

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

**This meeting may
be filmed.***



**Central
Bedfordshire**

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

NOTICE OF MEETING

EXECUTIVE

Date & Time

Tuesday, 13 January 2015 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 Regeneration
	B Spurr	– Executive Member for Community 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

Members are requested to keep their copy of the Executive Agenda to use during discussion on the Draft Budget 2014/15 and Medium Term Financial Plan 2014-2018 at the Overview and Scrutiny Committee meetings.

***Please note that phones and other equipment may be used to film, audio record, tweet or blog from this meeting. No part of the meeting room is exempt from public filming.**

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AGENDA

1. **Apologies for Absence**

To receive apologies for absence.

2. **Minutes**

To approve as a correct record, the Minutes of the meeting of the Executive held on 9 December 2014.

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 February 2015 to 31 January 2016.

Decisions

Item	Subject	Page Nos.
8.	Draft Budget 2015/16 and Medium Term Financial Plan	31 - 92

The report proposes the draft Budget for 2015/16 and updates the Medium Term Financial Plan approved by Council in February 2014.

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|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 9. | Draft Capital Programme 2015/16 to 2018/19 | 93 - 108 |
| | The report proposes the Draft Capital Programme for the four years from 1 April 2015. | |
| 10. | Draft Budget for the Housing Revenue Account (Landlord Service) Business Plan | To follow |
| | To consider the draft Housing Revenue Account budget 2015/16. | |
| 11. | School Funding Reform: Arrangements for 2015/16 | 109 - 148 |
| | To formally discuss and approve the Council's proposed school funding formula following consultation in September/October 2014. This formula will determine the funding basis for schools and academies in Central Bedfordshire Council area for April 2015/16. | |
| 12. | National Non Domestic Rates, Discretionary Rate Relief Policy | 149 - 206 |
| | The purpose of the report is for Executive to review and approve the Council's draft Discretionary Rate Relief Policy. | |

Monitoring Matters

- | Item | Subject | Page Nos. |
|-------------|-----------------------------------------------|------------------|
| 13. | Quarter 2 Performance Report | 207 - 220 |
| | To consider the quarter 2 performance report. | |

This agenda gives notice of items to be considered in private as required by Regulations (4) and (5) of The Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012.

Details of any representations received by the Executive about why any of the above exempt decisions should be considered in public: none at the time of publication of the agenda. If representations are received they will be published separately, together with the statement given in response

CENTRAL BEDFORDSHIRE COUNCIL

At a meeting of the **EXECUTIVE** held in the Council Chamber, Priory House, Monks Walk, Shefford on Tuesday, 9 December 2014.

PRESENT

Cllr J G Jamieson (Chairman)
Cllr M R Jones (Vice-Chairman)

Executive Members:	Cllrs	C Hegley B J Spurr R C Stay	Cllrs	Mrs P E Turner MBE M A G Versallion J N Young
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Deputy Executive Members:	Cllrs	A D Brown I Dalgarno A L Dodwell D J Hopkin	Cllrs	A M Turner B Wells R D Wenham
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Apologies for Absence:	Deputy Executive Member Cllr	Mrs S Clark
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Members in Attendance:	Cllrs	P N Aldis A R Bastable D Bowater C C Gomm Ms A M W Graham	Cllrs	Mrs J G Lawrence K C Matthews J Murray B Saunders
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Officers in Attendance	Mrs D Broadbent-Clarke Mr R Carr Mrs M Clay Mr M Coiffait Mrs S Harrison Mrs S Hobbs Mr T Keaveney Mr C Warboys	Director of Improvement and Corporate Services Chief Executive Chief Legal and Democratic Services Officer Community Services Director Director of Children's Services Committee Services Officer Assistant Director Housing Services Chief Finance Officer
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E/14/71. **Minutes**

RESOLVED

that the minutes of the meeting held on 14 October 2014 be confirmed as a correct record and signed by the Chairman.

E/14/72. **Members' Interests**

None were declared.

E/14/73. **Chairman's Announcements**

The Leader and the Chairman of the Council had visited Biggleswade and Dunstable Delivery Offices where employees had been preparing for their busiest time of year.

Work on the construction of a new Leisure Centre in Flitwick had commenced with the Leader attending the ground-braking ceremony.

The Secretary of State for Communities and Local Government, Eric Pickles visited Silsoe to view the properties that had been built under the Government's flagship housing scheme, Help to Buy. He also attended the launch of a new distribution centre at Prologis Park in Dunstable, which could provide around 550 jobs when occupied.

E/14/74. **Petitions**

No petitions were received.

E/14/75. **Public Participation**

There was no public participation.

E/14/76. **Forward Plan of Key Decisions**

RESOLVED

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

E/14/77. **Council Tax Support Scheme**

The Executive considered a report from the Deputy Leader and Executive Member for Corporate Resources that reviewed Local Council Tax Support (LCTS) Scheme. It was proposed that the current scheme should be readopted for 2015/16 with minor changes only. It was proposed that the Council should bring its levels of entitlement for working age claimants in line with other state benefit levels, also known as uprating. This would mean an increase of about 3% in the premiums and allowances built into the Council's LCTS scheme.

Reason for decision: To enable the Council to endorse the Local Council Tax Support Scheme. If the scheme was not approved by 31 January 2015, the Council would have to award Local Council Tax Support in accordance with the Government's default scheme which would result in increased costs.

Recommended to Council

that the current Council Tax Support Scheme be extended for a further year (2015/16), subject to "uprating" as set out in the Executive report.

E/14/78.

New School Places in Stotfold and Leighton Linlade and 2014/15 refresh of the Council's School Organisation Plan and New School Places Programme

The Executive considered a report from the Executive Member for Children's Services that considered new school places in Stotfold and Leighton Linlade and set out the implications arising from the 2014/15 refresh of the Council's School Organisation Plan and New School Places programme. The report also provided advice on the new area guidelines for mainstream school buildings and the Council's School's Sustainable Design Brief.

On a point of clarification, the housing trajectory figures published in April 2014 suggested an average of approximately 1,500 homes would be completed each year over the next five years in Central Bedfordshire, rather than 1,800 as set out in the report.

In response to questions, the Executive Member for Children's Services explained that the Schools Organisation Team worked closely with the Local Development Framework Team and took account of the Council's Policy Principles for Pupil Place Planning when considering new school places. All children, where possible, would be encouraged to walk to school. The minimum gross area now recommended for buildings was on average 15% lower for secondary schools and 6% lower for primary schools but this should be regarded as a minimum.

The Executive Member confirmed that to expand Vandyke Upper School by 500 places for implementation in September 2017 was feasible and would benefit the school.

Reason for decision: To ensure the Council continued to meet its statutory obligations to provide sufficient school places and also to meet the legal requirements placed on the Council by the Education and Inspections Act 2006. To also ensure that the Council would continue to develop appropriate design briefs for new school buildings, school refurbishment or conversion projects.

RESOLVED

1. (i) that the procedures established by The Education and Inspections Act 2006 (EIA 2006) and The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013, have been complied with in bringing forward the proposal to expand Roecroft Community Lower School, Stotfold as outlined in paragraph 17 and in the legal implications section of the report;
 - (ii) that no representations were received in respect of the proposal to expand Roecroft Community Lower School and the statutory notice as set out in Appendix A to the report, issued on the 13 October 2014 under Section 19(1), of the Education and Inspections Act 2006 be confirmed; and
 - (iii) that the statutory proposal to expand Roecroft Community Lower School, Stotfold from its current capacity of 300 places to provide a total of 450 places with an implementation date of 1 September 2015 be approved, thereby approving the commencement of the project and related expenditure, subject to the grant of planning permission under Part 3 of the Town and Country Planning Act 1990 by 1 July 2015.
2. that the proposed commencement of consultations by the Governing Bodies of Leedon Community Lower School and Clipstone Brook Community Lower School to permanently expand each school from 1 September 2015 be approved. Each school will also be invited to prepare a business case which will be subject to approval by the Council's Executive in its decision to approve the proposals in March 2015;
 3. that the implications for the Council's Capital Programme arising from the 2014/15 refresh of the Council's School Organisation Plan and New School Places programme be taken into account;
 4. that the use of EFA Building Bulletin 103 Area Guidelines for Mainstream Schools and the Council's School's Sustainable Design Brief as guidance in creating future design briefs for new school buildings, school refurbishment or conversion projects, be noted.

E/14/79.

Central Bedfordshire Council Enforcement Policy

The Executive considered a report from the Executive Member for Community Services that set out a revised Enforcement Policy which had taken account of the Regulator's Code published by the Department of Business, Innovation and Skills through the Better Regulation Delivery Office (BRDO).

Reason for decision: To ensure that the Council's Enforcement Policy complied with the BRDO Regulator's Code.

RESOLVED

that the revised Enforcement Policy be approved.

E/14/80.

Waste Infrastructure and Operational Contracts

The Executive considered a report from the Executive Member for Community Services that updated on the delivery of selected elements of the waste management strategy:

- the Household Waste Recycling Centre (HWRC) Operational Contract;
- the Green Waste Disposal Contract;
- the redevelopment of the HWRC sites; and
- the development of a waste park at Thorn Turn.

In response to a question, the Executive Member for Community Services confirmed that the temporary closure of HWRC's would be clearly advertised, giving the public plenty of notice.

Reason for decision: To enable the Council to award the Contracts and to achieve timely delivery of the infrastructure elements, prevent project delays and action from the Environment Agency.

RESOLVED

- 1. to authorise the Community Services Director, in consultation with the Executive Member for Community Services, and the Deputy Leader and Executive Member for Corporate Resources, to award the Green Waste disposal contract to the successful tenderer/s;**
- 2. to authorise the Community Services Director, in consultation with the Executive Member for Community Services and the Deputy Leader and Executive Member for Corporate Resources, to award the Household Waste Recycling Centre (HWRC) Operation contract to the successful tenderer;**
- 3. to authorise the Community Services Director, in consultation with the Executive Member for Community Services and the Deputy Leader and Executive Member for Corporate Resources, to undertake a selection process and award the HWRC redevelopment works contract to the successful tenderer/s;**
- 4. to authorise the Community Services Director, in consultation with the Executive Member for Community Services and the Deputy Leader and Executive Member for Corporate Resources, to undertake a selection process and award the Thorn Turn development works contract to the successful tenderer/s; and**

5. **that the phased temporary closure of the Ampthill, Biggleswade and Leighton Buzzard HWRC sites as proposed in the report to allow refurbishment works to take place be approved, noting the mitigation measures planned to minimise the impact of these closures.**

E/14/81. **Procurement of Future Electricity and Gas Contracts**

The Executive considered a report from the Deputy Leader and Executive Member for Corporate Resources that set out a proposal in relation to the procurement of energy for Council buildings, street lighting and schools in a manner which was compliant with public procurement rules, met the Council's priorities, was in accordance with best practice and was considered to provide best value.

Reason for decision: To ensure the Council procures gas and electricity supplies for Council buildings at competitive rates and according to recommended best practice for local government.

RESOLVED

that the Council continue to use the Central Buying Consortium's flexible energy contracts for electricity and gas supplies to Council buildings and street lighting for the period 2016-2020, and also continues to make these contracts available for schools to use should they wish.

E/14/82. **Award of Contract to carry out External Wall Insulation Work**

The Executive considered a report from the Executive Member for Social Care, Health and Housing that sought approval to award a contract to install external wall insulation in 82 precast reinforced concrete dwellings in Aldbanks, Dunstable. The investment was part of the programme to maintain and improve the Council's housing stock. The work would improve the quality and prolong the life of the properties, whilst increasing their thermal efficiency, reduce carbon emissions and contribute to energy targets.

In a response to a question, the Executive Member for Social Care, Health and Housing confirmed that residents in Aldbanks who had bought their homes from the Council would be given the opportunity to be included in the external wall insulation work.

Reason for decision: To enable the Council to meet Priority 6 of the Housing Asset Management Strategy to ensure that the housing stock was kept in good repair and met tenants' current and future expectations.

RESOLVED

that the award of the contract to insulate the external walls to Council housing, as part of an ongoing investment programme be approved, to enable the Council to maintain its investment in its housing stock.

E/14/83. **Stratton Park Disposals**

The Executive considered a report from the Deputy Leader and Executive Member for Corporate Resources that updated on progress with Stratton Business Park and sought approval to dispose of land to meet known local business demands and support job growth.

In response to a question, the Deputy Leader and Executive Member for Corporate Resources advised that sustainability issues would be considered as part of the planning process.

Reason for decision: Options for alternative methods of disposal had been reviewed and the proposed serviced site option was considered the optimum solution to both secure known existing local businesses demand, delivering jobs in Biggleswade and to maximise capital receipts.

RESOLVED

1. **to authorise the Director of Improvement and Corporate Services, in consultation with the Deputy Leader and Executive Member for Corporate Resources, to dispose of 12 to 15 acres of serviced land on Stratton Phase 5 to local business A, to enable its subsequent expansion;**
2. **to authorise the Director of Improvement and Corporate Services, in consultation with the Deputy Leader and Executive Member for Corporate Resources, to dispose of 5 acres of serviced land on Stratton Phase 5 to local business B, to enable its subsequent expansion; and**
3. **that it is intended to invest up to £2M in infrastructure, planning and other necessary advance work and in collaboration with the owners of Phase 6. If as seems likely there will be a delay between the requirement for funding for infrastructure and the capital receipt, then this cash flow issue will be addressed in the Council's budget for 2015/16.**

E/14/84. **Contract Award Recommendation for Bedfordshire Mental Health, Specialist Learning Disability Service and Child and Adolescent Mental Health Procurement including Central Bedfordshire Council Section 75 Delegated Responsibilities**

The Executive considered a report from the Executive Member for Social Care, Health and Housing that set out the procurement process for mental health services that had been undertaken by the Bedfordshire Clinical Commissioning Group, with a view to improving services for the population of Bedfordshire.

Reason for decision: To improve mental health services in Bedfordshire.

RESOLVED

1. that the recommended agreement for the award of the new contract for the Bedfordshire Mental Health, Specialist Learning Disability Service and Child and Adolescent Mental Health Procurement, including Central Bedfordshire Council Section 75 delegated responsibilities, which has been led by the Bedfordshire Clinical Commissioning Group, be approved; and
2. to authorise the Director of Social Care, Health and Housing, in consultation with the Executive Member for Social Care, Health and Housing to fulfil their delegated function as set out in the Central Bedfordshire Council Constitution: H3, 3.1. Namely, as statutory officer (Director of Adult Social Care Services) to deliver the function of the National Health Service Act 2006, Section 75.

E/14/85. **September 2014 Quarter 2 Revenue Budget Monitoring**

The Executive considered a report from the Deputy Leader and Executive Member for Corporate Resources that set out the financial position for 2014/15 as at September 2014. The report set out the spend to date against the profiled budget and the forecast financial outturn.

Reason for decision: To facilitate effective financial management and planning.

RESOLVED

1. that the revenue forecast position which is currently an overspend compared to budget of £1.1m, be noted; and
2. to request officers to continue with their efforts to achieve as a minimum a balanced outturn position or an underspend.

E/14/86. **September 2014 Quarter 2 Capital Budget Monitoring**

The Executive considered a report from the Deputy Leader and Executive Member for Corporate Resources that provided information on the projected capital outturn for 2014/15 as at September 2014.

Reason for decision: To complete schemes currently underway and facilitate effective financial management and planning.

RESOLVED

1. that the overall forecast position which is to spend £97.8m compared to a budget of £116.8m, be noted; and
2. to request officers to carefully examine the forecast spend to determine the realism of the proposals to defer spend into 2015/16.

E/14/87. September 2014 Quarter 2 Housing Revenue Account Budget Monitoring

The Executive considered a report from the Deputy Leader and Executive Member for Corporate Resources that provided information on the 2014/15 Housing Revenue Account projected outturn revenue and capital position as at September 2014.

In response to a question, the Executive Member for Social Care, Health and Housing confirmed that the current projection of Right to Buy sales would not have a negative impact on the Business Plan. However, the Council was in a position to re-invest capital receipts into new social housing.

Reason for decision: To facilitate effective financial management and planning.

RESOLVED

- 1. that the revenue forecast position to achieve a balanced budget with a contribution to Housing Revenue Account Reserves of £7.345m be noted, thus strengthening the Council's ability to invest and improve its stock of homes;**
- 2. that the capital forecast position of an outturn of £16.767m, an underspend of £1.353m, which includes deferred works from 2013/14 relating to Priory View of £2.503m, be noted; and**
- 3. that Right to Buy sales be monitored for the possible impact on predicted surpluses in the medium to longer term.**

E/14/88. Award of Contract to carry out External Wall Insulation Work

See minute E/14/82 for details.

E/14/89. Stratton Park Disposals

See minute E/14/83 for details.

E/14/90. Contract Award Recommendation for Bedfordshire Mental Health, Specialist Learning Disability Service and Child and Adolescent Mental Health Procurement including Central Bedfordshire Council Section 75 Delegated Responsibilities

See minute E/14/83a for details.

(Note: The meeting commenced at 9.30 a.m. and concluded at 10.40 a.m.)

Chairman

Dated

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**Central Bedfordshire Council
Forward Plan of Key Decisions
2 February 2015 to 29 January 2016**

- 1) During the period from **2 February 2015 to 29 January 2016**, Central Bedfordshire Council plans to make key decisions on the issues set out below. “Key decisions” relate to those decisions of the Executive which are likely:
 - to result in the incurring of expenditure which is, or the making of savings which are, significant (namely £200,000 or above per annum) having regard to the budget for the service or function to which the decision relates; or
 - to be significant in terms of their effects on communities living or working in an area comprising one or more wards in the area of Central Bedfordshire.

- 2) The Forward Plan is a general guide to the key decisions to be determined by the Executive and will be updated on a monthly basis. Key decisions will be taken by the Executive as a whole. The Members of the Executive are:

Cllr James Jamieson	Leader of the Council and Chairman of the Executive
Cllr Maurice Jones	Deputy Leader and Executive Member for Corporate Resources
Cllr Mark Versallion	Executive Member for Children’s Services
Cllr Mrs Carole Hegley	Executive Member for Social Care, Health and Housing
Cllr Nigel Young	Executive Member for Regeneration
Cllr Brian Spurr	Executive Member for Community Services
Cllr Mrs Tricia Turner MBE	Executive Member for Partnerships
Cllr Richard Stay	Executive Member for External Affairs

- 3) Whilst the majority of the Executive’s business at the meetings listed in this Forward Plan will be open to the public and media organisations to attend, there will inevitably be some business to be considered that contains, for example, confidential, commercially sensitive or personal information.

This is a formal notice under the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 that part of the Executive meeting listed in this Forward Plan will be held in private because the agenda and reports for the meeting will contain exempt information under Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it.

- 4) Those items identified for decision more than one month in advance may change in forthcoming Plans. Each new Plan supersedes the previous Plan. Any person who wishes to make representations to the Executive about the matter in respect of which the decision is to be made should do so to the officer whose telephone number and e-mail address are shown in the Forward Plan. Any correspondence should be sent to the contact officer at the relevant address as shown below. General questions about the Plan such as specific dates, should be addressed to the Committee Services Manager, Priory House, Monks Walk, Chicksands, Shefford SG17 5TQ.
- 5) The agendas for meetings of the Executive will be published as follows:

Meeting Date	Publication of Agenda
18 March 2014	6 March 2014
22 April 2014	10 April 2014
27 May 2014	15 May 2014
15 July 2014	3 July 2014
19 August 2014	7 August 2014
14 October 2014	2 October 2014
9 December 2014	27 November 2014
13 January 2015	23 December 2014
10 February 2015	29 January 2015
31 March 2015	19 March 2015

Central Bedfordshire Council

Forward Plan of Key Decisions for the period 2 February 2015 to 29 January 2016

Key Decisions

Date of Publication: 22 December 2014

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
1.	Plan-Making Programme (Local Development Scheme) for Central Bedfordshire January 2015 -	To approve the Plan-Making Programme (Local Development Scheme) for Central Bedfordshire January 2015.	10 February 2015	Sustainable Communities Overview and Scrutiny Committee on 22 January 2015.	Report and Plan-Making Programme January 2015	Executive Member for Regeneration Comments by 09/01/15 to Contact Officer: Sally Chapman, Development Planning Project and Process Team Leader Email: sally.chapman@centralbedfordshire.gov.uk Tel: 0300 300 4336
2.	Roker Park, Stotfold -	To consider a request from Stotfold Town Council.	10 February 2015		Public Report with an exempt Appendix.	Deputy Leader and Executive Member for Corporate Resources Comments by 09/01/2015 to Contact Officer: Andrew Gordon, Head of Estate Management Email: andrew.gordon@centralbedfordshire.gov.uk Tel: 0300 300 5882

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
3.	TEEP Assessment of Recycling Collection -	To seek the adoption of the TEEP (Technical, Environmental and Economical Practicability) Assessment.	10 February 2015		Report and Exempt Appendix	Executive Member for Community Services Comments by 09/01/15 to Contact Officer Tracey Harris (Waste), Head of Waste Services Email: tracey.harris2@centralbedfordshire.gov.uk Tel: 0300 300 4646
4.	Care Home Provision for Older People in Central Bedfordshire -	To approve the strategic approach to the reprovision of the Council's care home capacity for older people.	10 February 2015	Formal consultation would commence following Executive approval.	Report with exempt appendices.	Executive Member for Social Care, Health and Housing Comments by 09/01/15 to Contact Officer: Tim Hoyle, MANOP Head of Service Email: tim.hoyle@centralbedfordshire.gov.uk Tel: 0300 300 6065
5.	New 5 Year Contract for Pitched and Flat Roof Replacement -	To award the new 5 year contract for pitched and flat roof replacement to Social Care, Health and Housing properties.	10 February 2015	All Leaseholders following Executive approval.	Report and exempt Appendix. Evaluation Method and Spreadsheet.	Executive Member for Social Care, Health and Housing Comments by 09/01/15 to Contact Officers: Gary Looker, Building Surveyor Email: gary.looker@centralbedfordshire.gov.uk Tel 0300 300 5430

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
6.	Creasey Park Drive -	To award the contract for the development of four residential units.	10 February 2015	Local resident consultation regarding development proposals.	Report and Exempt Appendix.	Executive Member for Social Care, Health and Housing Comments by 09/01/15 to Contact Officers: Matt Berry, Interim Regeneration & Renewal Manager Email: matthew.berry@centralbedfordshire.gov.uk Tel: 0300 300 4493

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
7.	Central Bedfordshire Transitions Strategy for Children and Young People -	To approve the Central Bedfordshire Transitions Strategy for Children and Young People.	31 March 2015	<p>The Transition Strategy and Pathway has been developed by Prospects following an extensive, wide ranging consultation including the following stakeholders:-</p> <ul style="list-style-type: none"> • A cohort of young people across Central Bedfordshire. • A cohort of 6 young researchers. • Special Needs Action Plan (SNAP). • Other carer forums. • Various schools across Central. • Adult Social Care. • Housing Services. • Children's Services (including Education). • Bedfordshire Clinical Commissioning Group. • SEPT. • Central Bedfordshire College. • Macintyre and Aragon Housing Association. • Mencap. • Choice Support. • MIND. • PoHwer. 	Transitions Strategy and Transitions Pathway	<p>Executive Member for Social Care, Health and Housing Comments by 27/02/15 to Contact Officer: Stuart Mitchelmore, Assistant Director, Adult Social Care Email: stuart.mitchelmore@centralbedfordshire.gov.uk Tel: 0300 300 4796</p>

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
8.	Commissioning of New School Places in Leighton Linlade and Cranfield -	To receive a report on the commissioning of new school places in Leighton Linlade and Cranfield.	31 March 2015	<p>In relation to Leighton Linlade:</p> <ul style="list-style-type: none"> the governing body of the schools which are the subject of proposals families of pupils, teachers and other staff at the schools; the governing bodies, teachers and other staff of any other school that may be affected; families of any pupils at any other school who may be affected by the proposals including families of pupils at feeder schools; trade unions who represent staff at the schools and representatives of trade unions of any other staff at schools who may be affected by the proposals; Constituency MPs for the schools that are the subject of the proposals; and the local town or parish council where the school that is the subject of the proposals is situated. <p>Consultation period between January and February 2015 including press releases, public meetings, statutory notices.</p> <p>Children's Services Overview and Scrutiny Committee on 10 March 2015.</p>	Report and outcome of the consultation.	<p>Executive Member for Children's Services</p> <p>Comments by 27/02/15 to Contact Officer:</p> <p>Karen Oellermann, Assistant Director - Commissioning & Partnerships</p> <p>Email: karen.oellermann@centralbedfordshire.gov.uk</p> <p>Tel: 0300 300 5265</p>

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
9.	Central Bedfordshire Council's Admission Arrangements and Co-ordinated Scheme -	To determine the Council's Admission Arrangements and co-ordinated scheme for the academic year 2016/17.	31 March 2015		Report	Executive Member for Children's Services Comments by 27/02/15 to Contact Officer: Karen Oellermann, Assistant Director - Commissioning & Partnerships Email: karen.oellermann@centralbedfordshire.gov.uk Tel: 0300 300 5265
10.	Central Bedfordshire Council Park Homes Strategy -	To request the Executive to adopt the Park Homes Strategy following consultation.	31 March 2015	Initial consultation involved a Residents' Needs Assessment survey that provided over 400 responses to shape the draft strategy. Formal consultation ran from early December for nine weeks and all Park Homes Residents and Owners were specifically invited to comments on the draft strategy. A Residents' Forum was held in January 2015 during the consultation period. Social Care, Health and Housing Overview and Scrutiny Committee on 16 March 2015.	Draft Park Homes Strategy. Consultation Report. Equality Impact Assessment.	Executive Member for Social Care, Health and Housing Comments by 27/02/15 to Contact Officer: Nick Costin, Head of Housing Service Email: nick.costin@centralbedfordshire.gov.uk Tel: 0300 300 5219

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
11.	Central Bedfordshire Council Homelessness Strategy -	To request the Executive to adopt the Homelessness Strategy following consultation.	31 March 2015	Stakeholder engagement events were held in October 2014 following development of the homelessness Review. Formal consultation ran from early December for nine weeks and known stakeholders were specifically invited to comments on the draft strategy. Social Care, Health and Housing Overview and Scrutiny Committee on 16 March 2015.	Draft Homelessness Strategy. Homelessness Review. Consultation Report. Equalities Impact Assessment.	Executive Member for Social Care, Health and Housing Comments by 16/03/15 to Contact Officer: Nick Costin, Head of Housing Service Email: nick.costin@centralbedfordshire.gov.uk Tel: 0300 300 5219
12.	Local Transport Plan -	To approve the 2015/16 programme.	31 March 2015	Sustainable Communities Overview and Scrutiny Committee on 22 January 2015.	Local Transport Plan Programme	Executive Member for Community Services Comments by 27/02/15 to Contact Officer: Ben King, Transport Strategy Team Leader Email: ben.king@centralbedfordshire.gov.uk Tel: 0300 300 4824

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
13.	Award of Contract for the Woodside Link -	To approve the award of contract for the construction of the Woodside Link.	31 March 2015	Executive – 2 October 2012. Planning Examination 8 October 2013 to 4 April 2014. Development Consent Order made by the Secretary of State on 31 September 2014, coming into force on 21 October 2014.	Report of tender bids and conclusion/recommendation of selection panel to award contract - Public Report with Exempt Appendices	Executive Member for Regeneration, Executive Member for Community Services Comments by 27/02/15 to Contact Officer: Jim Tombe, Head of Transport Strategy Email: jim.tombe@centralbedfordshire.gov.uk Tel: 0300 300 6244
14.	New 5 Year Contract for Asbestos Surveys, Testing, Sampling and Removal Encapsulation of Asbestos containing Materials -	To award the new 5 year contract for asbestos surveys, testing, sampling, removal and encapsulation of asbestos containing materials in Social Care, Health and Housing properties.	31 March 2015	All Leaseholders following Executive approval.	Report and exempt Appendix Evaluation Method and Spreadsheet	Executive Member for Social Care, Health and Housing Comments by 27/02/15 to Contact Officers: Gary Looker, Building Surveyor Email: gary.looker@centralbedfordshire.gov.uk Tel: 0300 300 5430

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
15.	New 7 Year Contract for External/Internal Decorations and Replacement of Fascia, Soffits and Rain Water Goods -	To award the new 7 year contract for external/internal decorations and replacement of fascia, soffits and rain water goods to Social Care, Health and Housing properties.	31 March 2015	All Leaseholders following Executive approval.	Report and Exempt Appendix. Evaluation Method and Spreadsheet.	Executive Member for Social Care, Health and Housing Comments by 27/02/15 to Contact Officers: Jonathan Rogers, Building Surveyor Email: jonathan.rogers@centralbedfordshire.gov.uk Tel: 0300 300 5431
16.	New 5 Year Contract for Bathroom Refurbishments (Disabled Adaptations) and Minor Improvement Works -	To award the new 5 year contract for bathroom refurbishment (disabled adaptations) and minor improvement works to Social Care, Health and Housing properties.	31 March 2015		Report and Exempt Appendix. Evaluation Method and Spreadsheet.	Executive Member for Social Care, Health and Housing Comments by 27/02/15 to Contact Officers: Marilyn Skeggs, Technical Surveyor Email: marilyn.skeggs@centralbedfordshire.gov.uk Tel: 0300 300 5434
17.	New 3 Year Contract for Domestic Door Replacement -	To award the new 3 year contract for domestic door replacement to Social Care, Health and Housing properties.	2 June 2015		Report and Exempt Appendix Evaluation Method and Spreadsheet.	Executive Member for Social Care, Health and Housing Comments by 01/05/15 to Contact Officers: Peter Joslin, Housing Asset Manager Email: peter.joslin@centralbedfordshire.gov.uk Tel: 0300 300 5395

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
18.	Totterhoe Lower School -	<p>To determine the proposed change of category of Totterhoe Lower from Community to Voluntary Controlled School.</p> <p>To determine the statutory proposal of the Governing Body of Totterhoe Community Lower School to close the school on 31 August 2015.</p> <p>To determine the linked statutory proposal of the Diocese of St. Albans to open Totterhoe Voluntary Controlled Lower School on 1 September 2015.</p>	4 August 2015		Report and outcome of the consultations.	<p>Executive Member for Children's Services</p> <p>Comments by 04/07/2015 to Contact Officer:</p> <p>Karen Oellermann, Assistant Director - Commissioning & Partnerships</p> <p>Email: karen.oellermann@centralbedfordshire.gov.uk</p> <p>Tel: 0300 300 5265</p>

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
NON KEY DECISIONS						
19.	Budget 2015/16 -	To recommend to Council a proposed Budget for 2015/16 for approval.	10 February 2015	Consultation will take place with the Overview and Scrutiny Committees during the January cycle of meetings.	Report	Deputy Leader and Executive Member for Corporate Resources Comments by 19/01/15 to Contact Officer: Charles Warboys, Chief Finance Officer Email: charles.warboys@centralbedfordshire.gov.uk Tel: 0300 300 6147
20.	Treasury Management Strategy -	To recommend to Council the approval of the Treasury Management Strategy.	10 February 2015		Report	Deputy Leader and Executive Member for Corporate Resources Comments by 09/01/15 to Contact Officer: Charles Warboys, Chief Finance Officer Email: charles.warboys@centralbedfordshire.gov.uk Tel: 0300 300 6147

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
21.	Quarter 3 Budget Monitoring -	To receive the quarter 3 budget monitoring report for the Revenue, Capital and Housing Revenue Account.	10 February 2015		Report	Deputy Leader and Executive Member for Corporate Resources Comments by 09/01/15 to Contact Officer: Charles Warboys, Chief Finance Officer Email: charles.warboys@centralbedfordshire.gov.uk Tel: 0300 300 6147
22.	Community Safety Partnership Plan and Priorities for 2015-2016 -	To recommend to Council the approval of the Community Safety Partnership Plan and Priorities for 2015-16.	31 March 2015	The CSP Plan will be considered by the Community Safety Partnership and the Sustainable Communities Overview and Scrutiny Committee.	Report and Community Safety Partnership Plan 2015/16	Executive Member for Community Services Comments by 27/02/15 to Contact Officer: Joy Craven, CSP Manager Email: joy.craven@centralbedfordshire.gov.uk Tel: 0300 300 4649

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
23.	Quarter 3 Performance Report -	To consider the quarter 3 performance report.	31 March 2015		Report	Deputy Leader and Executive Member for Corporate Resources Comments by 27/02/15 to Contact Officer: Elaine Malarky, Head of Programmes & Performance Management Email: elaine.malarky@centralbedfordshire.gov.uk Tel: 0300 300 5517

Postal address for Contact Officers: Central Bedfordshire Council, Priory House, Monks Walk, Chicksands, Shefford SG17 5TQ

**Central Bedfordshire Council
Forward Plan of Decisions on Key Issues**

For the Municipal Year 2012/13 the Forward Plan will be published on the thirtieth day of each month or, where the thirtieth day is not a working day, the working day immediately proceeding the thirtieth day, or in February 2013 when the plan will be published on the twenty-eighth day:

Date of Publication	Period of Plan
1 April 2014	1 May 2014 – 30 April 2015
16 April 2014	1 June 2014 – 31 May 2015
4 June 2014	1 July 2014 – 30 June 2015
3 July 2014	1 August 2014 – 31 July 2015
18 July 2014	1 September 2014 – 31 August 2015
3 September 2014	1 October 2014 – 30 September 2015
23 September 2014	1 November 2014 – 31 October 2015
29 October 2014	1 December 2014 – 30 November 2015
28 November 2014	1 January 2015 – 31 December 2016
23 December 2014	1 February 2015 – 31 January 2016
18 February 2015	1 March 2015 – 29 February 2016
5 March 2015	1 April 2015 – 31 March 2016

Central Bedfordshire Council

EXECUTIVE - 13 January 2015

DRAFT BUDGET 2015/16 AND MEDIUM TERM FINANCIAL PLAN

Report of Cllr Maurice Jones Deputy Leader and Executive Member for Corporate Resources (maurice.jones@centralbedfordshire.gov.uk)

Advising Officers: Charles Warboys, Chief Finance Officer (charles.warboys@centralbedfordshire.gov.uk)

This report relates to a non-Key Decision

Purpose of this report

1. The report proposes the draft Budget for 2015/16 and updates the Medium Term Financial Plan approved by Council in February 2014.

RECOMMENDATIONS

The Executive is recommended to:

1. **approve the draft budget proposals for 2015/16 as the basis for consultation with the Overview and Scrutiny Committees and other interested parties.**

Overview and Scrutiny Comments/Recommendations

2. Overview and Scrutiny Committees will consider the budget proposals in their January 2015 cycle of meetings and comments will be included in the final Budget report to be presented to Council at its February 2015 meeting.

Issues

3. The Medium Term Financial Plan (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 provide for a prudent level of reserves for contingencies.

4. The Budget for 2015/16 sets out the Council's finances and identifies the efficiencies required to produce a balanced budget in the light of the ongoing reduction in funding from Government and other pressures. £13.7m of efficiencies are identified for 2015/16 to produce a balanced budget. A further £28.4m of efficiencies are required over the subsequent three years to achieve the proposed MTFP.
5. The draft Capital Programme is included elsewhere on the agenda. However, the revenue implications of the draft Capital Programme are reflected in the proposals contained in this report.
6. A separate report in respect of the Housing Revenue Account (Landlord Services Business Plan) is also presented to this Executive.

Reasons for decision

7. To enable consultation on the draft Budget 2015/16 and Medium Term Financial Plan 2015-2019, prior to final recommendations being made by the Executive to Council in February 2015.

Council Priorities

8. The Council approved the Medium Term Financial Plan (MTFP) for 2014/15 to 2017/18 in February 2014. The MTFP has been updated and extended to 2018/19 and an initial draft budget for 2015/16 prepared, reflecting further changes in funding, including the results of the Spending Review 2013 and new cost pressures and offsetting efficiencies.
9. 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.

These priorities are reflected in the budget proposals included in this report.

Corporate Implications

Legal Implications

10. The Local Government Finance Act 1992 stipulates that the Council must set an amount of council tax payable for the financial year 2015/16 by 11 March 2015. Before calculating the level of council tax payable, the Council must consult representatives of non-domestic ratepayers in its area.
11. The Council's Constitution requires the Executive to publish a timetable for making proposals to the Council in respect of the budget. The timetable was set out in the budget framework report to Executive on the 19th August 2014.
12. There are statutory requirements in relation to consultation with employees and employee representatives. Where there are issues arising from budget proposals which require such consultation, the Council complies with these requirements.

Risk

13. Covered in paragraph 110.

Financial Implications

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

Equalities Implications

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

Corporate Strategy

16. Over the past five years, the Council has generated savings of more than £70m in order to avoid increases in Council Tax whilst protecting front line services. It has achieved this by adopting a whole council approach to robust budget management, efficiency and ensuring that the Directorate and Service priorities are clearly identified and resourced.
17. The future priorities and resourcing strategies for each Directorate are outlined below:

Children's Services

18. The Service is committed to achieve better outcomes for all Central Bedfordshire children through ensuring their care and protection and supporting school performance.
19. Demand for children's social care services is increasing and in order to meet this with the financial restrictions the Council faces, the Directorate is:
 - Working with partners to develop multi agency services, including safeguarding arrangements and locality hubs
 - Focusing on early intervention to avoid children having to enter the care system
 - Increasing the number of children who are cared for locally and by foster carers engaged by the Council directly rather than expensive agencies.

Regeneration & Business Support

20. The Service aims to make Central Bedfordshire a place of national and international significance where people choose to live, work and visit, and a location where companies choose to invest.
21. In order to achieve these goals it will:
 - Use its influence to sustain business growth, create jobs and increase asset values.
 - Reinvigorate towns and localities to attract investment and jobs and improve lives of residents
 - Focus on prioritised programmes, which will be rigorously managed.
 - Provide a 'one stop' response to businesses.

Social Care, Health & Housing (SCHH)

22. The Service is continuing to modernise adult social care and housing support to offer an improved customer experience and enable people to live independently for longer. It does so in the context of demographic pressures increasing demand and major legislative and other change programmes such as the Better Care Fund (April 2015) and the Care Act 2014 (phase one April 2015 and phase two in April 2016).
23. In addressing these pressures and ambitions, the Service will:
 - Assist residents (including carers) who require care and support, irrespective of their financial means
 - Increase its focus on prevention, information and advice.

- Continue the journey towards the integration of health and social care, so that residents can access as much of the help and support they may need as possible, closer to where they live, and reducing the need for people to resort to hospitals.

Community Services

24. The Service aims to deliver excellent universal services which are fundamental to the Council's vision of making Central Bedfordshire a great place to live and work.
25. As demand for these services increases and resources remain constrained, Community Services will:
 - Drive efficiencies from procurement and supplier engagement
 - Invest in services in order to reduce running costs and increase usage and income (e.g. Leisure)
 - Strengthen its commercialisation, particularly promoting the experience and skills of staff.
 - Bringing some services in house to enhance efficiency, such as part of the new Highways service which will lead to further efficiencies in 2016/17.

Finance

26. The service will continue to provide financial support and budgetary advice to the Council, with increasing focus on financial modelling and planning of the major changes the Council is introducing.

Specifically, the Service will:

- Review major processes and introduce technology to provide greater efficiency.
- Introduce a Risk Based Verification process and an e-claim benefit application form to improve efficiency and service experience.
- Adapt its treasury management strategy so that the potential benefits of securing shorter term borrowing from other local authorities can be realised, whilst ensuring that exposure to interest rate movements will be closely monitored.

Improvement & Corporate Services

27. Improvement and Corporate Services provide specialist support to the whole of the Council through its range of expertise, insight and technology. The service also directly responds to residents' contacts via phone, web, mail and face to face, with over 1 million customer transactions a year.

In addressing the resource challenges for the coming period, the Service will:

- Meet pressures created through increased demand, primarily from Children's Social Care, from within its own means.
- Rationalise and reduce expenditure in key areas such as IT programmes and server space
- Gain ever increasing value from third party spend
- Increase the revenue income we are able to achieve primarily from property and land assets and by trading some services.
- Develop mobile and integrated IT services.

Public Health

28. The Public Health service supports residents to make the right lifestyle choices for their health by either directly commissioning services, influencing & advising on commissioning decisions of partners or through directly providing services. It is evidence based in its approach. It understands population needs and closely monitors its health to improve outcomes.

To deliver its goals the Service will:

- Increase cross-directorate working to increase productivity
- Work closely with the Bedfordshire Clinical Commissioning Group to identify and meet the needs of the population and improve consistency
- Continue to embed prevention and early intervention
- Commission and monitor services for effectiveness and efficiency.

Background to the Budget Setting Process

29. In February 2014 the Council approved the 2014/15 Budget and Medium Term Financial Plan to 2017/18.
30. The draft Budget for 2015/16 includes the nationally negotiated 2.2% pay rise for the majority of staff earning £14,880 and above, with higher percentage increases for those earning less than this. The proposal has now been accepted by the relevant trade unions and will cover the period April 2014 to 31st March 2016 (i.e. 2 years).
31. The Budget process for 2015/16 built on that adopted in the prior year with a series of "Head of Service Reviews" at an early stage. This process was refined following input from Senior Management across the Council and key stakeholders. Heads of Service were requested to present their budget in detail if they met one of the following criteria:

- Facing major changes in their area.
 - Have volatile budgets, or financial analysis indicated that outturn differed markedly from the forecast as at December 2013 (applies to both revenue and capital).
 - Those who have the opportunity to influence income growth.
32. Heads of Service who did not meet these criteria instead presented at their Directorate Management Team (DMT) thus ensuring that all areas of Council activity were reviewed.
33. This year, the Capital Programme was also included in the Head of Service review process, the two (i.e. revenue and capital plans) being run concurrently for the first time. There was an increased focus on what drives costs, and the degree to which these can be controlled , together with a more rigorous approach to reviewing Pressures & Efficiencies. Focus was on the major challenges and opportunities facing the Council.

Budget Context & Economic Outlook

Budget Context

34. The MTFP has been updated against a background of significant challenges. In June 2013 the Government announced the results of a new 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.
35. 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.
 - Technical changes to Council Tax with the abolition of two classes of statutory exemption; and
 - Overhauling the system for redistributing National Non-Domestic Rates (NDR), involving allowing direct retention by councils of a portion of collected Business Rates and altering the Formula Grant distribution quantum and methodology.
36. There are significant social and economic drivers of change within Central Bedfordshire across the medium term and beyond, particularly:
- Central Bedfordshire's population has increased at a faster rate than nationally at 8.9% since the last census and a 12.4% increase is forecast by 2021.

- Population growth will be highest in the 90 + age group, 74% growth by 2021. Significant growth is also anticipated in the 85+ age group of 44% and 65 + age group of 35%.
- Continuing increased numbers and complexity of demand for Looked After Children, with additional focus partly as a result of several high profile child protection cases nationally in the last few years.
- Schools moving to Academy status and out of local authority control;
- Welfare Reform and the transfer of Local Council Tax Support to local authorities. The impacts of this are not yet fully apparent but there are increasing demands on the Revenues and Benefits team through additional workload and a rise in the non collection rate for Council tax.
- The Introduction of the Care Act and Better Care Fund will impact significantly on the activity of the Council (see paragraphs 78 to 84). An assumption has been made that this will increase grant funding but will be matched by equal expenditure, so there will be no net impact.
- 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.

Budget Objectives

37. The principal objectives of the 2015/16 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.

Spending Review 2013

38. Central Government carried out a Spending Review during 2013 and announced the results on 26 June 2013. This announcement set out indicative departmental budgets for the financial year 2015/16 and has had some significant impacts on the budget assumptions. The settlement in December 2014 was broadly in line with the indicative budget. The key issues are described below.
- The Spending Review unusually covered 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 three years of the MTFP.

- 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.
- Funding for the Education Services Grant will be cut by 20% from 2015/16. The grant is a per-pupil amount paid to the Council to support maintained schools only, and reduces as schools convert to academies. 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.
- Existing Council Tax Freeze Grants will be continued as part of the baseline formula grant. An additional grant equivalent to 1% is available in 2015/16 & 2016/17 for Councils freezing Council Tax in 2015/16.

Economic Outlook

Inflation

39. In November 2014, the Bank of England warned that inflation could fall below 1% in the next six months, owing to lower food, energy and import prices, as well as feeble growth in Europe and elsewhere.
40. The Governor of the Bank of England, Mark Carney, advised that he did not expect inflation to reach the targeted rate of 2% for three years. The Bank also cut its prediction for UK economic growth in 2015 to 2.9%.
41. In the year to September 2014 the Consumer Price Index (CPI) grew by 1.2%. Housing and household services (including utility bills) accounted for a third of the rate of inflation in the year to September 2014. A fall in the cost of motor fuel and food has in part compensated for this. If these were excluded the rate of inflation would be a third higher.

Quantitative Easing

42. The Bank of England decided to maintain the quantitative easing (QE) programme at £375bn at the meeting of the Monetary Policy Committee in November 2014. The objective of this is to boost the economy by increasing the supply of money, and so stimulate growth through investment.

Economic Growth and Unemployment

43. The Bank of England's Quarterly Inflation Report for November 2014 stated that whilst expansion in UK domestic demand has continued, the outlook for global growth has weakened. Some asset and commodity prices have fallen, as have market interest rate expectations.
44. Growth is projected to be a little weaker than in August 2014. It slows slightly in the near term, settling back to around historical average rates, underpinned by a gradual pickup in demand abroad and a revival in productivity and real household income growth at home.
45. The unemployment rate continued to fall, reaching 6.0% in the three months to September. The most recent decline largely reflects fewer people participating in the labour market, with employment rising more slowly than earlier in the year. Private sector productivity growth has picked up a little, but still remains weak.
46. The number of unemployed on the Labour Force Survey measure fell by 115,000 in the three months to September 2014 to stand at 1.96m, which is the lowest level for almost six years. However, the rate of decline was down from a drop of 154,000 in the three months to August 2014.

Scottish Independence / Devolution for English Regions and the Future of Local Government Finance.

47. Following the recent referendum on Scottish Independence, an Independent Commission on Local Government Finance has been set up to review the local government funding system. The LGA and the Chartered Institute of Public Finance and Accountancy (CIPFA) has asked the Commission to recommend changes to the system which will allow local government to meet the needs of its citizens, and in particular support the delivery of five key national policy objectives: grow the economy, increase the housing supply, integrate health and social care, promote work while protecting the vulnerable, and support families and children through early intervention.
48. The Commission believes the need for reform is urgent, and sees an opportunity to establish a funding system for local government which is largely self-sufficient. This should include powers to set council tax bands locally, revalue properties regularly and raise additional revenues. These are key to ensuring public services are sustainable in an age of austerity.
49. The Commission published an interim report on Local Government Finance on the 30 October 2014. A final report is due in January 2015.

50. 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.

Interest Rate Implications.

51. Interest rates remain very low, with the Bank of England Base rate fixed at 0.5% since March 2009. It is not envisaged that this will change in the immediate future with the Bank of England signalling that rates will remain on hold until the second half of 2015 at the earliest.
52. The Council is exposed to risk in terms of interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council. For example, a rise in interest rates would increase the revenue cost of borrowings at variable rates. The Council has a number of strategies for managing interest rate risk and aims to keep a maximum of 40% of its borrowings in variable rate loans.
53. The Council has a long-standing strategy of holding low cash balances to reduce investment counterparty risk. It contains its borrowing costs by continuing to borrow internally from its balances to fund capital expenditure in lieu of additional external borrowing. However, external borrowing will be required from December 2014 as cash balances are expected to have been reduced to a minimum level.
54. Revenue implications of the draft Capital Programme have been calculated on the assumption that most new borrowing will be taken on a short term basis, taking advantage of current low interest rates. Council borrowing has traditionally been obtained from the Public Works Loan Board (PWLB). However in the current market, local authorities are lending to each other at rates below the PWLB for short term periods and the inclusion of these rates has lowered the projected revenue implications of the draft Capital Programme over 2015/16 to 2018/19.
55. The rate of interest used is important in determining the revenue implications of borrowing arising from the draft Capital Programme. Importantly, the assumed borrowing costs over the period of the MTFP are particularly sensitive to any unexpected increases in interest rates. The table below demonstrates the impact on the MTFP of interest rates above those assumed in the Plan.

Additional costs over the Medium Term Financial Plan period of an unexpected increase in the interest rate

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
1% Point Higher	808	1,399	1,848	2,210
2% Points Higher	1,615	2,797	3,697	4,420

56. There is a risk that interest rates may increase or be higher than current rates when it comes to refinancing debt taken out on a short term basis. This would lead to higher revenue implications arising from the draft capital programme over the longer term, beyond the current MTFP period.
57. The Council's treasury management adviser, Arlingclose Ltd, forecasts the first rise in official interest rates in August 2015 and a gradual pace of increases thereafter, with the average for 2015/16 being around 0.75% compared to 0.50% in 2014/15.
58. The Council's MTFP assumes variable interest rate forecasts as follows:

	2015/16	2016/17	2017/18	2018/19
Rate %	0.75%	1.25%	1.5%	1.75%

59. 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. A small amount of new fixed debt has already been included within the revenue implications. Fixed interest rates are higher than variable rates and any decision to fix more debt in the short term would adversely impact revenue implications within the MTFP period.

Feedback from the public budget consultation

60. The Council has a responsibility to consult with residents and businesses on its budget. In September 2014, a Budget 2015 survey was promoted on the Central Bedfordshire Council website. There were 1,286 responses to the consultation. In addition, a sample of 1,200 residents was also contacted by a market research company to find out residents' perceptions on:
- The Area
 - The Council
 - Our Services
 - Financial Issues

61. The results are shown in Appendix A.
62. Following the conclusion of the budget process for 2015/16, 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 Spring 2015.

Assumptions

63. The MTFP has been prepared taking account of various scenarios with input from the Local Government Association model and also a model provided by LG Futures. This ensures that the Council is prepared for a variety of financial situations.
64. The following assumptions have been applied in producing the Medium Term Financial Plan.

2014/15 Forecast Outturn

65. Based on current forecast this draft budget assumes 2014/15 outturn will be on budget.

Funding

66. Revenue Support Grant (RSG)
 - An 8% RSG reduction has been assumed in each of 2016/17 and 2017/18. A further 5% reduction has been assumed in 2018/19.
67. Council Tax Freeze Grant
 - Council Tax Freeze Grant will be received in 2015/16. This amount will be as per the 2014/15 Council tax Freeze Grant of £1.3m.
 - 2014/15 Council Tax Freeze Grant is included in the Revenue Support Grant baseline (RSG) from 2015/16, as per the DCLG summer settlement consultation.
 - Due to the uncertainty surrounding the outcome of the 2015 General Election, it is assumed that additional Council Tax Freeze Grants will not be provided in any year beyond 2015/16.
68. Council Tax
 - The Council tax base for 2015/16 has grown by 2.17% as a result of housing growth within Central Bedfordshire and also a reduction in the Local Council Tax Support (LCTS).

- For future years we are assuming the tax base will increase by 0.85% per annum as a result of housing growth and also an increase of 0.1% per annum as a result of a reduction to (LCTS) claimants as fewer people claim LCTS and therefore are due to pay the full rate of Council Tax. The combined assumption is a 0.95% tax base increase per annum.
- Therefore over the MTFP period Council Tax funding is forecast to rise from £123.4m in 2015/16 to £125.7m in 2018/19.
- Zero increase in the rate of Council Tax over the Medium Term Financial Plan period. The Band D rate remains at £1,308.33 throughout the MTFP.

69. Retained Business Rates

- Business rates growth has been forecast as a result of collaboration between Finance and Regeneration. Additional business rates income of: £1.2m in 2015/16, £1.2m in 2016/17, £1.7m in 2017/18 and £1m in 2018/19 has been included in the MTFP.
- Use of a one off reserve comprising Section 31 grant income in 2013/14 is proposed in 2015/16. This has been received as compensation for the Government decision to cap NNDR increases at 2% rather than the full RPI increase due, amongst other factors.
- Anticipated specific grant income of £2.1m in 2014/15 is also proposed to be used in 2015/16. It is assumed that the same level of this grant will be received in each of the following financial years, after deducting the compensation provided due to the 2% cap on business rates increase. (Due to anticipated inflation falling below 2%).

Business Rates Review

70. 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 2014/15 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 only specific known growth of income has been forecast for 2015/16. For the remaining three years an element of growth has been added based on modelling work of future developments.

71. The Autumn Statement announced that a review of the structure of business rates will be carried out by the Government, reporting by Budget 2016. The review will be fiscally neutral and consistent with the Government's agreed financing of local authorities at national level, but it is uncertain what impact this might have on individual local authorities.

2017 Business Rates Revaluation

72. In October 2014 the Government introduced a new Growth and Infrastructure Bill into the House of Commons which included measures to postpone the next business rates revaluation in England from 2015 to 2017.
73. Business Rates will continue to be based on 2008 property values until 2017. This will impact the Medium Term Financial Plan from 2017/18, but the implications are unknown at present.

New Homes Bonus (NHB)

74. There is considerable uncertainty about the future of the NHB scheme.
- For the purpose of planning assumptions, NHB funding recognised in each financial year of the MTFP will remain at the 2014/15 budgeted level.
 - Growth above this baseline will be held in an Earmarked Reserve to be used to fund infrastructure costs incurred as a result of growth and to mitigate budget pressures. Access to the Reserve will be supported by an approved business case.
 - Under current arrangements, income will be received in each financial year of the MTFP period for properties completed two years prior. This funding continues for a rolling six year period. If there is no change to the basis of funding approximately £2.1m of additional income will be received in 2015/16.

Expenditure

75. Economic
- For all years of the MTFP inflation is allocated on a contract by contract basis.
 - Paragraph 30 details the assumptions on the pay award for 2015/16. Thereafter 1% annually is assumed.
76. Financial
- Reserves remaining at 2014/15 level of £15.1m and exceeding the previously identified minimum prudent level of £11.2m.
 - A detailed analysis of reserves will accompany the final budget report in February 2015.

77. Contingency

- The contingency within the budget remains at £2.1 million. 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.

Care Act and Better Care Fund (BCF)

78. The Care Act 2014 will have important financial implications for the Council and Adult Social Care Services in particular. From April 2015 the Council will need to consider the resources implications required to manage the additional cost of discharging the new duties for assessment and support of carers and the provision of information.
79. In addition there will be a universal requirement for local authorities to offer people the option of deferring payment towards the cost of their care services.
80. Based on detailed modelling, however, current estimates of the cost of the changes show that these may exceed this level of funding. The full impact of the changes on the Council's budget therefore remains uncertain at this stage.
81. For the purposes of this budget within the Directorate, it is assumed that there will be a matching increase in both grant income and expenditure, so there is no net impact on the Directorate budget.
82. However, due to this uncertainty a reserve has been created within Corporate Costs.
83. The Better Care Fund (previously referred to as the Integration Transformation Fund) was announced in June as part of the 2013 Spending Round. It provides an opportunity to transform local services so that people are provided with better integrated care and support. It encompasses a substantial level of funding to help local areas manage pressures and improve long term sustainability. The Fund will be an important enabler to take the integration agenda forward at scale and pace, acting as a significant catalyst for change.
84. Within CBC, the total pooled budget with the BCCG (Bedfordshire Clinical Commissioning Group) is £18.7m, of which: £4.6m (combination revenue and capital expenditure) is already in base budgets. £3.9m is already included in NHS funded grant in base budget. £10.2m is not currently in the budget so is reflected in the MTFP (both income and expenditure) for 2015/16.

Public Health 0-5 Children

85. From the 1st October 2015, responsibility for the commissioning of 0-5 year old children's public health services is transferring from NHS England to Local Government.
86. 0-5 children's public health services comprises commissioning the Healthy Child Programme including the health visiting service and Family Nurse Partnership (FNP) targeted services for teenage mothers.
87. This transfer will be fully funded by an increase to the public health grant and is expected to be around £1.89m for CBC in 2015/16 (£3.8m in 2016/17). This is not expected to impact the net budget position. The final amount to be transferred was included in the finance settlement in December 2014.

Medium Term Financial Plan (MTFP)

Medium Term Financial Plan Summary

88. The key elements of the draft MTFP for 2015/16 to 2018/19 are shown at Appendix B. Table 1 shows a summary of this plan.

Table 1 Medium Term Financial Plan

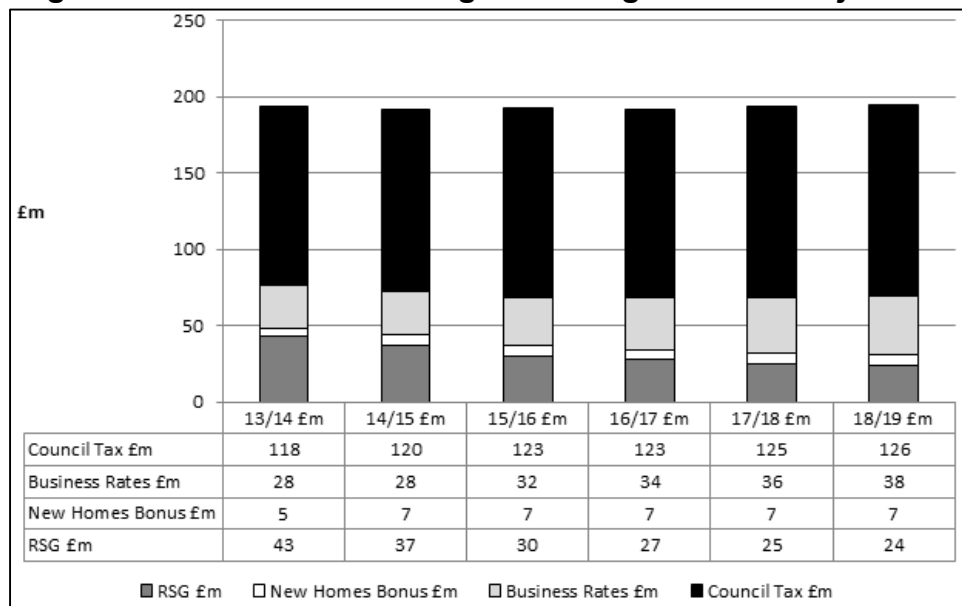
	2015/16	2016/17	2017/18	2018/19
Medium Term Financial Plan	£m	£m	£m	£m
Funding				
Revenue Support Grant	29.8	27.4	25.2	24.0
Council Tax Freeze Grant	1.3	1.3	1.3	1.3
Retained Business Rates	32.0	34.0	36.5	38.3
Council Tax	123.4	123.3	124.5	125.7
Total Funding	186.5	186.1	187.5	189.2
Revenue Budget				
Opening Base Net Revenue Budget	186.0	186.5	186.1	187.5
Inflation	2.6	2.7	2.7	2.7
Pressures	11.6	9.6	7.0	6.4
Revenue Budget before efficiencies	200.2	198.8	195.8	196.7
Efficiency Savings identified	(13.7)	(6.0)	(2.2)	(1.6)
Efficiency Savings to be allocated	0	(6.8)	(6.1)	(5.8)
Total Revenue Budget after efficiencies	186.5	186.1	187.5	189.2

89. The 2015/16 amounts are based on the Local Government Settlement issued in December 2014. Amounts for the following three 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.

Funding Sources

90. The Council's funding from Government over the MTFP period comprises three elements:
- Revenue Support Grant (RSG),
 - Business Rates retention scheme and
 - Grants, including Ring Fenced Grants & New Homes Bonus.
91. Local Government funding sources are forecast to change significantly over the Medium Term Financial Plan period 2015/16 to 2018/19.
92. Figure 1 below shows how Central Bedfordshire Council's funding sources are forecast to change over the MTFP period, with 2013/14 and 2014/15 as comparators.

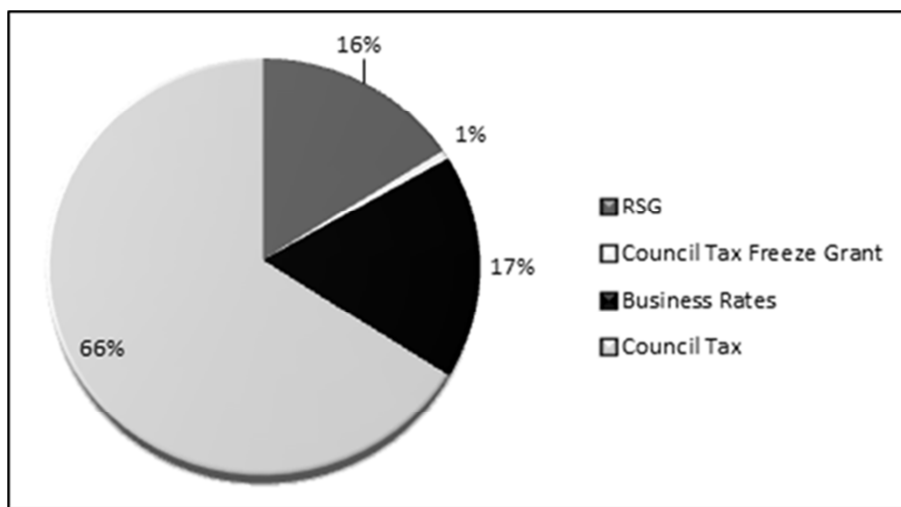
Figure 1 – CBC Revenue budget Funding Sources Projection



93. The above graph shows that over the MTFP period:
- Council Tax element increases from 61% of total funding in 13/14 to 64% in 2018/19.
 - Business Rates Retention increases from 14% to 20%.
 - New Homes Bonus is assumed to remain static.
 - Revenue Support Grant decreases significantly from 22% to 12%.

94. The 2015/16 draft net revenue budget funding sources are shown in Figure 2.

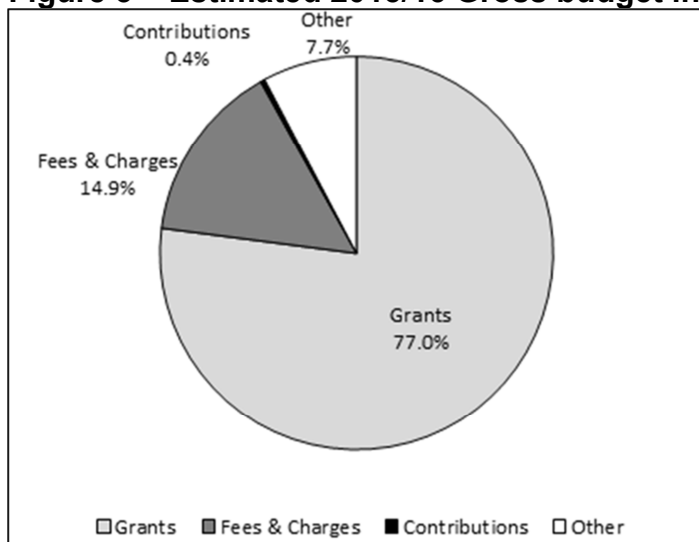
Figure 2 – 2015/16 Draft Net Revenue budget income sources



Gross Budget Income Sources

95. Figure 3 below shows the 2015/16 Gross revenue budget income sources.

Figure 3 – Estimated 2015/16 Gross budget income sources



Fees and Charges

96. For the majority of services there will be a 2% increase for 2015/16. Fees & Charges for 2015/16 were subject to a separate report which was taken to Council in November 2014.

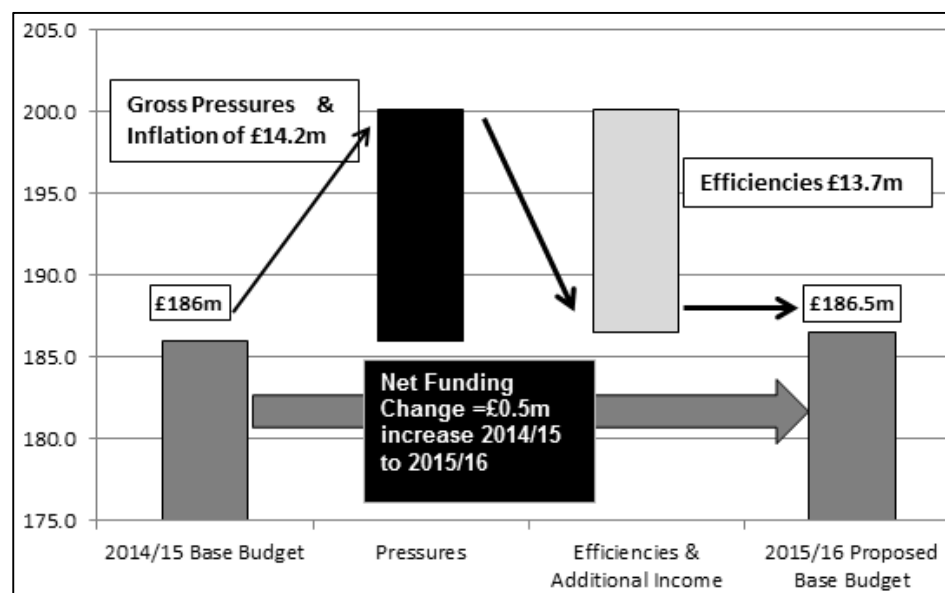
Grants

97. A detailed analysis of grant income will be provided as an appendix to the final budget report due to Council in February 2015.

Expenditure Budget Detail

98. Figure 4 below reflects the change in Council's cost base.

Figure 4 Summary of changes to Central Bedfordshire Council's Net Expenditure Budget 2014/15 to 2015/16.



99. The information in figure 4, above, is broken down by Directorate in table 2 below.

Table 2 2015/16 Net Expenditure Budget breakdown by Directorate

Medium Term Financial Plan	Expenditure Budget 2014/15	Inflation	Unavoidable Cost Pressures	Efficiencies	Net Base Expenditure Budget 2015/16
	£m				
Social Care, Health & Housing	62.9	0.9	6.3	(6.4)	63.7
Children's Services	44.8	0.4	1.8	(2.8)	44.2
Community Services	34.4	0.9	0.8	(2.0)	34.1
Regeneration and Business Support	7.4	0.1	0.0	(0.4)	7.1
Public Health	(0.6)	0.0	0.0	0	(0.6)
Improvement and Corporate Services	21.5	0.3	0.7	(1.7)	20.8
Corporate Resources	5.0	0.1	0.2	(0.6)	4.7
Corporate Costs	10.6	0.0	1.8	0.2	12.6
Total	186.0	2.6	11.6	(13.7)	186.5

100. All of the £13.7m efficiencies have been identified and are shown at Appendices D(i) and D(ii). A summary of these is shown below in table 3 and below in table 4.
101. 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.
102. The themes encapsulate the Council’s approach to delivering efficiencies whilst maintaining the outcomes from services delivered. Table 3 below groups the efficiencies by these themes.

Table 3 Medium Term Financial Plan Efficiencies by Category

Ref	Category	2015/16 £000s	2016/17 £000s	2017/18 £000s	2018/19 £000s	Total £000s
A	Moving from institutional investment to personal solutions	(1,200)	(350)	-	-	(1,550)
B	Early Intervention and enabling independence	(798)	(666)	(169)	(525)	(2,158)
C	Review of contract and tendering arrangements	(4,179)	(1,437)	(566)	(544)	(6,726)
D	Income generation - new sources and methods	(2,115)	(1,185)	(930)	(40)	(4,270)
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	(5,425)	(2,318)	(486)	(508)	(8,737)
Total		(13,717)	(5,956)	(2,151)	(1,617)	(23,441)

103. Public Health contributes £0.4m of new efficiencies in 2015/16 by supporting directorate activity. These are included within the directorate efficiencies as detailed in Appendix D (ii).
104. Table 4 below shows the breakdown of efficiencies by directorate.

Table 4 Efficiencies by Directorate 2015/16 to 2018/19

Efficiencies	2015/16	2016/17	2017/18	2018/19	Total
	£m	£m	£m	£m	£m
Social Care, Health & Housing	(6.4)	(2.1)	(0.9)	(1.1)	(10.5)
Children's Services	(2.8)	(2.0)	(0.4)	(0.3)	(5.4)
Community Services	(2.0)	(1.2)	(0.5)	(0.0)	(3.8)
Regeneration and Business Support	(0.4)	0.1	(0.1)	0	(0.3)
Public Health	0	0	0	0	0
Improvement and Corporate Services	(1.7)	(0.5)	(0.2)	(0.2)	(2.6)
Corporate Resources	(0.6)	(0.2)	(0.0)	0	(0.8)
Corporate Costs	0.2	(0.1)	0.0	0.0	0.0
Total	(13.7)	(6.0)	(2.2)	(1.6)	(23.4)

(Note – Any minor rounding differences are due to linking to detailed spreadsheets. For more detail see the Pressures and Efficiencies appendices).

Pressures

105. A full breakdown of cost pressures is provided at Appendix C with the major items relating to:

- Increased demand for care services from an ageing population £1.8m;
- Increased demand for adult disability services £1.1m;
- Costs of Care (Ordinary Residence) £0.8m;
- Social Care Health & Housing flowthrough of 2014/15 pressures of £1m;
- Increase in number of Special Guardianship Orders £0.7m;
- 20% reduction in Education Services grant (£0.52m).

Table 5 Pressures by Directorate 2015/16 to 2018/19

Pressures	2015/16	2016/17	2017/18	2018/19	Total
	£m	£m	£m	£m	£m
Social Care, Health & Housing	6.3	4.3	3.6	3.8	18.0
Children's Services	1.8	1.1	0.6	0.5	4.0
Community Services	0.8	0.5	0.8	0.2	2.3
Regeneration and Business Support	0.0	0.0	0.0	0.0	0.0
Public Health	0.0	0.0	0.0	0.0	0.0
Improvement and Corporate Services	0.7	0.0	0.1	0.2	1.0
Corporate Resources	0.2	0.2	0.0	0.0	0.4
Corporate Costs	1.8	3.5	1.9	1.8	9.0
Total	11.6	9.6	7.0	6.4	34.7

(Note – Any minor rounding differences are due to linking to detailed spreadsheets. For more detail see the Pressures and Efficiencies appendices).

Reserves

106. One of the key budget objectives is to maintain General Fund reserves to at least a risk assessed prudent minimum level. The anticipated outturn for 2014/15 indicates a General Fund reserve position of £15.1m and so the previously identified minimum prudent level of £11.2m has been achieved. Reserve levels need to take account of the continued reductions in funding levels and significant future pressures across all forms of social care service in particular.
107. The reserves policy has been updated to ensure it accounts for these risk factors and will be presented with the final budget report. The draft budget also includes a contingency element of £2.1m.
108. The assessment of the appropriate level of reserves is continually kept under review.
109. There is a current plan to use £1.2m of earmarked reserves in 2015/16 to fund a one off investment in as part of the reconfiguration of some services.

Risk Management

110. 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 the number of children and older people in care.
- Ability to achieve £13.7m savings in 2015/16 and £42.1m on total over plan period.
- Reductions in Dedicated Schools Grant (DSG) and Education Services Grant (including reductions due to academy conversions).
- 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.
- Impact of Care Act and Better Care Fund.
- Risk of school deficits and redundancy costs falling to the Council.
- Uncertainty around the continuation of New Homes Bonus
- Impact on future funding following the General Election in May 2015.

2015/16 Capital Programme

111. 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 2015/16 are reflected below.

Table 6 2015/16 Capital Programme Budget (Excluding HRA)

Gross Expenditure	External Funding	Net Expenditure
£m	£m	£m
113.020	(61.587)	51.433

Table 7 2015/16 Capital Programme Funding (Excluding HRA)

Funding Source	2015/16
	£m
Gross Expenditure Budget	113.020
External Funding	(61.587)
Net Expenditure Budget	51.433
Funded by :	
Capital Receipts	(13.101)
Borrowing	(38.332)
Total Funding	(51.433)

Table 8 2015/16 Capital Programme Revenue Implications (Excluding HRA)

Minimum Revenue Provision	Interest	Total Revenue Implications
£m	£m	£m
7.434	5.986	13.420

112. Table 9 below shows the change in Capital Programme Revenue implications.

Table 9 Capital Programme Revenue Implications (Excluding HRA)

	Opening position £m	Movements			Closing Position £m
		Interest Charges £m	MRP £m	Total change £m	
2015/16	13.06	0.39	(0.03)	0.36	13.42
2016/17	13.42	1.01	1.08	2.09	15.51
2017/18	15.51	0.94	0.91	1.85	17.36
2018/19	17.36	0.72	1.06	1.78	19.14

113. Minimum Revenue Provision (MRP) is the minimum amount which must be charged to the revenue account each year and set aside as provision for repaying the principle element of external loans and meeting other credit liabilities (this is the equivalent of depreciation). Interest is the estimated cost of borrowing to fund the capital programme.

Timetable Milestones

114. The key milestones in the timetable for Council to agree its budget in February 2015 are set out in Table 10 below:

Table 10 Timetable Milestones

Date	Body	Outcome
23 rd December 2014	Public	Budget papers made available to Public and Public Consultation commences
13 th January 2015	Executive	Considers Draft Budget
20 th January 2015	Children's Services Overview & Scrutiny	Consideration of efficiencies and savings and draft budget proposals
22 nd January 2015	Sustainable Communities Overview & Scrutiny	
26 th January 2015	Social Care, Health & Housing Overview & Scrutiny	
27 th January 2015	Corporate Resources Overview & Scrutiny	
10 th February 2015	Executive	Recommends Final Budget
26 th February 2015	Council	Approves Budget
3 rd March 2015	Council	Reserve Council Meeting

Next Steps

115. A period of public consultation will commence from 23rd December 2014.
116. Overview and Scrutiny Committees will consider the budget proposals in their January 2015 cycle of meetings and comments will be included in the final Budget report to be presented to Council at its February 2015 meeting.

Appendices

- Appendix A - Budget Consultation
- Appendix B - MTFP Four year Summary
- Appendix C - Pressures by Directorate
- Appendix D (i) Efficiencies by Directorate
- Appendix D (ii) Efficiencies by Category
- Appendix E 2015/16 Budget Diagram

Background Papers

- (i) Budget Strategy - Executive, August 2014

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Appendix A Budget Consultation

Budget Communications and Consultation

In order to comply with the legal requirement on the Council to consult with council tax payers and non domestic rate payers on its revenue budget and council tax options, a plan for communications and engagement has been developed.

The plan includes three phases of activity; market research, consultation and feedback.

The Market Research Exercise

This exercise sought feedback from the community on local priorities and attitudes towards council tax and efficiency.

The feedback was gathered through two discrete exercises.

Firstly, a survey was distributed to all households via the autumn edition of News Central. Copies of this survey were also distributed to key service outlets such as Libraries, Leisure Centres and Customer Service Centres. Members took an active role in promoting the survey through their surgeries and the exercise was highlighted in the local media and via our own website.

During the same time period a representative group of residents were invited to respond to the same questions via a telephone survey.

By conducting both exercises, it is possible to report reactions from the public in general and a sample which reflects the broader community in terms of age, gender and other demographic characteristics.

The Results:

In total some 2,500 Central Bedfordshire residents participated in the market research.

1,286 responses were received through the Budget 2015 survey that was distributed to the community in general.

A further 1,211 residents took part through a telephone survey conducted by an independent research company.

Whilst there was some variation in the results from the two exercises, there was broad consensus on attitudes to council tax, efficiency measures and community priorities.

On Council Tax, 68% of respondents to the telephone survey indicated that they would wish for a freeze, (compared to 60% of those who responded to the general survey).

22% of respondents to the telephone survey indicated that they would support an increase in council tax (compared to 27% of those who responded to the general survey) and 10% favoured a reduction in council tax (compared to 13% of respondents to the general survey).

With regard to **efficiency measures** the most support was given to the option of getting better value from our contracts (87% of phone survey respondents supported this and 80% of respondents to the general survey).

Other well supported options were sharing services across the public sector (80% support from the phone survey and 69% from the general survey) and generating income from our assets (72% from the phone survey respondents and 58% of respondents to the general survey).

Less supported efficiency options were changing eligibility criteria (supported by 35% of phone respondents and 26% of respondents to the general survey) and introducing or increasing charges (favoured by 32% of phone survey respondents and just 17% of those who responded to the general survey).

Finally, residents were invited to indicate those issues which they felt were most important in making an area a good place to live.

The most selected issues were:

- Clean streets
- Levels of crime and anti social behaviour
- Parks and open spaces
- Shopping
- Education
- Road and pavement repairs
- Sport and leisure facilities.

The least selected issues were:

- Decent/affordable housing
- Job prospects
- Libraries
- Community spirit
- Traffic congestion.

And the issues that were most frequently cited as being in need of improvement were:

- Road and pavement repairs
- Levels of crime and anti social behaviour

- Shopping
- Public transport
- Sport and leisure facilities
- Clean streets.

A detailed analysis of the full surveys was presented to the Corporate Resources Overview and Scrutiny Committee on 16th December 2014.

Next Steps:

The second phase of this plan will be to consult on the draft budget. Once this has been prepared and published, the draft budget report will be extensively promoted to the community including local business, the media, the equalities forum and other stakeholder groups in order to elicit further feedback on the proposals within it. Feedback from this phase of activity will feed into the Executive and Full Council consideration of the budget in February 2015.

The final phase of activity will be to feed back to the community and stakeholders, the decisions of the Council through a range of communication channels and activities including the conventional leaflet together with social media, our website and face to face opportunities.

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Appendix B Medium Term Financial Plan 2015/16 to 2018/19

Medium Term Financial Plan	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000
Funding				
Revenue Support Grant (RSG)	29,809	27,424	25,230	23,969
Council Tax Freeze Grant	1,312	1,312	1,312	1,312
Retained Business Rates	32,007	33,984	36,463	38,250
Council Tax	123,381	123,344	124,514	125,695
Total Funding	186,509	186,064	187,520	189,226
Growth (%)		-0.24%	0.78%	0.90%
Planned Revenue Budget				
Base Revenue Budget Expenditure	367,729	368,264	367,819	369,274
Net Inflation	2,608	2,660	2,714	2,714
Pressures	11,644	9,618	7,009	6,419
Base Income	(181,754)	(181,754)	(181,754)	(181,754)
Total Planned Spending before savings	200,227	198,788	195,788	196,653
Growth before Savings (%)		-0.72%	-1.53%	0.44%
Efficiency Savings	(13,717)	(5,956)	(2,151)	(1,617)
Efficiency Savings yet to be allocated	-	(6,767)	(6,116)	(5,809)
Total Planned spending after savings	186,510	186,065	187,520	189,227
Growth after Savings (%)		-0.24%	0.78%	0.90%

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Appendix C Pressures Summary

Pressures	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s
Social Care, Health & Housing	6,265	4,299	3,630	3,800	17,994
Children's Services	1,832	1,080	587	503	4,002
Community Services	817	481	842	155	2,295
Regeneration and Business Support	(40)	-	-	-	(40)
Public Health	-	-	-	-	-
Improvement and Corporate Services	690	38	96	175	999
Corporate Resources	239	196	-	-	435
Sub-total	9,803	6,094	5,155	4,633	25,685
Corporate Costs	1,841	3,524	1,854	1,786	9,005
Total	11,644	9,618	7,009	6,419	34,690

Appendix C Pressures

Detailed List

Directorate	Reference	Details of pressure	Implications/ Impact	2015/16	2016/17	2017/18	2018/19	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
Children's Services	CSP1410	Children with Disabilities	This is additional pressures for funding health provision	44	-	-	-	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.
Children's Services	CSP1413	Transport	Due to rise in population number there is a risk we will not meet the statutory duties to provide eligible children with transport to School.	113	161	137	-	411	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. Pressure based on increased demand, especially for specialist transport and current market pressures (not enough providers, especially in the South).
Children's Services	CSP1420	Education Services Grant	20% reduction in grant. Latest Government announcement.	520	-	-	-	520	Education Services Grant is intended to pay for central education functions delivered by the Council.
Children's Services	CSP1501	New Market Rate Supplement Scheme	Required in order to recruit and retain good quality social workers	253	-	-	-	253	Essential that front line teams retain good quality social workers. More permanent staff leads to reduced agency worker costs
Children's Services	CSP1502	Increasing use of family based care through Special Guardianship Orders	Increase likely to continue to put pressure on this area of the budget	661	200	200	200	1,261	Expected No of SGOs March 15 120, average cost £720 per month, increase of 24 per year anticipated phased (50% increase held on risk 15/16).
Children's Services	CSP1503	Increasing payments of Adoption Allowances due to increase in Adoption	Increase likely to continue put pressure on this area of the budget	44	94	94	94	326	Expected No of AA March 15 35, average cost per £650 month, increase of 12 per year anticipated phased (50% increase held on risk 15/16).
Children's Services	CSP1504	Foster Care Allowance - Existing Pressure 2014/15 reduced to align with number of expected Inhouse Foster carers and extended 2016/16 to 2018/19	This realignment will support the recruitment of more in house foster carers and reduce reliance on more expensive external foster carers.	47	56	63	70	236	Review annual increase of Allowances. This is an allowance to pay for the needs of the child. It is separate from the foster fee.
Children's Services	CSP1505	Foster Fee Scheme - Existing Pressure 2015/16 to 2017/18 reduced to align with rephasing of expected new Inhouse Foster carers and extended into 2018/19	This realignment will support recruitment and sustain improvement of number of in house foster carers and reduce reliance on more expensive external foster care.	150	569	85	85	889	Rephasing of expected cost of new Inhouse foster carers
Children's Services	CSP1506	Partnerships - grant funding ending is resulting in staff cost pressures	Funding needs to be maintained to retain service delivery	-	-	8	54	62	This team externally funded and the pressure emerges 2018/19.
Total Children's Services				1,832	1,080	587	503	4,002	

Appendix C Pressures

Detailed List

Directorate	Reference	Details of pressure	Implications/ Impact	2015/16	2016/17	2017/18	2018/19	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
SCHH	ASC1	Ageing Population - increased demand on purchasing budgets		1,810	1,883	1,910	-	5,603	Ageing Population - increased demand on purchasing budgets
SCHH	ASC2	Transitions from Children to Adults with Learning Disabilities		1,128	1,128	1,490	-	3,746	Care Package costs where Children with Learning Disabilities move into Adult Services
SCHH	ASC3	Ordinary Residence		848	330	-	-	1,178	Ordinary Residence
SCHH	ASC1	Ageing Population - increased demand on purchasing budgets		-	-	-	1,910	1,910	Ageing Population - increased demand on purchasing budgets
SCHH	ASC2	Transitions from Children to Adults with Disabilities		-	-	-	1,490	1,490	Care Package costs where Children with Learning Disabilities move into Adult Services
SCHH		Increased demand for care packages to support Older People		1,000	-	-	-	1,000	Ageing Population - increased demand on purchasing budgets
SCHH	New 1	Deprivation of Liberty Safeguarding (DoLS) assessments		394	394	-	-	788	Recent High Court judgement has led to a significant increase in the number of assessments
SCHH	New 2	Children moving into Adult Services		143	-	-	-	143	Shortfall in funding in 2013/14 for Children moving into Adult Services
SCHH	New 3	Mid-Life Transitions in Learning Disability		400	400	400	400	1,600	Adult Care needs in Learning Disabilities have become more complex and costly in middle age
SCHH	New 4	Employment Support Service		92	-	-	-	92	National changes in the Employment Support scheme has increased costs to the Council
SCHH	New 6	Increased cost of Respite Care for Adult with a Learning Disability		256	(86)	(170)	-	-	Out of area care package placements
SCHH	New 7	Increased demands on the Emergency Duty Team (EDT)		21	-	-	-	21	EDT provides services to three Councils and this represents the Central Bedfordshire share
SCHH	New 10	Increased demand for Transport for Adults with a Learning Disability		80	-	-	-	80	
SCHH	New 13	Support for the Carers Lounge in the Luton & Dunstable Hospital		20	-	-	-	20	Contribution for Central Bedfordshire patients
SCHH	New 14	Increase support of Information & Advice for customers with a Learning Disability		30	-	-	-	30	Production of easy read materials
SCHH	New 16	Targeted resources to support the delivery of the Prevention agenda		43	-	-	-	43	To be funded by the Care Act implementation grant

Appendix C Pressures Detailed List

Directorate	Reference	Details of pressure	Implications/ Impact	2015/16	2016/17	2017/18	2018/19	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
SCHH	New 17	Local Welfare Provision		-	250	-	-	250	Resources to support the Welfare Reforms
Total Social Care, Health & Housing				6,265	4,299	3,630	3,800	17,994	
Community Services	SC100	Landfill tax uplift		23	21	18	20	82	A small amount of residual waste will continue to be sent to landfill, however this pressure has reduced due to new residual waste treatment and disposal contracts.
Community Services	SC103	Operational costs to support the guided busway.		50	50	-	-	100	Year on year increase of maintenance costs (including winter maintenance) of the busway
Community Services	SC106	Highways contract retendering resource.		-	(50)	-	-	(50)	Specialist advice and capacity required to procure a new highways maintenance contract for 1 April 2016.
Community Services	SC109	Increase in waste collection costs as a result of increase in housing growth.		15	15	15	15	60	Housing growth impacts on waste management costs - the pressure reflects the expected number of new homes.
Community Services	SC111	Replacement of external funding for Domestic Abuse Multi Agency Risk Assessment Conference (MARAC) Coordinator and Independent Domestic Abuse Violence Advice		100	-	-	-	100	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.
Community Services	SC203	Food waste roll out in the south		-	-	389	-	389	
Community Services	SC204	Residual treatment of waste		65	93	5	-	163	Additional costs of new treatment contracts
Community Services	SC205	Additional cost of bulking and haulage in the south		-	265	265	-	530	Waste from south central Bedfordshire will need to be bulked
Community Services	SC301	Increase in waste disposal costs due to housing growth		64	87	100	120	371	Figures based on housing completion numbers
Community Services	SC302	Gypsy and traveller resource		-	-	50	-	50	To cover cost of G&T liaison officer
Community Services	SC303	Car park income		400	-	-	-	400	Realignment of income budget to reflect income received over last few year - assumes all car parks fully operational
Community Services	SC304	Recyclate income		100	-	-	-	100	Estimated income has declined due to falls in tonnage and more stringent acceptance policy by the contractor
Community Services				817	481	842	155	2,295	

Appendix C Pressures Detailed List

Directorate	Reference	Details of pressure	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
Regeneration	RG350	Adult Skills Income		60				60	Alignment of budget to reflect reduced funding
Regeneration	SC101	New Local Plan for Central Bedfordshire		(100)		-	-	(100)	
Total Regeneration & Business Support				(40)	0	0	0	(40)	
Corporate Resources	CRP-1516-01	Revenues & Benefits	Reduction in Housing Benefit Admin grant (Including single fraud investigation service)	92	196	-	-	288	
Corporate Resources	CRP-1516-02	Chief Finance Officer	Funding of Finance continuous improvement	35	-	-	-	35	
Corporate Resources	CRP-1516-03	Revenues & Benefits	3 Staff to increase Council Tax arrears recovery	90	-	-	-	90	
Corporate Resources	CRP-1516-04	Revenues & Benefits	Reduction in Local Council Tax Support Administration Subsidy	22				22	
Total Corporate Resources				239	196	0	0	435	
Corporate Costs	CCP-1415-01	Corporate Costs	Employer's Pension Contribution	-	238	-	-	238	
Corporate Costs	CCP-1415-02	Corporate Costs	Capital Financing - Minimum Revenue Provision	390	1,002	944	723	3,059	
Corporate Costs	CCP-1415-03	Corporate Costs	Capital Financing - Interest Payable	(31)	1,084	910	1,063	3,026	
Corporate Costs	CCP-1415-04	Corporate Costs	Capital Financing - Interest Receivable	200	-	-	-	200	
Corporate Costs	CCP-1415-08	Corporate Costs	Customer First	(427)	-	-	-	(427)	
Corporate Costs	CCP-1516-01	Corporate Costs	Withdrawal of Pension Contracted Out Employer's National Insurance Rebate (3.4%)	-	1,200	-	-	1,200	
Corporate Costs	CCP-1516-02	Corporate Costs	Requirement to make additional provision for redundancy / restructuring costs.	500	-	-	-	500	
Corporate Costs	Corporate Costs	Corporate Costs	Latest pay Inflation Estimate	200	-	-	-	200	

Appendix C Pressures Detailed List

Directorate	Reference	Details of pressure	Implications/ Impact	2015/16	2016/17	2017/18	2018/19	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
Corporate Costs	CCP-1516-03	Corporate Costs	To fund additional work to support income analysis and generation, and to support cost control of the capital programme	250	-	-	-	250	
Corporate Costs	CCP-1516-04	Corporate Costs	Uncertainty surrounds the funding for the Care Act. Provision created to offset any potential shortfall.	759	-	-	-	759	
Total Corporate Costs				1,841	3,524	1,854	1,786	9,005	
ICS	PR-RES-ASS-08	Assets	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.	37	-	-	-	37	
ICS	EFF-P&O-POL-0	Policy	PeopCI1: Potential to capitalise one member of Community Insight staff for Web Strategy work (one off)	50	-	-	-	50	
ICS	ICSP-1415-05	Cust Serv	Customer Services - Additional Fixed Term Cust Services staffing (Your Space 2 (YS2) Related)	(135)	-	-	-	(135)	
ICS	ICSP-1516-01	Assets	PFI	-	38	38	38	114	
ICS	ICSP-1516-02	Comms	Webcasting annual license / hosting	50	-	-	-	50	
ICS	ICSP-1516-03	Comms	Mosaic license	15	-	-	-	15	
ICS	ICSP-1516-04	Cust Serv	Pressure relating to matching establishment to business as usual staffing requirements	71	-	-	-	71	
ICS	ICSP-1516-05	L&D - Democratic	Reduction in LLC income budget to move to a break even position	-	-	58	137	195	
ICS	ICSP-1516-06	L&D - Legal	Staffing Pressure	334	0	0	0	334	
ICS	ICSP-1516-07	L&D - Legal	Cllr Code of Conduct Investigations	50	-	-	-	50	
ICS	ICSP-1516-08	L&D - Legal	Additional Legal pressure as a result of Children's Cases	218	-	-	-	218	
ICS Total				690	38	96	175	999	
Total				11,644	9,618	7,009	6,419	34,690	

**Appendix D (i) Efficiencies
Summary**

	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s
Social Care Health & Housing	(6,355)	(2,103)	(909)	(1,143)	(10,510)
Children's Services	(2,774)	(1,954)	(437)	(284)	(5,449)
Community Services	(2,014)	(1,237)	(485)	(40)	(3,776)
Regeneration and Business Support	(390)	130	(85)	-	(345)
Public Health	-	-	-	-	-
Improvement and Corporate Services	(1,734)	(492)	(200)	(150)	(2,576)
Corporate Resources	(600)	(170)	(35)	-	(805)
Sub-total	(13,867)	(5,826)	(2,151)	(1,617)	(23,461)
Corporate Costs	150	(130)	-	-	20
Total	(13,717)	(5,956)	(2,151)	(1,617)	(23,441)

Appendix D (i) Efficiencies Detailed List

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
Children's Services	C	CS3	Special Educational Needs	Increased buy back from Schools for specific services	(100)	-	-	-	(100)	Increase in income generation from Schools specifically access & inclusion and SEN services
Children's Services	F	CSE02	Children with Disabilities	Efficiencies have been made with no impact to service delivery	(190)	-	-	-	(190)	Sustainable efficiencies moving forward
Children's Services	F	CSE04	Partnerships & Workforce Remodelling	Training and workforce development team develop more e-learning opportunities	(40)	-	-	-	(40)	Efficiency 2014/15 - The development of enhanced blended learning opportunities at all levels with e-learning will lead to less reliance on the delivery of face-to-face generic workforce learning opportunities that are core funded . Marketing this offer more widely will increase take up.
Children's Services	C	CSE06	Transport CWD	Rationalising existing transport for children with disabilities	(10)	-	-	-	(10)	This follows on from the realignment of Ivel Valley . Part of the improvements from the disability review.
Children's Services	F	CSE08	Partnerships	This is a planned realignment in partnership funding through external grants.	(12)	(18)	-	-	(30)	These savings can be achieved through further efficiencies in the team's contracts and operational costs.
Children's Services	F	CSE1401	Children in Care and Intake and Assessment	Reduction to Agency costs for social workers due to greater numbers of permanent social workers	(76)	-	-	-	(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.
Children's Services	C	CSE1406	Transport - Walking assessments policy reviews	This saving will not be achievable unless walking assessments are carried out.	-	(573)	-	-	(573)	This efficiency assumes that the walking assessments will not take place until 2015 and will inform the 2016/17 efficiencies.
Children's Services	C	CSE1501	Youth Offending Service	This efficiency has been identified as we have not drawn down all of the funding set aside for this contract achieving a saving of circa. £100k in each of the past two years. However, expenditure is demand led and could change significantly if the number of remand orders increase.	(100)	-	-	-	(100)	Shared Service with Bedford Borough Council.
Children's Services	F	CSE1502	Review of Leadership	Senior Manager undertaking additional responsibilities	(75)	-	-	-	(75)	Review of vacant management posts.
Children's Services	D	CSE1503	Recalculated Council contribution to Music Service	Continued successful marketing of Service	(23)	-	-	-	(23)	Increased income through selling services.
Children's Services	D	CSE1504	Reduced costs through fewer maintained Schools requiring intervention	Risk if more maintained Schools fall into an Ofsted category or require intervention	(35)	-	-	-	(35)	Successful implementation of intervention strategies has led to improved maintained Schools and Ofsted outcomes.

Appendix D (i) Efficiencies

Detailed List

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
Children's Services	F	CSE1506	Alignment of Staffing Structure	Improved service delivery	(15)	-	-	-	(15)	Increased operation capacity in front line services.
Children's Services	C	CSE1507	Commissioned Contracts	A wide variety of contracts exist within Children's Services. All contracts will be reviewed to see where efficiencies can be made without compromising the service provided.	(346)	-	-	-	(346)	Review of all CS Commissioned Contracts looking for alternative commissioning arrangements. Specific target on services that have not been recommissioned in last 12 months. Negotiation with IFA providers re new tariffs and about developing local response to improving breadth and quality of provision for children
Children's Services	F	CSE1508	Early Help	Efficiencies for 16/17 have been identified across the early help services to ensure no negative impact to service delivery	-	(300)	-	-	(300)	A programme of efficiencies to be produced to be ready for 16/17 implementation
Children's Services	F	CSE1509	Looked After Children Residential Placements - Existing Efficiency 2014/15 reviewed and rephased	Fewer children in external placements	(426)	(444)	(156)	-	(1,026)	This is particularly focused on the nature and type of placement for children looked after. Reduction 5 agency residential placements phased through 15/16. Further reduction of 1 placement 16/17 and 17/18
Children's Services	C	CSE1510	St Christophers	Reduced cost of contract for in-house residential placement.	(235)	-	-	-	(235)	The price of the St Christopher's Contract for in house residential placements has been renegotiated resulting in a saving part 14/15, full year affect 15/16
Children's Services	C	CSE1511	Foster Fee Scheme efficiency for 2014/15 reviewed and reduced in line with latest target for in-house carers	More in-house foster carers recruited	(500)	(619)	(281)	(284)	(1,684)	Profile of expected new in house foster carers reviewed and rephased. (25 during 15/16, 10 during 16/17, 5 during 17/18)
Children's Services	F	CSE1512	Review of Programme Management service delivery	More efficient programme management	(10)	-	-	-	(10)	Realignment of Programme Management costs
Children's Services	F	CSE1513	20% Agency Budget Reduction in Operations	As more permanent staff are recruited there will be a reduction in agency staff	(188)	-	-	-	(188)	This is a 20% reduction on existing agency budgets based on the on-going recruitment, retention and AYSE programme
Children's Services	F	CSE1514	20% Reduction Consultancy use across Children Services	As more permanent staff are recruited there will be a reduction in the number of consultants used.	(58)	-	-	-	(58)	This is a 20% reduction in existing consultancy budgets
Children's Services	D	CSE1515	Use of DSG for High Need support in Early Years settings	No impact to Children	(40)	-	-	-	(40)	This is a review of the school and early years finance regulations and ability to apply DSG funding to services
Children's Services	F	CSE1516	Partnerships and Commissioning business support	More efficient service delivery	(20)	-	-	-	(20)	Partnerships and Commissioning realignment of costs
Children's Services	D	CSE1517	Partnerships and Workforce increased income target	Increased income generation achieved by provision of training courses to third parties.	(80)	-	-	-	(80)	Partnerships and Workforce increased income target

Appendix D (i) Efficiencies
Detailed List

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
Children's Services	D	CSE1518	Public Health Funding - Young people at risk of teenage pregnancy , tier 2 drugs & alcohol and healthy	This is existing spend that can be funded from the public health grant and meets the required criteria to do so.	(185)	-	-	-	(185)	Public Health Funding secured against relevant programmes
Children's Services	C	CSE1519	Youth Clubs more efficient delivery	No negative impact on front line services	(10)	-	-	-	(10)	Efficiency in running costs of 6 youth clubs.
Total Children's Services					(2,774)	(1,954)	(437)	(284)	(5,449)	
SCHH	F	EA32	Harmonise Housing Needs with Private Sector Housing	Reduce operational cost of the two services to deliver a more efficient and joined up service	(50)	-	-	-	(50)	
SCHH	C	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)	
SCHH	A	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)	(350)	-	-	(950)	
SCHH	F	EA48	Business Process Re-engineering of procurement, brokerage and customer finance functions	More efficient use of ICT and staff resources.	(50)	-	-	-	(50)	
SCHH	A	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 care.	(600)	-	-	-	(600)	
SCHH	C	EA55	Seek further efficiencies from Mental Health services	Reduce administration and management costs within the current contract Mental health by 5%.	(150)	-	-	-	(150)	

Appendix D (i) Efficiencies
Detailed List

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
SCHH	B	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.	(350)	(250)	-	-	(600)	
SCHH	B	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	(70)	(210)	-	-	(280)	
SCHH	B	EA65	Extra Care Scheme 2. Capital investment to achieve revenue savings	Strategic Business Case agreed over the reprovision of accommodation need for Older people	(50)	(150)	-	-	(200)	
SCHH	F	EA69	Reduce delays of Financial Assessments	Continue to improve income collection arrangements	-	-	-	-	0	
SCHH	D	EA70	Continue to increase contributions to support the strategic workforce training programme		-	-	-	-	0	
SCHH	F	EA73	Deliver savings within PSH & Housing Needs by better use of ICT and further income generation activity	More efficient use of ICT and staff resources.	(42)	(23)	-	-	(65)	
SCHH	F	New 1	Direct Services for Adults with a Learning Disability		(65)	-	-	-	(65)	Reduce the operational costs of Direct Services for adults with a Learning Disability
SCHH	C	New 2	Reduction in care packages for Adults with a Learning Disability		(700)	-	-	-	(700)	Looking to reduce high cost care packages by providing care as close to home as possible
SCHH	F	New 3	Older People Care Management Team		(102)	-	-	-	(102)	Reduce operational costs of the Older People Care Management Teams
SCHH	F	New 5	Reviewing offer to Carers in preparation for the Care Act		(100)	-	-	-	(100)	Reviewing opportunities to mainstream support activity for carers
SCHH	B	New 6	Maximise investment in Reablement		(328)	-	-	-	(328)	Increase productivity of the wider Reablement services
SCHH	F	New 7	Reviewing Care Packages to support proportional, targetted and focused care need		(300)	(400)	-	-	(700)	Maintaining oversight through a funding panel and timely targeting of reviews
SCHH	F	New 8	Reduction in operational costs in Day Services		(13)	-	-	-	(13)	Exploring opportunities to provide day care services for Older People and People with Learning Disabilities using a common base

**Appendix D (i) Efficiencies
Detailed List**

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
SCHH	C	New 9	Continue to maximise use of contracts for Supported Housing		(150)	-	-	-	(150)	
SCHH	D	New 11	Mental Health Contract to be funded by Public Health grant		(87)	-	-	-	(87)	
SCHH	F	New 12	Visual Impairment & Hearing Services		(31)	-	-	-	(31)	Mainstream support to adults with Visual Impairment and Hearing needs into Care Management Teams
SCHH	D	New 13	Additional fee income from Gypsy and Traveller Sites		(42)	-	-	-	(42)	Due to the re-opening of the Timberlands site
SCHH	F	New 14	Change business processes in Housing Solutions		(11)	-	-	-	(11)	Reduction of printing and stationary costs as move towards paperless office and officer
SCHH	D	New 16	Housing Private Business Initiative		-	(100)	(300)	-	(400)	This initiative will look to generate GF income by utilising existing housing service expertise/experience i.e. Private Rental Income and charging for other services.
SCHH	C	New 17	Inflation on Older People Care Homes		(90)	-	-	-	(90)	Reduced requirement of contract inflation due to transfer of seven Older People Care Homes back to the Council
SCHH	B	New 18	Extra Care Housing Scheme 3 – Ivel Valley		-	(56)	(169)	-	(225)	Reduction in expenditure in care package costs in the General Fund as a result of Extra Care development
SCHH	B	New 19	Extra Care Housing Scheme 4 – West Mid Beds		-	-	-	(225)	(225)	Reduction in expenditure in care package costs in the General Fund as a result of Extra Care development
SCHH	B	New 20	Extra Care Housing Scheme 5 – Chiltern Vale		-	-	-	(300)	(300)	Reduction in expenditure in care package costs in the General Fund as a result of Extra Care development
SCHH	F	New 21	Investment in Extra Care schemes as an alternative to the use of Residential Care		(115)	(115)	-	-	(230)	Support increased demand for care packages as each Extra Care scheme develop
SCHH	F	New 22	Use of earmarked reserve to support development of Extra Care schemes		(648)	30	470	-	(148)	Reduction in expenditure in care package costs in the General Fund as a result of Extra Care development
SCHH	F	New 24	Reduction in Training Budget		(110)	-	-	-	(110)	More focussed and targeting of training resources
SCHH	C	New 27	Increased income from Care Fees		(210)	(210)	(210)	(210)	(840)	Increase income for Care Fees in line with the Governments 'Triple Lock' agreement
SCHH	D	New 28	Use of Care Act Implementation Grant		(871)	-	-	-	(871)	Covering existing staffing costs to enable implementation of the Care Act changes

**Appendix D (i) Efficiencies
Detailed List**

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
SCHH	D	New 30	Housing Support Contracts to be funded by Public Health Grant		(115)	-	-	-	(115)	
SCHH	F	New 29	Transforming Care & Support		(205)	(269)	(700)	(408)	(1,582)	Next phase of the move of investment from Institutional to more Personal Solutions
Total Social Care, Health & Housing					(6,355)	(2,103)	(909)	(1,143)	(10,510)	
Community Services	C	SC5	Negotiate further efficiencies with highways contractor	Investment of additional £4m capital spend results in savings.	(100)	-	-	-	(100)	Negotiate further efficiencies with highways contractor
Community Services	F	SC8	Revenue savings from implementation of Street Lighting Strategy	Project to ensure structural integrity of Street Lights through replacement of life expired columns and replacement of lanterns with low maintenance energy types. Revenue maintenance and energy costs reduced.	(75)	(70)	-	-	(145)	Revenue savings from implementation of Street Lighting Strategy
Community Services	F	SC153	Local sustainable transport expenditure to be funded from grant following successful bid to Central Government.		50	-	-	-	50	This is a reversal of grant that has now come to an end
Community Services	F	SC158	Countryside sites - wider provision of services to provide increased income and revised maintenance regime		(98)	(70)	-	-	(168)	Countryside sites - wider provision of services to provide increased income and revised maintenance regime
Community Services	F	SC166	CCTV	Integrate CCTV into Council ICT infrastructure	-	(15)	-	-	(15)	CCTV will use existing CBC infrastructure leading to line rental savings
Community Services	F	SC171	Reduction in shared library hub back office costs		(30)	(85)	-	-	(115)	Reduction in shared library hub back office costs
Community Services	F	SC172	Review of Library link and housebound service		(35)	-	-	-	(35)	Review of Library link and housebound service

**Appendix D (i) Efficiencies
Detailed List**

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
Community Services	D	SC173	Additional libraries income and Leighton Buzzard theatre		(10)	(13)	-	-	(23)	Additional libraries income and Leighton Buzzard theatre
Community Services	F	SC250	Integration and reconfiguration of community services		(53)	(27)	-	-	(80)	Integration and configuration of community services : staff restructures
Community Services	D	SC251	Increased income from leisure contracts		(130)	(90)	(60)	(40)	(320)	year on year increases in income from leisure contracts (over and above £45K in previous MTFP) - this is existing contracts and includes FLC
Community Services	D	SC253	Increase range of fees and charges (and income generated)		(100)	(50)	-	-	(150)	Fees and charges
Community Services	D	SC254	New leisure management contract		-	(757)	-	-	(757)	New leisure management contract
Community Services	F	SC255	Review of bus subsidy		(71)	-	-	-	(71)	rationalisation of routes supported
Community Services	F	SC350	Replacement of equipment in leisure centres to be funded from capital		(100)	-	-	-	(100)	Releases transfer to reserves
Community Services	F	SC351	Reduction in repairs and maintenance for leisure centres		(50)	(10)	-	-	(60)	Reflects capital investment in the centres
Community Services	F	SC352	Removal of out of hours public protection service		(22)	-	-	-	(22)	The emergency planning duty first contact service remains , but routine noise services will end
Community Services	F	SC353	Public protection - non salary budgets		(39)	-	-	-	(39)	Miscellaneous small saving

Appendix D (i) Efficiencies
Detailed List

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
Community Services	D	SC354	Public protection - income		(2)	-	-	-	(2)	Additional income
Community Services	C	SC355	Pest control		(9)	-	-	-	(9)	Reduction in charges to the authority
Community Services	C	SC356	Food waste disposal costs		(20)	-	-	-	(20)	Reduced costs of extended contract
Community Services	F	SC357	Food bags north		-	(25)	-	-	(25)	Needs investment by contractor for them to process revised material hence occurring in 16/17
Community Services	C	SC358	Biffa contract negotiations		(42)	(25)	(25)	-	(92)	Reduced costs of waste collection contracts following negotiation
Community Services	C	SC359	Highways contract savings		(345)	-	-	-	(345)	Reduced costs of highways contracts following
Community Services	F	SC360	Highways non -salary savings		(2)	-	-	-	(2)	Mscellaneous budget reductions
Community Services	F	SC361	Reduce printing bus timetables		(25)	-	-	-	(25)	Greater access of timetables through new technology
Community Services	F	SC362	Passenger transport Services non salary budgets		(13)	-	-	-	(13)	
Community Services	C	SC363	Fleet - leasing		(40)	-	-	-	(40)	Reduced costs through improved fleet processes
Community Services	F	SC364	Inflation		(241)	-	-	-	(241)	Contractual inflation not required

Appendix D (i) Efficiencies
Detailed List

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
Community Services	F	SC365	Countryside access - non salary savings		(29)	-	-	-	(29)	
Community Services	F	SC366	CAS restructure		(80)	-	-	-	(80)	Staff restructure
Community Services	F	SC367	Traffic management		(20)	-	-	-	(20)	More structured approach to traffic management
Community Services	F	SC368	Traffic management		(100)	-	-	-	(100)	Capitalisation of engineering element of traffic management schemes - met from within existing capital budgets
Community Services	F	SC369	Salary saving	community safety	(30)	-	-	-	(30)	No impact on posts
Community Services	F	SC370	Reconfiguration of Public protection		(30)	-	-	-	(30)	Salary saving from restructure
Community Services	D	SC371	Fees and charges - effect of increase	highways	(3)	-	-	-	(3)	
Community Services	D	SC372	New permit scheme for utility contractors		(100)	-	-	-	(100)	Additional income from utility contractors working on the highway
Community Services	D	SC373	Public Health Funding to support mental health improvement through		(20)	-	-	-	(20)	
Community Services	D	SC374	Dunstable Leisure Centre		-	-	(400)	-	(400)	
Community Services Total					(2,014)	(1,237)	(485)	(40)	(3,776)	

Appendix D (i) Efficiencies
Detailed List

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
Regeneration	D	SC151	Community Infrastructure levy (CIL) administration fee		-	(25)	(25)	-	(50)	Administrative fee levied as part of the charge
Regeneration	F	SC154	Reduce development plan consultancy budget		-	150	-	-	150	
Regeneration	D	SC174	Business support & regeneration - private sector contributions		(30)	(10)	-	-	(40)	
Regeneration	D	SC175	Recovery of additional adult and community learning back office costs from external grant		(30)	(60)	(60)	-	(150)	
Regeneration	D	RG300	reviewing of charging regime		(50)	-	-	-	(50)	This covers all income within the directorate
Regeneration	F	RG301	non salary budget rationalisation		(105)	-	-	-	(105)	
Regeneration	F	RG302	salary budget rationalisation		(100)	-	-	-	(100)	Salary reduction as part of the management
Regeneration	D	RG303	Planning Application Income		(75)	75	-	-	0	
Regeneration Total					(390)	130	(85)	-	(345)	

**Appendix D (i) Efficiencies
Detailed List**

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
Corporate Resources	F	CRE-1516-02	Financial Performance & Support	Staff Savings through streamlining processes.	(7)	(35)	-	-	(42)	Financial Performance & Support
Corporate Resources	F	CRE-1516-03	Financial Control	Achieving efficiencies in end to end processes	-	(25)	-	-	(25)	Financial Control
Corporate Resources	C	CRE-1516-04	Audit	Savings in External Audit Fees	(20)	-	-	-	(20)	Audit
Corporate Resources	F	CRE-1516-05	Revenues & Benefits	Removal of 2 Investigation Officer posts due to Central Government changes in fraud investigations	(60)	-	-	-	(60)	Revenues & Benefits
Corporate Resources	D	CRE-1516-06	Revenues & Benefits	Increase in recovery of overpaid Housing Benefit	(70)	(50)	(35)	-	(155)	Revenues & Benefits
Corporate Resources	F	CRE-1516-07	Revenues & Benefits	Risk Based Verification processing efficiency	-	(30)	-	-	(30)	Revenues & Benefits
Corporate Resources	F	CRE-1516-08	Revenues & Benefits	Civica Revenues Module Savings	-	(30)	-	-	(30)	Revenues & Benefits
Corporate Resources	F	CRE-1516-09	Revenues & Benefits	NDR Technical Items- Bad debt & discretionary reliefs accounted for in the Collection Fund.	(443)	-	-	-	(443)	Revenues & Benefits
Resources Total					(600)	(170)	(35)	-	(805)	
Corporate Costs	C	CCE-1516-01	Cross Cutting Eff	Passenger Transport Review (PTR) Unachievable efficiency	150	-	-	-	150	Cross Cutting Eff
Corporate Costs	F	CCE-1516-02	Corporatisation and unifying services		-	(130)	-	-	(130)	
Corporate Costs Total					150	(130)	-	-	20	

Appendix D (i) Efficiencies
Detailed List

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
ICS	F	EFF-RES-ASS-02	Assets	Reduce revenue staffing costs - more accurate recording and allocation of profession and project management costs to Lifecycle and Capital Build projects	(16)	-	-	-	(16)	Assets
ICS	D	EFF-RES-ASS-03	Assets	Increased income generation - achieve by increasing: rents for commercial and farm properties; and occupancy levels for commercial properties from 87% to 90%.	(30)	-	-	-	(30)	Assets
ICS	C	EFF-RES-ASS-06	Assets	Review and retendering of Facilities Management contracts e.g. consumables.	(35)	-	-	-	(35)	Assets
ICS	F	CCE05 now Assets	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.	(200)	-	-	-	(200)	Assets
ICS	F	ICSE-1415-10	Assets	Assets - Delay in achieving full Tech House savings resulting from continued occupation of Tech House by Contact Centre	(55)	-	-	-	(55)	Assets
ICS	D	EFF-P&O-COMM-03	Comms	Increase in News Central income	(5)	(5)	-	-	(10)	Comms
ICS	C	EFF-P&O-COMM-04	Comms	Reduction in print and distribution costs for News Central	(6)	-	-	-	(6)	Comms
ICS	F	EFF-RES-ICT-06	IT	Transfer of adjusted budget (i.e. net of the % saving) to budget holders with retained central administration of contract and invoice payments.	(20)	(20)	-	-	(40)	IT
ICS	F	EFF-RES-ICT-07	IT	Transfer of adjusted budget (i.e. net of the % saving) to budget holders with retained central administration of contract and invoice payments.	(20)	(20)	-	-	(40)	IT
ICS	C	EFF-RES-ICT-09	IT	Retender for a combined Corporate and school voice and data network	(140)	-	-	-	(140)	IT
ICS	D	EFF-RES-ICT-10	IT	Admin Charge generation for running the schools network	(39)	-	-	-	(39)	IT

Appendix D (i) Efficiencies
Detailed List

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
ICS	F	EFF-P&O-L&D-06	L&D	Reduction in Education Appeals Costs	-	-	-	-	0	L&D
ICS	F	EFF-P&O-L&D-09	L&D	Savings due to Registration Service's move from Pilgrim House to Amptill Court House	-	(30)	-	-	(30)	L&D
ICS	F	EFF-P&O-POL-03	Policy	PeopCl1: removal of Previous Efficiency Adjustment	(50)	-	-	-	(50)	Policy
ICS	F	EFF-RES-PERF-03	Programme & Performance	Review of P&PM team structure following introduction of new performance reporting system.	(55)	-	-	-	(55)	Programme & Performance
ICS	D	ICSE-1516-01	Assets	Additional external income	(100)	(100)	-	-	(200)	Assets
ICS	D	ICSE-1516-02	Comms	Unachievable part efficiency from 14/15- income from advertising	50	-	-	-	50	Comms
ICS	F	ICSE-1516-03	Comms	Rationalisation of Communications	(47)	-	-	-	(47)	Comms
ICS	D	ICSE-1516-05	Cust Serv	Delay in Customer Services Staff multitasking to carry out JCP work.	50	-	(50)	-	0	Cust Serv
ICS	D	ICSE-1516-06	Cust Serv	Removal of previous efficiency on staff capitalisation to reduce to business as usual realistic level	58	-	-	-	58	Cust Serv
ICS	F	ICSE-1516-07	Dir ICS	Merge common functions	-	(100)	(100)	(100)	(300)	
ICS	F	ICSE-1516-10	HR	Compensatory savings following restructure	(59)	-	-	-	(59)	HR
ICS	C	ICSE-1516-13	IT	Reprofile Mobile Savings - EFF-RES-ICT-06	(20)	20	-	-	0	IT
ICS	C	ICSE-1516-14	IT	Reprofile Fixed lines Savings - EFF-RES-ICT-07	(21)	20	-	-	(1)	IT
ICS	C	ICSE-1516-16	IT	NGN Data Network Cost Reduction	(71)	-	-	-	(71)	IT
ICS	C	ICSE-1516-17	IT	NGN Voice Cost Reduction	(94)	-	-	-	(94)	IT
ICS	F	ICSE-1516-20	IT	Review of Management and IT structures	-	(151)	-	-	(151)	IT
ICS	F	ICSE-1516-21	IT	Minimal Consultancy Prof serv BAU	-	(50)	-	-	(50)	IT

**Appendix D (i) Efficiencies
Detailed List**

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2015/16 £'000s	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	Total £'000s	Comments
ICS	F	ICSE-1516-22	IT	Removal of budgeted Finders Fees	(39)	-	-	-	(39)	IT
ICS	C	ICSE-1516-23	IT	Application reduction ICS/Corporate Systems	(250)	-	-	-	(250)	IT
ICS	F	ICSE-1516-25	L&D - Democratic	Savings against staffing costs for service	(24)	-	-	-	(24)	L&D - Democratic
ICS	F	ICSE-1516-26	L&D - Democratic	Pension scheme not available to Members from May 15	(48)	(6)	-	-	(54)	L&D - Democratic
ICS	F	ICSE-1516-27	L&D - Democratic	Appendix E payments time ending	(10)	-	-	-	(10)	L&D - Democratic
ICS	C	ICSE-1516-28	L&D - Democratic	Reduction in Printing Costs	(15)	-	-	-	(15)	L&D - Democratic
ICS	F	ICSE-1516-29	L&D - Committee Services	Staff cost savings	(5)	-	-	-	(5)	L&D - Committee Services
ICS	F	ICSE-1516-33	Procurement	Staff cost savings against budget	(13)	-	-	-	(13)	Procurement
ICS	C	ICSE-1516-34	Procurement	General Procurement Savings ICS	(50)	(50)	(50)	(50)	(200)	Procurement
ICS	C	ICSE-1516-35	Procurement	Procurement Savings ICS externally sourced Legal services	(50)	-	-	-	(50)	Procurement
ICS	C	ICSE-1516-36	Procurement	Additional Procurement Savings- Comensura contract	(300)	-	-	-	(300)	Procurement
ICS	F	ICSE-1516-37	Prog & Perf	Reduction of car mileage re appendix E	(5)	-	-	-	(5)	Prog & Perf
Improvement & Corporate Services Total					(1,734)	(492)	(200)	(150)	(2,576)	
Total					(13,717)	(5,956)	(2,151)	(1,617)	(23,441)	

Appendix D (ii) Efficiencies by Category

Category Summary

Ref	Category	2015/16	2016/17	2017/18	2018/19	Total
		£000s	£000s	£000s	£000s	£000s
A	Moving from institutional investment to personal solutions	(1,200)	(350)	-	-	(1,550)
B	Early Intervention and enabling independence	(798)	(666)	(169)	(525)	(2,158)
C	Review of contract and tendering arrangements	(4,179)	(1,437)	(566)	(544)	(6,726)
D	Income generation - new sources and methods	(2,115)	(1,185)	(930)	(40)	(4,270)
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	(5,425)	(2,318)	(486)	(508)	(8,737)
Total		(13,717)	(5,956)	(2,151)	(1,617)	(23,441)

Social Care, Health and Housing

Ref	Category	2015/16	2016/17	2017/18	2018/19	Total
		£000s	£000s	£000s	£000s	£000s
A	Moving from institutional investment to personal solutions	(1,200)	(350)	-	-	(1,550)
B	Early Intervention and enabling independence	(798)	(666)	(169)	(525)	(2,158)
C	Review of contract and tendering arrangements	(1,400)	(210)	(210)	(210)	(2,030)
D	Income generation - new sources and methods	(1,115)	(100)	(300)	-	(1,515)
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	(1,842)	(777)	(230)	(408)	(3,257)
Total		(6,355)	(2,103)	(909)	(1,143)	(10,510)

Children's Services

Ref	Category	2015/16	2016/17	2017/18	2018/19	Total
		£000s	£000s	£000s	£000s	£000s
A	Moving from institutional investment to personal solutions	-	-	-	-	-
B	Early Intervention and enabling independence	-	-	-	-	-
C	Review of contract and tendering arrangements	(1,301)	(1,192)	(281)	(284)	(3,058)
D	Income generation - new sources and methods	(363)	-	-	-	(363)
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	(1,110)	(762)	(156)	-	(2,028)
Total		(2,774)	(1,954)	(437)	(284)	(5,449)

Appendix D (ii) Efficiencies by Category

Community Services

Ref	Category	2015/16	2016/17	2017/18	2018/19	Total
		£000s	£000s	£000s	£000s	£000s
A	Moving from institutional investment to personal solutions	-	-	-	-	-
B	Early Intervention and enabling independence	-	-	-	-	-
C	Review of contract and tendering arrangements	(556)	(25)	(25)	-	(606)
D	Income generation - new sources and methods	(365)	(910)	(460)	(40)	(1,775)
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	(1,093)	(302)	-	-	(1,395)
Total		(2,014)	(1,237)	(485)	(40)	(3,776)

Regeneration and Business Support

Ref	Category	2015/16	2016/17	2017/18	2018/19	Total
		£000s	£000s	£000s	£000s	£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	(185)	(20)	(85)	-	(290)
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	(205)	150	-	-	(55)
Total		(390)	130	(85)	-	(345)

Public Health

Ref	Category	2015/16	2016/17	2017/18	2018/19	Total
		£000s	£000s	£000s	£000s	£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	-	-	-	-	-
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	-	-	-	-	-
Total		-	-	-	-	-

Appendix D (ii) Efficiencies by Category

Improvement and Corporate Services

Ref	Category	2015/16	2016/17	2017/18	2018/19	Total
		£000s	£000s	£000s	£000s	£000s
A	Moving from institutional investment to personal solutions	-	-	-	-	-
B	Early Intervention and enabling independence	-	-	-	-	-
C	Review of contract and tendering arrangements	(1,052)	(10)	(50)	(50)	(1,162)
D	Income generation - new sources and methods	(17)	(105)	(50)	-	(172)
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	(666)	(377)	(100)	(100)	(1,243)
Total		(1,734)	(492)	(200)	(150)	(2,576)

Corporate Resources

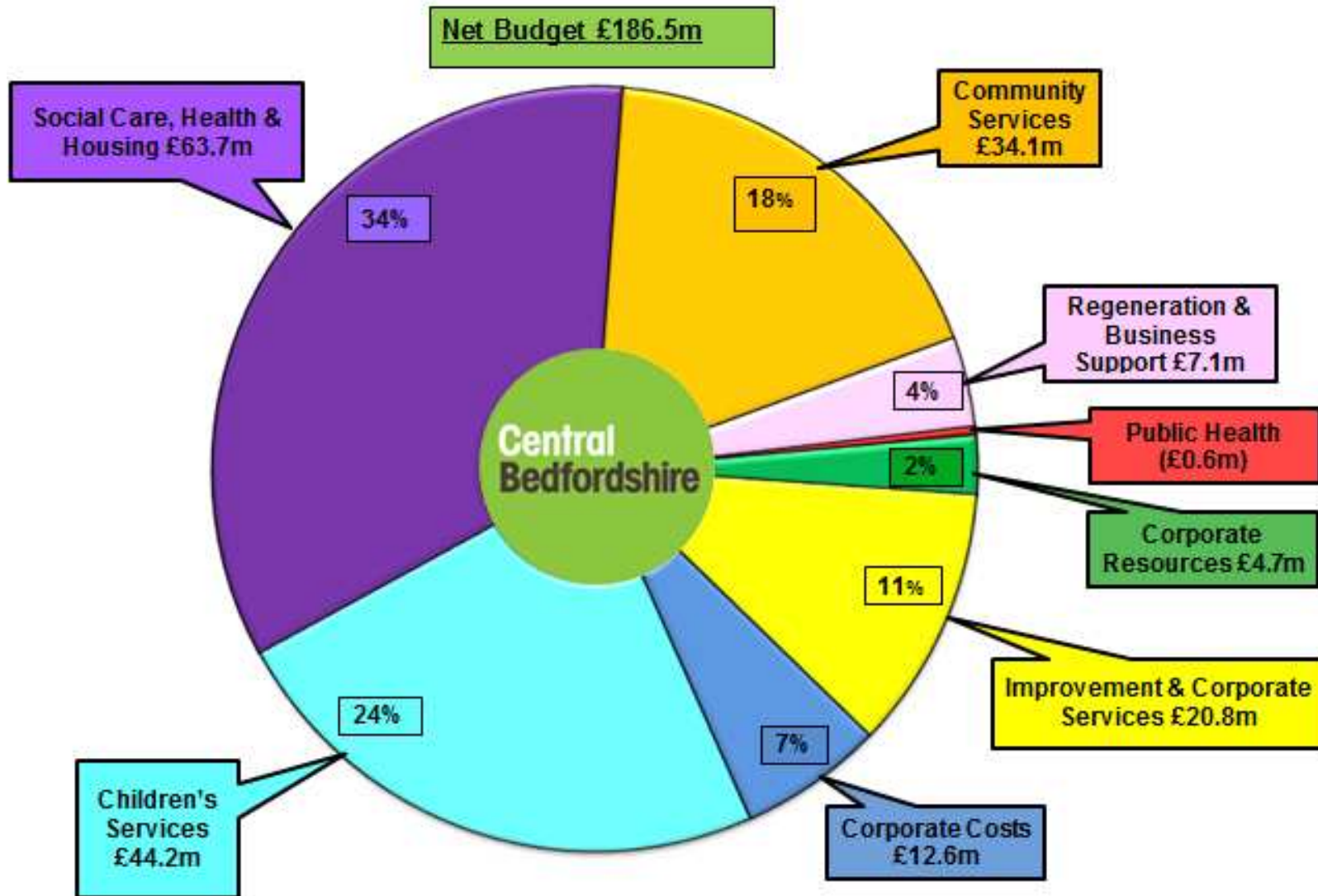
Ref	Category	2015/16	2016/17	2017/18	2018/19	Total
		£000s	£000s	£000s	£000s	£000s
A	Moving from institutional investment to personal solutions	-	-	-	-	-
B	Early Intervention and enabling independence	-	-	-	-	-
C	Review of contract and tendering arrangements	(20)	-	-	-	(20)
D	Income generation - new sources and methods	(70)	(50)	(35)	-	(155)
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	(510)	(120)	-	-	(630)
Total		(600)	(170)	(35)	-	(805)

Corporate Costs

Ref	Category	2015/16	2016/17	2017/18	2018/19	Total
		£000s	£000s	£000s	£000s	£000s
A	Moving from institutional investment to personal solutions	-	-	-	-	-
B	Early Intervention and enabling independence	-	-	-	-	-
C	Review of contract and tendering arrangements	150	-	-	-	150
D	Income generation - new sources and methods	-	-	-	-	-
E	Self service through digital channels	-	-	-	-	-
F	Rationalisation	-	(130)	-	-	(130)
Total		150	(130)	-	-	20

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Appendix E - 2015/16 Net Revenue Budget



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Central Bedfordshire Council

EXECUTIVE - 13 January 2015

DRAFT CAPITAL PROGRAMME 2015/16 TO 2018/19

Report of Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources (maurice.jones@centralbedfordshire.gov.uk)

Advising Officers: Charles Warboys, Chief Finance Officer
(charles.warboys@centralbedfordshire.gov.uk)

This report relates to a non-Key Decision

Purpose of this Report

1. The report proposes the Draft Capital Programme (excluding HRA) for the four years from 1 April 2015.

RECOMMENDATIONS

The Executive is asked to:

1. **approve the Draft Capital Programme for 2015/16 to 2018/19 for consultation.**

Overview and Scrutiny Comments/Recommendations

2. Overview and Scrutiny Committees will consider the Capital Programme in their January 2015 cycle of meetings and comments will be included in the final Budget report to be presented to Council at its February 2015 meeting.

Background Information

3. 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.
4. The Capital Programme continues to be dominated by a few large projects including the requirement to provide Schools Places, Enhanced Waste Disposal Facilities, Flitwick Leisure Centre and the Woodside Link. The development of Dunstable Leisure Centre has also been added to the Medium Term Financial Plan.

5. A driving principle underlying capital investment 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.
6. The Capital Budget proposed in this report reduces revenue liabilities against those previously earmarked in the Medium Term Financial Plan (MTFP) for 2015-2018. The reduction is due to revised borrowing assumptions discussed within the Interest Rates section of this report. Risks associated with the realisation of capital receipts, the movement of interest rates and future programmes/liabilities could adversely impact future revenue financing.
7. A summary of the proposed Capital Programme has been included in Appendix A and Appendix B shows individual schemes. 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 financing liabilities.
8. Capital receipt projections for the 2015/16 to 2018/19 period have been reviewed in year. These represent a key source of funding for the Capital Programme over the MTFP period without which the affordability and sustainability of the Capital Programme could be at risk.
9. The Housing Revenue Account (HRA) Capital Programme is included as part of a separate report to the Executive and is therefore excluded from this report.

Summary of Draft Capital Programme 2015/16 to 2018/19

10. 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.
11. The table below shows a summary of the draft Capital Programme reflecting revisions in year and a planning assumption of 20% per annum slippage in programme spend. The detailed draft programme is presented in Appendices A and B.

Table 1 – 2015/19 Draft Medium Term Financial Plan Capital Programme (excluding HRA and assuming 20% annual programme slippage)

	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000
Gross Expenditure	113,770	117,162	85,006	54,432
Funded by:				
Grants/Contributions	(58,570)	(56,977)	(38,321)	(18,669)
Capital Receipts	(13,101)	(10,186)	(9,606)	(1,500)
Borrowing	(42,099)	(49,999)	(37,079)	(34,263)
Total Funding	(113,770)	(117,162)	(85,006)	(54,432)

Expenditure and income in each year is reduced by 20% to exclude slippage and increased by 20% deferred from the previous year. A reconciliation to the MTFP excluding slippage is provided in Appendix C.

12. 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

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

Table 2 – 2015/19 Annual Revenue Implications of proposed Capital Programme compared to Previous MTFP

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Previous MTFP	14,315	16,013	17,439	-
Additional Charge / (Reduction)	(895)	(507)	(79)	-
Revised MTFP	13,420	15,506	17,360	19,146
Year on Year Increase		2,086	1,854	1,786

Estimated revenue costs are lower than the previous base budget over 2015-2018. 2018/19 was not included in the previous Medium Term Financial Plan.

14. The table above sets out the draft 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

15. Since inception the Council, (excluding Housing Revenue Account (HRA) refinancing), has borrowed internally from its own cash balances to fund the Capital Programme, as opposed to taking on debt from the Public Works Loan Board (PWLB), a Central Government lending facility, or financial markets. Cash balances support the Council's reserves, grants received in advance and amounts due to creditors. As at 31 March 2014 the Council had borrowed £93.2m from its own balances to fund capital expenditure. However, external borrowing is anticipated from December 2014 as cash balances are expected to have been reduced to a minimum level.
16. Revenue implications of the Capital Programme have been calculated on the assumption that most borrowing will be taken on a short term basis taking advantage of current low interest rates. Council borrowing has traditionally been obtained from the PWLB for longer periods. However in the current market, local authorities are lending to each other at rates below the PWLB rate for short term periods and the inclusion of these rates has lowered the projected revenue implications of the Capital Programme over 2015-17.
17. The rate of interest assumed is important in determining revenue implications of borrowing arising from the Capital Programme. Importantly the assumed borrowing costs over the period of the MTFP are particularly sensitive to any unexpected increases in interest rates. The table below demonstrates the impact on the MTFP of interest rates above those assumed in the Plan.

Table 3 – 2015/19 Additional costs over the Medium Term Financial Plan period of an unexpected increase in the Interest Rate

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
1% point higher	805	1,385	1,816	2,158
2% points higher	1,610	2,770	3,632	4,316

18. There is a risk that interest rates may increase or be higher than current rates when it comes to refinancing debt taken out on a short term basis. This would lead to higher revenue implications arising from the draft Capital Programme over the longer term, beyond the current Medium Term Financial Plan period.

19. 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. A small amount of new fixed debt has already been included within the revenue implications. Fixed interest rates are higher than variable rates and any decision to fix more debt in the short term would adversely impact revenue implications within the Medium Term Financial Plan Period.

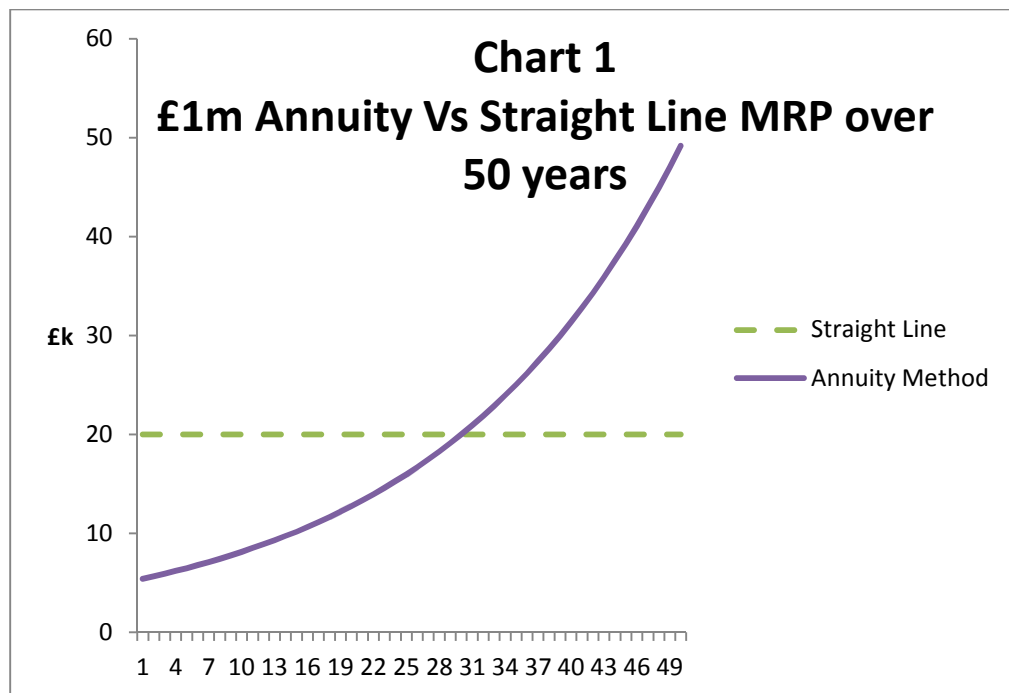
Minimum Revenue Provision (MRP)

20. Regulations 27 and 28 of the Local Authorities (Capital Finance and Accounting) Regulations 2008 require Local Authorities to set aside a prudent amount annually from revenue towards the council's Capital Financing Requirement (CFR).
21. DCLG guidance outlines different options Councils can use to calculate a prudent provision. The method used by the Council for the Medium Term Financial Plan period is to spread MRP over 10 years, 30 years or 50 years depending on the approximate useful economic life of the asset upon which expenditure is being incurred.

Example Asset Category	MRP Life
Land and Buildings	50
Highways, Roads, Bridges	30
IT Systems/Equipment, Fleet	10

MRP is spread over the useful economic life on an annuity basis.

22. The annuity method means that the principal sum used to finance the asset is repaid slowly in earlier years and more rapidly in later years, demonstrated graphically below, in a similar manner to which principal is repaid on a mortgage. This reflects assets deteriorating more rapidly in later years than earlier years and ties in with asset management planning. The annuity method also enables MRP financing of the draft Capital Programme to be minimised over the medium term, with higher MRP costs in future years beyond the current Medium Term Financial Plan period.



Capital Receipts

23. The medium term forecast includes substantial new capital receipts. 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.
24. The Council has historically not achieved approved estimates for capital receipt within the Medium Term Financial Plan. Currently £1.3m of capital receipts are forecast for 2014/15 compared to an approved estimate of £7.5m.
25. Any shortfalls in capital receipts over the MTFP period will lead to increased revenue costs from the Capital Programme.

Table 4 –Capital Receipts movement between previous MTFP and current MTFP

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
Original Estimates 13/14	(11,200)	(8,845)	(5,850)	-
Proposed estimates 14/15	(13,101)	(10,186)	(9,606)	(1,500)
Total Change	(1,901)	(1,341)	(3,756)	(1,500)

Reserve List

26. Appendix B includes a list of reserve schemes, which the Council may progress if the revenue impacts can be accommodated within the revenue budget.
27. 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 Executive Member for Corporate Resources that the schemes can be incorporated without exceeding the revenue budget for the financial year.
28. The total costs of schemes on the reserve list are set out 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 5 – Net Cost of Total Reserve List Schemes 2015/19

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	Total £000
Total Net Cost of Reserve List Schemes	3,150	2,425	90	85	5,750

Major Capital Schemes

School Places

29. A separate report was submitted to the Executive on 9 December 2014 refreshing the schools places programme. The Medium Term Financial Plan includes £106.8m to be spent on school places of which £67.3m is to be funded externally and £39.5m from council resources (i.e. borrowing). The figures for years 2-4 of the MTFP will be subject to further review as the details of Government grants and other funding becomes available.
30. The Executive report approved the extension of Roecroft Community Lower School from 300 places to 450 places by 1 September 2015. Commencement of consultations with the governing bodies of Leeton Community Lower School and Clipstone Brook Community Lower School for expanding the provision of school places within the same timescales was also approved.

31. The Council's school organisation plan for 2014-2019 has been published on the Council's website:
http://www.centralbedfordshire.gov.uk/Images/School%20Organisation%20Plan%202014_tcm6-58059.pdf#False

The Plan indicates specific pressure on places over the next five year period in each of the school place planning areas in Central Bedfordshire with need over the next two years in Stotfold, Shefford, Leighton Buzzard, Ampthill, Biggleswade, Cranfield and Silsoe to be met through new school place projects that have already received Executive approval or will be subject of reports in early 2015.

M1/A421 Junction 13 - Milton Keynes Magna Park

32. The Capital Programme includes a proposed upgrade to the existing A421, to a dual carriageway, between the section of Eagle Farm Roundabout and the M1 Junction13. Central Bedfordshire Council was successful in securing £1m from the Local Transport Board for a feasibility study and advanced work and £22.5m of Local Growth Area Funding from 2015 with a minimal net impact on the Council. The scheme is a joint Central Bedfordshire Council and Milton Keynes project.
33. The topographical work was undertaken in September 2014 and the feasibility report is expected in a draft form by end December 2014 and final March 2015. It is expected that planning, CPO, design and tender process will take place during 2015/16

Enhanced Waste Disposal Facility

34. The Enhanced Waste Disposal Facility line in the MTFP refers to the provision of a waste park at Thorn Turn near Dunstable. This will provide a Waste Transfer Station (WTS), a new Household Waste Recycling Centre (HWRC) to replace the Dunstable site at Frenches Avenue and also a 5,000t capacity Salt Barn.
35. The Project is currently in the Design stage, the Council having engaged Atkins to provide design and planning advice. A feasibility study has just been undertaken and a Detailed Business Case is currently being finalised for approval. The Project will be discussed at Executive on 9 December 2014 seeking delegated authority to award a construction contract.

Woodside Link

36. The Capital Programme includes expenditure of £24m on the Woodside Link Road over 2015 – 2019 (total project cost £42m). It is anticipated that this will be fully externally funded with £20m of this expected over the MTFP period. The Secretary of State granted development consent for the project on 30 September 2014 and the tender process is currently underway with the PQQ process completed. Construction is expected to commence in early 2015.

Flitwick Leisure Centre

37. The redevelopment of Flitwick Leisure Centre is in progress and the 2013/14 Medium Term Financial Plan included total project expenditure of £12.4m to be partially funded by £2.5m of capital receipts.
38. On 14 October 2014 Executive approved the increased gross expenditure budget of £12.4m to £14.7m with £2m of the increase funded by a new grant from Sport England, the remainder to be met by virements within existing Leisure Centre approved capital budgets.

Dunstable Leisure Centre

39. The redevelopment of Dunstable Leisure Centre is anticipated to have a net cost of £13m over 2015-2018. There is an associated income stream built into the MTFP from 2017/18. The figures have been included in the draft Medium Term Financial Plan in Appendix B.

Council Priorities

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

Corporate Implications

Legal Implications

41. 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.

42. 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.

Financial Implications

43. 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.

Equalities Implications

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

Conclusion and next Steps

45. This report will be presented to Corporate Resources Overview and Scrutiny on 27 January 2015 and a final version presented to Executive for recommendation to Council on 10 February 2015.

Appendices

Appendices:

Appendix A – Summary of changes against previous MTFP.

Appendix B – Full Capital Programme 2015-19 and Reserve list.

Appendix C – Reconciliation of detailed Capital MTFP to MTFP with slippage included

Background Papers: None

Appendix A - Revised Programme

Movement between 2014/15 Capital MTFP and
Draft 2015/16 Capital MTFP

Existing (2014/15 Capital MTFP)

Directorate Name	2015/16 Capital Budget			2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			Total Budget 2015/16 - 2017/18		
	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure
Children's Services	34,277	(33,677)	600	26,976	(25,293)	1,683	16,008	(15,408)	600	0	0	0	77,261	(74,378)	2,883
Community Services	42,310	(6,292)	36,018	25,579	(7,610)	17,969	15,003	(5,010)	9,993	0	0	0	82,892	(18,912)	63,980
Regeneration & Business Support	25,025	(17,080)	7,945	11,108	(2,855)	8,253	5,874	(7,023)	(1,149)	0	0	0	42,007	(26,958)	15,049
Corporate Resources	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ICS	5,295	0	5,295	4,700	0	4,700	6,300	0	6,300	0	0	0	16,295	0	16,295
Adult Social Care Health & Housing	5,111	(2,404)	2,707	4,650	(1,763)	2,887	2,900	(638)	2,262	0	0	0	12,661	(4,805)	7,856
Total	112,018	(59,453)	52,565	73,013	(37,521)	35,492	46,085	(28,079)	18,006	0	0	0	231,116	(125,053)	106,063

Revised (2015/16 Capital MTFP)

Directorate Name	2015/16 Capital Budget			2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			Total Budget 2015/16 - 2018/19		
	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure
Children's Services	31,311	(28,601)	2,710	28,109	(20,511)	7,598	38,033	(19,448)	18,585	20,275	(8,187)	12,088	117,728	(76,747)	40,981
Community Services	62,476	(28,383)	34,093	69,165	(26,724)	42,441	24,436	(11,649)	12,787	20,038	(6,025)	14,013	176,115	(72,781)	103,334
Regeneration & Business Support	2,619	(1,899)	720	10,608	(7,051)	3,557	5,898	(2,210)	3,688	100	0	100	19,225	(11,160)	8,065
Corporate Resources	45	0	45	0	0	0	0	0	0	0	0	0	45	0	45
ICS	11,458	(300)	11,158	5,890	0	5,890	5,441	0	5,441	5,550	0	5,550	28,339	(300)	28,039
Adult Social Care Health & Housing	5,111	(2,404)	2,707	4,425	(1,538)	2,887	2,900	(638)	2,262	2,900	(638)	2,262	15,336	(5,218)	10,118
Total	113,020	(61,587)	51,433	118,197	(55,824)	62,373	76,708	(33,945)	42,763	48,863	(14,850)	34,013	356,788	(166,206)	190,582

Change

Directorate Name	2015/16 Capital Budget			2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			Total Budget 2015/16 - 2018/19		
	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure	Gross Expenditure	External Funding	Net Expenditure
Children's Services	(2,966)	5,076	2,110	1,133	4,782	5,915	22,025	(4,040)	17,985	20,275	(8,187)	12,088	40,467	(2,369)	38,098
Community Services	20,166	(22,091)	(1,925)	43,586	(19,114)	24,472	9,433	(6,639)	2,794	20,038	(6,025)	14,013	93,223	(53,869)	39,354
Regeneration & Business Support	(22,406)	15,181	(7,225)	(500)	(4,196)	(4,696)	24	4,813	4,837	100	0	100	(22,782)	15,798	(6,984)
Corporate Resources	45	0	45	0	0	0	0	0	0	0	0	0	45	0	45
ICS	6,163	(300)	5,863	1,190	0	1,190	(859)	0	(859)	5,550	0	5,550	12,044	(300)	11,744
Adult Social Care Health & Housing	0	0	0	(225)	225	0	0	0	0	2,900	(638)	2,262	2,675	(413)	2,262
Total	1,002	(2,134)	(1,132)	45,184	(18,303)	26,881	30,623	(5,866)	24,757	48,863	(14,850)	34,013	125,672	(41,153)	84,519

Appendix B - Revised Programme

Directorate	Scheme Title	2015/16 Capital Budget			2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			Total Budget 2015/16 - 2018/19		
		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	28,151	(26,041)	2,110	25,359	(18,061)	7,298	35,283	(16,998)	18,285	17,975	(6,187)	11,788	106,768	(67,287)	39,482
Children's Services	Schools Capital Maintenance	2,100	(2,100)	0	2,000	(2,000)	0	2,000	(2,000)	0	2,000	(2,000)	0	8,100	(8,100)	0
Children's Services	Schools Devolved Formula Capital	460	(460)	0	450	(450)	0	450	(450)	0	0	0	0	1,360	(1,360)	0
Children's Services	Temporary Accommodation	400	0	400	200	0	200	200	0	200	200	0	200	1,000	0	1,000
Children's Services	Schools Access Initiative	200	0	200	100	0	100	100	0	100	100	0	100	500	0	500
Community Services	Highways Structural Maintenance Block	7,350	(3,500)	3,850	7,350	(3,500)	3,850	7,350	(3,500)	3,850	7,350	(3,500)	3,850	29,400	(14,000)	15,400
Community Services	Highways Fixed Cost Services (Lump Sums)	1,871	0	1,871	1,400	0	1,400	1,400	0	1,400	1,400	0	1,400	6,071	0	6,071
Community Services	Additional Local Highways Maintenance Funding	1,000	0	1,000	500	0	500	500	0	500	500	0	500	2,500	0	2,500
Community Services	Highways Integrated Schemes	1,365	(1,365)	0	1,365	(1,365)	0	1,365	(1,365)	0	1,365	(1,365)	0	5,460	(5,460)	0
Community Services	Highways Planned Maintenance	870	0	870	870	0	870	870	0	870	870	0	870	3,480	0	3,480
Community Services	Highways Street Lighting (Efficiency)	1,163	0	1,163	500	0	500	500	0	500	500	0	500	2,663	0	2,663
Community Services	Highways Street Lighting Maintenance Backlog	750	0	750	0	0	0	0	0	0	0	0	0	750	0	750
Community Services	Highways Bridge Assessment and Maintenance	750	0	750	750	0	750	600	0	600	600	0	600	2,700	0	2,700
Community Services	Stratton Street Railway Bridge	2,290	0	2,290	0	0	0	0	0	0	0	0	0	2,290	0	2,290
Community Services	West street Car park Leighton Buzzard	360	0	360	0	0	0	0	0	0	0	0	0	360	0	360
Community Services	Fleet replacement programme	250	0	250	250	0	250	250	0	250	250	0	250	1,000	0	1,000
Community Services	Co-ordinated replacement of street furniture as a result of vehicle damage	150	0	150	150	0	150	150	0	150	150	0	150	600	0	600
Community Services	Highways Flooding & Drainage	340	0	340	340	0	340	340	0	340	340	0	340	1,360	0	1,360
Community Services	Waste & Recycling Containers - Provision of Replacement bins & containers.	276	(10)	266	290	(10)	280	304	(10)	294	318	(10)	308	1,188	(40)	1,148
Community Services	Sundon / Bluewater Landfill Sites	84	(84)	0	400	(400)	0	400	(100)	300	289	0	289	1,173	(584)	589
Community Services	Waste Infrastructure Grant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community Services	HWRC Redevelopment	4,500	0	4,500	1,400	0	1,400	0	0	0	0	0	0	5,900	0	5,900
Community Services	Thom Turn Waste Park	4,500	0	4,500	7,100	0	7,100	0	0	0	0	0	0	11,600	0	11,600
Community Services	Leisure Strategy - delivery with stakeholders	300	0	300	300	0	300	0	0	0	0	0	0	600	0	600
Community Services	Library and Leisure Centre renewal in Dunstable	613	0	613	12,863	0	12,863	600	(1,000)	(400)	0	0	0	14,076	(1,000)	13,076
Community Services	Flitwick Leisure Centre redevelopment	8,747	(1,320)	7,427	0	(2,530)	(2,530)	0	0	0	0	0	0	8,747	(3,850)	4,897
Community Services	Leisure Centre Stock Condition/Asset Management Plan	500	0	500	350	0	350	250	0	250	250	0	250	1,350	0	1,350
Community Services	CCTV	40	0	40	0	0	0	0	0	0	0	0	0	40	0	40
Community Services	East West Rail (Western Section)	40	0	40	40	0	40	2,560	0	2,560	0	0	0	2,640	0	2,640
Community Services	Luton Dunstable Busway	2,000	0	2,000	2,000	0	2,000	0	0	0	0	0	0	4,000	0	4,000
Community Services	Rights of Way Network and Countryside and Heritage Sites - Structural Renewal and Improvement Works	275	0	275	275	0	275	275	0	275	275	0	275	1,100	0	1,100
Community Services	Outdoor Access and Greenspace Improvement Projects	350	(125)	225	350	(125)	225	350	(125)	225	350	(125)	225	1,400	(500)	900
Community Services	Houghton Hall Park P4P Renaissance and Renewal	1,377	(1,081)	296	889	(794)	95	62	(49)	13	36	(25)	11	2,364	(1,949)	415
Community Services	Woodside Link	5,938	(13,000)	(7,062)	11,000	(4,000)	7,000	3,000	(3,000)	0	4,000	0	4,000	23,938	(20,000)	3,938
Community Services	Dunstable A5/M1 Link Road Strategic Infrastructure	20	0	20	20	0	20	20	0	20	10	0	10	70	0	70
Community Services	Swiss Garden Heritage Lottery Fund Project	58	0	58	58	0	58	0	0	0	0	0	0	116	0	116
Community Services	Biggleswade Transport Interchange	200	(148)	52	0	0	0	0	0	0	0	0	0	200	(148)	52
Community Services	Leighton Buzzard Transport Interchange	200	0	200	0	0	0	0	0	0	0	0	0	200	0	200
Community Services	A1 South Roundabout (Biggleswade)	309	0	309	0	0	0	0	0	0	0	0	0	309	0	309
Community Services	Depot - South	2,300	0	2,300	1,700	0	1,700	0	0	0	0	0	0	4,000	0	4,000
Community Services	Depot and salt barn - North	1,725	0	1,725	1,625	0	1,625	0	0	0	0	0	0	3,350	0	3,350
Community Services	New highways contract mobilization	750	0	750	0	0	0	0	0	0	0	0	0	750	0	750
Community Services	Tree backlog	250	0	250	250	0	250	0	0	0	0	0	0	500	0	500
Community Services	Strategic infrastructure schemes	145	0	145	160	0	160	170	0	170	1,085	(1,000)	85	1,560	(1,000)	560

Appendix B - Revised Programme

Directorate	Scheme Title	2015/16 Capital Budget			2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			Total Budget 2015/16 - 2018/19		
		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	A421-M1 Junction 13- Milton Keynes Magna Park	7,020	(7,000)	20	14,020	(14,000)	20	2,520	(2,500)	20	0	0	0	23,560	(23,500)	60
Community Services	Safety Camera upgrades - replacement of wet film to digital	250	0	250	500	0	500	500	0	500	0	0	0	1,250	0	1,250
Community Services	LSTF	750	(750)	0	0	0	0	0	0	0	0	0	0	750	(750)	0
Community Services	Grove Theatre access road	350	0	350	0	0	0	0	0	0	0	0	0	350	0	350
Community Services	Estate parking improvements - match funded by HRA	100	0	100	100	0	100	100	0	100	100	0	100	400	0	400
ICS	CBC Corporate Property Rolling Programme	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000	8,000	0	8,000
ICS	Health & Safety Rolling Programme	400	0	400	400	0	400	400	0	400	400	0	400	1,600	0	1,600
ICS	Stratton Park Phase 5 Infrastructure	2,000	0	2,000	0	0	0	0	0	0	0	0	0	2,000	0	2,000
ICS	Energy Efficiency Measures / Carbon Reduction Improvements	300	0	300	300	0	300	400	0	400	400	0	400	1,400	0	1,400
ICS	Enhancement work to prepare for disposals	750	0	750	690	0	690	641	0	641	750	0	750	2,831	0	2,831
ICS	Ivel Medical Centre	409	(300)	109	0	0	0	0	0	0	0	0	0	409	(300)	109
ICS	Stratton Ph4 Access	160	0	160	0	0	0	0	0	0	0	0	0	160	0	160
ICS	Strategic Acquisitions	500	0	500	500	0	500	500	0	500	500	0	500	2,000	0	2,000
ICS	Office Rationalisation (Assets and IT elements)	500	0	500	0	0	0	0	0	0	0	0	0	500	0	500
ICS	Equipment for webcasting	10	0	10	0	0	0	0	0	0	0	0	0	10	0	10
ICS	IT Strategic Investment	1,000	0	1,000	1,000	0	1,000	1,000	0	1,000	1,000	0	1,000	4,000	0	4,000
ICS	IT Infrastructure Rolling Programme	500	0	500	500	0	500	500	0	500	500	0	500	2,000	0	2,000
ICS	Customer First (Care Act Implementation)	445	0	445	0	0	0	0	0	0	0	0	0	445	0	445
ICS	PSN Phase 3	500	0	500	0	0	0	0	0	0	0	0	0	500	0	500
ICS	Network Upgrade (Security)	250	0	250	0	0	0	0	0	0	0	0	0	250	0	250
ICS	EDMS Rollout	500	0	500	0	0	0	0	0	0	0	0	0	500	0	500
ICS	Applications Architecture Phase 3	500	0	500	0	0	0	0	0	0	0	0	0	500	0	500
ICS	SAN Replacement	0	0	0	500	0	500	0	0	0	0	0	0	500	0	500
ICS	SAP Enhancements	200	0	200	0	0	0	0	0	0	0	0	0	200	0	200
ICS	Purchase Card Industry Scheme Compliance - Systems & Security Investment	350	0	350	0	0	0	0	0	0	0	0	0	350	0	350
ICS	IT - Website redesign and improved accessibility, including improved search tool	184	0	184	0	0	0	0	0	0	0	0	0	184	0	184
Corp Res	Civica Revenue Module	45	0	45	0	0	0	0	0	0	0	0	0	45	0	45
Regeneration	F10 (next generation broadband project)	0	0	0	3,805	(3,780)	25	3,815	(1,740)	2,075	0	0	0	7,620	(5,520)	2,100
Regeneration	Local Broadband Infrastructure	1,899	(1,899)	0	4,073	(3,271)	802	668	(470)	198	0	0	0	6,640	(5,640)	1,000
Regeneration	Land Drainage Work (Non Highways)	60	0	60	60	0	60	60	0	60	60	0	60	240	0	240
Regeneration	Flood defence strategy schemes	150	0	150	0	0	0	0	0	0	0	0	0	150	0	150
Regeneration	Market Towns Programme	435	0	435	2,620	0	2,620	1,305	0	1,305	0	0	0	4,360	0	4,360
Regeneration	Development site promotion	75	0	75	50	0	50	50	0	50	40	0	40	215	0	215
SCH & H	Disabled Facilities Grants Scheme	2,500	(588)	1,912	2,500	(588)	1,912	2,500	(588)	1,912	2,500	(588)	1,912	10,000	(2,352)	7,648
SCH & H	Empty Homes	200	0	200	200	0	200	200	0	200	200	0	200	800	0	800
SCH & H	Renewal Assistance	150	(50)	100	150	(50)	100	200	(50)	150	200	(50)	150	700	(200)	500
SCH & H	Review of Accommodation/ Day Support, "New Approaches to Outcome"	941	(941)	0	0	0	0	0	0	0	0	0	0	941	(941)	0
SCH & H	Additional Gypsy and Traveller Sites	1,320	(825)	495	1,575	(900)	675	0	0	0	0	0	0	2,895	(1,950)	1,170

Appendix B - Revised Programme

SUMMARY

Directorate Name	2015/16 Capital Budget			2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			Total Budget 2015/16 - 2018/19		
	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	31,311	(28,601)	2,710	28,109	(20,511)	7,598	38,033	(19,448)	18,585	20,275	(8,187)	12,088	117,728	(76,747)	40,981
Community Services	62,476	(28,383)	34,093	69,165	(26,724)	42,441	24,436	(11,649)	12,787	20,038	(6,025)	14,013	176,115	(72,781)	103,334
Regeneration & Business Support	2,619	(1,899)	720	10,608	(7,051)	3,557	5,898	(2,210)	3,688	100	0	100	19,225	(11,160)	8,065
Corporate Resources	45	0	45	0	0	0	0	0	0	0	0	0	45	0	45
ICS	11,458	(300)	11,158	5,890	0	5,890	5,441	0	5,441	5,550	0	5,550	28,339	(300)	28,039
Adult Social Care Health & Housing	5,111	(2,404)	2,707	4,425	(1,538)	2,887	2,900	(638)	2,262	2,900	(638)	2,262	15,336	(5,218)	10,118
Total	113,020	(61,587)	51,433	118,197	(55,824)	62,373	76,708	(33,945)	42,763	48,863	(14,850)	34,013	356,788	(166,206)	190,582

Detailed Reserve List

Directorate	Scheme Title	2015/16 Capital Budget			2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			Total Budget 2015/16 - 2018/19		
		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	Replacement food waste collection vehicles for north			0	350	0	350			0			0	350	0	350
Community Services	Collection vehicles/containers for South food roll out	150	0	150			0			0			0	150	0	150
ICS	CBC Corporate Property Rolling Programme	1,650	0	1,650	2,000	0	2,000	0	0	0	0	0	0	3,650	0	3,650
ICS	Dunstable Medical Centre	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ICS	Project Monarch	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ICS	Biggleswade Campus	300	0	300	0	0	0	0	0	0	0	0	0	300	0	300
Regeneration	M1 - A6	30	0	30	40	0	40	50	0	50	60	0	60	180	0	180
Regeneration	improved east west route	15	0	15	20	0	20	20	0	20	25	0	25	80	0	80
Regeneration	flitwick interchange	5	0	5	15	0	15	20	0	20			0	40	0	40
Corporate Resources	Invest to Save Schemes	1,000	0	1,000										1,000	0	1,000
HRA	match-fund parking proposals															
	Totals	3,150	0	3,150	2,425	0	2,425	90	0	90	85	0	85	5,750	0	5,750

Appendix C – Reconciliation of MTFP to slippage inclusive MTFP used for calculating Revenue Implications

	MTFP and forecast slippage 2015-2019				
	2014/15	2015/16	2016/17	2017/18	2018/19
	£0	£0	£0	£0	£0
-					
Gross Expenditure as per Appendix B	116,771	113,020	118,197	76,708	48,863
Less 20% Slippage to next year		-22,604	-23,639	-15,342	-9,773
Add 20% Slippage from previous year		23,354	22,604	23,639	15,342
Gross Expenditure for Revenue implications		113,770	117,162	85,005	54,432
Funded by:					
Gross Income as per Appendix B	-46,504	-61,587	-55,824	-33,945	-14,850
Less 20% Slippage to next year		12,317	11,165	6,789	2,970
Add 20% Slippage from previous year		-9,301	-12,317	-11,165	-6,789
Gross Income for Revenue implications		-58,570	-56,977	-38,321	-18,669
Capital Receipts		-13,101	-10,186	-9,606	-1,500
Borrowing		-42,099	-49,999	-37,078	-34,263
Total Funding		-113,770	-117,162	-85,005	-54,432

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Central Bedfordshire Council

EXECUTIVE - 13 January 2015

School Funding Reform: Arrangements for 2015/16

Report of Cllr Mark Versallion, Executive Member for Children's Services
mark.versallion@centralbedfordshire.gov.uk.

Advising Officers: Sue Harrison, Director of Children's Services
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This report relates to a Key Decision

Purpose of this report

1. This report provides a background to the changes in the funding regulation for schools and the proposed distribution for 2015/2016. These proposals have previously been subject to full consultation with all Maintained Schools and Academies in September 2014 and considered by Schools Forum. It provides a summary of the consultation responses received, which highlights broad agreement of schools to all of the proposals put forward in the consultation. The report therefore sets out the proposed distribution for the Dedicated Schools Grant – School Block. Executive approval is sought prior to submission of the formula to the Education Funding Agency.

RECOMMENDATIONS

The Executive is asked to:

1. **note the responses to the School Funding Consultation 2015/16;**
2. **approve the final proforma to be submitted to the Education Funding Agency (EFA) by the 20 January 2015; and**
3. **approve the distribution of the Dedicated Schools Grant - Schools Block for 2015/16.**

Overview and Scrutiny Comments

2. This issue has not been considered by Overview and Scrutiny. The numbers of responses from schools were very low this year, and there were only minor amendments to the funding for 2015/16.

Background

3. Since the beginning of the financial year 2006/07 local authorities have received allocations of Dedicated Schools Grant (DSG) to finance the Schools Budget in each authority. The DSG is a specific ring-fenced grant based on historical spending levels.
4. On 13 March 2014 the Department for Education (DfE) launched a consultation on Fair Schools Funding in 2015/2016. The DfE proposed to allocate £350m to the least fairly funded areas by setting Minimum Funding Levels (MFL) that every local area should attract for its pupils in 2015/2016. The DfE used seven characteristics to set minimum funding levels that a local authority should attract. These characteristics are listed below:
 - i. Basic Entitlement
 - ii. Deprivation
 - iii. Looked after Children
 - iv. Low Prior Attainment
 - v. English as Additional Language
 - vi. A lump sum
 - vii. Sparsity
5. After consideration of the views from the consultation responses the DfE has set out the arrangements for 2015/16 which were published on 17 July 2014. The DfE announced that it will allocate £390m to the least funded authorities, £40m more than initially proposed. These announcements indicate that Central Bedfordshire will receive a **one off** additional allocation of £5.3m in 2015/2016.
6. The DfE has made it clear that local authorities will not be obliged to use all MFL in their local formula. It will remain for the local authority, working with its Schools Forum, to decide how best to design its local formula. Local Authorities will have the same freedom to set a local formula for their schools in 2015/2016, as they did in 2014/2015. Individual schools should not expect that their funding will necessary be at or above the MFL.

Funding Arrangements and key changes for 2015/16

7. As in 2014/15, the DSG for 2015/16 will be split into three notional blocks; Schools, Early Years and High Needs. Authorities will continue to be free to move funding between the blocks provided that they comply with the requirements of the Minimum Funding Guarantee (MFG) and central expenditure. The entire Schools Block must be delegated to Schools with a few exceptions.

8. The Schools Block will be based on a per pupil unit of funding multiplied by number of pupils as reported on the Schools October 2014 census. The final settlement of DSG from the Department for Education was received on 15 December 2014. The final pupil unit value is calculated as the balancing figure using these final allocations.
9. The Early Years block will be based on a unit of funding multiplied by full time equivalent number of pupils reported on the Early Years January 2014 census. The Early Years block will be updated for January 2015 pupil numbers in June 2015 and in April 2016 for 7/12ths of the January 2016 pupil numbers to cover September 2015 to March 2016 period.
10. The principal elements considered for 2015/16 were:
 - For 2015/16 the average size of year group within the school will determine the eligibility for sparsity factor.
 - As in 2014/15 the LA can choose to have different lump sums for primary and secondary schools (middles getting a weighted average). The lump sum is now capped at £175,000 per school. Where two schools amalgamate the new school will receive 85% of the total of the lump sums of the predecessors for the next full year. For 2015/16 the LA may apply for an exceptional factor to pay a further allowance to amalgamating schools in the second year of amalgamation.
 - If a factor for looked after children is included in the funding formula this will apply to any child who has been in care for at least one day.
 - The guideline on the way prior attainment factor is measured is the same as in 2014/15, using the Early Years Foundation Stage Profile (EYFSP) and Key Stage 2 data. For EYFSP it will be not achieving a good level of development for the 2013 cohort; for KS2 it is not achieving level 4 in English **or** Maths.
 - Authorities must ensure that at least 80% of delegated funding is distributed by pupil-led factors (in 2014/15 in Central Bedfordshire 88% is distributed through pupil led factors).
 - For 2015/16 there are no constraints on the primary/secondary ratio.
 - In addition to the growth fund LAs may also create a fund for funding to cover temporary falling rolls in advance of a population bulge – but only for good or outstanding schools or academies.

- Local authorities can apply for exceptions to be made for:
 - Premises factors
 - Exclusions from the MFG
 - Changes in pupil numbers as a result of reorganisation or changes in years of admission.
 - Sparsity calculation
 - Variation to the lump sum for amalgamated schools.
11. All maintained schools and academies must be treated equally when incurring central expenditure, with the exception of the services that can only be de-delegated for maintained schools.
12. The table below provides a summary of the implementation timetable for the 2015/16 Funding Arrangements.

When	Activity
9 September 2014	School Forum Technical Sub Group meeting
15 September 2014	Discussion at the School Forum meeting
24 September to 15 October 2014	Consultation with schools
30 September 2014	Deadline for applications exclusion/variations to pupil numbers
October 2014	Political Approval for provisional 2015/16 funding formula
End of October 2014	Councils submit provisional pro-forma to Education Funding Agency.
15 December 2014	DfE confirms DSG Schools Block for 2015/16
31 December 2014	Deadline for submitting final applications for exclusion/variations to pupil numbers
13 January 2015	Executive to approve the 2015/16 funding distribution
20 January 2015	Deadline for submitting final pro-forma to Education Funding Agency
27 February 2015	LA issues Individual School Budgets.

13. On 9 September 2014 the Technical Funding group, a sub group of the School Forum, met with officers to discuss all formula factors and how the additional funding could be distributed. Four models were presented, two of which taken forward to the main School Forum meeting of 15 September 2014. This informed the consultation document launched on the 24 September 2014 (Appendix A). The consultation ended on 15 October 2014.
14. Schools were encouraged to participate in the consultation. Articles were placed in both Central and Governor Essentials highlighting the consultation process. Reminders to schools were placed in Central Essentials every Friday.

Consultation Responses

15. There were 37 individual responses to the consultation process. 2 schools submitted multiple responses and these were counted as 1 for the analysis. Middle School are deemed as secondary. The table below provides a summary of schools that responded.

	Number of School responses	School in each phase	% Response per phase
Nursery	1	4	25%
Primary	26	94	28%
Secondary	7	34	21%
Special	1	4	25%
Other	0	2	0%
Total	35	138	25%
Maintained	30	88	34%
Academy	5	48	10%
Other	0	2	0
Total	35	138	25%

16. The responses for each question are summarised, grouping the 'strongly agreed' and 'agreed' together under 'agree' and the 'strongly disagree' or 'disagree' under 'disagree'. A summary of the responses to the consultation is attached as Appendix B.
17. There was broad agreement to all of the proposals put forward in the consultation and so this is the basis on which it is recommended that schools' budgets should be calculated.
18. The Council submitted the provisional proforma to the Education Funding Agency (EFA) on 31 October 2014 (Appendix C). The EFA has confirmed that this has been checked and is compliant with regulations.
19. The final settlement of DSG from the Department for Education was received on 15 December 2014. The final pupil unit value is calculated from this information.

Protections and limits to gains

20. The pre-16 Minimum Funding Guarantee (MFG) for mainstream schools will continue to be set at minus 1.5% per pupil in 2015/16, continuing with the simplified calculation. This applies to pupils in age ranges 5-16 and therefore excludes funding for early years children and pupils over 16.

21. The only factors which are automatically excluded from the MFG are:
 - Post 16 funding (sixth form factor)
 - The lump sum
 - Sparsity factor
 - Rates

22. As there could be significant amounts of protection required as a continuing result of the formula simplification, the Education Funding Agency (EFA) will again allow overall gains for individual schools to be capped as well as scaled back to make it affordable to run the formula. Capping must be applied on the same basis to all schools, so cannot be differentiated by phase. It is applied by the EFA to academy budgets on the same basis as for maintained schools.

Growth Fund

23. Funding can be retained from the Schools Block before allocating formula, with the agreement of School Forum, for funding significant basic need pre-16 pupil growth and expenditure incurred in order to make provision for extra classes (to comply with School Admissions (Infant Class Sizes) Regulations). Funds must be used on the same basis for the benefit of both maintained schools and Academies.

24. Any funds remaining at the end of the financial year must be added to the following year's DSG and reallocated to maintained and academy schools through the formula. Any overspend is similar carried over to the next financial year.

25. Councils need to propose the criteria to the Schools Forum and gain its agreement before funding is allocated. The Council also needs to consult School Forum on the total sum to be top-sliced from each phase. The EFA will check the criteria for compliance with the regulations.

26. The Growth fund should not be used to support schools which are undergoing expansions to meet parental preference through self funded schemes or reorganisations to change the age range and/or admitting additional year groups. The council is expected to apply to vary the pupil numbers in these cases, based on the estimated intake in September.

27. The criteria for allocating funding through the growth fund is attached at Appendix D and has been discussed and agreed with the School Forum for 2015/16. There are two amendments to the growth fund for 2015/16.

- Successful applications for Growth Fund will be approved on the basis that allocations will be spent or formally committed for imminent expenditure within the financial year that they are awarded. Surplus balances brought forward from previous years prior to the Council's commissioning of new school places will not be taken into account in assessing a Growth Fund application.
 - The application form has been amended to take into account further support required where the IDACI data used in calculating deprivation allocation does not reflect the current developments in growing areas.
28. Central Bedfordshire is an area that will see significant growth in school aged children over the coming years, triggered by the increase in birth rate (which is impacting now and for at least the next five years), and by the rate of local housing development that is forecast over the next 25 years. The Council's School Organisation Plan outlines the pattern of this growth across phases and its New School Places Programme establishes an investment strategy for major projects to ensure the council continues to meet its statutory obligations to provide sufficient high quality school places.
29. Following consultation (question 22 of the consultation document, 73% agreement to the proposal) and discussions with the Schools Forums it is proposed that the Growth Fund be increased by £1,000,000 for 2015/16, to reflect the increased number of schools meeting the criteria for funding.

Reasons for decision

30. To enable the schools individual budgets to be issued by 27 February 2015 as required.

Council Priorities

31. Improve educational attainment.

Corporate Implications

Legal Implications

32. None.

Financial Implications

33. This paper relates to the distribution of the Dedicated Schools Grant – Schools' Block, which is a ring-fenced grant, and the Council's distribution of this to schools.

Equalities Implications

34. The Schools Funding Formula takes account of deprivation indices to ensure that support is targeted at the most vulnerable groups. The High Needs Block supports those pupils who have identified additional special educational needs (SEN). Schools additionally receive Pupil Premium funding which enables them to support pupils in receipt of Free School Meals, children who are 'Looked After' and children from Service Families.

Conclusion and next Steps

35. The consultation responses demonstrated broad agreement from those schools that responded to the proposals put forward and approved by Schools Forum. Subject to Executive approval, schools' budgets will be calculated accordingly and budgets issued by the deadline of 27 February 2015.

Appendices

- Appendix A: School Funding Consultation Document
- Appendix B: Summary of Consultation Responses
- Appendix C: Proforma October 2014
- Appendix D: Growth Fund Criteria 2015/16

Background Papers

36. None.

Proposed School Funding for 2015/16

Consultation document

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Please read this consultation document and then answer the questions on our proposals for school funding in 2015/2016 by completing our [online form](#). Paper copies of the form are available on request by contacting Gezim Leka on gezim.leka@centralbedfordshire.gov.uk or 0300 300 6162.

All responses must be received by 15 October 2014.

Introduction and key changes

1. On 13 March 2014 the Department for Education (DfE) launched a consultation on Fair Schools Funding in 2015/2016. The DfE proposed to allocate £350m to the least fairly funded areas by setting Minimum Funding Levels (MFL) that every local area should attract for its pupils in 2015/2016. The DfE used seven characteristics to set minimum funding levels that a local authority should attract. These characteristics are listed below:
 - i. Basic Entitlement
 - ii. Deprivation
 - iii. Looked after Children
 - iv. Low Prior Attainment
 - v. English as Additional Language
 - vi. A lump sum
 - vii. Sparsity
2. After consideration of the views from the consultation responses the DfE has set out the arrangements for 2015 to 2016 which were published on 17 July 2014. The DfE announced that it will allocate £390m to the least funded authorities, £40m more than initially proposed. These announcements indicate that Central Bedfordshire will receive a **one off** additional allocation of £5.3m in 2015/2016.
3. The DfE has made it clear that local authorities will not be obliged to use all MFL in their local formula. It will remain for the local authority, working with its Schools Forum, to decide how best to design its local formula. Local Authorities will have the same freedom to set a local formula for their schools in 2015/2016, as they did in 2014/2015. Individual schools should not expect that their funding will necessary be at or above the MFL.
4. We are keen to hear your views before we make our final decision on the funding arrangements for 2015/2016. You will notice that we have included questions throughout this document to support you in thinking about these changes. To find out how you can respond to these questions, please read the consultation section at the end of this document.
5. An optional factor for 'sparsity' was introduced by the DfE in 2014/2015, which is aimed at supporting necessary small schools, mainly in rural areas. Specific criteria have been drawn up by the DfE to control how this factor operates. Further details of changes for 2015/2016 can be found in paragraph 59.

6. As in 2014/2015 the Council can choose to have different lump sums for Primary and Secondary (with middle schools getting a weighted average). This is capped at £175,000 per school.
7. Where schools are amalgamating, the amalgamated new school will receive 85% of the total of the combined lump sum but only for the following financial year. For 2015/2016 the LAs may apply for an exceptional factor to pay a further allowance to amalgamating schools in the second year after amalgamation.
8. If a factor for Looked After Children is applied in a council's funding formula this will apply to any child who has been in care for at least one day, whereas in the past this was set at six months.
9. The guideline on the way prior attainment factor is measured is the same as in 2014/2015, using the Early Years Foundation Stage Profile (EYFSP) and Key Stage 2 (KS2) data. The measures are:
 - EYFSP – not achieving a good level of development (2013 cohort)
 - KS2 – not achieving level 4 in English or Maths for all cohorts.
10. The mobility factor, if used, can only be applied when the number of 'mobile' pupils exceeds 10%.
11. The basic entitlement for primary pupils (the Age Weighted Pupil Unit - AWPU) must be at least £2,000, and for secondary pupils (KS3 and KS4) at least £3,000. Central Bedfordshire figures for 2014/2015 were well within these parameters.
12. Councils must ensure that at least 80% of delegated funding is distributed via pupil led factors (in Central Bedfordshire in 2014/2015 88% is distributed through pupil led factors). There are currently no constraints on the Primary/Secondary ratio proposed in the latest guidelines but limits may be introduced in the future.
13. The 2015/2016 guidelines required the creation of a Growth Fund to be used to resource demographic increases in basic need. Following analysis of demand for growth to meet basic need, this was agreed by Schools Forum at £2m for 2015/2016, an increase of £1m from 2014/2015. The guidelines state that with the agreement of the Schools Forum, councils can now create a fund to cover temporary falls in a school's roll. This can only be applied to schools that have been judged by Ofsted to be 'good' or 'outstanding'. Schools Forum must also agree the criteria by which this will be applied and be consulted on allocations. This factor can only be applied if it relates to local place planning decisions and cannot be used to support unpopular or failing schools
14. The Operational Guidance for 2015/2016 provides information regarding financing schools that are planning to change their age ranges. Councils are now able to request approval to vary the pupil numbers for specific schools where:
 - there has been, or is going to be, a reorganisation; or
 - a school has changed, or is going to change, its age range either by adding or losing year groups.

15. In these cases, a weighted average of pupil numbers can be used, taking into account the changes in pupil numbers from the new academic year. Due to the 'school-driven' nature of the age range changes in Central Bedfordshire where numbers will continue to be affected by parental preference, the Council will need to apply for a variation in pupil numbers for specific schools for the funding period 2015/2016. Councils' budgets will be adjusted to recoup budget so that the Education Funding Agency (EFA) can fund affected Academies.
16. There will be some minor changes to the membership of the Schools Forum in the Schools Forum Regulations. The DfE is proposing to extend the membership of the forum to include representative of AP academies, Free School and Special Academies.
17. The Council will be able to apply for exceptions from the finance regulations in relation to:
 - Premises factors
 - Minimum Funding Guarantee
 - Changes in pupil numbers as a consequence of reorganisation or changes in years of admission
 - Sparsity calculation
 - Variation to lump sum for amalgamated schools.
18. All maintained schools and Academies must be treated equally when incurring central expenditure, with the exception of the figure that can only be de-delegated for maintained schools.
19. Pupil Premium will remain a separate grant in 2015/2016 and the rates for 2015/2016 will be confirmed by the DfE in due course.
20. The table below provides a summary of the timetable for implementation of the 2015/2016 Funding Arrangements.

When	Activity
9 th September 2014	School Forum Technical Funding Group meeting
15 th September 2015	Discussion at the Schools Forum meeting
24 th September to 15 th October 2015	Consultation with Schools
30 th September 2014	Deadline for applications exclusion/variations to pupil numbers
October 2014	Political Approval for provisional 2015/16 funding formula
End of October 2014	Councils submit provisional pro-forma to Education Funding Agency.
15 th December 2014	DfE confirms DSG Schools Block for 2015/16
31st December 2014	Deadline for submitting final application for exclusion/variation to pupil numbers
13 th January 2015	CBC Executive to approve the 2015/16 Funding

	distribution
20 th January 2015	Councils submit final pro-forma to Education Funding Agency.
27 th February 2015	Council issues Individual School Budgets

Proposed Formula Factors for Distributing the 2015/2016 Schools Block

Mandatory Factors

Basic per-pupil entitlement (AWPU)

21. This is a compulsory funding factor that assigns funding to individual pupils based on the October pupil census.
22. In 2015/2016 a minimum value of £2,000 for Primary and £3,000 for Secondary (KS3 and KS4) has been set.
23. Central Bedfordshire Council and the School Forum agreed that the remaining additional allocation (after top slicing £1m for Growth Funding) for 2015/16 should be distributed to schools using the AWPU factor. The Council and Schools Forum agreed that allocation through AWPU is the simplest and most transparent method, particularly as this additional DSG is a settlement for one year only.

Question: How far do you agree or disagree that the remaining one off additional allocation for 2015/16 should be distributed through the AWPU factor in 2015/2016? (Please answer Q6 on the consultation response form).

Deprivation

24. This is a compulsory factor. In 2014/2015 councils could choose to use free school meals and/or the Income Deprivation Affecting Children Index (IDACI) to distribute deprivation funding. There could be separate unit values for Primary and Secondary and it could be weighted for IDACI data.
25. Both indicators direct funding through a unit rate per deprived pupil.
26. Central Bedfordshire Council and the School Forum propose no change to the methodology or unit rates for the distribution of the 2015/2016 funding.

Question: How far do you agree or disagree that the deprivation funding methodology and unit rates should remain as in 2014/2015? (Please answer Q7 on the consultation response form if applicable).

Optional factors

27. Any funding used for optional factors that are not currently in use would be deducted from the basic entitlement (AWPU).

Looked After Children (LAC)

28. In 2014/2015 Central Bedfordshire Council introduced LAC as a new factor. A single unit value of £468 was allocated for any child that has been looked after for one day or more as recorded on the March return completed by councils each year, mapped to schools using the January school census.
29. Central Bedfordshire Council and Schools Forum proposes to continue with the inclusion of this factor, as data shows that these pupils underperform, and all available additional support should be provided in order to improve outcomes for LAC.

**Question: How far do you agree or disagree with the proposal to continue to include Looked After Children as a factor in the funding formula?
(Please answer Q8 on the consultation response form if applicable).**

Prior Attainment

30. In 2014/2015 Central Bedfordshire Council did not direct funding through this optional factor. For 2015/2016 the primary indicator will include those who failed to achieve a good level of development for the cohort of pupils in the 2013 assessments. This will only apply to this cohort; for older year groups in the school EYFSP will apply. The Secondary indicator will be based on the number of pupils not achieving level 4 in English or Maths.
31. Central Bedfordshire Council and the School Forum propose that there should be no change to 2015/2016. It is felt that introducing this factor could be seen as allowing extra funding to be targeted at low performing schools rather than underperforming pupils, therefore rewarding schools for their poor performance.

**Question: How far do you agree or disagree with the proposal to continue not to distribute funding based on prior attainment?
(Please answer Q9 on the consultation response form if applicable).**

English as an Additional Language (EAL)

32. In 2014/2015 Central Bedfordshire Council did not direct funding through this optional factor. Pupils with English as an additional language could attract funding for up to three years after they enter the statutory school system. Councils could choose to use indicators based on one, two or three years. There could also be separate values for Primary and Secondary.
33. There is no change to these criteria for 2015/16.

34. The table below shows the number of pupils where English is an Additional Language and the years the pupil enters the statutory school system.

Number of Years in statutory Education	Lower	Middle	Upper
1st	251	43	11
2nd	490	69	26
3rd	666	107	36

35. The school with the largest number of pupils with EAL is in an area where their parents are at the local University, with the pupils achieving well and learning through the medium of English. The other areas of impact are mostly deprived and are already in receipt of funding through the Deprivation factor. While demographic growth may change this picture over time, at present there is no effect or change to the need for an EAL factor. This can be revisited to accommodate any future changes in demographic profile.
36. Central Bedfordshire Council and the School Forum propose not to include a separate funding factor for EAL.

Question: How far do you agree or disagree with the proposal to continue to exclude English as an Additional Language (EAL) as a factor in the funding formula? (Please answer Q10 on the consultation response form if applicable).

Lump sum

37. This is an optional factor although it is used by all local authorities. The purpose of the lump sum is to provide all mainstream schools (including Academies but not including Special Schools), irrespective of size, with a contribution to the basic costs of operating a school.
38. As in 2014/2015 for 2015/16 Councils can set different lump sums for Primary and Secondary with a maximum level set at £175,000. Where schools amalgamate they will retain 85% of the total lump sums in the year after the amalgamation, rather than reducing to one lump sum immediately. Also for 2015/16 the LA may apply for an exceptional factor to pay a further allowance to amalgamating school in the second year after amalgamation.
39. Central Bedfordshire Council and the School Forum propose no change to the 2015/2016 lump sum value of £120,000.

Question: How far do you agree or disagree with the continuation of one lump sum of £120,000? (Please answer Q11 on the consultation response form if applicable).

Split sites

40. Central Bedfordshire Council currently funds schools through a split site factor. The purpose of this factor was to support schools which have unavoidable extra costs because they have a split site. The allocation was based on objective criteria, both for the definition of a split site and for the amount funded. The EFA checked the definition submitted to ensure it was objective and transparent, and easily applied to Academies. This only applied to two schools in 2014/2015 (Greenleas Lower School from September 2013 and Church End Lower School from September 2014).
41. The definition of a split site for 2015/2016 is 'a single school, based on two or more sites that do not share a common boundary, where use of a public highway is necessary to travel between each site and where staff teach more than one curriculum subject area on a daily basis in order to support the principle of a whole school policy.' For 2015/2016 one more school (St Andrews Lower School) will fit the criteria from September 2015.
42. Note: Federated schools are not eligible for this factor as they remain separate schools receiving individual delegated budgets for each within its federation and therefore each retaining a lump sum.
43. Central Bedfordshire Council and the School Forum propose to continue to allocate an additional lump sum (£120,000) to those schools meeting the definition of a split site. This will be revisited in future years as more schools may merge and work across more than one site.

**Question: How far do you agree or disagree with the continuation of funding schools through a split site factor?
(Please answer Q12 on the consultation response form if applicable).**

Rates

44. This is an optional factor but used by all councils in 2014/2015. It is funded on the authority's estimate of actual costs. Any adjustment can be made in the following financial year.
45. There are no changes proposed for 2015/2016.

**Question: How far do you agree or disagree with the continuation of funding rates on an actual basis?
(Please answer Q13 on the consultation response form if applicable).**

Private Finance Initiative (PFI) contracts

46. There is not currently a Private Finance Initiative (PFI) factor within the local formula. The purpose of this factor is to support schools which have unavoidable extra premises costs because they are a PFI school and/or to cover situations where the PFI 'affordability gap' is delegated and paid back to the local authority.
47. The funding gap for Central Bedfordshire's two PFI schools is not met by DSG contributions, as it is in many councils, but paid from the Council's core funding that

it receives through revenue support grant. It is not a requirement to delegate the PFI affordability gap as this can continue to be funded outside of the DSG.

48. Central Bedfordshire Council and the School Forum propose not to introduce a factor for PFI for 2015/2016.

Question: How far do you agree or disagree with the proposal to continue with excluding a Private Finance Initiative (PFI) factor from the funding formula for 2015/16?

(Please answer Q14 on the consultation response form if applicable).

Pupil Mobility

49. In 2014/2015 Central Bedfordshire Council did not fund schools through a Pupil Mobility factor. This measure counted pupils who entered the school in the last three academic years, but did not start in August or September (or January for reception pupils). There could be separate unit values for Primary and Secondary.
50. There are no changes proposed for 2015/2016.
51. The table below shows the number of pupils in Central Bedfordshire Schools that were admitted to schools outside of the timelines specified above and applies the 10% threshold. The school level data has been provided by the Department for Education and is based on the academic year 2012/2013.

Lower	Middle	Upper	Total
119	35	0	154

52. The issue of mobility in Central Bedfordshire has only been raised previously in relation to service children. This particular group of pupils will not be specifically targeted by this new threshold. In addition, service children receive Pupil Premium Grant.
53. Central Bedfordshire Council and the School Forum propose not to include a new factor for 2015/2016 for pupil mobility given that it is not targeted at any particular group of pupils where mobility may be an issue.

Question: How far do you agree or disagree with the proposal to continue excluding pupil mobility as a factor from the funding formula for 2015/16?

(Please answer Q15 on the consultation response form if applicable).

Dedicated School Grant (DSG) spent on Post 16 pupils

54. This is an optional factor but can only be used where the local authority used such a factor in 2014/2015. It is a per pupil factor which continues funding for post-16 pupils up to the level that the Council provided in 2014/2015. Central Bedfordshire Council did not provide Dedicated School Grant for this purpose in 2014/2015 and therefore a factor it is not permitted going forward.

Exceptional premises factors

55. The exceptional factors must relate to premises costs and councils are advised that applications should only be submitted where the extra factor would be more than 1% of a school's budget and covered fewer than 5% of the schools in the authority's area.
56. For 2014/2015 Secretary of State approved the application for both joint use and rent (rent has only been approved for 6 out of the 9 schools applied for). 3 schools were declined because they were well below the 1% threshold of school budget share.
57. Any factors which were used in 2014/2015 can automatically be used in 2015/2016 provided that the above criteria are still met. Also a further school(s) may receive the factor if it meets the existing approved criteria.
58. Central Bedfordshire Council and the School Forum propose the continuation of funding the joint use arrangement and the inclusion of a rent factor for those schools as approved by the Secretary of State.

Question: How far do you agree or disagree with the proposal to continue funding the joint use arrangement?

(Please answer Q16 on the consultation response form if applicable).

Question: How far do you agree or disagree with continuing a rent factor for schools that are eligible?

(Please answer Q17 on the consultation response form if applicable).

Sparsity Factor

59. The DfE has identified the nearest school to pupils' home addresses. For each school, the average distance as the crow flies to those pupils' second nearest school has been calculated by the DfE. Schools can only qualify for sparsity funding if this distance is greater than two miles for Primary and three miles for Secondary and if they have fewer than 150 pupils for Primary or 600 for Secondary.
60. Councils can narrow the criteria (set at a greater distance or smaller maximum distance). The maximum amounts which can be allocated to an individual school through this factor is £100,000. Councils can also choose whether to use a single amount for all sparse schools, or to use a tapered amount which increases the smaller the school.
61. For 2015/2016 the average size of year groups within the school will determine the eligibility. Schools will qualify if total pupils divided by number of year groups are below the threshold prescribed below:
 - Primary: 21.4
 - Secondary: 120
 - Middle: 69.2
 - All-through: 62.5

Example 1:

- School A is a primary school with 120 pupils and a sparsity distance of 2.5 miles. The school provides for 3 year groups. The average year

group size is $(120 / 3) 40$, which is too high to meet the sparsity size criterion. School A is not eligible for sparsity funding.

Example 2:

- School B is a primary school with 120 pupils and a sparsity distance of 2.2 miles. The school provides for 7 year groups. The average year group size is $(120 / 7) 17.14$, which meets the sparsity size criterion and the distance is greater than the primary distance threshold. School B is eligible for sparsity funding.

62. Should this factor be introduced, only 5 Central Bedfordshire schools would attract funding.
63. Central Bedfordshire Council and the School Forum propose not to include sparsity as a new factor for 2015/2016. The general consensus is that this factor is for supporting schools in rural or remote areas like North Yorkshire, Cumbria and Norfolk. Although it was recognised that some schools may be relatively isolated, all schools are protected by the lump sum.

Question: How far do you agree or disagree with the proposal to continue not to include a sparsity factor for 2015/16?

(Please answer Q18 on the consultation response form if applicable).

Protections and limits to gains

64. The pre-16 Minimum Funding Guarantee (MFG) for mainstream schools will continue to be set at minus 1.5% per pupil in 2015/2016, continuing with the simplified calculation. This applies to pupils in age ranges 5 – 16 and therefore excludes funding for early years children (see Early Years section below) and young people over 16.
65. The only factors which are automatically excluded from the MFG are:
- Post 16 funding (sixth form factor)
 - The lump sum
 - Sparsity factor
 - Rates
66. Additional funding delegated due to an increase in DSG (in respect of Minimum Funding Levels) does not constitute new delegation and should not be excluded from the MFG calculation.
67. As there could be significant amounts of protection required as a result of the formula simplification, the Department for Education allows overall gains for individual schools to be capped as well as scaled back to make it affordable to run the formula.
68. Capping and scaling must be applied on the same basis to all schools and cannot be differentiated by phase. It is applied by the EFA to Academy budgets on the same basis as for maintained schools.

69. Capping and scaling must not be applied to schools which have opened in the last seven years and have not reached their full number of year groups.
70. A commitment has been made that MFG will continue beyond 2015/2016, but it is not possible to confirm at what level, as this is subject to the outcomes of the spending review.
71. Central Bedfordshire Council and the Schools Forum have considered the options and propose to cap those schools that gain in order to fund the MFG for those schools that lose.

Question: How far do you agree or disagree with the proposal to continue to cap those schools that gain in order to fund the Minimum Funding Guarantee? (Please answer Q19 on the consultation response form if applicable).

Proportion allocated through pupil led factors

72. Councils must allocate at least 80% of the delegated schools block funding through pupil-led factors. In 2014/2015 CBC funded 88% of the schools block through these factors. The proposals in this consultation and accompanying financial model demonstrating the effect of these proposal targets 88.06% of funding through the pupil led factors.

Primary/Secondary ratio

73. There will not be a Primary/Secondary ratio at this stage but they have not been ruled out for future years. The ratio for Central Bedfordshire assuming the proposals in the financial model is 1:1.30.

Centrally Provided Services

74. The 2013/14 reforms significantly reduced the number of centrally held budgets within the schools block. There are two groups that central services fit into:-
 - De-delegated Services. These have to be allocated through the formula but can be de-delegated for maintained primary and secondary schools.
 - Centrally Retained Services. These can be centrally retained before allocating the formula with the agreement of the Schools Forum and include; funding for pre-16 pupil growth and infant class size, funding for falling roles and Copyright Licensing Agency (CLA) and Music Publishers Association (MPA) licenses. In addition Admissions and Servicing of Schools Forum are permitted. No new commitments or increases in expenditure are allowed from 2013/2014.
75. The following services were delegated in 2014/2015 but were able to be de-delegated from the Primary and/or Secondary maintained schools budget subject to a Schools Forum decision by the representative of each sector. **De-delegation is not an option for Academies, Special Schools, Nurseries or PRU's.**
 - Facilities Time (Union representation at meetings etc) and
 - Schools Specific Contingency (Closing and re-organising, Schools in financial difficulty etc)

76. Any unspent de-delegated funding remaining at the year end is reported to the Schools Forum. Funding may be carried forward to the following funding period but its use is subject to the regulations operating in the new financial year.
77. The de-delegation provision is available in 2015/2016 and arrangements need to be reviewed as decisions on de-delegation were for 2014/2015 only.

78. The table below represents the maintained school contribution in 2014/2015

Services	Distributed through formula factor	Total Value	Per-pupil
Facilities Time	Basic entitlement	£48,240	£3.31
School Specific Contingency	Basic entitlement	£100,000	£5.63

79. The per pupil unit rate will be calculated on the pupil numbers in maintained schools following the October 2014 census. The table below (in paragraph 81) estimates the cost per pupil for 2015/2016 and has taken into account any proposed Academy conversions prior to 1 April 2015. However, it does not take into account changes to trade union membership numbers and therefore the unit rate is likely to change once pupil numbers and trade union membership numbers are known.
80. The School and Early Years Finance Regulations state that
 “expenditure on the schools specific contingency” is central expenditure deducted for the purpose of ensuring that monies are available to enable an increase in a school’s budget share after it has been allocated and where it subsequently becomes apparent that a governing body have incurred expenditure which it would be unreasonable to expect them to meet from the school’s budget share which may include expenditure in relation to—
- (i) schools in financial difficulty,
 - (ii) the writing-off of deficits of schools which are discontinued, excluding any associated costs and overheads,
 - (iii) new, amalgamating or closing schools, or
 - (iv) other expenditure where the circumstances were unforeseen when initially determining the school’s budget share.”

The additional sum proposed for Schools Specific Contingency in 2015/16 is to support schools facing particular financial challenges, specifically Streetfield, Ashton and Brewers Hill middle schools which are subject to closure in August 2016 (Ashton and Streetfield) and August 2017 (Brewers Hill), should it be required. The additional contingency will be used by the LA to fund support if required where the schools’ budgets are impacted by the reducing pupil numbers and forecast pupil numbers. It will ensure continued effective delivery of the full curriculum for those

children in the schools until the point of closure. A project group has been set up for each of the schools to provide support and challenge (if appropriate) until the date of closure.

81. The table below illustrates the maintained school contribution should the items above be de-delegated.

Services	Distributed through formula factor	Total Value	Per-pupil
Facilities Time	Basic entitlement	£48,240	£3.31
School Specific Contingency	Basic entitlement	£500,000	£31.23

Question: How far do you agree or disagree with the proposal to continue to de-delegate Facilities Time?

(Please answer Q20 on the consultation response form if applicable).

Question: How far do you agree or disagree with the proposal to continue to de-delegate School Contingency although at a higher rate?

(Please answer Q21 on the consultation response form if applicable).

Falling Rolls and Growth Fund

82. This is funding that can be retained centrally before the formula is calculated for falling rolls where a populations bulge is expected in the future but where a good and necessary school or academy currently has surplus places and faces unmanageable funding shortfall in the short term.
83. Funding can also be retained for a growth fund, and additional classes needed as a consequence of infant class size regulations.
84. The requirements of the Falling Rolls Fund and the Growth Fund are that:
- The falling rolls fund should be restricted to population increases expected in 2 – 3 years in necessary schools which are classed by OFSTED as good or outstanding. It must not be used to prop up unpopular or failing schools.
 - The growth fund can be used only for the purpose of supporting growth in pre-16 pupil numbers to meet basic need, to support additional classes needed to meet the infant class size regulation and to meet the costs of new schools.
 - Both funds must be used on the same basis for the benefit of both maintained schools and recouplement academies.
 - Any funds remaining at the end of the financial year must be added to the following year's DSG and reallocated to maintained and academy schools through the formula.
 - Councils are required to produce criteria on which any falling rolls or growth funding is to be allocated. These should provide a transparent and consistent basis (with differences permitted between phases) for the allocation of funding.
 - Councils need to propose the criteria for both funds to the Schools Forum and gain its agreement before funding is allocated. The Council also needs to consult Schools Forum on the total sum to be top-sliced from each phase. The EFA will check the criteria for compliance with the regulations.

85. The Growth Fund should not be used to support schools which are undergoing reorganisations to change the age range and/or admitting additional year groups. The council is expected to apply to vary the pupil numbers in these cases, based on the estimated intake in September. However, councils may wish to add criteria for the use of the Growth Fund where the estimated pupil numbers are significantly short of the actual September intake and where the additional pupils are admitted because of basic need requirements.
86. In 2014/2015 Central Bedfordshire Council agreed with the School Forum the criteria for the Growth Fund and an amount of £1,000,000 to be retained centrally for this purpose. It also included a factor to assist lower and primary schools, to meet the infant class size regulations, where a breach is unavoidable. The EFA approved the criteria as being compliant with the regulations.
87. Central Bedfordshire is an area that will see significant growth in school aged children over the coming years, triggered by the increase in birth rate (which is impacting now and for at least the next five years), and by the rate of local housing development that is forecast over the next 25 years. The Council's School Organisation Plan outlines the pattern of this growth across phases and its New School Places Programme establishes an investment strategy for major projects to ensure that the council continues to meet its statutory obligations to provide sufficient high quality school places. In addition the Council will continue to utilise its programme of temporary accommodation where appropriate and will work with schools and academies in each of our planning areas to discuss school organisation and admissions issues and agree management options.
88. Central Bedfordshire Council and the Schools Forums agreed to increase the centrally held funding for the Growth Fund by £1,000,000, to reflect the increased number of schools meeting the criteria for funding. However, it is proposed to continue to not include a new fund for falling rolls and to leave the existing funding within the AWPU values.

**Question: How far do you agree or disagree with the proposal to retain centrally £2,000,000 for the purpose of the Growth Fund?
(Please answer Q22 on the consultation response form if applicable).**

**Question: How far do you agree or disagree with the proposal to continue not to retain central funding for the purpose of falling rolls?
(Please answer Q23 on the consultation response form if applicable).**

Requests to vary pupil numbers

89. The EFA expect requests to vary pupil numbers to be submitted by Councils where maintained schools or academies are changing their age range or are part of a reorganisation. Applications approved so far use a weighted average of pupil numbers, taking account of the increase or reduction in pupil numbers from the start of the new academic year.
90. As in year changes to budgets are not permitted, any proposals which involve adjusting budgets where actual numbers differ from estimates could only be agreed on the basis that the adjustment would not take place until 2016/2017, subject to any

restrictions imposed by a National Funding Formula. It is important therefore that a realistic estimate is made for the adjustment in 2015/2016.

91. Where an Academy is part of the pupil number variation, then the full effect of the change will be incorporated in their 2015/2016 budget, as this is effective from September 2015.
92. The Growth Fund should be used where schools are being asked to take on extra classes within their existing age range because of basic need and not where the age range is changing. It could be used where basic need growth results in actual numbers being significantly greater than estimated in schools changing their age range.
93. Central Bedfordshire Council has made an application to vary the application of The School and Early Years Finance Regulations 2013 for the financial year 2015/2016 and dis-apply the use of October census data for specific schools, with the intention to more accurately reflect pupil numbers in schools and academies affected by changes of age range in the Dunstable and Houghton Regis area. The application detailed how the calculation would be made and how adjustments would be made where the actual numbers differ from estimates.
94. To inform the 2015/2016 budget setting process for maintained schools and for Academies the Council needs to be able to provide estimates in late January 2015 for numbers expected in each affected school in the following September 2015.
95. Secondary/Upper transfer applications for September 2015 will be known by the admissions application deadline at the end of October 2014. This will provide clarity on numbers of pupils seeking a Year 7 and a Year 9 place at an upper/secondary (excluding late applications, in year transfers and subsequent changes in preferences).
96. 15 January 2015 is the admission transfer application deadline for middle schools and will provide clarity on numbers of pupils seeking transfer to any school with a Year 5 transfer point (excluding late applications, in year transfers and any changes of preference) for the following September 2015.
97. For those schools who are already offering Year 5 or Year 7 in September 2014 (i.e those schools who are in second year of transition to a primary or secondary school) the Council will assume a roll on in those schools of these numbers into Years 6 and 8 in September 2015.
98. In addition, the Council intends to establish a budget correction mechanism to ensure that schools are not significantly over or under funded on the estimates established in January 2015 through the process as set out above, versus actual admissions in September 2015. Any estimate that is +/- 5% different to actual pupil numbers in the new year group(s) or group(s) affected only by the age range changes from other schools will be corrected through a corresponding increase or decrease in funding in the next financial year (2016/2017). This assumes that national regulations in place at that time will allow this correction to be made and also reflects advice already received from the EFA that corrections cannot be made in 2015/2016.

99. For budget modelling purposes (which accompanies this School Funding Consultation), the Council has based the calculations on the latest information with a clear grid showing each affected school and the assumptions we have made of the number of pupils anticipated in the new year groups created from September 2015.

Early Years Block

100. There are no changes proposed for 2015/2016.

High Needs Block

101. There will not be any substantial changes to the distribution of High-Needs funding for 2015/2016.

Financial Model

102. Below is a summary of the proposed changes and the basis of the modelling attached:

Factor		2014/15	2015/16
A basic per pupil entitlement	Primary AWPU	£2,959	£3,034
	Key Stage 3 AWPU	£4,221	£4,296
	Key Stage 4 AWPU	£4,930	£5,005
Deprivation	IDACI Band 2 and 3	£554	£554
	IDACI Band 4	£1,108	£1,108
	IDACI Band 5	£1,662	£1,662
	IDACI Band 6	£2,216	£2,216
Looked After Children		£468	£468
Prior Attainment		£0	£0
EAL		£0	£0
Lump Sum		£120,000	£120,000
Split Site		£120,000	£120,000
Rates		Based on actual	Based on actual
PFI		£0	£0
Pupil Mobility		£0	£0
Post -16		n/a	n/a
Exceptional Premises factors	Joint Use	£98,330	£98,330
	Rent	£40,060	£40,060
Sparsity		£0	£0
Growth Fund		£1,000,000	£2,000,000
Falling Roles Fund		£0	£0
School Admissions		£260,490	£260,490
School Forum		£3,000	£3,000
Copyright Licenses		£142,240	£142,240

103. The MFG has been calculated using the DfE's simplified calculation, the only exceptions being the lump sum, sixth form funding, rates and sparsity.

104. Winners have been capped by 5% (this allows schools to gain up to 5% of their School Budget Share based on previous years). In 2014/15 the cap only allowed schools to gain 1.7%. The cap is necessary to fund the required protection calculated for MFG.
105. Any decrease on 2015/2016 estimated allocation is due to MFG reduction for 2015/2016.
106. Facilities Time has been assumed at the same unit rate as 2014/2015.
107. Statutory functions; coordinated admissions scheme and servicing of Schools' Forum assumed as at current levels.
108. The figures are illustrative and must not be taken as final allocations.

**Do you have any other comments about the proposals for school funding in 2015/16?
(Please answer Q24 of the consultation form).**

The Consultation Process

109. The Council is consulting schools in the council area to ensure that you have every opportunity to have your say on the final funding scheme.
110. The consultation is open between Wednesday 24 September and Wednesday 15 October 2014. You can respond to the consultation through our [online response form](#). Paper copies of the form are available on request by contacting Gezim Leka on gezim.leka@centralbedfordshire.gov.uk or 0300 300 6162.
111. The feedback from the consultation will be presented to the Council's Executive on 13 January 2015 where a final decision will be made.



A great place to live and work

Contact us...

by telephone: 0300 300 6162

by email: Gezim.Leka@centralbedfordshire.gov.uk

on the web: www.centralbedfordshire.gov.uk

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

Appendix B

Summary of responses to the consultation

No	Question	Agree	Disagree	Agree %	Disagree %	Neither Agree nor Disagree %
6	How far do you agree or disagree that the remaining one off additional allocation for 2015/16 should be distributed through the AWPU factor in 2015/2016?	32	2	87%	5%	8%
7	How far do you agree or disagree that the deprivation funding methodology and unit rates should remain as in 2014/2015?	34	0	92%	0%	8%
8	How far do you agree or disagree with the proposal to continue to include Looked After Children as a factor in the funding formula?	31	1	84%	3%	13%
9	How far do you agree or disagree with the proposal to continue not to distribute funding based on prior attainment?	27	2	73%	5%	22%
10	How far do you agree or disagree with the proposal to continue to exclude English as an Additional language (EAL) as a factor in the funding formula?	25	4	68%	11%	21%
11	How far do you agree or disagree with the continuation of one lump sum of £120,000?	32	4	86%	11%	3%
12	How far do you agree or disagree with the continuation of funding schools through a split site factor?	22	2	60%	5%	35%
13	How far do you agree or disagree with the continuation of funding rates on an actual basis?	36	0	97%	0%	3%

No	Question	Agree	Disagree	Agree %	Disagree %	Neither Agree nor Disagree %
14	How far do you agree or disagree with the proposal to continue with excluding a Private Finance Initiative (PFI) factor from the funding formula for 2015/16?	22	2	60%	5%	35%
15	How far do you agree or disagree with the proposal to continue excluding pupil mobility as a factor from the funding formula for 2015/16?	19	3	51%	8%	41%
16	How far do you agree or disagree with the proposal to continue funding the joint use arrangement?	21	0	57%	0%	43%
17	How far do you agree or disagree with continuing a rent factor for schools that are eligible?	27	0	73%	0%	27%
18	How far do you agree or disagree with the proposal to continue not to include a sparsity factor for 2015/16?	23	1	62%	3%	35%
19	How far do you agree or disagree with the proposal to continue to cap those schools that gain in order to fund the Minimum Funding Guarantee?	33	1	89%	3%	8%
20	How far do you agree or disagree with the proposal to continue to de-delegate Facilities Time?	21	2	57%	5%	38%
21	How far do you agree or disagree with the proposal to continue to de-delegate School Contingency although at a higher rate?	22	5	59%	14%	27%
22	How far do you agree or disagree with the proposal to retain centrally £2,000,000 for the purpose of the Growth Fund?	27	6	73%	16%	11%
23	How far do you agree or disagree with the proposal to continue not to retain central funding for the purpose of Falling Rolls?	29	4	78%	11%	11%

Appendix C - Local Authority Funding Reform Proforma

LA Name:	Central Bedfordshire
LA Number:	823

Pupil Led Factors

1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Reception uplift	No	Pupil Units		0.00		Total	Proportion of total pre MFG funding (%)	Notional SEN (%)		
	Description	Amount per pupil		Pupil Units		Sub Total					
	Primary (Years R-6)	£3,034.00		21,776.00		£66,068,384	£127,012,556	44.53%	5.00%		
	Key Stage 3 (Years 7-9)	£4,296.00		7,937.00		£34,097,352		22.98%	5.00%		
	Key Stage 4 (Years 10-11)	£5,005.00		5,364.00		£26,846,820		18.09%	5.00%		
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)	
2) Deprivation	FSM6 % Primary	£0.00		3,588.65		£0	£3,593,288	2.42%	5.00%		
	FSM6 % Secondary		£0.00		2,288.12	£0			5.00%	5.00%	
	IDACI Band 1	£0.00	£0.00	1,441.92	916.55	£0			5.00%	5.00%	
	IDACI Band 2	£554.00	£554.00	862.92	485.49	£747,018			5.00%	5.00%	
	IDACI Band 3	£554.00	£554.00	1,597.98	953.09	£1,413,288			5.00%	5.00%	
	IDACI Band 4	£1,108.00	£1,108.00	813.28	419.25	£1,365,646			5.00%	5.00%	
	IDACI Band 5	£1,662.00	£1,662.00	22.07	9.01	£51,652			5.00%	5.00%	
	IDACI Band 6	£2,216.00	£2,216.00	3.99	3.09	£15,683			5.00%	5.00%	
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)	
3) Looked After Children (LAC)	LAC X March 12	£468.00		122.43		£57,297	£57,297	0.04%	5.00%		
4) English as an Additional Language (EAL)	EAL 3 Primary	£0.00		719.96		£0		0.00%	5.00%		
	EAL 3 Secondary		£0.00		88.57	£0				5.00%	
5) Mobility	Pupils starting school outside of normal entry dates			119.33	35.47	£0		0.00%	5.00%	5.00%	
	Description	Weighting	Amount per pupil	Percentage of eligible Y1 and Y2-5 NOR respectively	Eligible proportion of primary and secondary NOR respectively	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)	
6) Prior attainment	Low Attainment year 1			51.68%			£0	0.00%	5.00%		
	Low Attainment % Y2-5 78		£0.00	16.58%	2,578.53	£0					
	Secondary pupils not achieving (KS2 level 4 English or Maths)		£0.00		3,187.19	£0					5.00%

Other Factors

Factor	Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)	Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)	
7) Lump Sum	£120,000.00	£120,000.00			£15,480,000	10.43%	5.00%	5.00%
8) Sparsity factor					£0	0.00%	5.00%	5.00%

Please provide alternative distance and pupil number thresholds for the sparsity factor below. Please leave blank if you want to use the default thresholds. Also specify whether you want to use a tapered lump sum for one or both of the phases.

Primary distance threshold (miles)	Primary pupil number average year group threshold		Fixed or tapered sparsity primary lump sum?	Fixed				
Secondary distance threshold (miles)	Secondary pupil number average year group threshold		Fixed or tapered sparsity secondary lump sum?	Fixed				
Middle schools distance threshold (miles)	Middle school pupil number average year group threshold		Fixed or tapered sparsity middle school lump sum?	Fixed				
All-through schools distance threshold (miles)	All-through pupil number average year group threshold		Fixed or tapered sparsity all-through lump sum?	Fixed				
9) Fringe Payments					£0	0.00%		
10) Split Sites					£310,000	0.21%	5.00%	
11) Rates					£1,790,461	1.21%	5.00%	
12) PFI funding					£0	0.00%	5.00%	
13) Sixth Form					£0	0.00%	5.00%	

14) Exceptional circumstances (can only be used with prior agreement of EFA)

Circumstance	Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)	
Additional lump sum for schools amalgamated during FY14-15	£0	0.00%	5.00%	5.00%
Additional sparsity lump sum for small schools	£0	0.00%	5.00%	
Exceptional Circumstance3	£98,330	0.07%	5.00%	
Exceptional Circumstance4	£40,060	0.03%	5.00%	
Exceptional Circumstance5	£0	0.00%	5.00%	
Exceptional Circumstance6	£0	0.00%	5.00%	

Total Funding for Schools Block Formula (excluding MFG Funding Total) (£)	£148,381,992	100.00%	£7,419,100	
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15) Minimum Funding Guarantee (MFG is set at -1.5%)	£692,054	
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)	Yes	
Capping Factor (%)	5.00%	Scaling Factor (%)
		100.00%

Total deduction if capping and scaling factors are applied	-£688,223	
	Total (£)	Proportion of Total funding(%)
MFG Net Total Funding (MFG + deduction from capping and scaling)	£3,831	0.00%
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved)	£0.00	
Additional funding from the high needs budget	£0.00	
Growth fund (if applicable)	£2,000,000.00	
Falling rolls fund (if applicable)	£0.00	
Total Funding For Schools Block Formula	£148,385,823	
% Distributed through Basic Entitlement	85.60%	
% Pupil Led Funding	88.06%	
Primary: Secondary Ratio	1 :	1.30



2015/16 Growth Fund

Appendix D

Growth Funds – Background	
1.	<p>Funds can be retained from the Schools Block before allocating formula, with agreement of School Forum, for funding;</p> <ul style="list-style-type: none"> • significant pre-16 pupil growth • expenditure incurred to enable schools to comply with Infant Class Size Regulations <p>Revenue funding for pre statutory pupil growth is provided through the Early Years block and is not therefore covered by this Growth Fund.</p>
2.	<p>The conditions applying to this funding set out by the DfE are:</p> <ul style="list-style-type: none"> • any retained funding would benefit both maintained schools and academies; • any funds remaining at the end of the year are added to the following year's DSG and reallocated to schools and academies; • clear criteria need to be determined; • the Schools Forum need to agree both the criteria and the overall amount, and be updated on the allocations
3.	<p>For 2014/15 the Growth Fund has been established at £1M. However, any overspend will be a first charge to the lower, middle and upper school budgets in the following year.</p>
Significant pre 16 pupil growth	
4.	<p>This factor refers to instances where the Local Authority commissions new school places as a new school or equivalent new split site school provision or as permanent or temporary increases to an existing school site (i.e. to accommodate a bulge year). It provides funding for pre opening costs of establishing significant new provision and also protects against the potential financial impact of admissions falling short of the agreed additional capacity by providing place led guarantees.</p> <p>Qualifying provision includes:</p> <ul style="list-style-type: none"> • new schools • expansions to existing schools on additional sites • temporary or permanent expansions to existing schools on their current sites <p>Where necessary, Capital funding for these increases is allocated by the Council's School Organisation, Admissions and Capital Planning Team, through a commissioning process that is beyond the scope of the Growth Fund.</p>
5.	<p>There are a range of revenue issues associated specifically with the establishment of New Schools and the equivalent scale of expansion of existing schools on additional sites. These include:</p> <ul style="list-style-type: none"> • Funding for the initial set up costs of a school • Funding for the inefficiency of a new school or school site, as it builds to full capacity

6.	<p>The initial revenue set up costs of a new or split site school will be varied but may include those associated with:</p> <ul style="list-style-type: none"> • Project management support • Administration and Legal assistance • Advice on establishing HR, Admissions, Finance and other policies • Governance induction and training • Lead in year (pre opening) staff • Curriculum resources (consumables, not furniture, fixtures and equipment) i.e. text books
7.	<p>Where necessary, a range of set up costs will also be met from capital expenditure associated with the main construction project i.e. FF&E, temporary site/office accommodation etc</p>
8.	<p>A useful tool to determine potential pre opening revenue costs of establishing a new provision is provided by the budgeting tool, attached at Appendix A.</p>
9.	<p>The speed with which a new school or site will fill and the choice of method of implementation i.e. annual growth upward from the school's normal admission point of entry until expansion is complete in all year groups, or across all year groups simultaneously, will differ depending on a range of circumstances. These include:</p> <ul style="list-style-type: none"> • The specifics of the local demographic • The rate of continued demographic growth • The capacity of local schools • The timing of the expected opening of the new school or site and • The need to limit turbulence caused in the wider schools system
10.	<p>For schools which are expanding onto additional sites, the purpose of and eligibility for the Split Site Factor, once the school is open, must be taken into account in determining the additional costs associated with the need to expand leadership and management structures.</p>
11.	<p>Where the Council commissions permanent or temporary increases to an existing school site similar factors may apply depending on the scale of the planned increase in comparison with the original capacity of the school.</p>
12.	<p>Any place led funding guarantee to protect against the possibility that the new places do not fill can only therefore be determined through discussion between the school, Children's Services Finance and the School Organisation, Admissions and Capital Planning Team, informed by forecasts of pupil numbers, occupation rates in new developments and other relevant data.</p>
13.	<p>In order to be financially sustainable and not to represent a financial burden on the school as a whole, any new class should have a minimum of 25 pupils and schools will therefore be compensated for the difference between actual pupils up to the target number of 25.</p>

14.	Given the variables that need to be considered in each instance, an application and assessment process for pre opening costs and for place led funding is therefore recommended for schools who qualify for Growth Fund, under the Pre 16 Pupil Growth criteria. Application documentation will be developed for schools to ensure transparency, accountability and that appropriate challenge and assessment can be undertaken in all instances. It is suggested that the application utilise the budgeting tool referred to in section 8, where relevant.
15.	Assessment will be undertaken by a panel consisting of Council Officers representing Children’s Services Finance and the School Organisation, Admissions and Capital Planning Team, in addition to two members of the School Forum, nominated on an annual basis by the Forum. Approval for successful applications will be given under delegated authority from the School Forum by the Deputy Chief Executive/Director of Children’s Services.
16.	Successful applications for Growth Fund will be approved on the basis that allocations will be spent or formally committed for imminent expenditure within the financial year that they are awarded. The Panel’s assessment of subsequent applications will take account of any unspent or uncommitted allocations previously made to schools and academies from the Growth Fund. Surplus balances brought forward from previous years prior to the Council’s commissioning of new school places will not be taken into account in assessing a Growth Fund application.
17.	Successful applications will be reported to the School Forum as is required by Regulation.

Infant Class Size regulation

18.	The School Standards and Framework Act 1998 (Sections 1- 4) provided that all schools with infant pupils must organise their Key Stage 1 classes to ensure that they contain no more than 30 pupils for all ordinary teaching sessions taught by a single qualified teacher from September 2001. In some schools, this may require the creation of an additional class or a withdrawal group, vertical grouping of pupils or the presence of a second teacher to team-teach the class. Some schools may look to a combination of these options to achieve the statutory infant class size limit.
19.	<p>The Regulations specify that:</p> <p>No child attaining the age of 5, 6 or 7 during the course of the academic year should be in an infant class of more than 30 pupils. A class is covered by the limit if the majority of pupils in the class are infants.</p> <p>The limit applies to all ordinary teaching sessions. The only occasions where more than 30 pupils are permitted are music, drama and PE/games. Assemblies are also excluded from the class size limit.</p> <p>The limit applies to all infant classes taught by a single qualified teacher. An infant class can contain more than 30 pupils if there are two qualified teachers present, but there must not be more than 30 pupils for one teacher.</p>

<p>20.</p>	<p>Mixed key stage classes:</p> <p>a) In a mixed Year 2/3 class, where the majority of pupils are junior aged children, the class is not covered by the Class Size Regulations and it can operate with more than 30 pupils. However, if the majority of pupils are infants, the statutory limit on infant class sizes is applicable.</p> <p>b) In a mixed Nursery/Reception class (Foundation Unit) where the majority of pupils are nursery aged children, the class is not covered by the Class Size Regulations and it can operate with more than 30 pupils. However, should the majority of pupils be reception aged pupils, the statutory limit on infant class sizes is applicable.</p>
<p>21.</p>	<p>Additional children may be admitted under very limited exceptional circumstances. The School Admissions (Infant Class Sizes) (England) Regulations 2012 which came into force from 1 February 2012 have revised the permitted exceptions originally established in 2001 and further amended in 2006.</p>
<p>22.</p>	<p>The excepted children are:</p> <p>children with statements of special educational needs admitted outside the normal admission round;</p> <p>looked after children and previously looked after children admitted outside the normal admission round;</p> <p>children admitted, after initial allocation of places, because of a procedural error made by the admission authority or local authority in the original application process;</p> <p>children admitted after an independent appeals panel upholds an appeal;</p> <p>children who move into the area outside the normal admission round for whom there is no other available school within reasonable distance;</p> <p>children of UK service personnel admitted outside the normal admission round;</p> <p>twins and children from multiple births when one of the siblings is the 30th child admitted;</p> <p>children with SEN who are normally taught in an SEN unit attached to the school, or registered at a special school, who attend some infant classes within the mainstream school.</p>
<p>23.</p>	<p>Any agreed exception to the statutory infant class size limit will apply for the whole period of a child's time in the infant classes or until the class numbers fall back to the admission number. Should a child leave during this time, the school is not permitted to 'back fill' any place(s).</p>

24.	Any school that exceeds its published admission number by admitting a child without there being a formal independent appeal or without the prior agreement of the Council under the Exceptions Regulations, which cannot meet the statutory limit on infant class sizes, will be required to find any additional funding to comply with the regulations from its budget share.
25.	<p>In October each year, the Council's School Organisation, Admissions and Capital Planning Service will use the DfE Autumn Term Census Return and check the following to ensure each school:</p> <p>a)Complies with the infant class organisation (i.e. Reception, Year 1 and 2), b)Has not exceeded their admission number as published in the Council's Admission booklet, for any infant age group.</p> <p>This exercise will be repeated following the January 2014 School Census Return. NOTE:</p> <p>i. Where a pupil has been admitted following the decision of an independent appeal hearing, academies and own admission authority schools will be required to provide, the date of the appeal hearing, the name of the child admitted and whether the case presented was on class size prejudice or ordinary prejudice grounds, unless the appeal was presented by the Council. For Community and VC schools, only the name of the child will need to be supplied.</p> <p>ii. Where it has been agreed with the Council that the admission meets one of the very limited circumstances specified in the Exception Regulations, the school will be expected to provide the details of the individual case.</p>
26.	Where a school is unable to comply with the Regulations without reorganising classes (this could be a mixed nursery/reception class and/or a mixed Year 2/Year 3 class) and incurring additional costs associated with the employment of further teaching staff, it can make an application to the Council setting out its specific circumstances. The flow chart attached as Appendix B to this report illustrates the process by which the panel will consider applications. The deadline for applications to be received by the Council's School Organisation, Admissions and Capital Planning Service will be the end of November of each academic year.
27.	<p>However, the following conditions will apply:</p> <p>1)Schools with fewer than 30 Key Stage 1 pupils will not be eligible for infant class size funding as the lump sum in the funding formula is deemed to provide sufficient resources for one infant class in any Lower School.</p> <p>2)Schools who have a total number of Key Stage 1 pupils within five of multiples of 30 will not be eligible for infant class size funding as they are also deemed to have sufficient resources within their delegated budgets to organise all infant classes at 30 pupils or less e.g. 55, 85, 115 infant pupils – no infant class size funding. Therefore the qualifying class will only be funded up to a maximum of 25 places.</p> <p>3)Any application will trigger a review of the school's Published Admission Number</p>

	<p>(PAN)</p> <p>4)Any successful application will only be guaranteed for one academic year, with a new application required in the following academic year.</p> <p>5)Small schools with less than 90 NOR will be expected to consider a mix of Key Stages</p> <p>6)Schools are expected to first utilise their reserves for the additional costs of employing an additional teacher, before infant class size funding will be considered.</p>
28.	<p>The application will be considered by the Panel referred to in Sec. 15 above and successful applications will be reported to the School Forum.</p>
29.	<p>For successful applications infant class size funding will be allocated where total key stage one numbers in October are more than 5 short of the next higher multiple of 30. Key stage one funding will be allocated for each “ghost place” to take the last multiple to 25. Total funding will be calculated as the number of “ghost pupils” multiplied by a reduced AWPU value of £1,272. Examples are given below.</p>
	<p><u>Example 1</u></p> <p>a)Anticipated numbers for October census as assessed by Admissions team in June 2013 following new Year R intake offers : - Reception = 80, Year 1= 80, Year 2 = 57, Total KS1= 217</p> <p>b)In order to meet infant class legislation school has to plan for 8 classes of no more than 30 in a class across KS1 i.e. based on 240 pupils. (Without infant class legislation school could have operated 7 classes of 31.)</p> <p>c)240 – 217 less threshold of 5 = 18 “ghost pupils”</p> <p>18 “ghost pupils” x AWPU to help fund 8th class.</p>
	<p><u>Example 2</u></p> <p>a)Anticipated numbers for October census as assessed by Admissions team in June 2013 following new Year R intake offers : - Reception = 80, Year 1= 80, Year 2= 75, Total KS1= 235</p> <p>b)In order to meet infant class legislation school has to plan for 8 classes of no more than 30 in a class across KS1 i.e. based on 240 pupils. (Without infant class legislation school could in theory have operated 4 classes of 34 and 3 at 33, but this is unlikely)</p> <p>c)240 – 235 less threshold of 5 = 0</p> <p>School does not receive any additional funding as probably would have operated 8 classes anyway.</p>
	<p><u>Example 3</u></p>

	<p>a) Anticipated numbers for October census as assessed by Admissions team in June 2013 following new Year R intake offers: - Reception = 12, Year 1 = 12, Year 2 = 12, Total KS1 = 36</p> <p>b) In order to meet infant class legislation school has to plan for 2 classes of no more than 30 in a class across KS1 i.e. based on 60 pupils.</p> <p>c) $60 - 36$ less threshold of 5 = 19 "ghost pupils"</p> <p>19 "ghost pupils" x AWPU to help fund 2nd class.</p>
30.	Any queries relating to Infant Class Size regulations should be referred to the Council's School Organisation, Admissions and Capital Planning Service on 0300 300 8037.

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Central Bedfordshire Council

EXECUTIVE - 13 January 2015

NATIONAL NON DOMESTIC RATES, DISCRETIONARY RATE RELIEF POLICY

Report of Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources (maurice.jones@centralbedfordshire.gov.uk)

Advising Officers: Charles Warboys, Chief Finance Officer (charles.warboys@centralbedfordshire.gov.uk) and Gary Muskett, Head of Revenues and Benefits (gary.muskett@centralbedfordshire.gov.uk)

This report relates to a Key Decision

Purpose of this Report

1. The purpose of the report is for Executive to review and approve the Council's draft Discretionary Rate Relief Policy.

RECOMMENDATIONS

The Executive is recommended to:

1. **approve the National Non Domestic Rates Discretionary Rate Relief Policy.**

Comments from Overview and Scrutiny

2. The Corporate Resources Overview and Scrutiny Committee reviewed the proposals set out below at its meeting on 16 December 2014 and recommended to the Executive that the proposed Discretionary Rate Relief policy be approved.

Background

3. National Non-Domestic Rates (NNDR) are payable by owners of non residential premises in accordance with the Local Government Finance Act 1988. Until April 2013 business rates were collected by the Council and passed to Central Government, who then distributed the returns nationally.

4. From April 2013, changes to the Local Government Finance regime have meant that income from business rates now more directly impacts the Council's financial position. The Council now retains 49% of business rates collected (subject to a further levy), with 1% payable to the Bedfordshire Fire and Rescue Authority and 50% payable to Central Government, resulting in a net retention of 37%.
5. Awards of discretionary rate relief will reduce the rates yield and, therefore, will directly affect the Council's finances.
6. The Council has discretionary powers to award rate relief in certain circumstances and it is generally recognised to be good practice to adopt a Policy to assist with the exercise of this discretion to ensure that applications are considered in a fair and consistent manner.
7. The Local Government Finance Act 1988 and the Localism Act 2011 require the Council to maintain a Discretionary Rate Relief Scheme to award business rates relief of up to 100% to certain organisations which operate within specified criteria.
8. These criteria cover:
 - Charitable bodies already in receipt of mandatory relief at 80% – the Council has further discretion to 'top up' this relief to 100% of the rates due;
 - Registered community amateur sports clubs (CASCs) already in receipt of mandatory Relief at 80% – again the Council has further discretion to 'top up' this relief to 100% of the rates due;
 - Non-profit making organisations – the Council has discretion to grant 'standard' discretionary rate relief of between 0-100% of the business rates due;
 - Property that is in a qualifying rural settlement and is a qualifying foods shop, general store, Post Office, sole public house or sole petrol station already in receipt of mandatory relief of 50% – the Council has further discretion to 'top up' this relief to 100% of the rates due;
 - Businesses to which the Council considers it wishes to grant relief – the primary reason will be to encourage regeneration in Central Bedfordshire. In this regard;
 - There are 2 specific categories of property for which 100% discretionary relief can be awarded on a time limited basis (See section 13 of Appendix A):
 - New Build Empty Property
 - Long Term Empty Property

There is also the award of £1,000 Retail Rate relief in respect of

qualifying retail premises (See section 12 of Appendix A). Following the recent Autumn Statement the Chancellor announced that this relief will be increased to £1,500 for 2015-16.

9. The Council also has the power to reduce or remit the business rates charged in certain circumstances where the applicant organisation is enduring temporary financial difficulties. This is known as Discretionary 'Hardship' Relief (DHR) and may be awarded where the Council is satisfied that:
 - The ratepayer would sustain financial hardship if the Council did not do so; and,
 - It is reasonable for the Council to grant relief, with regard to the interests of its Council Taxpayers.
10. Prior to the creation of Central Bedfordshire Council, each legacy District Council had its own set of policies and guidance on the application of rate relief and Officers have been working to a Central Bedfordshire Council guidance document which follows accepted good practice but a formal Policy has not previously been agreed by Members.
11. The Council last reviewed awards of Discretionary Rate Relief in 2012 and in light of the financial constraints on the Council's budget and recent Government initiatives it is appropriate to formally adopt a Policy and to then review all existing awards of relief in line with the updated Policy.
12. The proposed Policy at Appendix A details the circumstances in which the Council has discretion to award rate relief.
13. There is a statutory requirement to consider the interests of local Council Taxpayers when determining an award of discretionary rate relief on the grounds of hardship or under the general power to award relief. The proposed Policy also introduces a requirement to consider the interests of local Council Taxpayers when determining an award of rate relief in respect of partly occupied properties. Whilst this is not a statutory requirement it is considered appropriate to consider these interests given the potential impact on the Council's overall financial resources.
14. In certain circumstances the award of rate relief may assist in securing longer-term benefits for the Council and local residents, for example, should an award encourage the development of new or enhanced business properties leading to economic growth, increased employment opportunities for residents and growth in the Non-Domestic Rating tax base. The proposed Policy requires each application for rate relief to be considered on its individual merits and allows sufficient flexibility to enable awards to be made where there are longer-term benefits, subject to an award being considered to be in the best interests of local Council Taxpayers.

Ratepayers currently receiving Rate Relief

Summary of Discretionary Awards	Value of Awards
180 registered charities receiving 20% "Top Up" Charity relief	£251,160
92 not for profit or charitable organisations receiving up to 100% relief	£322,202
22 rural businesses receiving up to 100% relief	£40,260
294 awards of discretionary relief totalling	£613,624
Summary of Mandatory Awards	
387 registered charities receiving 80% mandatory relief	£5,897,403
29 rural businesses receiving 50% mandatory relief	£42,450
10 sports clubs receiving mandatory relief (CASC's)	£111,881
426 awards of mandatory relief totalling	£6,051,734
Small Business Rate Relief (Fully funded by Central Government)	
2,343 small businesses receiving relief	£4,319,088
Retail Relief (Introduced w.e.f. 1 April 2014) (Fully funded by Central Government)	
1,161 businesses awarded relief	£1,029,269
Grand Total of Rate Reliefs awarded in 2014/15	£12,013,715

Developments in Government Policy for Rate Reliefs

15. In 2013 the Government announced some policy initiatives in order to support businesses. Rather than introduce these as mandatory adjustments as it has with Small Business Rate Relief, it has requested that, if Councils wish to award reliefs, that they use discretionary powers conferred under Clause 69 of the Localism Act 2011 which amended section 47 of the Local Government Finance Act (LGFA) 1988 to allow local billing authorities to fund their own local discounts.
16. With effect from 1 April 2012, the Council is able to grant business rates discounts entirely as it sees fit within the limits of the primary legislation and European rules on state aid.

17. The powers under Section 47 of the LGFA 1988 can be used to grant specific reliefs that the Government has initiated, namely, Retail Relief, New Build Empty Property Relief and Long Term Empty Property Relief.
18. As granting the reliefs will reduce the level of Business Rates income, the Government has advised that it will finance the full cost of any awards made as per paragraph 17 above. Clearly as these reliefs align to Council policy and encourage new business and investment, as well as support local shops or community services it is advantageous to enable Central Bedfordshire Council ratepayers to receive these reliefs.
19. It is therefore proposed that these reliefs are incorporated in the Discretionary Rate Relief (DRR) policy and that the reliefs are automatically applied to appropriate business rate accounts.

Summary of Consultations and Outcome

20. In order to ensure that the Council's final Policy for the Award of DRR properly reflects the needs of local rate payers and that the Council complies with its statutory equality duty a 6 week public consultation process was undertaken.
21. It was recognised that it is important to consult with current recipients of DRR to advise of the proposed review of the Policy, especially where they might be adversely affected. A letter was issued to all recipients of DRR as well a number of internal stakeholders including our own economic policy team, seeking views on the Policy. The letter directed the recipients to the Council's website where the proposed Policy was available and where there was the opportunity to put views forward.
22. The consultation ran from 5 September 2014 until it closed on 17 October 2014. The consultation invited responses to 21 questions.
23. Eighty Four consultation responses have been received from a cross section of organisations, including sports clubs, non-profit organisations, local charities, village shops, owners of high street retail outlets, village hall committees, as well as our own Business Support Officer, providing differing views to the proposed Policy.
24. Feedback from the consultation was generally very positive. In particular between 77% and 83% either agreed or strongly agreed with the majority of the draft Policy. The only exceptions related to the question on support for businesses that temporarily occupy part of a premises, where 63% supported the award of relief, and a question about the level of relief awarded to high street retail outlets where 60%

supported the current level of support which is set nationally by Central Government.

25. Specific comments were received which generally supported the existing provision of rate reliefs and asked that the level of reliefs are not reduced. In particular several respondents mentioned the need to support local organisations and rural businesses as opposed to national charities.
26. The proposed Policy reflects the general expectations of organisations which may be eligible for DRR and no amendments are required.
27. It is important to note that as a result of the introduction of this policy there is likely to be little impact on the majority of organisations in receipt of DRR.
28. The results of the consultation can be seen at Appendix B.

Reason for urgency

29. Not applicable

Council Priorities

30. By awarding financial assistance to businesses, charities and organisations associated with sport, the arts and well being, the proposed Discretionary Rate Relief scheme is designed to support the Council's Medium Term Priorities of:
 - Enhancing Central Bedfordshire – creating jobs, managing growth, protecting our countryside and enabling businesses to grow.
 - Improved educational attainment.
 - Promote health and wellbeing and protecting the vulnerable.

Corporate Implications

31. Risk Management
32. There is a risk that a ratepayer dissatisfied with an award of rate relief or the refusal of an award may seek a judicial review of the decision. This risk can be mitigated by putting in place a formal Policy to assist in the consideration of awards and by consulting local non-domestic ratepayers as part of the process of determining the Policy.
33. There is a risk that the financial resources available to the Council may be diminished through the award of rate relief. The proposed policy requires that the interest of Council Taxpayers are taken into account in considering any award and, therefore, awards will only be made where the benefits of the award are considered to outweigh any disadvantages, including a reduction in financial resources.

Legal Implications

34. The Local Government Finance Act 1988, as amended, gives the Council discretionary powers to award rate relief in certain circumstances. This Policy relates to the exercise of these discretionary powers in accordance with:
- (i) Section 44(a) of the Local Government Finance Act 1988, which relates to properties that are only partly occupied for a temporary period;
 - (ii) Section 49 of the Local Government Finance Act 1988 which allows the Council to award rate relief, having given consideration to the interest of local Council Taxpayers, where it considers that the ratepayer would suffer hardship should an award not be made;
 - (iii) Section 47 of the Local Government Finance Act 1998 as amended by Section 69 of the Localism Act 2011 which gives the Council a general power, having given consideration to the interest of local Council Taxpayers, to award rate relief to any ratepayer.
35. In exercising a discretionary power the Council is required to act in a reasonable manner and a decision taken under discretionary powers may be challenged by way of judicial review should an applicant be dissatisfied with a decision. Establishing an agreed policy for the exercise of this discretion in a manner which is fair, consistent and transparent will assist in minimising the risk of a decision being found to be unreasonable should an application be made for judicial review.

Financial Implications

36. Rate relief is not separately funded by Central Government. From April 2013, with the localisation of business rates, the existing costs of mandatory and discretionary reliefs have been accounted for within local authorities' business rates baselines. However, any changes in these costs are shared as a cost between central government (50%), the Council (49%) and the Fire Authority (1%). This was confirmed in the Local Government Finance Act and in the detailed calculations to provide baseline funding for 2013/14. The Council now collects business rates and receives an amount from the National Non Domestic Rates Collection Fund which is 49% of the net income after appeals, and other losses incorporating an adjustment for mandatory and discretionary reliefs. This figure is then subject to an additional levy, leading to a net retention of c.37% of the total NNDR income.

37. The budget for discretionary rate relief falls within the Business Rate Retention Scheme and in 2014/2015 the budget totals £613,000, which is payable to 294 organisations.

Equalities Implications

38. Public authorities have a statutory duty to advance 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.
39. By awarding financial assistance to businesses, charities and organisations associated with sport, the arts and well being, and also considering the needs of rural communities the policy will have a positive impact in terms of helping promote equality of opportunity and supporting access to local services and activities.

Conclusion and next Steps

40. The introduction of a Member agreed Policy for Discretionary Rate Relief will deliver an equitable and transparent decision making process.
41. It is recommended that the DRR Policy be introduced from 1 April 2015 and that a review of all current awards of relief be undertaken before 1 April 2015 in order to give advance notice to current beneficiaries of any changes to their entitlement. Any negative change in entitlement requires at least one full financial year's notice being given to the ratepayer before an award of relief can be reduced.

Appendices

42. The following Appendix is attached:
Appendix A – Discretionary Rate Relief Policy
Appendix B – Public Consultation Results

Background Papers

43. The following background papers, not previously available to the public, were taken into account and are available on the Council's website:

None

Appendix A

**Central Bedfordshire Council's
Discretionary Rate Relief Policy**

Revenues & Benefits Service



**Central
Bedfordshire**

Approved by Executive:

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1. Introduction

The Council recognises the importance of supporting local businesses and organisations to promote the provision of local facilities, economic growth, employment and investment to improve prosperity across Central Bedfordshire and in particular support the most disadvantaged communities.

Councils have the power to grant discretionary rate relief to organisations that meet certain criteria. Public funds are not however unlimited, with a proportion of the costs of relief granted being borne by council tax payers. In making decisions the Council must be confident that money invested in this way will be repaid in economic and/or community benefit.

The powers for granting discretionary rate relief by councils' is provided in Section 47 of the Local Government Finance Act 1988 which has been amended by subsequent legislation to incorporate wider powers to grant relief under local discretion.

This policy document outlines the areas of local discretion and the Council's approach to the various discounts. There is also a summary provided of the reliefs which are awarded by Government under national initiatives.

Exceptions to this Policy

In accordance with the Council's Constitution the Chief Finance Officer may determine discretionary rate relief applications which fall outside the scope of this approved Policy.

2. General Principles

All decisions in respect of applications for discretionary rate relief must be taken in accordance with statutory requirements and give due consideration to any guidance issued by the Secretary of State.

Decisions shall be taken in accordance with the Council's Constitution.

In addition to these requirements the following shall apply in respect of all requests for rate relief under the powers set out above.

The Interests of Central Bedfordshire Council's Council Taxpayers

In determining an award of rate relief consideration shall be given to the interests of the Central Bedfordshire Council's Council Taxpayers in making an award. Awards shall only be made where the benefits to the Central Bedfordshire Council's Council Taxpayers are considered to outweigh any detriment to those interests including, but not limited to, the financial impact of the award.

Reviews and Appeals

Decisions on the award or otherwise of rate relief will normally be taken by Head of Revenues & Benefits and the decision will be final. Although not legally required the Council has an internal appeal process in the form of a report being issued to the Chief Finance Officer for him to review the decision undertaken by the Head of Revenues & Benefits in respect of the granting or not granting relief. There will be no automatic right of appeal. An applicant may make a request for the decision maker to review a decision but only where either:

1. Additional information that is relevant to the application and that was not available at the time the decision was made becomes available; or
2. There are good grounds to believe the application or supporting information was not interpreted correctly at the time the decision was taken.

A request for a review must be made within four weeks of notification of the decision and must set out the reasons for the request and any supporting information.

Right of appeal for refusal to grant part occupied relief under section 44a Local Government Finance Act 1988 can be challenged by judicial review under Section 138 Local Government Finance Act 1988.

How to make an Application for Judicial Review

Within 3 months of the date when the grounds first arose, the applicant must submit a Notice of motion to a High Court Judge. This application must state the grounds on which the application is made

The application is made “ex parte” (i.e.) by one party without notice to the other and is supported by an affidavit detailing the facts. The purpose of this is to ensure applications are dealt with quickly and without necessary expense

If the judge considers that there appears to be reasonable grounds for a challenge, leave will be granted. This allows 14 days to submit a *Notice of motion* to the high court. This document details the issues to be examined, and any relief that is being sought.

Copies of the notice are served on all parties affected who have the right to submit affidavits if they so wish. They must exercise this right within 56 days.

Hearings may be heard by up to 3 judges who consider all the evidence before them. This is sometimes considered with the benefit of only one view of the issues if there is failure to respond by any party.

Requirements for Applications

Applications will only be considered where a written application is received from the ratepayer, or where the ratepayer is an organisation a person properly authorised to make an application on behalf of the organisation. Where the Council provides an application form the application must be made on that form.

The Council shall request such supporting evidence as it considers necessary to enable the Council to properly assess the merits of the application.

Ratepayers submitting an application shall set out, as part of the application; the benefits that the ratepayer considers will accrue to Central Bedfordshire Council's Taxpayers as a result of the award.

Timescale for Decisions

The Council will aim to make a decision regarding the application within four weeks of receiving the application and all supporting evidence considered necessary to enable the application to be considered.

Each application for discretionary rate relief will be considered on its individual merit but in making a decision on the award the decision maker will give due consideration to the requirements of this Policy.

Requirement to Make Payment of Amounts Falling Due

Ratepayers must continue to pay any amount of rates that falls due whilst an application is pending. In the event that payments are not received as due the Council may continue with its normal procedures to secure payment.

Awards for Retrospective Periods

With the exception of applications on the grounds of hardship, rate relief will not normally be awarded in respect of any day prior to the day that an application is received. However, in exceptional circumstances consideration may be given to awarding rate relief for a retrospective period where the ratepayer can demonstrate good cause for not submitting the application earlier.

Where the application is on the grounds of hardship an award may be made for a respective period where it is considered that the business suffered hardship during that period.

No consideration shall be given to an award for a retrospective period where the Council is not able to verify to its satisfaction that the circumstances giving rise to the application pertained for that period.

State Aid

Rate relief shall not be awarded in any circumstances where it appears that an award will result in the ratepayer receiving state aid that is above the current de minimis level. Each application must be accompanied by a statement signed by the appropriate person representing the business setting out the amount of state aid, including but not limited to discretionary rate relief, which the ratepayer has received within the previous three years. Applications shall not be considered until this statement is received.

General Overview of Reliefs

Mandatory Rate Relief Scheme

The Local Government Finance Act 1988 requires the Council to grant Mandatory Rate Relief of 80% of the business rates to the following categories of business rates payers:

- Registered charities where the property is wholly or mainly used for charitable purposes
- Registered Community Amateur Sports Clubs (CASCs) for any club with the appropriate registration with HMRC.
- Rural shops and businesses

Discretionary Rate Relief Scheme

The Local Government Finance Act 1988 requires the Council to maintain a Discretionary Rate Relief Scheme that can award up to 100% Business Rates Relief to certain organisations which operate within locally specified criteria. These organisations are:

- a) A further award to registered charities up to 100%, known as discretionary “top up” relief, where the property is wholly or mainly used for charitable purposes;
- b) A further award of 20% on top of mandatory relief to registered Community Amateur Sports Clubs (CASCs); and
- c) Other non-profit making organisations where the property is used for charitable purpose concerned with education, social welfare, science, literature or the fine arts; or is used wholly or mainly for recreation by a not-for-profit club or society.

In determining applications the Council may:

- Grant relief up to a maximum of 100% of the business rates due;
- Grant relief for a sum less than 100% of the business rates due; or
- Refuse any application for additional relief.

Detailed below are the criteria applied.

3. Charities and Kindred Organisations

Mandatory Relief

Where a property is occupied by a charity or trustees for a charity, and it is used wholly or mainly for charitable purposes (whether of that charity solely, or of that and other charities), the ratepayers will qualify for a Mandatory Allowance of 80%, and therefore the rate liability will be 20% of the full rate.

Where the owner of an unoccupied property is a charity or trustees for a charity, and it appears that "when next in use" the property will be wholly or mainly used for charitable purposes (whether of that charity, or of that and other charities), the ratepayers will qualify for a Mandatory Allowance of 80%, on the 50% unoccupied charge otherwise payable, and therefore the rate liability will be 10% of the full rate.

The Authority has no discretion regarding whether to award Mandatory Relief, however the Authority must satisfy itself that the statutory criteria is met. To assist the Authority in this task, guidance is provided in both the LGFA 1988, and by reference to other enactments and case law.

A "CHARITY" is defined as

"an institution or other organisation established for charitable purposes only, or any persons administering a trust established for charitable purposes only".

Confirmation of Charity Status

There are a number of sources that can be used to confirm "charitable status", the most common is by reference to:

- The Register of Charities maintained by the Charity Commissioners under Section 4 Charities Act 1960, and an entry in this register is conclusive proof that an organisation is a charity.
- Absence from the register does not mean an organisation has not been established for charitable purposes as certain organisations are exempt from registration.

These are:

- the Church Commissioners;
- units of the Boy Scouts or Girl Guides;
- any registered society within the meaning of the Friendly Societies Act 1896 - 1974;
- Voluntary schools within the meaning of the Education Act 1944 - 1980.

If neither of the above are applicable, the determination of whether an organisation has been established for charitable purposes may be difficult.

However, 4 general principles have been established through case law

- that it should be a trust for the relief of poverty; or,
- a trust for the advancement of religion; or,
- a trust for the advancement of education; or,
- a trust for other purposes that is beneficial to the community.

and these may be used to consider an organisations claim if no other evidence is available.

Once it has been established that an organisation is charitable by any of the above methods, to award the relief the Authority must also be satisfied that the hereditament is used wholly or mainly for a charitable purpose. This covers charitable use "over half of the time" or "use of half the property all of the time" or a combination of both amounting to more than 50%. To assist the Authority to confirm these criteria are satisfied, reference can be made to case law.

Charity Shops

Charity shops are entitled to Mandatory Relief if they use premises:

- wholly or mainly for the sale of goods donated to the charity; and,
- the net proceeds of the sale of goods are applied to the purpose of the charity.

**There is no definition of "wholly or mainly" and therefore interpretation in the literal sense must be on the basis of "more than half". However, this could be based on floor area, volume of sales or value of sales. The latter should be determined by if the net sales income from donated goods exceeds sales income from bought in goods to satisfy the term "mainly".

Charitable Relief, Relief for Registered Community Amateur Sports Clubs (CASCs) and Discretionary Relief

Charities are entitled to relief from rates on any non-domestic property that is wholly or mainly used for charitable purposes. Registered CASCs also qualify for relief on any non domestic property that is wholly or mainly used for the purpose of that club or that club and of other such registered clubs. Relief is given at 80 per cent of the bill. Local councils have discretion to give further relief on the remaining bill.

Award of Mandatory Relief

The Authority requests that an application for Mandatory Relief be in writing, and that renewal of applications be made in writing biennially at the beginning of each financial year.

There is also no effective date prescribed from when relief can commence so relief awards can be retrospective.

Appeals against refusal to grant Mandatory Relief

Appeal against refusal to grant relief is to the Magistrates court at a liability order hearing.

Discretionary Relief for Charities – “Top Up”

The Council will consider applications for a discretionary rate relief top up from charities based on their own merits, on a case by case basis.

Discretionary Relief may be awarded where the ratepayer is a charity or trustees for a charity, and the property is wholly or mainly used for charitable purposes (as with Mandatory Relief). In such cases, discretionary relief granted can be anything from 0% to 20%, as 80% will already have been awarded,

In determining the application the following matters will be taken in to consideration:

- ‘Top Up’ relief of up to 20% is only awarded to local charities who can clearly demonstrate financial hardship.
- Unless a special case for hardship can be proved, ‘Top Up’ relief to national charities including charity shops or other premises should not be granted.
- Local charity to be defined as set up with the sole purpose of assisting local residents of Central Bedfordshire Council and whose main office is situated within Central Bedfordshire Council
- Academy, Free, Grant Maintained, Faith and Trust Status schools are classified as charities and therefore receive 80% mandatory relief. Top up relief for schools and educational establishments who receive central or local government support should not be granted unless a special case for hardship can be proved.

The scoring criteria for awards of “Top Up Relief” is as follows:

Maximum Relief Available 20%

Narrative	% of relief
National Charity Not specific affiliation to the area (not including staff employment)	0%

Local Charity Affiliated to local area	15%
Reserves as % of gross rate liability Less than 300%	5%

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4. Discretionary Relief Only

Applications for up to 100% discretionary relief can also be made by any business that does not qualify for mandatory relief and where the property is not an excepted property, and where all or part of it is occupied by one or more institutions or other organisations which are – not established or conducted for profit, and, whose aims should be charitable or otherwise philanthropic, or concerned with the promotion of social welfare, education, science, literature or the fine arts.

Also discretionary relief may be granted where the property is wholly or mainly used for the purpose of recreation and all or part of the property is occupied for the purpose of a club, society or other organisation not established or conducted for profit.

Discretionary Relief to any one organisation will be limited to a total Rateable Value of £150,000 (Approximately £72,300 of rate relief).

The Council will consider applications for discretionary rate relief from non profit making organisations based on their own merits, on a case by case basis.

(NB. Sports Clubs have a separate qualify criteria – see page 16)

- **The application will be considered on the following three criteria**

1. Members resident in Central Bedfordshire

Whilst the Council accept that clubs and organisations provide a valuable leisure facility, it must be remembered that any relief granted is partially paid for by the Council Tax payers of Central Bedfordshire. As such, consideration is given as to the percentage of members/users of the facility who reside in Central Bedfordshire area.

Residents of Central Bedfordshire as Percentage of Overall Membership	% of Relief
Between 75% and 99%	50%
Between 50% and 74%	35%
Between 25% and 49%	20%
24% and below	0%

2. How are funds raised?

The Council is keen to see how clubs or organisations are trying to help themselves and be self sufficient wherever possible. Whilst income can be received by external grants from other bodies (e.g.) the lottery or another public sector body, charging subscriptions and running fundraising events can also raise income.

Self Financing Income	% of Relief
60% and Over	25%
Between 25% to 60%	15%
24% and below	0%

3. Level of Reserves or Savings

This is a very important factor to take into account and information will be drawn from the audited balance sheet provided in support of applications. Where this is not available, copies of bank statements with a profit and loss position must be provided. Failure to supply adequate records will result in no award under this heading.

Reserves as a Percentage of Net Annual Rate Liability	% of Relief
Over 300% or more	0%
Between 100% and 299%	15%
Between 0% and 100%	25%

5. Community Interest Companies

CIC's are a new type of limited company designed specifically for those wishing to operate for the benefit of the community rather than for the benefit of the owners of the company. This means that a CIC cannot be formed or used solely for the personal gain of a particular person, or group of people. CIC's can be limited by shares, or by guarantee, and have a statutory "Asset Lock" to prevent the assets and profits being distributed, except as permitted by legislation. This ensures the assets and profits are retained within the CIC for community purposes, or transferred to another asset-locked organisation, such as another CIC or charity. A company that is a charity cannot be a CIC, unless it gives up its charitable status.

- **Discretionary relief to any one organisation will be limited to a total rateable valuation of £150,000 (Approximately £72,300 of rate relief).**
- **The application will be considered on the following three criteria**

1. Users resident in Central Bedfordshire

It must be remembered that any relief granted is partially paid for by the Council Tax payers of Central Bedfordshire. As such, consideration is given as to the percentage of members/users of the facility who reside in Central Bedfordshire area.

Residents of Central Bedfordshire as Percentage of people using the facility	% of Relief
Between 75% and 99%	50%
Between 50% and 74%	35%
Between 25% and 49%	20%
24% and below	0%

2. How are funds raised?

The Council is keen to see how clubs or organisations are trying to help themselves and be self sufficient wherever possible. Whilst income can be received by external grants from other bodies (e.g.) the lottery or another public sector body, charging subscriptions and running fundraising events can also raise income.

Self Financing Income	% of Relief
60% and Over	25%
Between 25% to 60%	15%

24% and below	0%
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3. Level of Reserves or Savings

This is a very important factor to take into account and information will be drawn from the audited balance sheet provided in support of applications. Where this is not available, copies of bank statements with a profit and loss position must be provided. **Failure to supply adequate records will result in no award under this heading.**

Reserves as a Percentage of Net Annual Rate Liability	% of Relief
Over 300% or more	0%
Between 100% and 299%	15%
Between 0% and 100%	25%

An Excepted Property

An excepted property is one occupied by a Billing or Precepting Authority" and prevents authorities awarding relief to themselves.

Award of Discretionary Relief

The Authority requests that an application for Discretionary Relief be in writing, and that renewal of applications be made in writing biennially at the beginning of each financial year.

Changes in Liability

The Organisation must inform the Council of any change in circumstances, which might affect eligibility for Relief.

6. Discretionary Rate Relief for Sporting Organisations

Introduction

When an application has been received from a rate payer for Discretionary Rate Relief, the following questions must be asked and considered. Remembering that the Authority must only work within guidelines, each application must be looked at individually; the Authority must not have a blanket policy.

First of all, we will check to see if the organisation qualifies for a mandatory relief, such as Small Business Rate relief, as unlike discretionary relief, there would be no cost to the Council. If it does qualify, then this will be applied first and then topped up by the discretionary relief. *(If a club fails to complete the necessary forms to apply for a mandatory relief, discretionary rate relief will not be granted.)*

Questions the Authority must ask when considering an application

1. Does the organisation have a licensed bar?

Some sporting Clubs in the area have a licensed bar which is open throughout the year, not only for members who participate in the sporting activities offered, but also used by members who have no direct interest in the clubs activities only the reduced cost of drinks

The bar profits of clubs who are open throughout the year contributes towards a substantial portion of a club's income, and there has been evidence in the past to suggest that members subscriptions have been artificially low when a thriving bar exists.

Where Sports Clubs in Central Bedfordshire are only open seasonally or on match days, for these clubs the bar trading is a significant help towards the overall running expenses.

Licensed Bar	% of Relief
Full license operating throughout the year	No relief
Seasonal License/ Hire only	10%
Open match days only	15%
No bar	20%

2. How else are funds raised (excluding bar takings)?

The Council is keen to see how clubs or organisations are trying to help themselves and be self sufficient wherever possible. Whilst income can be received by external grants from other bodies (e.g.) the lottery or another

public sector body, charging subscriptions and running fundraising events can also raise income.

Self Financing Income	% of Relief
60% and Over	15%
Between 25% to 60%	5%
24% and below	0%

3. Level of Reserves or Savings

This is a very important factor to take into account and information will be drawn from the audited balance sheet provided in support of applications. Where this is not available, copies of bank statements with a profit and loss position must be provided. Failure to supply adequate records will result in no award under this heading.

Reserves as a Percentage of Net Annual Rate Liability	% of Relief
Over 300% or more	0%
Between 0% and 299%	10%

4. Members resident in Central Bedfordshire

Whilst the Council accept that clubs and organisations provide a valuable leisure facility, it must be remembered that any relief granted is partially paid for by the Council Tax payers of Central Bedfordshire. As such, consideration is given as to the ratio of members within the club who reside in Central Bedfordshire to the overall membership.

Residents of Central Bedfordshire as Percentage of Overall Membership	% of Relief
Between 75% and 99%	30%
Between 50% and 74%	15%
Between 25% and 49%	5%
24% and below	0%

Also we are keen to know a split on what level of the membership play an active role in the clubs activities as opposed to merely being social members.

Percentage of Active Members as Percentage of Overall Membership	% of Relief
66% or more	15%
Between 33% and 65%	5%
32% and below	0%

5. How you contribute to the development of your organisation.

Clubs within Central Bedfordshire are encouraged to have an active Youth Development Policy, provide their facilities for use by disabled people or special interest groups, provide coaching/workshops/training and/or their facilities free of charge or at reduced rates to these groups. The Council also wishes to see facilities provided that compliment its own or that it does not provide. All this will contribute to providing opportunity and access to encourage participation by as wide a group as possible.

Youth Policy	% of Relief
Youth Policy, Disabled or Special Interest Group Activities/Training and Access to facilities for all or reduced fees for special groups	10%
Access to facilities for all or reduced fees for special groups	5%

7. Rural Rate Relief

Introduction

Rural Rate Relief is a scheme of relief for qualifying businesses situated in rural areas.

Businesses that qualify are General Stores, Post Offices, Petrol Filling Stations, Public Houses and Food Stores.

The business must be in a rural area that has a population of no more than 3,000 people on 31st December of the preceding financial year.

Relief is only available on occupied properties.

Mandatory Rate Relief

This will automatically entitle the only general store and post office in a qualifying rural settlement to Mandatory relief of 50% on the full rates payable provided that the rateable value is below a specified threshold. This has been agreed at a rateable value of £8,500 or less.

Any award of Mandatory can be backdated across financial years if it has not been applied correctly as it is a statutory entitlement.

General Stores, Post Offices and village food shops with a rateable value of less than £8,500, Public Houses and Petrol Filling Stations with a rateable value of no more than £12,500, are entitled to mandatory relief. The business must be the only one of its type in the rural area and the amount of relief is 50% of the full rate.

A general store is defined as being a trade or business consisting “wholly or mainly” of selling (by retail) food for human consumption (not confectionery) and general household goods. The phrase “wholly or mainly” is not defined but is generally household goods and is generally accepted to mean “more than half”. A store that only sold food would not qualify and vice versa.

A qualifying post office is a hereditament (or part of) used for the purposes of the post office and is the only hereditament in the area.

The mandatory scheme was extended in April 2001 to entitle the sole Public House or Petrol Filling Station in a qualifying rural area to relief. The business must be cited in a property with a rateable value of not more than £12,500.

The scheme was extended further in August 2001; this entitled any shop selling (by retail) food for human consumption (not catering or confectionery), meaning shops that sell mainly confectionery, food eaten on the premises or

hot food to take away will not qualify. The business must be cited in a property with a rateable value of not more than £8,500.

Any award of mandatory relief can be backdated across financial years if it has not been applied correctly. This is because it is a statutory entitlement.

If the circumstances change after the beginning of the financial year

If another qualifying shop opens in a designated rural area settlement during a financial year and Mandatory Relief has been awarded by the Council to another shop, this will continue until the end of the financial year in question.

Likewise if the rateable value increases above the £8,500 rateable value threshold, relief will still be awarded based on 50% rate liability until the end of the financial year.

Discretionary Rate Relief

Businesses that qualify for mandatory relief can also request the Council consider increasing the amount of relief up to 100%.

Applications for discretionary relief can also be made by any business that doesn't qualify for mandatory relief. The business must be a property that has a rateable value of not more than £16,500. For example, where there are two general stores in a rural settlement, neither would be entitled to mandatory relief but both could apply for discretionary relief.

Applications for discretionary relief can also be made by any business that does not qualify for mandatory relief and where the property is not an excepted property, and where all or part of it is occupied by one or more institutions or other organisations which are – not established or conducted for profit, and, whose aims should be charitable or otherwise philanthropic, or concerned with the promotion of social welfare, education, science, literature or the fine arts. Also discretionary relief may be granted where the property is wholly or mainly used for the purpose of recreation and all or part of the property is occupied for the purpose of a club, society or other organisation not established or conducted for profit.

When assessing whether to award discretionary relief, the council must consider the importance of the business to the local community. Would its absence have a detrimental effect on the lives of the community?

Gross Profit expressed as a % of Turnover	Relief to be Awarded
Up to 20%	50% (maximum that can be awarded)
21% - 25%	40%
26% - 30%	30%
31% - 35%	20%
36% - 40%	10%

Over 40%	Nil
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Three years accounts are required to support each application; the figure used for recommendation purposes will be an average of the last three years gross profit expressed as a percentage of annual turnover, i.e. the overall profitability of the business before taking into account expenses.

Where no accounts are available, because it is the first year of trading, you will be granted the same relief as the previous occupier of the premises. This will be reviewed after the first year of trading.

A fresh application is required each year, together with updated accounts to consider future applications, this ensures a consistent approach is applied and assistance is targeted towards businesses most in need.

Financial Implications

Rate relief is not separately funded by Central Government. From April 2013, with the localisation of business rates, the existing costs of mandatory and discretionary reliefs have been accounted for within local authorities' business rates baselines. However, any changes in these costs i.e. by the awarding of further Mandatory or Discretionary relief, is shared as a cost between central government (50%), the Council (49%) and the Fire Authority (1%).

However, where rate relief is awarded under the powers contained in section 69 of the Localism Act 2011 the full amount of the resulting reduction in rate yield is to be deducted from the local share of the rates yield.

8. Applications under Section 44a (Partly Occupied Property)

The Council has discretion under Section 44a of the Local Government Finance Act to award rate relief where part of a property is unoccupied for a temporary period. The amount of rate relief that is awarded is determined by statute and is calculated by reference to the rateable value ascribed to the unoccupied area by the Valuation Office Agency.

The council has discretion to accept or refuse such a request. If the request is accepted, then the Valuation Office Agency is asked to supply a certificate indicating the relevant values for the occupied and unoccupied portions and this certificate is binding on the Council.

It is not intended that Section 44a be used where part of a property is temporarily not used or its use is temporarily reduced. Instead Section 44a is aimed at situations where there are practical difficulties in occupying or vacating a property in one operation perhaps because new accommodation to which the ratepayer is moving is not fully ready for occupation and it is phased over a number of weeks or months.

In determining an award of rate relief, consideration shall be given to the interests of Central Bedfordshire Council Taxpayers in making an award. Awards shall only be made where the benefits to the Central Bedfordshire Council Taxpayers are considered to outweigh any detriment to those interests, but not limited to, the financial impact of the award.

The decision whether or not to recommend an apportionment to the Valuation Office is taken by the Revenues Manager in conjunction with one of the Council's property inspectors.

The effect of the apportioned values applies for the **operative period**, which is defined as the period beginning with the day on which the hereditament became partly unoccupied and ending with the first day on which one or more of the following events occurs.

- The occupation of any of the unoccupied part of the property
- The ending of the financial year in which the apportionment was required
- The requiring of a further apportionment or
- The complete occupation of the property
- The complete vacation of the property

Applications will only be considered in respect of unoccupied parts of a property that can be clearly defined and are reasonably segregated from the occupied part of the property.

For the purposes of this policy a period of up to 12 calendar months shall be considered to be temporary and longer periods shall not be considered to be temporary.

No award shall be made where it appears to the Council that the reason that part of the property is unoccupied is wholly or mainly for the purposes of applying for rate relief.

A ratepayer making an application under section 44a shall provide a plan of the property showing the dimensions of the occupied and unoccupied area of suitable quality to enable the Valuation Office Agency to apportion the rateable value of the property between the occupied and unoccupied areas. Applications will not be considered until such time as the plan is provided.

Rate relief under this section will not be awarded in respect of partly occupied property where the partial occupation of the property may be considered to arise due to the ordinary day to day nature of the business (for example the operation of a warehouse).

Because the decision to grant a Section 44a is discretionary, any challenge relating to the non granting of the relief would be in accordance with Section 138 of the Local Government Act 1988 by way of judicial review.

Termination of Awards

Awards of rate relief shall end at the earliest occurrence of one of the following:

- a) The end of the statutory period for which relief may be allowed;
- b) The end of the financial year;
- c) All or part of the unoccupied area becoming occupied;
- d) The whole of the property becoming unoccupied;
- e) The ratepayer ceasing to be the person or organisation liable to pay non-domestic rates in respect of the property;
- f) Where all or part of the unoccupied area has remained unoccupied for one year;
- g) The commencement of a further award in respect of the property;
- h) The Council is unable to verify, following reasonable notice, that the area remains unoccupied.

Further Applications

A further application may be submitted in the following circumstances, however, where any part of an unoccupied area has remained unoccupied for more than 12 months the partial occupation shall no longer be considered to be temporary:

- a) There is a change to the area of the property which is unoccupied; or
- b) The commencement of a new financial year.

Verification of Unoccupied Areas

The ratepayer must allow a Council Officer access to the property by appointment during normal working hours within two weeks of the Council receiving the application in order to verify the occupation of the property.

Further access may be required on at least one occasion each month, during normal office hours, during the period for which relief is being awarded. In order to enable verification, access to the unoccupied area may be requested immediately without advanced notice. In the event that access is not allowed promptly without good cause the award of rate relief may be withdrawn.

Further Guidance for Applicants

All applications must be made in writing and be made either by the occupier or owner (if different) or persons acting on their behalf, e.g. agents, solicitors.

The applicant must submit with the application a plan, which clearly identifies the areas of occupation and areas unoccupied (estimated size must also be documented).

In considering the application, a visit will be made to the premises to confirm the accuracy of the submitted plan.

Relief will not be considered for a period after which full occupation has taken place (retrospective). An exception to this would be when it was possible to obtain independent evidence to support a backdated claim. Independent evidence might be in the form of surveyors' reports, dated photographs, solicitors letters, estate or letting agents records.

Applicants where favourable consideration would be likely would include although not limited to the following:

- Where there is a partial occupation of a warehouse, factory or commercial property to facilitate relocation of the company
- Where, because of a temporary downturn in trade, there is part occupation of the premises, or
- Where fire, flood or other natural disaster prevents full use of the premises

Favourable consideration would not normally be forthcoming if (but not limited to)

- For a period that has now passed
- Where the owner sublets part of the premises on a commercial basis

- Where the part occupation is likely to continue year on year
- Where there appears to be no effort to let, sell or occupy the empty part or
- Where part occupation is seasonal

At all times consideration will be made for the regulations contained within section 44a of the Local Government Finance Act 1988 and any relevant case law.

9. Ratepayers that would otherwise suffer hardship (awards under section 49 of the Local Government Finance Act 1988)

Section 49 of the Local Government Finance Act 1988 allows the authority the discretion to reduce or remit the payment of rates, under section 43 of the Local Government Finance Act 1988 (occupied) or Section 45 of the Local Government Finance Act 1988 (unoccupied) either in part or full i.e. up to 100%.

The overriding principle shall be that each case is considered on its own merits based on the information supplied through the application process

The burden of proof for hardship lies with the ratepayer. Whilst the authority can award hardship rate relief there is no obligation to do so unless evidence of hardship can be established.

The principle purpose of awards of rate relief under this section of the Policy shall be to provide short-term assistance to businesses that are suffering unexpected hardship, arising from circumstances beyond the business' control and outside of the normal risks associated with running a business of that type, to the extent that the viability of the business would be threatened if an award were not made.

Rate relief on the grounds of hardship shall only be awarded where it is considered that:

- The ratepayer would sustain hardship if the Council failed to grant Hardship Relief; and
- It is reasonable to grant Hardship Relief having regard to the interest of person's subject to the Council Tax. For example, where employment prospects in the area would be worsened by a company going out of business or the amenities of an area would be reduced because they are the only provider of a service in the area.

The test of “hardship” need not be confined strictly to financial hardship and applicants should disclose all relevant factors affecting the ability of the business to meet its rate liability.

The “interest” of local Council Taxpayers may go wider than direct financial interests; for example, where employment prospects in an area would be worsened by a ratepayer going out of business, or the amenities of an area might be reduced by, for instance, the loss of a neighbourhood shop.

A business will not be considered to be suffering financial hardship in any annual accounting period during which it is profitable or has experienced a loss which is minor in comparison to the overall turnover of the business. In determining whether a business is profitable account shall be taken of reasonable drawings by the proprietor or reasonable remuneration of directors. For the purpose of this policy the reasonable remuneration shall be no more than 150% of the minimum wage.

Where the circumstances giving rise to the hardship pertain for a only part of the business’ normal annual accounting period the income and expenditure of the business for the period during which the circumstance pertain may be used to determine whether the business is profitable.

It is expected that businesses will take prompt action to mitigate any factors giving rise to hardship. Examples of mitigating actions may include seeking business advice, discounts and promotions, reviewing pricing, extending the range of stock or services, negotiating with creditors etc. Applications may be declined in circumstances where the business is unable to demonstrate that it is taking reasonable steps to alleviate the hardship.

Hardship caused to a ratepayer may be self evident, for example where a business has been affected by severe loss of trade due to external factors such as natural disaster.

The business must demonstrate the loss of trade or business by producing the following:

- Accounts
- Order books
- Till receipts
- VAT returns

They must show a marked decline in trade compared to corresponding periods in previous years. This can be done by the following questions being answered:

- Do the accounts show a profit or loss?
- How do previous years’ accounts compare to the current?
- What reserves are held?
- Are there long term investments which might not necessarily be reflected in the balance sheet?
- Is the ratepayer part of a larger organisation or family trust?

In addition the ratepayer must submit reasons giving rise to the application and what has contributed to them seeking hardship relief, they should also provide a business plan outlining how the award of any relief will contribute to the survival of the business. The rate payer should also indicate the impacts that closure of the business would cause to the local community e.g. how many local people are employed and where is the nearest similar facility.

In addition where the rate payer is a sole trader or operating as a partnership, details of drawings from the business and a break down of their personnel income and outgoings should also be supplied.

If they are a director of a limited company details should be provided of other interests and whether they have been involved in a business entering liquidation or ceasing to trade.

Hardship will only be granted for the period for which there is clear evidence of hardship for the ratepayer concerned.

Before any hardship is granted the Authority must be fully satisfied that the claim is from the ratepayer suffering genuine hardship.

Although applications for relief on the grounds of hardship need not be in writing the Authority does request such to ensure a consistent approach enabling elected members to consider the request having a full understanding of the situation.

Applicants must supply the last two years accounts, a current cash flow forecast and a comprehensive business plan in order for an application to be considered. Where the business has traded for less than two years accounts must be provided where available, and draft accounts or budget forecasts must be provided for the period since the business commenced trading.

No award shall be made where it appears to the Council that the proprietor of the business has failed to exercise due diligence to anticipate circumstances that may give rise to hardship, financial or otherwise, and/or to put in place measures to prevent or mitigate the circumstances

Applications will be viewed favourably where the criteria of the Policy are met and the business provides the only goods or services of that type in the local area or where the business is a niche business supplying specialist goods or services that are not widely available and vice versa.

New Businesses

4.11 Award of hardship rate relief will not be made for the purposes of enabling a new business to become established except where the viability of the business is threatened by events that could not reasonable have been foreseen when establishing the business.

Unoccupied Properties

4.12 Rate relief on the grounds of hardship in respect of rates payable for an unoccupied property will only be awarded in the most exceptional circumstances where there are clear and tangible benefits to local Council Taxpayers in making the award.

Relationship to other forms of Rate Relief

4.13 Applications for hardship rate relief shall be regarded as a last resort and will only be considered after consideration of any other forms of rate relief to which the applicant may be eligible.

Duration of Awards

4.14 All awards shall terminate at the end of the financial year if the award has not ended at an earlier date. Where the hardship continues a further application may be made in the new financial year, however in considering repeated applications consideration should be given to the number and value of previous awards. Where an application is repeated for a subsequent period the Council may require the applicant to provide evidence (preferably from an accountant or other professional adviser) regarding the long-term financial viability of the business.

10. In exercise of the Council's general power to award discretionary rate relief (awards under Section 47 of the Local Government Finance Act 1988 as amended by Section 69 of the Localism Act 2011)

Section 69 of the Localism Act 2011 amends the 1988 Act to allow local authorities the discretion to award rate relief to all types of businesses. The Plain English Guide to the Act addresses this as follows:

"The Localism Act gives councils more freedom to offer business rate discounts - to help attract firms, investment and jobs. Whilst councils would need to meet the cost of any discount from local resources, they may decide that the immediate cost of the discount is outweighed by the long-term benefit of attracting growth and jobs to their area."

This section sets out the Council's agreed policy for dealing with applications from such cases.

General Requirement

Applications for rate relief under this section of the Policy will normally only be considered favourably where the Council is satisfied that an award will result in tangible benefits to local residents and in particular where the award will directly result in attracting businesses, investment or jobs to the local area.

Maximum Amount of Awards

The Localism Act allows scope for the Council to award up to 100% rate relief in any one year for qualifying businesses. The maximum amount awarded shall normally be limited to no more than 50% of the rate liability except where there are exceptional circumstances which justify a greater amount.

Duration of Awards

Each amount of rate relief awarded under this policy shall normally apply for no more than one financial year at a time but new applications may be made each financial year.

In exceptional circumstances and where each of the following conditions are met an award may be made for up to three financial years:

- a. The award relates to Non-Domestic Rates payable in respect of a new hereditament or an increase in rateable value of an existing hereditament;
- b. New employment opportunities will be created as a result of the new hereditament or enhancements to an existing hereditament;

- c. The award is considered to be essential to securing the development of the hereditament;
- d. The award will not result in a lower amount of retained rates yield in respect of the hereditament than that retained prior to the development.

Information to Support Applications

All applicants are required to complete the Council's rate relief application form. Such information and evidence as the Council requires must be provided to support an application and in the event that the requested information and evidence is not provided the application may be refused.

In submitting an application the ratepayer must demonstrate with verifiable supporting evidence the benefits to the Central Bedfordshire Council Council Taxpayers that will accrue from making an award.

On receipt Council officers will prepare a report setting out the merits of the application. This report will detail, amongst other elements the economic, social and environmental benefits that may derive from granting the application.

Relationship to other forms of Rate Relief

Applications under this section will only be considered after consideration of any other forms of rate relief to which the applicant may be eligible (excluding hardship rate relief).

Guidelines for Making Awards

Each application will be considered on its individual merit but in making a decision on the award the following factors must be considered by the decision maker:

1. That awards should only be made in exceptional circumstances;
2. The value of any previous awards and the benefits to local Council Taxpayers realised from previous awards;
3. The cost to the Council, including the loss of income or of retained rates yield, in making an award;
4. The impact of the cost or loss of income in relation to the Council' overall financial situation;
5. The benefits to the Central Bedfordshire Council Council Taxpayers in making an award, and in particular whether the award will directly result in attracting businesses, investment or jobs to the local area;

6. The impact on other Non-Domestic Ratepayers in the Central Bedfordshire Council area

7. The Council's statutory equality duties;

8. That awards should normally only be made where the ratepayer' activities in the Central Bedfordshire Council area will contribute towards the aims and objectives of "Our Plan for Central Bedfordshire 2012-2016", the details of which can be found at:

http://www.centralbedfordshire.gov.uk/Images/DeliveringYourPriorities_tcm6-32481.pdf#False

9. The extent to which an award will support the Council's aspiration to promote and encourage economic growth, and in particular growth in the Non-Domestic Rating tax base and in employment opportunities for residents of the Central Bedfordshire Council area;

10. The overall profitability of the business

11. Small Business Rate Relief

Small business relief came into effect from 1st April 2005. it is a self-funding scheme, which ensures that larger companies pay more business rates to enable the smaller business to pay less

Eligibility

Eligible businesses with rateable values of under £6,000 are entitled to a 50% reduction as rate relief on their liability, with additional relief available on a sliding scale of 1% for every £120 of rateable value over £6,000 and up to £11,999

Eligibility	% of Reduction
Rateable value under £6,000	50% reduction
£7,200	40%
£8,400	30%
£9,600	20%
£10,800	10%
£6,001 - £11,999	Additional 1% for each £120 i.e: .Rateable value £7,500–relief 37.5% Rateable value £9,000–relief 50% Rateable value £10,500–relief 12.5%

The relief is available to persons who are responsible for one property for which they pay non-domestic rates

Or

For one main property and other additional properties, providing the additional properties do not have rateable values of more than £2,600 and the combined rateable value of all properties is under £18,000

In addition to this relief on liability, eligible businesses with rateable values of between £12,000 and £18,000 that are not entitled to relief will be entitled to be included within the 'buffer zone' which means although they do not benefit from being granted relief they do not have to pay an additional amount towards small business relief.

With effect from 1 April 2010 the Government Doubled the amount of Small Business Rates to be awarded. This has now been extended to 31 March 2015.

A temporary change has been introduced by the Government with effect from 14 February 2014. This allows ratepayers receiving Small Business Rates Relief that take on an additional property, that would current disqualify them from receiving relief, to continue to receive the relief on the existing property for a further period of 12 months.

The application

An application form must be completed for either Small Business Relief or to be included within the buffer zone, (not having to pay towards small business relief).

All applications must be in writing. The application form will inform applicants that it is a criminal offence under section 61 Local Government Act 2003 to knowingly or recklessly make a false statement on an application for Small Business Rate Relief. Applications are renewable on an annual basis

Other Relief's taking priority over Small Business Relief

- If a ratepayer is entitled to rural rate relief, they will not be entitled to small business relief
- If a ratepayer is entitled to charity relief, they will not be entitled to small business relief
- If the ratepayer is entitled to former agricultural premises relief, they will not be entitled to small business relief

12. Retail relief of up to £1,000

Properties that will benefit from the relief will be occupied hereditaments with a rateable value of £50,000 or less, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments, up to state aid limits. Determination and award of any exemption will be in accordance with DCLG Retail Relief Guidance. This relief will operate between 1st April 2014 and 31st March 2016.

The list of the types of properties which are considered to be both eligible and not eligible is provided at Appendix 1. However the Council will consider each award based on individual merits and will refuse the award where it is considered that the business/retail property is not supporting the Council's wider objectives or determined to be having a detrimental impact on neighbourhoods and communities.

This is especially relevant for off licenses, take away and late night food establishments and pubs, bars and shisha bars where applications will be considered in the context of their impact on the neighbourhood and community, for example the Council would be unlikely to favourably consider an application for relief if a retail property/business has had their premises licence reviewed within the last twelve months.

This list is not exhaustive and the Council reserves the right to decline any application or withdraw any award where the retail property and business is determined to be having a detrimental impact on the neighbourhood or community.

Properties not included on the list or are mixed use will be reviewed by the Heads of Revenues & Benefits on a case by case basis to determine eligibility to the relief.

State Aid

State Aid law is the means by which the European Union regulates state funded support to businesses. Financial support from public bodies to businesses could have the potential to be anti-competitive and affect trade between member states of the EU.

EU state aid rules generally prohibit government subsidies to businesses. Providing discretionary relief to ratepayers can in some cases be deemed to be State Aid.

There is, however, a general exception to the state aid rule where the aid is below a "de minimis" level. The De Minimis Regulations allow an undertaking to currently receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years). The De Minimis Regulation and limit is subject to update and changes in

legislation.

To administer De Minimis it is necessary for the Council to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. The Council will ensure compliance with the legal requirements and any permitted exemptions. Each case will be considered based on the organisation's individual circumstances in full consideration of the state aid rules.

Business ratepayers who receive the retail relief, reoccupation relief or new build relief will be sent a letter attached to their ratepayer information which will require them to make a declaration if they have or are receiving state aid. This is particularly likely to affect large retail chains where the cumulative retail relief may cause them to exceed the €200,000 limit

13. New build empty property relief

All newly built commercial property completed between 1st October 2013 and 30 September 2016 will receive empty property rates relief for the first 18 months, up to state aid limits. Determination and award of any exemption will be in accordance with DCLG New Build Empty Property Guidance. The aim of the relief is to stimulate the construction industry and to incentivise property projects to go ahead.

14. Policy Review

This policy will be reviewed periodically, taking into account Council policies and priorities and any changes in legislation.

APPENDIX 1- RETAIL RELIEF GUIDANCE

Types of uses that will be considered to be retail use for the purpose of this relief.

i. Hereditaments that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licence, chemists, newsagents, hardware stores, supermarkets, etc.)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/ caravan show rooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc.)
- Shoe repairs/ key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/ TV/ domestic appliance repair
- Funeral directors
- Photo processing
- DVD/ video rentals
- Tool hire
- Car hire

iii. Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

To qualify for the relief the hereditament should be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment.

Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied retail uses that exist. There will also be mixed uses. However, it is intended to be a guide for authorities as to the types of uses that government considers for this purpose to be retail. Authorities should determine for themselves whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above should not be eligible for the relief.

As the grant of the relief is discretionary, authorities may choose not to grant the relief if they consider that appropriate, for example where granting the relief would go against the authority's wider objectives for the local area.

The list below sets out the types of uses that government does not consider to be retail use for the purpose of this relief. Again, it is for local authorities to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them not eligible for the relief under their local scheme.

Types of uses that will not be considered to be retail use for the purpose of this relief.

i. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers)
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
- Post office sorting office

ii. Hereditaments that are not reasonably accessible to visiting members of the public

The Council will consider each award based on individual merits and will refuse the award where it is considered that the business/retail property is not supporting the Council's wider objectives or determined to be having a detrimental impact on neighbourhoods and communities.

This is especially relevant for off licenses, take away and late night food establishments and pubs, bars and shisha bars where applications will be considered in the context of their impact on the neighbourhood and community, for example the Council would be unlikely to favourably consider

an application for relief if a retail property/business has had their premises licence reviewed within the last twelve months.

The relief will be applied against the net bill after all other reliefs.

Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties, subject to State Aid De minimis limits. State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However Retail Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013).

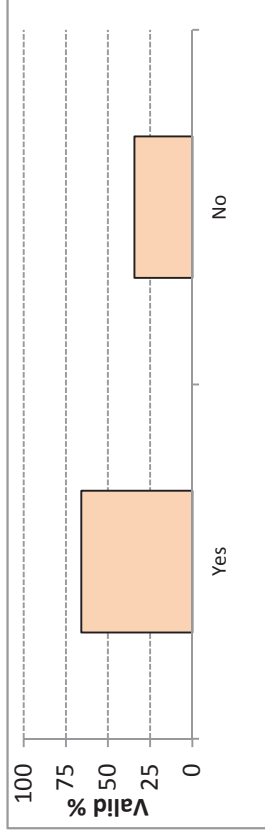
The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years).

This list is not exhaustive and the Council reserves the right to decline any application or withdraw any award where the retail property and business is determined to be having a detrimental impact on the neighbourhood or community.

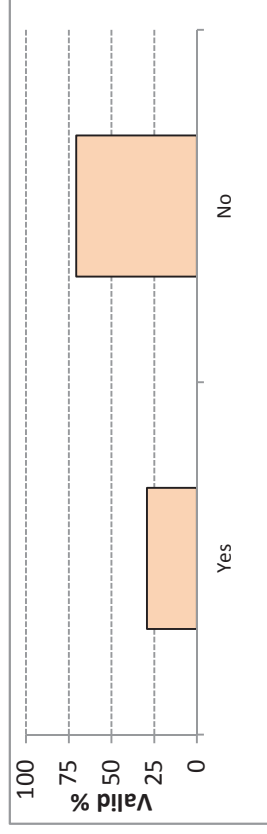
**Non-domestic rate discretionary rate relief
Based on 84 responses**

Q1 - As a business rate payer are you aware of following reductions:

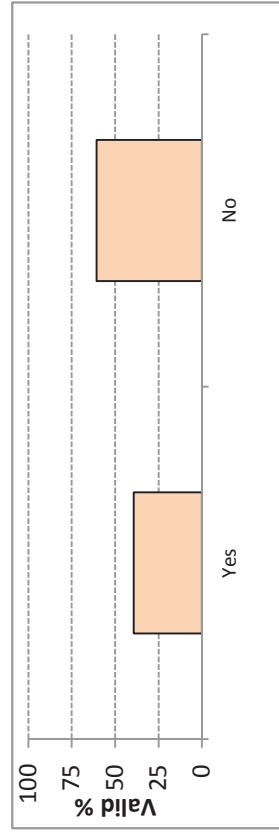
		Q1.a - Charitable or Kindred Organisation Relief		Valid	
		Frequency	Percent	Frequency	Percent
Valid	Yes	46	54.8	46	65.7
	No	24	28.6	24	34.3
	Total	70	83.3	70	100.0
Missing		14	16.7		
Total		84	100.0		



		Q1.b - Hardship Relief		Valid	
		Frequency	Percent	Frequency	Percent
Valid	Yes	17	20.2	17	29.3
	No	41	48.8	41	70.7
	Total	58	69.0	58	100.0
Missing		26	31.0		
Total		84	100.0		

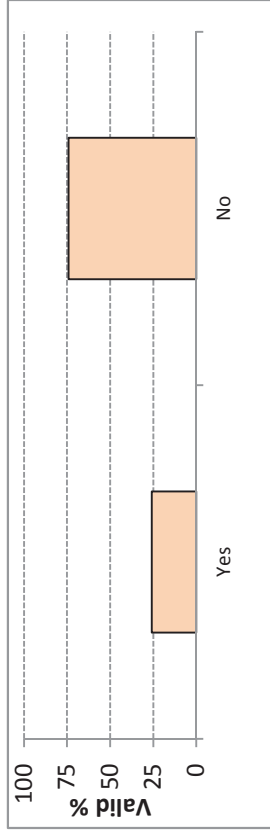


		Q1.c - Part Occupied Relief		Valid	
		Frequency	Percent	Frequency	Percent
Valid	Yes	22	26.2	22	39.3
	No	34	40.5	34	60.7
	Total	56	66.7	56	100.0
Missing		28	33.3		
Total		84	100.0		



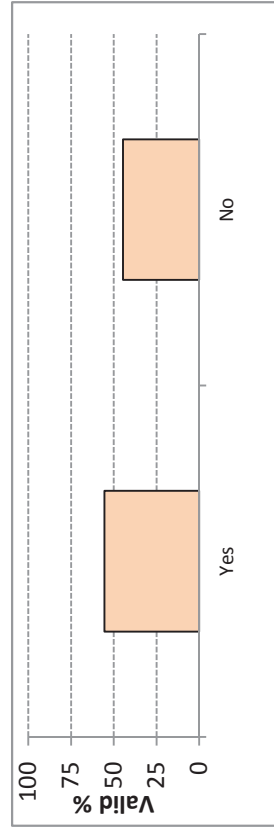
Q1.d - Rural Shop Relief

	Frequency	Percent	Valid Percent
Valid			
Yes	15	17.9	25.9
No	43	51.2	74.1
Total	58	69.0	100.0
Missing	26	31.0	
Total	84	100.0	



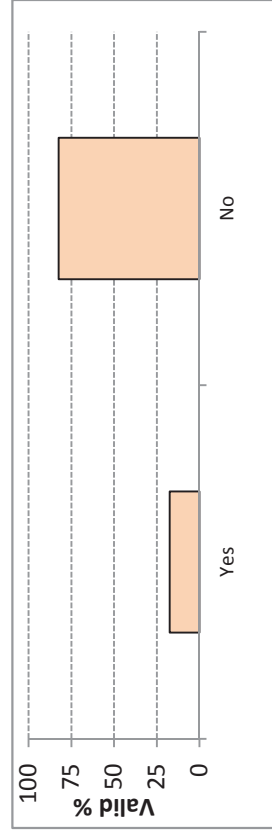
Q1.e - Small Business Relief

	Frequency	Percent	Valid Percent
Valid			
Yes	36	42.9	55.4
No	29	34.5	44.6
Total	65	77.4	100.0
Missing	19	22.6	
Total	84	100.0	



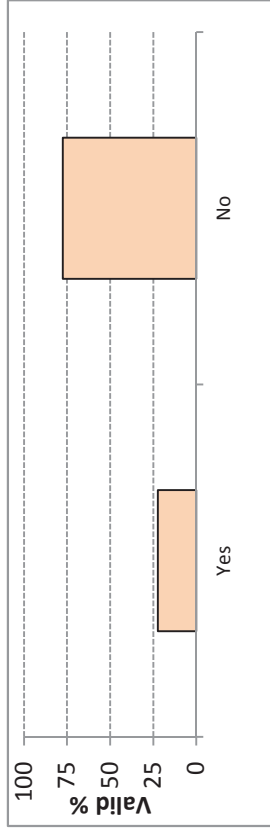
Q1.f - Retail Relief

	Frequency	Percent	Valid Percent
Valid			
Yes	10	11.9	17.5
No	47	56.0	82.5
Total	57	67.9	100.0
Missing	27	32.1	
Total	84	100.0	



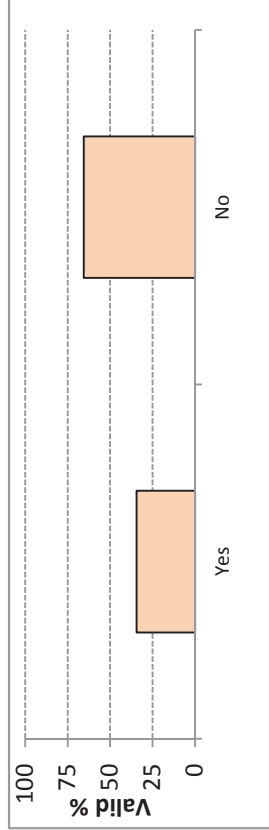
Q1.g - Reoccupation of Empty Retail Premises Relief

	Frequency	Percent	Valid Percent
Valid			
Yes	13	15.5	22.4
No	45	53.6	77.6
Total	58	69.0	100.0
Missing	26	31.0	
Total	84	100.0	



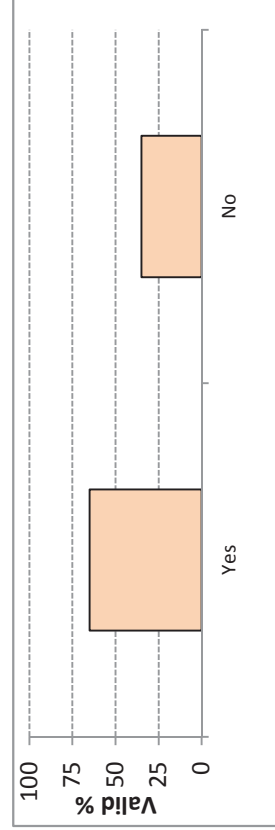
Q1.h - Discretionary relief for sporting organisations

	Frequency	Percent	Valid Percent
Valid			
Yes	21	25.0	34.4
No	40	47.6	65.6
Total	61	72.6	100.0
Missing	23	27.4	
Total	84	100.0	



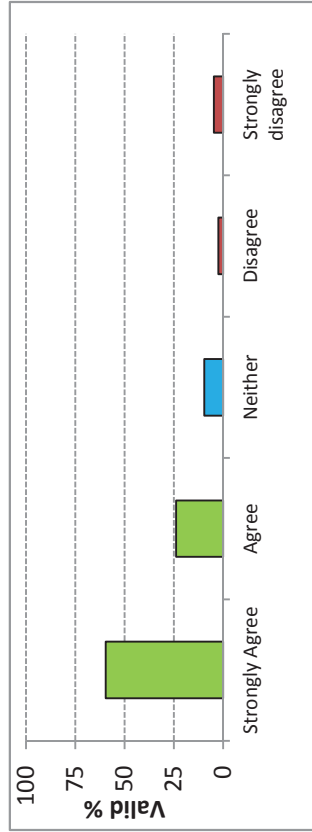
Q2 - Are you currently in receipt of any of the above?

	Frequency	Percent	Valid Percent
Valid			
Yes	52	61.9	65.0
No	28	33.3	35.0
Total	80	95.2	100.0
Missing	4	4.8	
Total	84	100.0	



Q4 - Discretionary relief can also be paid to organisations whose aims should be charitable or otherwise philanthropic (working to improve the lives of Central Bedfordshire residents), or concerned with the promotion of social welfare, education, science, literature or the fine arts as well as recreation/sports. How far do you agree or disagree with this?

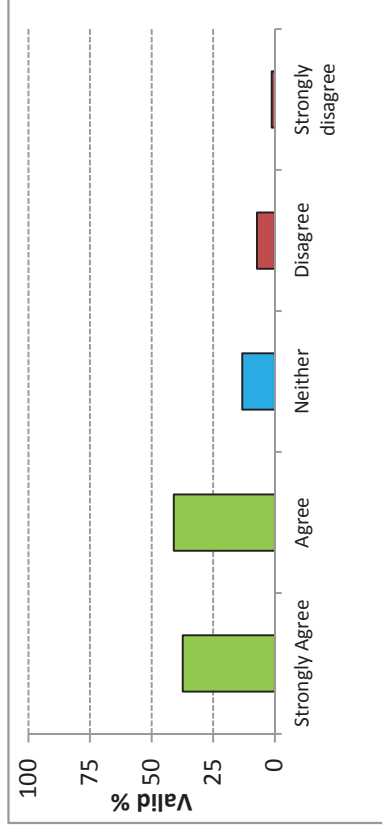
	Frequency	Percent	Valid Percent
Valid Strongly Agree	50	59.5	59.5
Agree	20	23.8	23.8
Neither	8	9.5	9.5
Disagree	2	2.4	2.4
Strongly disagree	4	4.8	4.8
Total	84	100.0	100.0



Q5 - Whilst the Council accepts that clubs and organisations provide a valuable leisure facility, it must be remembered that any relief granted is partially paid for by the Council Tax payers of Central Bedfordshire. Because of this, consideration is given as to the ratio of members within the club who reside in Central Bedfordshire to the overall membership (for example, a club based in Central Bedfordshire with the majority of members living in central Bedfordshire will be more likely to receive rate relief than a club with the majority of members living in Hertfordshire).

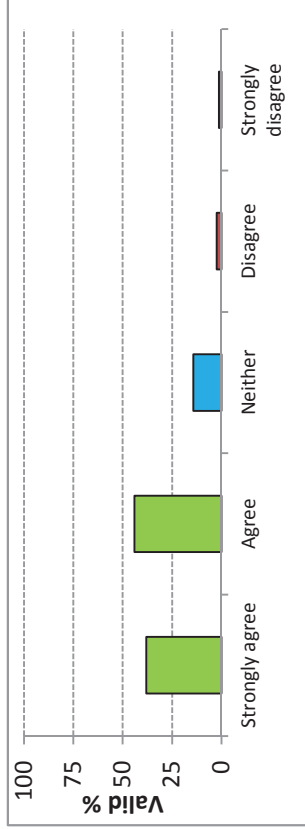
How far do you agree or disagree with this?

	Frequency	Percent	Valid Percent
Valid			
Strongly Agree	31	36.9	37.3
Agree	34	40.5	41.0
Neither	11	13.1	13.3
Disagree	6	7.1	7.2
Strongly disagree	1	1.2	1.2
Total	83	98.8	100.0
Missing	1	1.2	
Total	84	100.0	



Q6 - Clubs within Central Bedfordshire are encouraged to have an active Youth Development Policy, provide their facilities for use by disabled people or special interest groups. Clubs are also encouraged to provide coaching/ workshops/ training and/or their facilities free of charge or at reduced rates to these groups to ensure the opportunities are accessible and affordable to all residents. The Council also wishes to see facilities provided that compliment its own or new community initiatives that it does not provide so a discretionary rate is applied. How far do you agree or disagree with this?

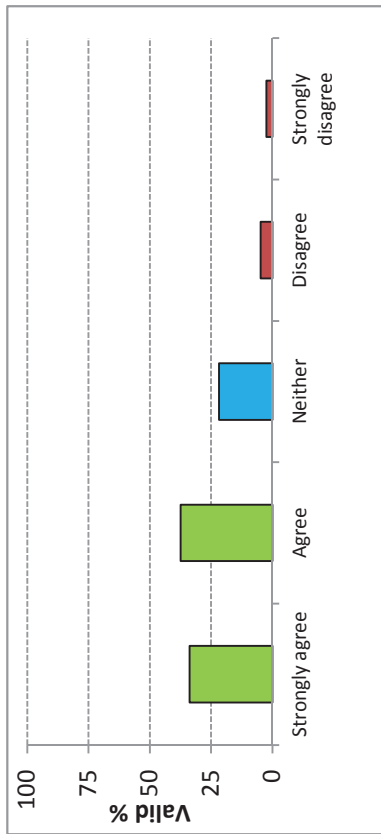
	Frequency	Percent	Valid Percent
Valid Strongly agree	32	38.1	38.1
Agree	37	44.0	44.0
Neither	12	14.3	14.3
Disagree	2	2.4	2.4
Strongly disagree	1	1.2	1.2
Total	84	100.0	100.0



Q7 - Community interest groups (CIC's) are a new type of limited company designed specifically for those wishing to operate for the benefit of the community rather than for the benefit of the owners of the company. This means that a CIC cannot be formed or used solely for the personal gain of a particular person, or group of people. CIC's can be limited by shares, or by guarantee, and have a statutory "Asset Lock" to prevent the assets and profits being distributed, except as permitted by legislation. This ensures the assets and profits are retained within the CIC for community purposes, or transferred to another asset-locked organisation, such as another CIC or charity. An example of a CIC in Central Bedfordshire is Preen.

How far do you agree or disagree that CIC's should receive discretionary rate relief?

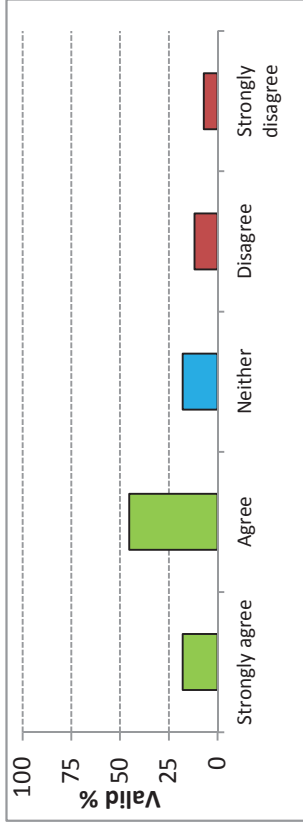
	Frequency	Percent	Valid Percent
Valid			
Strongly agree	28	33.3	33.7
Agree	31	36.9	37.3
Neither	18	21.4	21.7
Disagree	4	4.8	4.8
Strongly disagree	2	2.4	2.4
Total	83	98.8	100.0
Missing	1	1.2	
Total	84	100.0	



Q8 - The Council receives requests from rate payers asking that the rateable value of a specific premise be split on a temporary basis between the occupied and unoccupied portions and that the Council then only charge rates of the occupied portion. The Council acknowledges that only part of a property may be occupied and charges accordingly for the temporary period.

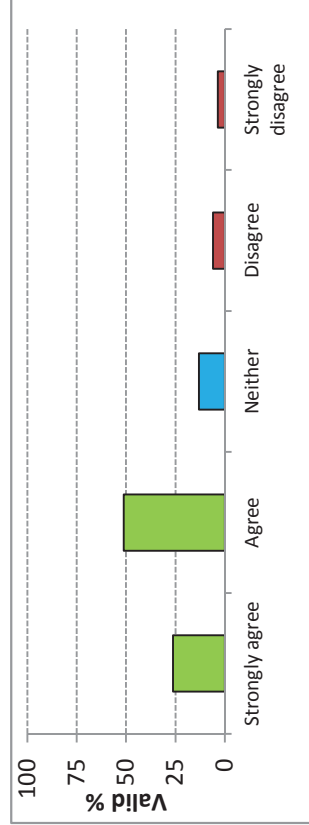
How far do you agree or disagree?

	Frequency	Percent	Valid Percent
Valid Strongly agree	15	17.9	17.9
Agree	38	45.2	45.2
Neither	15	17.9	17.9
Disagree	10	11.9	11.9
Strongly disagree	6	7.1	7.1
Total	84	100.0	100.0



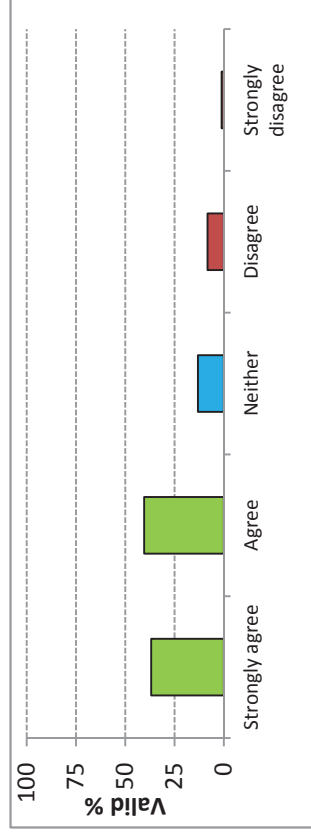
Q9 - The burden of proof for hardship lies with the rate payer. Whilst the authority can award hardship rate relief there is no obligation to do so unless evidence of hardship can be established. How far do you agree or disagree that rate payers who fulfil the above should receive discretionary rate relief?

	Frequency	Percent	Valid Percent
Valid Strongly agree	22	26.2	26.2
Agree	43	51.2	51.2
Neither	11	13.1	13.1
Disagree	5	6.0	6.0
Strongly disagree	3	3.6	3.6
Total	84	100.0	100.0



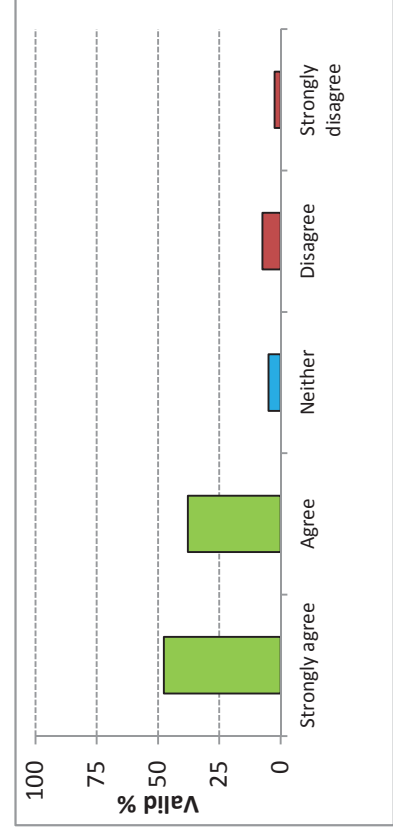
Q10 - To be eligible for Hardship relief, the rate payer must provide three years of trading accounts which should be included in the application. The rate payer must demonstrate that it is in the interests of the local council tax payers of the area that the rate relief is awarded by the Council as the award of relief is at a direct cost to the Council. How far do you agree or disagree that rate payers must provide the above information to qualify for discretionary rate relief?

	Frequency	Percent	Valid Percent
Valid Strongly agree	31	36.9	36.9
Agree	34	40.5	40.5
Neither	11	13.1	13.1
Disagree	7	8.3	8.3
Strongly disagree	1	1.2	1.2
Total	84	100.0	100.0



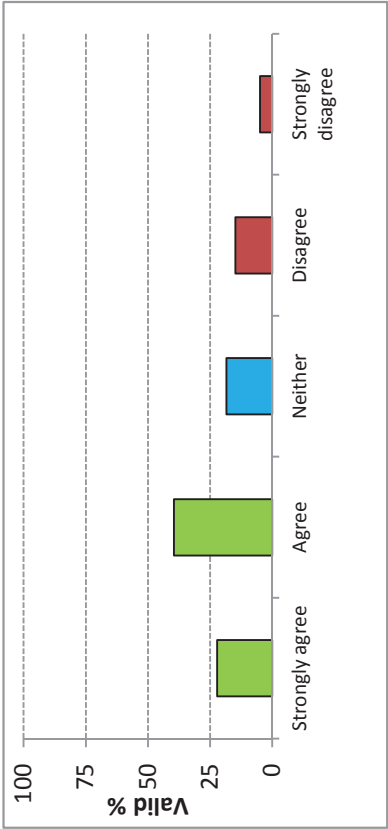
Q11 - Small business rate relief is a self-funding scheme, which ensures that larger companies pay more business rates to enable the smaller business to pay less. How far do you agree or disagree?

	Frequency	Percent	Valid Percent
Valid Strongly agree	39	46.4	47.6
Agree	31	36.9	37.8
Neither	4	4.8	4.9
Disagree	6	7.1	7.3
Strongly disagree	2	2.4	2.4
Total	82	97.6	100.0
Missing	2	2.4	
Total	84	100.0	



Q12 - Properties that will benefit from the relief must have a rateable value of £50,000 or less and are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.
How far do you agree or disagree?

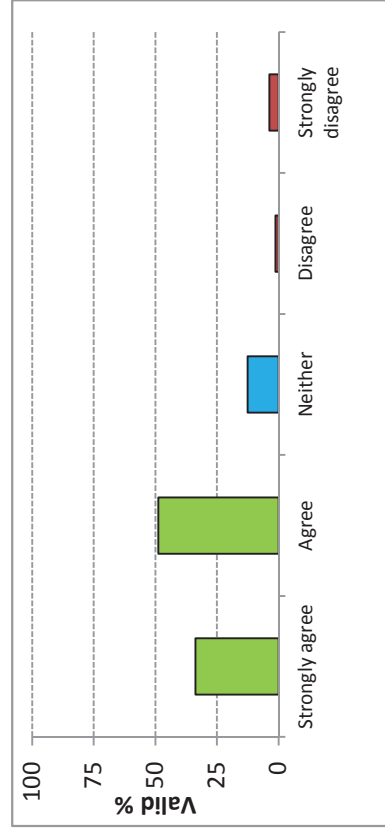
	Frequency	Percent	Valid Percent
Valid Strongly agree	18	21.4	22.2
Agree	32	38.1	39.5
Neither	15	17.9	18.5
Disagree	12	14.3	14.8
Strongly disagree	4	4.8	4.9
Total	81	96.4	100.0
Missing	3	3.6	
Total	84	100.0	



Q13 - Rural Rate Relief is a scheme of relief for qualifying businesses situated in rural areas. Businesses that qualify are General Stores, Post Offices, Petrol Filling Stations, Public Houses and Food Stores.

The business must be in a rural area that has a population of no more than 3,000 people on 31st December of the preceding financial year. Relief is only available on occupied properties. The relief will only be awarded by a demonstration of the importance of the business to the local community by the applicant. How far do you agree or disagree with this?

	Frequency	Percent	Valid Percent
Valid			
Strongly agree	27	32.1	33.8
Agree	39	46.4	48.8
Neither	10	11.9	12.5
Disagree	1	1.2	1.3
Strongly disagree	3	3.6	3.8
Total	80	95.2	100.0
Missing	4	4.8	
Total	84	100.0	



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Central Bedfordshire Council

EXECUTIVE

13 January 2014

Quarter 2 Performance Report

Report of Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources (maurice.jones@centralbedfordshire.gov.uk)

Advising Officer: (Deb Broadbent-Clarke, Director of Improvement and Corporate Services ([Deb Broadbent-Clarke @centralbedfordshire.gov.uk](mailto:Deb.Broadbent-Clarke@centralbedfordshire.gov.uk)))

This report relates to non-Key Decision

Purpose of this report

1. To report on Quarter 2 2014/15 performance for Central Bedfordshire Council's Medium Term Plan (MTP) indicator set. The report comprises the following sections:
 - Overall summary for the reporting period (paragraph 5 below).
 - The Executive report scorecard (see page 2 of this report).
 - This Quarter's
 - Green performance (paragraph 8).
 - Amber performance (paragraph 9).
 - Red performance (paragraph 10).
 - Directorate summaries (pages 7 to 12 of this report).

RECOMMENDATIONS
 The Executive is asked to:
 Acknowledge the continuing good performance in Quarter 2 for the indicators being used to help support monitoring of progress against the Medium Term Plan priorities, and to ask officers to further investigate and resolve underperforming indicators as appropriate.

Overview and Scrutiny Comments/Recommendations

2. During the January 2015 cycle of meetings, relevant sections of this report will be presented to the Overview and Scrutiny committees.

Quarter 2 performance report

3. There are 29 indicators in the current MTP basket, in this quarter performance for 25 are monitored against agreed targets and a RAG status reported, and we only monitor direction of travel for four indicators.
4. The arrows in the scorecard show the performance 'direction of travel' and the RAG symbols show whether or not agreed targets are being met.

Performance Judgement	
Direction of travel (DoT)	RAG score
↓ Performance is reducing	▲ Target missed – Performance at least 10% below the required level of improvement
→ Performance remains unchanged	● Target missed – Performance less than 10% below the required level of improvement
↑ Performance is improving	★ Target achieved

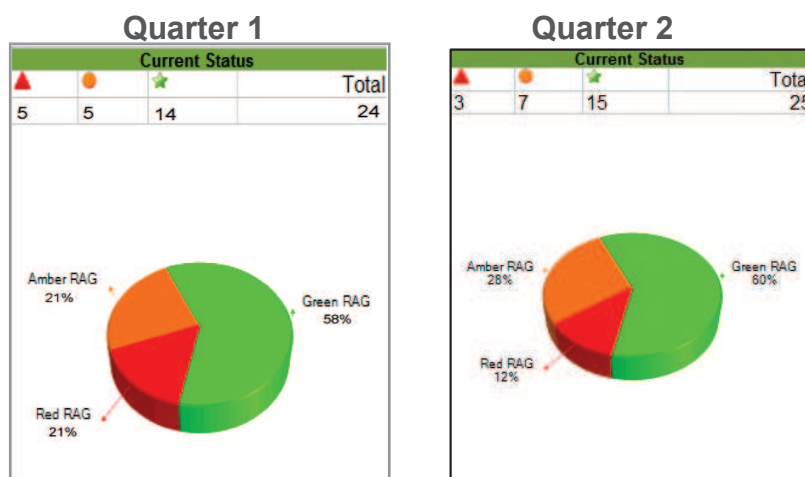
Enhance your local community						
	Performance will be reported	Latest Actual	Last Reported	Direction of Travel	Current Status	
...	A1 MTP Percentage of Central Bedfordshire residents satisfied with the local area as a place to live	91 %	Sep 14	↑	★	
...	A2 MTP Number of people in employment aged (16 to 64) (% above national average)	6.7 %	Jun 14	↑	★	
...	A3 MTP % of approved residential developments achieving CABE excellent status	100 %	Sep 14	→	★	
...	A4 MTP Number of Serious Acquisitive Crimes (Rate for 1,000)	2.5	Sep 14	↑	★	
...	A5 MTP Number of recorded anti-social behaviour incidents	1,952	Sep 14	↓	n/a	
Improved educational attainment						
...	B1 MTP Achievement of 5 or more A*-C grades at GCSE or equivalent including English & Maths - ranking	114	Jan 14	↓	▲	
...	B2 MTP Young People who are not in education, employment or training-Ranking	43	Feb 14	↓	●	
...	B3 MTP Number of education and training opportunities made available in the Autumn.	5,211	Dec 13	↑	★	
...	B4 MTP Published Ofsted School & College classifications (% good/outstanding)	87 %	Sep 14	↑	★	
Promote health and wellbeing and protect the vulnerable						
...	C1 MTP Protecting Vulnerable Adults	Green	Sep 14	→	★	
...	C2 MTP Additional 'Extra Care' flats provided	Red	Sep 14	→	▲	
...	C3 MTP Percentage of decent homes (Council stock)	99.6 %	Sep 14	↓	●	
...	C4a MTP Village Care Scheme % Coverage	100 %	Sep 14	→	★	
...	C5a MTP Percentage of council commissioned dementia classed as 'good' or 'excellent'	85%	Sep 14	↑	★	
...	C6 MTP % clients receiving self directed support	73.8 %	Sep 14	↑	▲	
...	C7 MTP Percentage of 40 to 74 year olds offered a health check	124.14 %	Sep 14	↓	★	
...	C8a MTP % of referrals of children leading to the provision of a social care service (Cumulative)	81.1 %	Sep 14	↓	★	
...	C9a MTP % of children's social care assessments within 45 working days of start (Cumulative)	93.6 %	Sep 14	↑	★	
...	C10 MTP % child protection cases due to be reviewed during that year were reviewed	100 %	Sep 14	→	★	
...	C11 MTP Average time in days between a child entering care and moving in with its adoptive family	523	Sep 14	↑	●	
Better infrastructure						
...	D1a MTP Percentage resident satisfaction with road maintenance	35 %	Sep 14	↑	●	
...	D1b MTP Percentage resident satisfaction with pavement maintenance	45 %	Sep 14	↓	●	
...	D2 MTP Percentage of Central Bedfordshire with access to superfast broadband	76.8%	Mar 14	↑	n/a	
...	D3 MTP Percentage of Central Bedfordshire with access to at least 2Mb broadband	91.4 %	Mar 14	↑	n/a	
Great universal services						
...	E1 MTP % of household waste sent for reuse, recycling and composting (cumulative)	49.8%	Mar 14	↓	●	
...	E2 MTP Percentage of adults in Central Bedfordshire taking part in sport or active recreation (APS)	24.1 %	Jun 14	↑	●	
...	E3 MTP Percentage Satisfaction of adults with library services	95 %	Mar 13	↑	★	
...	E4 MTP Number of visits to libraries	993,971	Mar 14	↑	n/a	
Value for money						
...	F1 MTP Percentage increase in Council Tax	0 %	Mar 14	→	★	

5. This report shows latest data for all the Council's MTP indicators, even if new data is not being reported this Quarter, so that a complete picture of overall performance is shown.

Period Overall Summary
<p>2014/15 Quarter 2 (July - September 2014). There are 29 indicators in the Medium Term Plan basket. At the end of this quarter:</p> <ul style="list-style-type: none"> • 25 of these have RAG scores: <ul style="list-style-type: none"> 15 are GREEN 7 are AMBER 3 are RED, and • 4 are NOT SCORED as these do not have targets set. <p>Of those reporting new data this quarter, 12 are Green, 4 are Amber, 2 are Red and 1 is not scored.</p> <p>Overall performance remains strong across the priorities in the Medium Term Plan with only a small number of indicators scored as red.</p>

6. During 2014/15, four performance reports are presented to Executive and over the year the 29 MTP indicators are reported as follows:
- a. 17 indicators reported every quarter
 - b. four reported twice yearly
 - i. two in Q1 & 2
 - ii. two in Q1 & 3
 - c. seven reported annually
 - i. one in Q1
 - ii. one in Q3
 - iii. five in Q4
 - d. one indicator is only measured every three years and will next be reported in Q1 2016/17.
7. While the same indicators are not reported every quarter the charts below compare Quarter 1 and Quarter 2.

This shows improvement with 88% of indicators reported as Green or Amber in Quarter 2 compared with 79% reported last quarter.



Q2 - Green performance

8. Overall performance remains good across the Medium Term Plan (MTP) priorities with fifteen indicators scored as Green of which twelve are reporting new data this Quarter.

Green Performance				
Indicator	Latest data	Target (Period)	Actual (Period)	Current Status
A1 MTP Percentage of Central Bedfordshire residents satisfied with the local area as a place to live	Sep 14	84 %	91 %	★
A2 MTP Number of people in employment aged (16 to 64) (% above national average)	Jun 14	5.0 %	6.7 %	★
A3 MTP % of approved residential developments achieving CABE excellent status	Sep 14	100 %	100 %	★
A4 MTP Number of Serious Acquisitive Crimes (Rate for 1,000)	Sep 14	3.2	2.6	★
B3 MTP Number of education and training opportunities made available in the Autumn	Dec 13	5,169	5,211	★
B4 MTP Published Ofsted School & College classifications (% good/outstanding)	Sep 14	75 %	87 %	★
C1 MTP Protecting Vulnerable Adults	Sep 14	Green	Green	★
C4a MTP Village Care Scheme % Coverage	Sep 14	100 %	100 %	★
C5a MTP Percentage of council commissioned dementia classed as 'good' or 'excellent'	Sep 14	60.0 %	65.0 %	★
C7 MTP Percentage of 40 to 74 year olds offered a health check	Sep 14	100.00 %	124.14 %	★
C8a MTP % of referrals of children leading to the provision of a social care service (Cumulative)	Sep 14	75.0 %	81.1 %	★
C9a MTP % of children's social care assessments within 45 working days of start (Cumulative)	Sep 14	90.0 %	93.6 %	★
C10 MTP % child protection cases due to be reviewed during that year were reviewed	Sep 14	100 %	100 %	★
E3 MTP Percentage Satisfaction of adults with library services	Mar 13	93 %	95 %	★
F1 MTP Percentage increase in Council Tax	Mar 14	0 %	0 %	★

These include:

- in 2009, 75% of residents were satisfied with the Central Bedfordshire area as a place to live. This improved to 91% in the Autumn 2014 Survey. This is 7% above the national average (A1 MTP). Since 2009, overall satisfaction with the Council has improved significantly rising from 35% to 78%, quality of service has increased from 38% to 74% and value for money has risen from 19% to 62%;
- in June 2014, 78.9% of working age people (between 16 and 64) in Central Bedfordshire are in employment. This is the second quarter since June 2012 the Council's target of remaining 5% above the national rate has been met (A2 MTP);
- the percentage of approved residential developments achieving CABE excellent status performance remains at 100% (A3 MTP);
- the rate (per 1,000 residents) of Serious Acquisitive Crimes recorded shows overall improvement. During Quarter 1 there were 716 offences recorded (2.7) whereas in Quarter 2 this dropped to 667 (2.5) (A4 MTP);
- 5,211 education and training opportunities were made available in Central Bedfordshire by school sixth form and further education institutions funded by the Education Funding Agency (EFA) during Autumn 2013 (B3 MTP);
- 87% of schools are classed as 'Good' or 'Outstanding' (B4 MTP);
- we continue to have 100% of the area covered by Village Care Schemes offering help and support to residents (C4a MTP);

- 85% of dementia services commissioned by the Council are classified as 'good' or 'excellent' (C5a MTP);
- at 10,053, the number of Health Checks offered in Quarter 2 was well above target (C7 MTP);
- performance remains at 100% for child protection cases due to be reviewed during the year that were reviewed (C10 MTP); and
- 81% of child referrals led to a social care service being provided, with 93.6% of assessments undertaken completed within our 45 working days target. (C8a & C9a MTP).

Q2 - Amber performance

9. In this Quarter there are seven indicators scored as Amber of which four are reporting new data.

Amber Performance				
Indicator	Latest data	Target (Period)	Actual (Period)	Current Status
B2 MTP Young People who are not in education, employment or training-Ranking	Feb 14	38	43	●
C3 MTP Percentage of decent homes (Council stock)	Sep 14	100.0 %	99.6 %	●
C11 MTP Average time in days between a child entering care and moving in with its adoptive family	Sep 14	517	523	●
D1a MTP Percentage resident satisfaction with road maintenance	Sep 14	36 %	35 %	●
D1b MTP Percentage resident satisfaction with pavement maintenance	Sep 14	50 %	45 %	●
E1 MTP % of household waste sent for reuse, recycling and composting (cumulative)	Mar 14	51.0 %	49.8 %	●
E2 MTP Percentage of adults in Central Bedfordshire taking part in sport or active recreation (APS)	Jun 14	24.2 %	24.1 %	●

These Ambers are:

- the Council's ranking against all English authorities for the number of young people who are not in education, employment or training (NEET) in Central Bedfordshire. In February 2014, we were ranked 43/152 authorities and only narrowly missed our target of being in the top quartile by 0.2%. Our 4.3% performance shows Central Bedfordshire continues to perform well and although this is within the 2nd quartile it is better than the national (5.3%) and regional (5.1%) averages.
- the average time in days between a child entering care and moving in with its adoptive family is now 523 days. Performance has improved since Quarter 1 and is on track to be close to target (currently 517 days) by year end reflecting the national aspiration for shorter adoption timescales. Our performance continues to be close to target, demonstrating that children are placed in their permanent home without undue delay which is particularly important in enabling very young children to form positive emotional attachments (C11 MTP);
- the percentage of Council stock meeting decent homes, where performance at 99.7% remains slightly below the 100% target. (C4a MTP);

- the satisfaction level for pavement maintenance is 45% and for road maintenance has increased to 35%. Satisfaction with Highways continues to be an issue for our residents, albeit that the condition of Central Bedfordshire's roads and pavements is comparatively good (D1a & b MTP);
- the 49.8% 2014/15 outturn for the percentage of household waste sent for reuse, recycling and composting shows a small decline on 2012/13 performance, which is in line with the national trend (E1 MTP); and
- the latest Active People Survey data published in June 2014 showed a small rise in the percentage of adults participating in sport or active recreation to 24.2%, which is just 0.2% below the national average (E2 MTP).

Q2 - Red performance

10. In this Quarter there are three indicators scored as Red, with two reporting new data.

Red Performance				
Indicator	Latest data	Target (Period)	Actual (Period)	Current Status
B1 MTP Achievement of 5 or more A*-C grades at GCSE or equivalent including English & Maths -ranking	Jan 14	50	114	▲
C2 MTP Additional 'Extra Care' flats provided	Sep 14	Green	Red	▲
C6 MTP % clients receiving self directed support	Sep 14	100.0 %	73.8 %	▲

These red indicators are:

- the Council's results for young people achieving 5 or more A* - C Grades at GCSE level or equivalent (including English and Maths) against all English authorities. For the 2013 academic year, our 57.7% results ranked the Council 114 of 151 English authorities. Provisional results for 2014 are available and these suggest that when final results are published in January 2015 there will be improvement. Our ranking position reflecting 2014 results will be reported in Quarter 3 (B1 MTP);
- the number of additional 'Extra Care' flats. This indicator will become green once Priory View is delivered in August 2015 (C2 MTP); and
- the measure of the number of social care clients receiving self-directed support, where over the past quarter this has continued to improve and at 73.8% remains above both the national and regional averages. This remains red as previously reported due to the particularly challenging target of 100% in the MTP (C6 MTP).

Social Care, Health & Housing					
Promote health and wellbeing and protect the vulnerable	Performance will be reported	Actual	Latest Data	Direction of Travel	Current Status
C1 MTP Protecting Vulnerable Adults	Quarterly	Green	Sep 14	→	🟢
C2 MTP Additional 'Extra Care' flats provided	Quarterly	Red	Sep 14	→	🔴
C3 MTP Percentage of decent homes (Council stock)	Quarterly	99.6 %	Sep 14	→	🟡
C4a MTP Village Care Scheme % Coverage	Quarterly	100 %	Sep 14	→	🟢
C5a MTP Percentage of council commissioned dementia classed as 'good' or 'excellent'	Quarterly	85%	Sep 14	→	🟢
C6 MTP % clients receiving self directed support	Quarterly	73.8 %	Sep 14	→	🔴

Summary - Social Care, Health & Housing

Quarter 2 (July to September 2014)

The Directorate continues to perform well against the Medium Term Plan priority "Promote health and wellbeing and protecting the vulnerable" .

Performance continues to improve for the proportion of customers receiving self directed support (C1 MTP). Local performance exceeds the national target and remains strong in comparison to neighbouring authorities and the Eastern region. The local aspiration to achieve 100% remains.

Work continues on both the Priority View and Greenfields builds, with 83 units being delivered in Summer 2015 in Dunstable, and 82 units in early 2016 in Leighton Buzzard.

All wards continue to be covered by a village care schemes and the number of residents benefitting from the schemes have increased to 753 from 531, between July and September.

The percentage of providers rated as good to excellent for dementia care has continued to improve and now stands at 85%.

Progress has been maintained in the other targets.

Public Health					
Promote health and wellbeing and protect the vulnerable	Performance will be reported	Actual	Latest Data	Direction of Travel	Current Status
C7 MTP Percentage of 40 to 74 year olds offered a health check	Quarterly	124.14 %	Sep 14	↓	★

Summary - Public Health

Quarter 2 (July to September 2014)

The latest available full quarter data is for Quarter 1 (April - June 2014) which shows that the percentage of Health Checks offered exceeded performance, reaching 129% of target during that period.

The conversion rate, which is the proportion of Health Checks delivered against invitations sent out, is lower than target. The higher rate of invitations increases pressure to deliver a good conversion rate, as the number of Health Checks delivered needs to match the proportion of residents invited, in order to get near the national target of 66%. The number of Health Checks delivered is below target, at approximately 70%, largely because a number of GP Practices continue to underperform.

Work is continuing to ensure that invitations for Health Check are consistent and targeted from the multiple GP practices which provide this service across CBC. These efforts are aimed at supporting Primary Care with effective strategies to engage patients and increase positive responses to invitation for Health Check. Performing providers are being encouraged to demonstrate and share what has worked well with their peers.

Public Health is supporting GPs from within the Core Commissioning Team by increasing capacity to deliver Health Checks in community venues, for example in workplaces. Central Bedfordshire Public Health are engaging with GPs both on a locality basis, and individually, in order to identify the barriers they face in the delivery of Health Checks and offer practical support to find effective solutions.

Directorate Summaries

Children's Services						
Improved educational attainment	Performance will be reported	Actual	Latest Data	Direction of Travel	Current Status	
B1 MTP Achievement of 5 or more A*-C grades at GCSE or equivalent including English & Maths -ranking	Annual (Jan)	114	Jan 14	↘	▲	
B2 MTP Young People who are not in education, employment or training-Ranking	Annual Average (Nov - Jan)	43	Feb 14	↘	●	
B3 MTP Number of education and training opportunities made available in the Autumn.	Annual (School Yr)	5,211	Dec 13	↗	★	
B4 MTP Published Ofsted School & College classifications (% good/outstanding)	Quarterly	87 %	Sep 14	↗	★	
Promote health and wellbeing and protect the vulnerable						
C8a MTP % of referrals of children leading to the provision of a social care service (Cumulative)	Quarterly	81.1 %	Sep 14	↘	★	
C9a MTP % of children's social care assessments within 45 working days of start (Cumulative)	Quarterly	93.6 %	Sep 14	↗	★	
C10 MTP % of child protection cases due to be reviewed during that year were reviewed	Quarterly	100 %	Sep 14	↗	★	
C11 MTP Average time in days between a child entering care and moving in with its adoptive family	Quarterly	523	Sep 14	↗	●	

Summary - Children's Services

Quarter 2 (July to September 2014)

87% of schools and colleges are good or outstanding - which is good performance. Ofsted publish a similar indicator which does not include colleges or sponsored Academies which are yet to be inspected. This shows Central Bedfordshire compares well to statistical neighbours and national averages - as at 30 June 2014, 87% of Central Bedfordshire Schools are good or better and the Statistical Neighbour Average was 80% and England 81%.

The 2014 Provisional Key Stage 4 Results - Statistical First Release was published in October 2014. Provisional results indicate that the percentage of pupils achieving 5A* - C including English and Maths GCSE in Central Bedfordshire 2014 is 56.4%, with the Statistical Neighbour average 57.2% and the National average 52.6%. Central Bedfordshire is ranked 7/11 against the Statistical Neighbours (compared to a ranking of 10/11 last year) and is ranked 71/151 against the National ranking (a 43 place increase compared to a ranking of 114/151 last year). Whilst this is an early indication (with details being checked by schools) this suggests improvement and provisionally moves Central Bedfordshire into the second quartile. Changes have been made and only a student's first entry to a GCSE examination count in their school's performance tables. Therefore this needs to be considered when comparing 2014 results to previous years. Final results are expected to be published in January 2015 and will be reported in Quarter 3.

Performance data across safeguarding measures is good at the end of Quarter 2 2014/15. Child protection reviews completed within timescales continue to achieve the 100% target.

The new Access and Referral Hub has added greater stability to the referral process. 81.1% of referrals have led to the provision of a social care service - achieving the 75% target. This indicator reflects the proportion of referrals that go on to further social care input, in most cases this will be to start an assessment. Detailed analysis of completed referrals has shown that assessments are started where needed and continue to focus correctly on the right children who need our services.

The ambitious 90% target for assessments completed within 45 days has been achieved, the Q2 figure 93.6% demonstrates that performance is good. The new processes are now well established with good performance expected to continue through 2014/15.

Children are placed in their permanent home without undue delay which is particularly important in enabling very young children to form positive emotional attachments. The average timescales from entering care and moving in with adoptive family for the 3 years ending 30 September 14 was 523 days which is six days above the nationally set target, 19 days below our 2011/14 outturn and 107 days below the comparator average for 2012/13. There has been further improvement on last year and Central Bedfordshire continues to compare well to other local authorities. With more adoptions planned and shorter timescales in most cases it is expected that improvements will continue.

Community Services

Enhance your local community	Performance will be reported	Actual	Latest Data	Direction of Travel	Current Status
A1 MTP Percentage of Central Bedfordshire residents satisfied with the local area as a place to live	Resident's Survey (Bi-Annual)	91 %	Sep 14	↑	🟢
A5 MTP Number of recorded anti-social behaviour incidents	Quarterly	1,952	Sep 14	↓	n/a
A4 MTP Number of Serious Acquisitive Crimes (Rate for 1,000)	Seasonal				
Better infrastructure	Quarterly	2.5	Sep 14	↑	🟢
D1a MTP Percentage resident satisfaction with road maintenance	Resident's Survey (Bi-Annual)	35 %	Sep 14	↑	🟠
D1b MTP Percentage resident satisfaction with pavement maintenance	Resident's Survey (Bi-Annual)	45 %	Sep 14	↓	🟠
Great universal services	Seasonal				
E1 MTP % of household waste sent for reuse, recycling and composting (cumulative)	Quarterly	49.8 %	Mar 14	↓	🟠
E2 MTP Percentage of adults in Central Bedfordshire taking part in sport or active recreation (APS)	Bi-Annual	24.1 %	Jun 14	↑	🟠
E3 MTP Percentage Satisfaction of adults with library services	Every 3 years (Mar)	95 %	Mar 13	↑	🟢
E4 MTP Number of visits to libraries	Annual (March)	993,971	Mar 14	↑	n/a

Summary - Community Services

Quarter 2 (July to September 2014)

Quarter 2 has seen levels of Anti Social Behaviour (ASB) and Serious Acquisition Crimes (SAC) remain relatively stable against Quarter 1, although Theft of Motor Vehicles (TOMV) and Burglary figures are beginning to show increases at the end of the quarter

These increases may indicate crime series that will need monitoring and appropriate action taking if increases continue. In comparison with Quarter 2 in 2013-14 reductions have been seen, for ASB and SAC but for SAC these are very small reductions. Robbery levels have not increased in Quarter 2 and Theft from Motor Vehicles (TFMV) levels have reduced from Quarter 1 and are showing lower levels throughout Quarter 2.

The condition of Central Bedfordshire's roads and pavements is comparatively good, however the Autumn 2014 Residents' Survey results indicate that satisfaction with Highways continues to be an issue for our residents and there is now an agreement with the service provider that public satisfaction is a key performance indicator, with a financial penalty should we not achieve our target for satisfaction with roads and pavement maintenance.

The satisfaction level for roads maintenance has increased to 35% and is within 1% of the local 2015 target and the satisfaction level for pavement maintenance is 45% against local target of 50%.

The latest data showed a drop in the percentage of waste being sent for recycling, reuse or composting, the cumulative performance for the 2013/14 year at 49.8% shows a small decline from 2013/14. Analysis shows this as being in line with national trends which show an increase in the amount residual waste being produced per household due to increased consumption. Recycling tonnages have remained static despite this as manufacturers continue to reduce packaging, much of which is recycled.

The latest Active People Survey data (June 2014) showed a small rise in the percentage of adults participating in sport or active recreation which at 24.1% is just 0.2% below the national average.

Directorate Summaries

Regeneration						
Enhance your local community	Performance will be reported	Actual Data	Direction of Travel	Latest Data	Current Status	
A2 MTP Number of people in employment aged (16 to 64) (% above national average)	Quarterly	6.7 %	↑	Jun 14	★	
A3 MTP % of approved residential developments achieving CABE excellent status	Quarterly	100 %	→	Sep 14	★	
Better infrastructure						
D2 MTP Percentage of Central Bedfordshire with access to superfast broadband	Annual (March)	76.8 %	↑	Mar 14	n/a	
D3 MTP Percentage of Central Bedfordshire with access to at least 2Mb broadband	Annual (March)	91.4 %	↔	Mar 14	n/a	

Summary - Regeneration

Quarter 2 (July to September 2014)

Most recent employment data shows the employment rate is continuing to improve. The latest data (June 2014) shows that at 78.9%, the Central Bedfordshire employment rate is now 6.7% above the national rate and 3.1% above both the East of England and the SEMLEP average.

The number of people in employment has grown by 3,500 (2.8%) in the last quarter and over 4,800 (3.9%) since March 2013, which shows positive signs of the continued economic recovery.

A key factor in the development of new businesses and jobs is the need to have the right strategic infrastructure including information technology in place. Specifically on technology good progress is being made in the roll out of both 2Mb and superfast broadband, with provisional outturn data for 2013/14 91.4% coverage of at least 2Mb broadband and 76.8% for superfast access.

We will continue to build on this good performance in 2014/15, as we actively work to encourage the growth of suitable businesses in Central Bedfordshire; influencing this through effective use of our assets, sector development and a package of support from Central Bedfordshire Council aligned to our key businesses, sectors and potential investors.

Finance					
Value for money	Performance will be reported	Actual Data	Latest Data	Direction of Travel	Current Status
F1 MTP Percentage increase in Council Tax	Annual (March)	0%	Mar 14	➔	🟢

Summary - Finance

Quarter 2 (July - September 2014)

At Full Council on 20 February 2014, the Council agreed for the fourth consecutive year not to increase the Council Tax charges. This has only been possible through very careful financial management which by the end of this year will have seen some £70M of efficiencies made by the Council since 2009.

Whilst no increase in Council Tax meant further savings are being made in the 2014/15 financial year, this was carefully planned so that front line services have been protected as much as possible, with savings being made through re-negotiated contracts, income generation, use of technology and changes to the way we deliver services.

The MTFP is scheduled for consideration at Executive on 10th February 2015 and approval at Full Council on 26th February 2015.

Council Priorities

11. The high proportion of indicators scored as Green evidences that the Council continues to perform well across a wide range of services and the MTP indicator basket underpins the delivery of the Council's Medium Term Plan priorities:
 - enhancing your local community – creating jobs, managing growth, protecting our countryside and enabling businesses to grow.
 - improved educational attainment
 - promote health and well being and protect the vulnerable
 - better infrastructure – improved roads, broadband reach and transport
 - great universal services – bins, leisure and libraries
 - value for money – freezing council tax

Corporate Implications

Legal Implications

12. None directly, however any areas of on-going underperformance would be a risk to both service delivery and the reputation of the Council.

Financial Implications

13. None directly, although the MTP indicator set monitors the percentage increase in Council Tax.

Equalities Implications

14. This report highlights performance against a range of indicators which measure how the Council is delivering against its Medium Term Plan priorities. It identifies specific areas of underperformance which can be highlighted for further analysis. Whilst many of the indicators deal with information important in assessing equality, it is reported at the headline level in this report.
15. To meet the Council's stated intention of tackling inequalities and delivering services so that people whose circumstances make them vulnerable are not disadvantaged, performance data for indicators in this set is supported by more detailed performance data analysis at the service level and this is used to support the completion of equality impact assessments. These impact assessments provide information on the underlying patterns and trends for different sections of the community and identify areas where further action is required to improve outcomes for vulnerable groups.

Public Health

16. The MTP indicator set includes an indicator monitoring the percentage of 40 to 74 year olds offered a health check.

Community Safety:

17. The levels of serious acquisitive crime and anti-social behaviour are included in the MTP indicator set.

Sustainability:

18. A broad range of indicators relating to sustainability including those covering employment, access to broadband, library usage, active recreation and waste are included in the MTP indicator set.

Appendices

19. None

Background Papers

20. None.