reports from passenger assistants on any signs of ill treatment of pupils and process these as considered necessary, in accordance with Child Protection guidance;
 - assist the ITU in contacting parents in the event of breakdowns or accidents to transport, significant changes in transport times / arrangements in emergencies, absconding of pupils from transport etc;
 - advise the ITU of dates of school terms, inset days and holidays and other closures, including weather related closures.
 - advise the ITU with at least one terms notice of any planned closure days outside the Council published term dates. If notice is less than one term, any incurred transport costs will be the responsibility of the school
 - have a member of staff designated for dealing with all matters relating to school transport issues.
8. Plans to encourage independent travel must be put in place by the school and parents/carers working in partnership to mutually agreed targets and evidence of progress will be required at each subsequent annual review. Schools and parents/carers should encourage pupils to take up public/community transport options at the earliest opportunity. This step will be regarded as a positive achievement towards the pupil's progress in becoming an independent traveller.

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