

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

**This meeting will
be filmed.***



**Central
Bedfordshire**

please ask for Sandra Hobbs
direct line 0300 300 5257
date 28 January 2016

NOTICE OF MEETING

EXECUTIVE

Date & Time

Tuesday, 9 February 2016 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 Health
	M Versallion	– Executive Member for Education and Skills
	C Hegley	– Executive Member for Social Care and Housing and Lead Member for Children's Services
	N Young	– Executive Member for Regeneration
	B Spurr	– Executive Member for Community Services
	R Wenham	– Executive Member for Corporate Resources
	A Turner	– Executive Member for Stronger Communities

All other Members of the Council - on request

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

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<http://www.centralbedfordshire.gov.uk/modgov/ieListMeetings.aspx?Committeeld=577>.

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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 12 January 2016.

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 2016 to 31 January 2017.

Decisions

Item	Subject	Page Nos.
8.	The Future of Greenacre Older Persons Home and Day Centre	29 - 148

To consider the outcome of the consultation on the future of Greenacre Older Persons Home and Day Centre and to decide on the future of the home and the services within it.

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|-----|---|-----------|
| 9. | Budget 2016/17 and Medium Term Financial Plan | 149 - 304 |
| | The report proposes the Budget for 2016/17 and updates the Medium Term Financial Plan (MTFP) approved by Council in February 2015. | |
| 10. | Capital Programme 2016/17 to 2019/20 | 305 - 324 |
| | The report proposes the Capital Programme for the four years from April 2016. It excludes the Housing Revenue Account (HRA) which is subject to a separate report. | |
| 11. | Budget for the Housing Revenue Account (Landlord Business Plan) | 325 - 352 |
| | The report sets out the financial position of the Housing Revenue Account (HRA) and the Budget for 2016/17. There are proposals relating to recent legislative changes, the debt strategy, investment potential and rent reduction. | |
| 12. | Treasury Management Strategy and Treasury Policy | 353 - 388 |
| | The report outlines the Treasury Policy and Treasury Management Strategy for 2016/17. | |
| 13. | Schools Budget 2016/17 | 389 - 396 |
| | This report sets out the proposed distribution of the Dedicated Schools Grant (DSG) Schools Block for 2016/2017. | |
| 14. | Traded Services to Schools & Academies - Proposed Charges for 2016/17 | 397 - 446 |
| | The report proposes the revised 2016/17 charges for Traded Services to Schools & Academies for non statutory services. | |
| 15. | Commissioning of New Lower School Places in Fairfield Parish | 447 - 470 |
| | To seek Executive support for a proposed consultation to provide new Lower School places in Stotfold from September 2017. The school referred to within the report serves the Ward of Stotfold and is located within the Parish of Fairfield. | |

16. **European Structural Investment Fund (ESIF)** 471 - 532

To provide further detail regarding the outcome of the Innovation Bridge European Regional Development (ERDF) funding bid, as a follow on from the European Structural Investment Fund paper which was approved by Executive on 6 October 2015.

17. **Houghton Hall Park Renaissance and Renewal Project** 533 - 542

To provide an update on Houghton Hall Park Renaissance and Renewal project and seek approval to delegate the authority for the award of contracts for landscape restoration works and construction of a visitor centre at Houghton Hall Park, Houghton Regis.

18. **Redevelopment of Dunstable Leisure Centre and Library** 543 - 554

To receive an update on the redevelopment of Dunstable Leisure Centre and Library and to seek approval for additional capital expenditure.

19. **Community Safety Partnership Priorities 2016 - 2019** 555 - 564

The report informs Members of the three priorities and emerging issue that have been identified through the Community Safety Partnership Strategic Assessment.

20. **Tender Award of a Five Year Contract for Council Housing Gas Appliance Maintenance and Service** 565 - 572

This report recommends delegating authority to the Director of Social Care, Health and Housing in consultation with the Executive member responsible for Social Care and Housing to award the Gas Maintenance and Servicing Contract to the most economically advantageous submission following evaluation.

Monitoring Matters

Item	Subject	Page Nos.
21.	December 2015 Quarter 3 Revenue Budget Monitoring	573 - 602

The report sets out the financial position for 2015/16 as at the end of December 2015. It sets out spend to date against the profiled budget and the forecast financial outturn.

22. **December 2015 - Quarter 3 Capital Budget Monitoring Report** 603 - 618

The report sets out the Capital financial position for 2015/16 as at the end of December 2015.

23. **December 2015 Quarter 3 Housing Revenue Account Budget Monitoring** 619 - 628

The report provides information on the 2015/16 Housing Revenue Account (HRA) projected outturn revenue and capital position as at December 2015.

24. **Five Year Plan Performance Monitoring** To Follow

To receive the Five Year Plan performance monitoring report.

25. **Exclusion of Press and Public**

To consider whether to pass a resolution under section 100A of the Local Government Act 1972 to exclude the Press and Public from the meeting for the following items of business on the grounds that the consideration of the items is likely to involve the disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A of the Act.

Exempt Report

Item	Subject	Exempt Para.	Page Nos.
26.	Land at Hitchin Road, Fairfield	3	629 - 636

To approve the disposal of 9.18 ha of CBC-owned land at Hitchin Rd, Fairfield, subject to the provision within the disposal for a site 1.4 ha site for a 2 form entry lower school.

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, 12 January 2016.

PRESENT

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

Executive Members:	Cllrs	C Hegley B J Spurr A M Turner	Cllrs	M A G Versallion R D Wenham J N Young
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Deputy Executive Members:	Cllrs	A D Brown Mrs S Clark K M Collins I Dalgarno	Cllrs	S Dixon Mrs A L Dodwell E Ghent B Wells
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Apologies for Absence:	Deputy Executive Member Cllr	Ms C Maudlin
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Members in Attendance:	Cllrs	R D Berry M C Blair D Bowater P Downing F Firth C C Gomm	Cllrs	Mrs S A Goodchild Ms A M W Graham D McVicar A Ryan B Saunders D Shelvey
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Officers in Attendance	Mr Q Baker	Assistant Director Legal and Democratic Services and Monitoring Officer (Interim)
	Mr R Carr	Chief Executive
	Mr M Coiffait	Director of Community Services
	Mrs S Harrison	Director of Children's Services
	Mrs S Hobbs	Committee Services Officer
	Mrs C Jagusz	Committee Services Administrator
	Mr J Longhurst	Director of Regeneration and Business
	Mrs J Ogley	Director of Social Care, Health and Housing
	Mrs C Shohet	Assistant Director of Public Health
	Mrs G Stanton	Chief Communications Officer
	Mr C Warboys	Chief Finance Officer

E/15/76. **Minutes**

RESOLVED

that the minutes of the meeting held on 1 December 2015 be confirmed as a correct record and signed by the Chairman.

E/15/77. **Members' Interests**

None were declared.

E/15/78. **Petitions**

No petitions were received.

E/15/79. **Public Participation**

No members of the public had registered to speak.

E/15/80. **Chairman's Announcements**

Agenda item 14 'Shared Legal Services' would be discussed after item 15 'Quarter 2 Performance Monitoring Report'.

The Leader explained that he was proud of what had been accomplished over the previous 5 years to maintain and improve services and freeze Council Tax in Central Bedfordshire. He had hoped that this would continue, but the Local Government Financial Settlement announced on 17 December 2015, reflected a change in Government policy on the balance of services that would be financed nationally compared with through local taxation. There would be a very substantial loss of Government funding support over the next 4 years. The Government's expectation was that the Council Tax would be raised by 3.75% to compensate for the loss of funding, including a 2% levy specifically to contribute towards the costs of adult social care.

The Leader had lobbied Ministers, the LGA and MPs to highlight the good work of the authority and the implications of the Settlement for Central Bedfordshire. He felt that the Government should do more to support those authorities delivering housing growth, given that accelerating the supply of new homes was a national priority.

E/15/81. **Forward Plan of Key Decisions**

RESOLVED

that the Forward Plan of Key Decisions for the period 1 February 2016 to 31 January 2017 be noted.

E/15/82. Draft Budget 2016/17 and Medium Term Financial Plan

The Executive considered a report from the Executive Member for Corporate Resources that proposed a draft budget for 2016/17 and updated the Medium Term Financial Plan (MTFP). The Local Government Financial Settlement announced on 17 December 2015 and was significantly worse for Central Bedfordshire than had been anticipated both in absolute and comparative terms. Therefore proposals needed to be identified to respond to the reduction in funding support from Government over and above the proposals contained in the draft budget/updated MTFP.

The Government had made an assumption in its financial modelling that councils would raise council tax by both a 2% precept earmarked for adult social care and an assumed 1.75% for inflation in each of the next four years.

Officers were still evaluating the Settlement as the Government's figures were still being amended and a revised Appendix B, setting out the key elements of the Medium Term Financial Plan 2016/17 to 2019/20 was tabled at the meeting reflecting the latest position.

In response to questions, the Leader and the Executive Member for Corporate Resources explained that the Council would have to look at different ways of working. The Overview and Scrutiny Committees would have an opportunity to examine the proposed savings as set out in the report.

Reason for decision: To enable consultation on the draft budget 2016/17 and Medium Term Financial Plan 2016-2020, prior to final recommendations being made by the Executive to Council in February 2016.

RESOLVED

that the draft budget proposals for 2016/17 be approved as the basis for consultation with the Overview and Scrutiny Committees and other interested parties.

E/15/83. Draft Capital Programme 2016/17 to 2019/20

The Executive considered a report from the Executive Member for Corporate Resources that proposed the draft Capital Programme for the four years from 1 April 2016. The Capital Programme continued to be dominated by a number of large schemes, including the requirement to provide New School Places, M1/A421 Junction 13 – Milton Keynes Magna Park, Highways Structural Maintenance, New Depots and Household Waste Recycling Centres, the Woodside Link and Dunstable Leisure Centre and Library.

Reason for decision: To enable consultation on the Council's proposed Capital Programme for the MTFP period 2016/17 to 2019/20.

RESOLVED

that the draft Capital Programme for 2016/17 to 2019/20 be approved as the basis for consultation with Overview and Scrutiny Committees and other interested parties.

E/15/84. Draft Budget for the Housing Revenue Account (Landlord Service) Business Plan

The Executive considered a report from the Executive Member for Corporate Resources that set out the financial position of the Housing Revenue Account (HRA) and the draft budget for 2016/17. The report also set out proposals relating to recent legislative changes, the debt strategy, investment potential and rent reduction.

The Government had intervened in the financing of stock retained authorities HRAs and had previously stipulated that rents should reduce by 1% for each of the next 4 years. It was estimated that the rent reductions would result in a loss of income of £12.7m over the 4 years and £219m over the 30 year Business Plan.

In response to a question, the Executive Member for Corporate Resources explained that in 2012 the Government had abolished the housing subsidy system to enable councils to have greater autonomy and influence over the financial management of their housing assets. As a result, the Council had acquired a proportion of the national housing debt in return for the right to retain the full rental income from its housing stock.

Reason for decision: To enable consultation on the draft budget for HRA for 2016/17, prior to final recommendations being made by the Executive to Council in February 2016.

RESOLVED

that the Draft Housing Revenue Account budget proposals for 2016/17, as set out in the report, be approved as the basis for consultation with Overview and Scrutiny Committees and other interested parties.

E/15/85. Neighbourhood Planning

The Executive considered a report from the Executive Member for Regeneration that provided an update on Neighbourhood Planning in Central Bedfordshire and set out the statutory processes involved. Currently sixteen Neighbourhood Areas had been designated and at least six parishes were well advanced with plans. It was anticipated that at least two draft plans would be published by parish councils in the next few months.

In response to a question, the Executive Member for Regeneration explained that it was for parish councils to propose the composition of a Neighbourhood Area.

Reason for decision: The Council needs a process in place to make the Plan or Order, following the statutory stages as set out in the report.

RESOLVED

to authorise the Director of Regeneration and Business, in consultation with the Executive Member for Regeneration, to:

- 1. publish submitted Neighbourhood Plans and Neighbourhood Development Orders for comment;**
- 2. appoint an Examiner in conjunction with the relevant body;**
- 3. submit the documentation for Examination;**
- 4. following Successful Examination, proceed to a referendum; and**
- 5. to 'Make' the Plan or Order, subject to the statutory stages as set out in paragraph 7 in the report and the outcome of the referendum.**

E/15/86. Proposal to make Drainage Byelaws

The Executive considered a report from the Executive Member for Community Services that proposed byelaws in connection with drainage matters to assist the Council in meeting its statutory duties and to help reduce the risk of flooding for local communities. The primary purpose of these proposed byelaws was to ensure efficient drainage within the Council's area. The associated benefits of making the proposed byelaws were:-

- managing and reducing flood risk;
- improving water quality;
- improving biodiversity;
- ensuring drainage infrastructure would be maintained and adapted over time; and
- improving the quality of life for people by improving the quality of public spaces and the water environment.

In response to a question, the Director of Regeneration and Business confirmed that Local Planning Authorities must satisfy themselves that the proposed minimum standard of operation of Sustainable Drainage Systems (SuDS) on new developments was appropriate. Drainage systems would also need to comply with the Council's Sustainable Drainage Policy.

Reason for decision: To enable the Council to monitor and enforce the efficiency of flood defences and support work with developers and local communities to reduce flood risk now and in the future.

RESOLVED

that the proposal to make drainage byelaws as set out in Appendix 1 to the report be endorsed.

RECOMMENDED to Council

that the byelaws following completion of the stakeholder consultation be adopted.

E/15/87.

Determination of the Proposal to Recommission Primary Specialist Provision for Autistic Spectrum Condition (ASC) in Dunstable

The Executive considered a report from the Executive Member for Education and Skills that provided the outcome of the consultation by Ardley Hill Academy on its proposal to establish a new eight place primary specialist provision for Autistic Spectrum Condition in Dunstable from September 2016. The consultation on the proposal had received 17 responses, of which 16 were in favour with only 1 respondent recording that they neither agreed nor disagreed with it.

Reason for decision: To ensure that the Council continued to meet its statutory obligations to secure sufficient school places for children with special educational needs.

RESOLVED

- 1. that the response received to the consultation by Ardley Hill Academy for the proposal to establish a new 8 place primary specialist provision for Autistic Spectrum Condition at Ardley Hill Academy in Dunstable from September 2016, as set out in the report be noted; and**
- 2. that the commencement of capital expenditure, as set out in the report, be approved, subject to:-**
 - the approval of the proposal by the Education Funding Agency; and**
 - the grant of planning permission under Part 3 of the Town and Country Planning Act 1990.**

E/15/88.

Quarter 2 Performance Monitoring Report

The Executive considered a report from the Executive Member for Corporate Resources that set out the quarter 2 2015/16 performance for Central Bedfordshire Council's Medium Term Plan indicator set. New indicator sets were being developed in support of the recently adopted Five Year Plan 2015-2020.

The Executive Member for Social Care and Housing suggested that when developing the new set of indicators, consideration should be given to identifying exceptional performance.

Reason for decision: To ensure a rigorous approach to performance management across Central Bedfordshire Council.

RESOLVED

- 1. that the continuing good performance for those indicators currently being used to help support the monitoring of progress against the Medium Term Plan priorities, be acknowledged; and**
- 2. that officers be requested to further investigate and resolve underperforming indicators as appropriate.**

E/15/89.

Shared Legal Services

The Executive considered a report from the Executive Member for Corporate Resources that sought approval of the preferred legal shared service provider, following the selection process. Three bidders had been invited to submit proposals, which had been rigorously evaluated. The bids had been assessed using the criteria of 40% price (or savings) and 40% quality as well as 20% staff welfare.

The Corporate Resources Overview and Scrutiny Committee would monitor the implementation of savings over 2016/17.

The Executive Member proposed a revised recommendation 2 and a new recommendation, this was duly seconded:-

- “2. That the provider shown as the winning tender, as set out in the exempt report, be approved as the preferred provider and request the Director of Improvement and Corporate Services, in consultation with the Executive Member for Corporate Resources, to seek to agree Heads of Terms to establish the Legal Services shared service with the winning provider whilst also ensuring that the interests of Central Bedfordshire Council are protected, and thereafter, if satisfactory, to enter into a formal agreement.
3. That the intention to discuss the proposed arrangements with the Council’s external auditors before being finalised, be noted.”

The Executive Member and Chief Executive explained that the Council had received notification that the National Audit Office had received a complaint through the whistleblowing procedure. The Council’s external auditors would now investigate this.

Reason for decision: To appoint a legal service provider, as a partner to Central Bedfordshire Council, for the provision of legal services to enable the Council to deliver the financial savings without impacting upon service levels.

RESOLVED

1. that the outcome of the selection process for a provider of a legal shared service be noted;
2. that the provider shown as the winning tender, as set out in the exempt report, be approved as the preferred provider and request the Director of Improvement and Corporate Services, in consultation with the Executive Member for Corporate Resources, to seek to agree Heads of Terms to establish the Legal Services shared service with the winning provider whilst also ensuring that the interests of Central Bedfordshire Council are protected, and thereafter, if satisfactory, to enter into a formal agreement; and
3. that the intention to discuss the proposed arrangements with the Council's external auditors before being finalised, be noted.

[Note that Mr Q Baker, Monitoring Officer was not present during this item.]

E/15/90. **Exclusion of the Press and Public**

RESOLVED

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

E/15/91. **Shared Legal Services**

See minute E/15/91 for further details.

(Note: The meeting commenced at 9.30 a.m. and concluded at 10.50 a.m.)

Chairman

Dated

**Central Bedfordshire Council
Forward Plan of Key Decisions
1 March 2016 to 28 February 2017**

- 1) During the period from **1 March 2016 to 28 February 2017**, 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.

There are exceptions to these criteria which is set out in C2 1.3 in the Council’s Constitution. Specifically, expenditure which is identified in the approved Council revenue and capital budgets are not key decisions.

- 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:

Councillor James Jamieson	Leader of the Council
Councillor Maurice Jones	Deputy Leader and Executive Member for Health
Councillor Mark Versallion	Executive Member for Education and Skills
Councillor Carole Hegley	Executive Member for Social Care and Housing and Lead Member for Children’s Services
Councillor Nigel Young	Executive Member for Regeneration
Councillor Brian Spurr	Executive Member for Community Services
Councillor Richard Wenham	Executive Member for Corporate Resources
Councillor Andrew Turner	Executive Member for Stronger Communities

- 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
7 July 2015	25 June 2015
4 August 2015	23 July 2015
6 October 2015	24 September 2015
1 December 2015	19 November 2015
12 January 2016	22 December 2015
9 February 2016	28 January 2016
5 April 2016	24 March 2016

Central Bedfordshire Council

Forward Plan of Key Decisions for the period 1 March 2016 to 28 February 2017

Key Decisions

Date of Publication: 28 January 2016

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Contact officer (method of comment and closing date)
1.	Adoption of the Planning Obligations Strategy -	To adopt the Planning Obligations Strategy.	5 April 2016	All parties on the CBC database including the Development Industry, Town and Parish Councils between 22nd June - 3rd August.	Open Adoption of the Planning Obligations Strategy	Executive Member for Regeneration Comments by 05/03/2016 to Contact Officer: Connie Frost-Bryant, Interim Local Planning Manager Email: connie.frost-bryant@centralbedfordshire.gov.uk Tel: 0300 300 4329
2.	Housing Strategy -	To receive the draft Housing Strategy for consideration and recommendation to Council.	5 April 2016	Public consultation carried out over a 6 week period.	Open Housing Strategy	Executive Member for Regeneration Comments by 05/03/2016 to Contact Officer Azma Ahmad-Pearce, Principal Housing Officer Email: azma.ahmad-pearce@centralbedfordshire.gov.uk Tel: 0300 300 5589

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.	Waste Transfer Station Operational Contract Award -	Following a procurement exercise to select a Contractor to operate the new Waste Transfer Station at Thorn Turn, this report seeks approval from the Executive to award the Contract.	5 April 2016		Open Waste Transfer Station Operational Contract Award	Executive Member for Community Services Comments by 05/03/2016 to Contact Officer: Alice Geary, Project Manager Community Services, Tel: 0300 300 6970, alice.geary@centralbedfordshire.gov.uk , Tracey Harris (Waste), Head of Waste Services tracey.harris2@centralbedfordshire.gov.uk Tel: 0300 300 4646

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)
4.	Local Transport Plan 4 -	<p>The Local Transport Plan (LTP) provides the strategic framework for investment in transport across the authority. It is proposed to update and replace the current LTP with a new Plan which takes into account political, financial and economic changes since the current document was adopted in April 2011.</p> <p>This item relates to securing support and approval for the overarching vision and objectives of the LTP together with the structure of the Plan.</p>	5 April 2016	Relevant Executive Members have been briefed and views sought to determine the outline approach to the LTP. Subject to the approval of the vision, objectives and structure, officers will embark on a process of developing the individual strategies of the Plan with consultation determined through a dedicated Consultation Strategy.	Open Local Transport Plan 4	Executive Member for Regeneration Comments by 05/03/2016 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)
5.	Passenger Transport Strategy - Public Transport -	To seek approval to go out to consultation on the Passenger Transport Strategy - Public Transport.	5 April 2016		Open Passenger Transport Strategy - Public Transport	Executive Member for Community Services Comments by 05/03/2016 to Contact Officer: Susan Childerhouse, Head of Public Protection (North) Email: susan.childerhouse@centralbedfordshire.gov.uk Tel: 0300 300 4394
6.	New Lower School Places in Fairfield Parish -	This report will provide Executive with the outcome of a consultation exercise for the commissioning of new lower school places to serve residential development within the Parish of Fairfield. The report will seek approval of the provider for the new site and will also seek approval to the capital expenditure for the new site and buildings.	5 April 2016		Open New Lower School Places in Stotfold	Executive Member for Education and Skills Comments by 05/03/2016 to Contact Officer: Rob Parsons, Head of School Organisation and Capital Planning Email: rob.parsons@centralbedfordshire.gov.uk Tel: 0300 300 5572

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.	Affordable Housing Guidance Note (South Central Bedfordshire) -	To adopt the Affordable Housing Guidance Note as planning guidance for the south of Central Bedfordshire.	5 April 2016	N/A policy document based on technical evidence.	Open Affordable Housing Guidance Note (South Central Bedfordshire)	Deputy Executive Member for Regeneration Comments by 05/03/2016 to Contact Officer: Connie Frost-Bryant, Interim Local Planning Manager Email: connie.frost-bryant@centralbedfordshire.gov.uk Tel: 0300 300 4329
8.	Dynamic Purchasing System - Public Transport -	Set up of a Dynamic Purchasing System for use by the Public Transport Team to procure contracts for public bus routes.	5 April 2016		Open Dynamic Purchasing System - Public Transport	Executive Member for Community Services Comments by 05/03/2015 to Contact Officer: Rebecca Flowerdew Email: rebecca.flowerdew@centralbedfordshire.gov.uk Tel: 0300 300 4944
9.	Orchard Community Building - Land East of Biggleswade -	To seek approval to transfer the new community building and commuted sum to Biggleswade Town Council including full ownership maintenance responsibilities and all future liabilities.	5 April 2016		Open Orchard Community Building - Land East of Biggleswade	Deputy Executive Member for Stronger Communities Comments by 05/03/2016 to Contact Officer: Peter Fraser, Head of Partnerships & Community Engagement Email: peter.fraser@centralbedfordshire.gov.uk

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)
10.	Community Building at Marston Park -	To seek approval to transfer of the new Community Building at Marston Park, Marston Mortaine including ownership, management, maintenance and all future liabilities to Marston Moretaine Parish Council.	5 April 2016		Open Community Building at Marston Park	Executive Member for Stronger Communities Comments by 05/03/2016 to Contact Officer: Peter Fraser, Head of Partnerships & Community Engagement Email: peter.fraser@centralbedfordshire.gov.uk

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.	Commissioning of New School Places in Biggleswade and Arlesey for September 2017 -	This report to the Council's Executive will seek its support for the consultations by Biggleswade Academy Trust and the Governing Body of St Andrews Lower School, Biggleswade, each to expand by one form of entry (30 places in each lower school year group) by September 2017. The report will also seek the support of the Council's Executive for the consultation by Etonbury Academy, Arlesey, to expand by one form of entry (30 places in Year groups 5-11) by September 2017.	5 April 2016		Open Commissioning of New School Places in Biggleswade and Arlesey for September 2017	Executive Member for Education and Skills Comments by 05/03/2016 to Contact Officer: Rob Parsons, Head of School Organisation and Capital Planning Email: rob.parsons@centralbedfordshire.gov.uk Tel: 0300 300 5572

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)
12.	Tender award for the redevelopment of Croft Green, Dunstable -	Appointment of the preferred contractor for the development of 23 sheltered housing apartments and communal facilities at Croft Green, Dunstable.	5 April 2016		Open Tender award for the redevelopment of Croft Green, Dunstable	Executive Member for Social Care and Housing Comments by 05/03/2016 to Contact Officer: Matt Berry, Interim Regeneration & Renewal Manager Email: matthew.berry@centralbedfordshire.gov.uk Tel: 0300 300 4493
13.	Environmental Enhancement Framework -	To approve the Environmental Enhancement Strategy which is the compendium of strategies, policies and technical guidance relating to the environment. It covers areas such as ecology, landscape, climate change, renewables, trees, SuDS and sustainable growth.	7 June 2016	Key external stakeholders consulted as well as wider public consultation on individual components.	Open Environmental Enhancement Strategy	Executive Member for Regeneration Comments by 07/05/2016 to Contact Officer: Stephen Mooring, Environmental Policy Manager Email: stephen.mooring@centralbedfordshire.gov.uk Tel: 0300 300 6241

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)
14.	Commissioning of New School Places in Arlesey for September 2017 -	This report to the Council's Executive will consider the outcome of the consultation undertaken by Etonbury Academy on its proposal to expand by one form of entry (30 places in Year groups 5-11) by September 2017. The Council's Executive will be invited to support the proposal.	7 June 2016		Open Commissioning of New School Places in Arlesey for September 2017	Executive Member for Education and Skills Comments by 07/05/2016 to Contact Officer: Rob Parsons, Head of School Organisation and Capital Planning Email: rob.parsons@centralbedfordshire.gov.uk Tel: 0300 300 5572
15.	Central Bedfordshire's Policy for Housing Assistance 2016 - 2020 -	To adopt the Council's Policy for Housing Assistance 2016 – 2020 for providing households with financial assistance to improve the homes of the most vulnerable households.	2 August 2016		Open	Executive Member for Social Care and Housing Comments by 02/07/2016 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)
16.	Passenger Transport Strategy - Public Transport -	The report will seek approval for the adoption of the Passenger Transport Strategy – Public Transport.	2 August 2016	Members, Town and Parish Councils, residents, commercial operators, community transport operators, neighbouring local authorities, relevant CBC services Formal Consultation with all stakeholders.	Open Passenger Transport Strategy	Executive Member for Community Services Comments by 02/07/2016 to Contact Officer: Susan Childerhouse, Head of Public Protection (North) Email: susan.childerhouse@centralbedfordshire.gov.uk Tel: 0300 300 4394
17.	Commissioning of New School Places in Biggleswade for September 2017 -	This report to the Council's Executive will consider the outcome of the consultations by Biggleswade Academy Trust and the Governing Body of St Andrews Lower School, Biggleswade, each to expand by one form of entry (30 places in each lower school year group) by September 2017. The Council's Executive will be invited to support the proposals.	2 August 2016		Open Commissioning of New School Places in Biggleswade for September 2017	Executive Member for Education and Skills Comments by 02/07/2016 to Contact Officer: Rob Parsons, Head of School Organisation and Capital Planning Email: rob.parsons@centralbedfordshire.gov.uk Tel: 0300 300 5572

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
2 April 2015	1 May 2015 – 30 April 2016
22 April 2015	1 June 2015 – 31 May 2016
2 June 2015	1 July 2015 – 30 June 2016
3 July 2015	1 August 2015 – 31 July 2016
31 July 2015	1 September 2015 – 31 August 2016
2 September 2015	1 October 2015 – 30 September 2016
2 October 2015	1 November 2015 – 31 October 2016
30 October 2015	1 December 2015 – 30 November 2016
3 December 2015	1 January 2016 – 31 December 2016
22 December 2015	1 February 2016 – 31 January 2017
1 February 2016	1 March 2016 – 29 February 2017
3 March 2016	1 April 2016 – 31 March 2017

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Central Bedfordshire Council

EXECUTIVE

9 February 2016

The Future of Greenacre Older Persons Home and Day Centre

Report of Cllr Carole Hegley, Executive Member for Social Care and Housing
(carole.hegley@centralbedfordshire.gov.uk)

Advising Officers: Julie Ogley, Director of Social Care, Health and Housing
(julie.ogley@centralbedfordshire.gov.uk); and
Tim Hoyle, MANOP Head of Service (tim.hoyle@centralbedfordshire.gov.uk)

This report relates to a Key Decision

Purpose of this report

1. To consider the outcome of the consultation on the future of Greenacre Older Persons Home and Day Centre¹.
2. To decide on the future of the home and the services within it.

RECOMMENDATIONS

The Executive is asked to:

1. **note the outcome of the consultations on the future of Greenacre Older Persons Home and Greenacre Day Centre;**
2. **approve the closure of Greenacre Older Persons Home and cessation of services at Greenacre Day Centre based on the matters set out in this report, its appendices and background papers;**
3. **authorise the Director of Social Care, Health and Housing to determine the date of closure of Greenacre Older Persons Home, taking into consideration the assessed eligible care and support needs of residents of the home along with relevant operational matters;**
4. **authorise the Director of Social Care, Health and Housing to determine the date of cessation of the provision of service at Greenacre Day Centre, taking into consideration the assessed eligible care and support needs of the day centre users and their carers along with relevant operational matters;**

¹ Throughout this document the following terms are used: 'Greenacre Older Persons Home' – this refers to the care home aspect of the building; 'Greenacre Day Centre' – this refers to the day centre operation within the building. The term 'Greenacre' is used to refer to the entire building or the entirety of operations on the site.

5. **authorise the Director of Social Care, Health and Housing to undertake the processes set out in paragraphs 89 to 91 and to determine the location of the replacement day service;**
6. **authorise the Director of Social Care, Health and Housing to commence the processes set out in paragraphs 92 to 95 to determine the future of the 'Step Up Step Down' residential reablement service; and**
7. **approve the commencement of the processes set out in paragraphs 104 to 106 in relation to the staff employed at Greenacre Older Persons Home, Day Centre and Step Up Step Down unit.**

Overview and Scrutiny Comments/Recommendations

3. This report was considered by Social Care, Health and Housing Overview and Scrutiny Committee on 25 January 2016. The recommendations of the committee are as follows:
 - a. the committee recognises the need to offer improved accommodation for clients to meet modern physical and environmental standards and the increased expectation of our clients;
 - b. the committee is satisfied that the consultation process has been carried out in a comprehensive and diligent manner;
 - c. the committee recommends that in future the investigation of the financial stability of a new provider is carried out and deemed satisfactory before consultation commences on the future of a home;
 - d. the committee notes the dependency of the proposals on the provider of Rosewood Court achieving CQC registration;
 - e. the committee emphasises the need to take account of the assessed eligible care and support needs of residents;
 - f. the committee notes that account must be taken of the effect on staff of closure;
 - g. the committee notes the need to explore further how the relocation of the day care centre is to take place; and
 - h. the committee notes the need to explore further where the step up, step down facility will be sited.

Background

4. At its meeting on 10 February 2015 the Executive considered a report on the challenges facing Central Bedfordshire in the provision of good quality accommodation for older people and the approach being taken to meet these challenges. (Members of the Executive should read this report prior to this meeting).
5. The challenges were set out in detail in the report and can be summarised as follows:
 - a. In common with other council areas and the nation as a whole, Central Bedfordshire's population of older people is set to grow much more rapidly than the overall population. This is particularly true of the group of people aged 85 and over.
 - b. When asked older people consistently say that their preference is to remain living independently in their own home for as long as possible and the Council aims to support this as much as it can.
 - c. The vast majority of people will continue to live in ordinary housing throughout their lives, supported by informal carers (such as relatives and friends) and 'paid for' carers sourced privately or commissioned by the Council. Additionally, in recent years the Council has developed extra care housing schemes that are able to deliver a high level of flexible care options to support residents as and when they need it.
 - d. However, even with the provision of extra care housing, for a small proportion of older people the best place in which their needs can be met is in a care home setting. In recent years increased expectations of the facilities in care homes have led to changes in the physical and environmental standards which new care homes need to meet.
 - e. Prior to the closure of Caddington Hall, the Council owned and operated seven care homes for older people across Central Bedfordshire. These were built in the period between the late 1960's and the early 1980's. None of them meet the modern physical and environmental standards that new care homes achieve.
6. The Council's response to these challenges of an increase in population of older people and rising expectations is necessarily set within the financial constraints within which the public sector operates. The approach being taken to address these challenges was also set out in detail in the report to the Executive on 10 February 2015 and can be summarised as follows:
 - a. Increase the availability of home care services in response to increasing demand and the desire by older people to remain in their own homes for as long as possible.
 - b. Develop both domiciliary and residential reablement services that assist older people to regain independent living skills which allow them to remain living at home, even after a spell in hospital.

- c. Commence the development of extra care housing schemes for independent living in Dunstable (Priory View), Leighton Buzzard (Greenfields) and Houghton Regis (Houghton Regis Central) and plan to deliver a further three schemes of this type over the next five years.
 - d. Reconfigure care home provision for older people to deliver higher physical and environmental standards. This is the most challenging as such changes inevitably mean a degree of disruption to the lives of residents in the homes affected.
7. With these factors in mind in February 2015 the Executive authorised the commencement of a consultation on the future of Caddington Hall Older Persons Home. The timing of this was influenced by the opening of a new care home – Dukeminster Court, Dunstable – in April 2015 and the operator making 26 of its places available to the Council within the rates and terms of the Council’s standard contracts with care homes.
8. At its meeting in July 2015 the Executive heard the outcome of this consultation and after due deliberation agreed the closure of the home and the transfer of residents to alternative homes.
9. This process concluded in September 2015 and Caddington Hall has now closed. Follow-up work was undertaken with the residents who transferred and/or their relatives and the feedback about the process was very positive. An internal review of the process and its outcomes was also undertaken and the ‘lessons learned’ from this have been used to inform subsequent activities.
10. In October 2015 the Executive authorised the commencement of a consultation on the future of Greenacre Older Persons Home and the Day Centre. The timing of this was influenced by the planned opening of a further new care home in the area – Rosewood Court, Dunstable – in March 2016 and the operator being willing to make 22 of its places available to the Council within the rates and terms of the Council’s standard agreement with care homes. In addition nine of the 26 places at Dukeminster Court which were set aside during the closure of Caddington Hall remained vacant and available to the Council.
11. The Executive requested that a report on the outcome of the consultation process be brought to a future meeting along with recommendations about the future of the home in order to make an informed decision.
12. The main issue in relation to Greenacre Older Persons Home is that the home does not meet the modern expectations as it has relatively small rooms and no en-suite facilities.
13. In addition to the residential care facilities, Greenacre is also the location of:
 - a. A small but well-used day centre focussing on the needs of older people with dementia.
 - b. The ‘Step Up Step Down’ short term residential reablement service.

14. Both the Day Centre and the Step Up Step Down unit are operated separately from the rest of Greenacre Older Persons Home and each has its own staff team.
15. During 2015 inspections of the home by the Council and Care Quality Commission ('CQC') it was found that the quality of care at Greenacre Older Persons Home had deficiencies and the home became subject to the 'serious concerns' process² on 27 April 2015. During this time the home was not able to admit new residents and its occupancy fell. The quality of care was addressed and the process concluded on 17 August 2015. Since then Greenacre has been able to take new residents and its current occupancy is in the region of 70% with 21 of its 34 long term places occupied.
16. Greenacre Day Centre provides places for up to 14 people during the daytime Monday to Friday. A total of 18 customers attend the day centre and on average attend on around 3 days per week. In addition some of the residents of the home use the day centre on an ad hoc basis for social interaction. The centre provides a service mainly to older people who live in the community – often supported by one or more relatives. Most of the people who attend the day centre have some degree of dementia. Since the start of the consultation one customer has stopped attending and no new customers have started.
17. Should a decision be made to close Greenacre, the expectation is that the service provided by the day centre will continue but in a different location. The options for this are set out in paragraph 69 below.
18. Greenacre is the location for the 'Step Up Step Down' residential reablement service. This service has 8 places and provides older people who normally live in the community with intensive support in a residential setting for a period of up to six weeks either to prevent them being admitted to hospital ('step up') or to enable them to return home after a hospital stay ('step down'). The service has been located at Greenacre since its inception in 2011, apart from a period in 2015 when Greenacre was in 'serious concerns' when it was relocated to Ferndale in Flitwick.
19. The monitoring of the outcomes for people who receive the Step Up Step Down service indicates that the service is valuable both in terms of improved outcomes for the people who use it and also in overall reduced costs for both the NHS and Adult Social Care. A full review of the service has yet to be carried out but based on the evidence to date the service should continue in a similar form to the present arrangement.

Consultation Process on the Future of Greenacre Older Persons Home

20. The consultation process lasted for 13 weeks, from 14 October 2015 to 13 January 2016. Separate consultations were carried out for the care home and the day centre as they have different customers and options for their future.

² This process involves CQC, the Council and the home-owner where there are concerns about the quality of care being offered by a home. It seeks to address those concerns and restore the quality of care to an acceptable level.

21. In relation to the future of the care home consultees were asked for their views on seven options. These were:
 - a. Doing nothing – continue to run Greenacre in its present form.
 - b. Relocating existing residents to better homes and closing Greenacre – the Council's preferred option.
 - c. Transferring Greenacre to another organisation to run as a going concern.
 - d. Building a new home on the Greenacre site – moving residents to alternative homes, demolishing the old home and building a new one.
 - e. Running the home down – stopping new admissions to the home but keeping it open for an agreed period of time or until it had no residents.
 - f. Refurbishing the home so that it meets modern standards.
22. Consultees were also given the opportunity to identify other options and put forward proposals.
23. The Council set out in the consultation the offer to residents of alternative accommodation should the home close. This is:
 - a. Residents would be accommodated in a home that offers a good quality of care.
 - b. Residents would be offered alternative accommodation in a home that meets modern physical and environmental standards and customer expectations.
 - c. Residents would be accommodated in a home that can meet their assessed eligible care and support needs.
 - d. Residents would be accommodated in a home at fee rates within the range paid by the Council whose area the home is in.
 - e. Residents would be accommodated in a home that is a reasonable distance from their current home.
 - f. Residents who expressed the wish to move as a group would be accommodated where possible.
 - g. Residents would not be required to move more than once.
24. In conjunction with the core offer set out above, resident's individual wishes and circumstances would be further taken into account where at all possible. Examples of this would include:
 - a. Where a resident wished to moved to a different location to be close to a relative.
 - b. Where a resident wished to move to another type of accommodation.

25. In order to be able to honour the offer set out in the consultation the Council needs to be able to secure sufficient places in alternative homes. The Council was offered nine places at Dukeminster Court, a newly-built home in Dunstable operated by Quantum Care and 22 places at Rosewood Court, a home due to open in March 2016 and operated by Only Care. Given the occupancy of Greenacre Older Persons Home this was sufficient places to offer residents a place in one of them (subject to the home being able to meet their care needs).
26. The consultation documents in relation to the care home are set out in Appendices 1, 2 and 3 and should be considered by Members.
27. At the start of the consultation process there were 23 permanent residents in the home and no short term residents. During the course of the consultation there was one new short term resident who later became permanent, three of the residents died and one resident moved to a nursing home. At the time of writing there are 20 permanent residents and one short term resident.
28. In order to ensure that the people most affected by any changes were involved in the consultation process the following activities were undertaken during the consultation period:
 - a. Before it commenced, meetings were held for residents, relatives and staff advising them of the proposals and explaining about the consultation period.
 - b. Relatives and residents were offered 'one-to-one' meetings with members of the consultation team to discuss the options.
 - c. Residents, relatives and other stakeholders were provided with regular updates about the progress of the consultation and what was planned to take place.
 - d. Staff were offered 'one-to-one' meetings with members of the consultation team to discuss the options.
29. Particular attention was given to supporting residents to be involved in the consultation process even though some lacked mental capacity to fully understand the Council's proposals. The ability of all residents to participate in the consultation was assessed by a social worker by undertaking an assessment in accordance with the principles of the Mental Capacity Act 2005.
30. The assessments undertaken during the course of the consultation period showed that eight residents had capacity to take part in the consultation and were assisted to do so. 12 residents were assessed not to have capacity to participate meaningfully in the consultation, however of those, seven could give a view to a limited extent. These views are summarised in paragraph 60 below.
31. The majority of residents had friends or relatives who were able to support them in participating in the consultation or contribute on their behalf. In no cases was it judged or requested that independent advocacy was required to enable a resident to participate.

32. During the consultation period a document was published that set out the most common questions asked during the process so far with answers. This document appears as Appendix 7.
33. A total of 26 responses were received to the consultation. These are set out in full in Appendix 9 and the key issues raised are discussed in the next section.

Key issues

34. The key issues can be categorised into two areas - those that are significant in determining the future of Greenacre and those that are important to be considered should the decision be to close the home.

Issues important in determining the future of the home

35. Those which are significant when coming to a decision about determining the future of the home are:
 - a. The supply of and demand for residential care for older people in the area.
 - b. The degree to which the home currently meets the care needs of current and future customers.
 - c. The availability of alternative homes for existing residents.
 - d. The views of existing residents.
 - e. The potential impact of a move on existing residents.

Supply and Demand for Care Home Places

36. Under Section 5 of the Care Act 2014 ('the Act'), the Council has a duty to commission services and shape the market for social care services. The principles set out in the Act which should underpin this activity are:
 - a. A focus on outcomes and wellbeing;
 - b. Promotion of quality services, including through workforce development and remuneration and ensuring appropriately resourced care and support;
 - c. Supporting sustainability;
 - d. Ensuring choice;
 - e. Co-production with partners;
 - f. The promotion of diversity and quality of provision in care services.
37. The approach set out in the 10 February 2015 report to the Executive is to maintain the total number of care home places in the period to 2020 across the Central Bedfordshire area whilst re-providing the capacity in the seven Council-owned homes with places in homes that meet modern standards (the Council currently has six homes following the closure of Caddington Hall). The expectation is that the market will deliver these replacement places on a commercial basis.

This 'market-led' approach delivers the outcomes the Council is seeking without capital investment by the Council but has the consequence that the Council cannot dictate when a new home will be built and must react to developments in the market.

38. People entering care homes tend to look for ones that are in their local area and as a result most care home residents enter homes within five miles of their previous home. This is the case with Greenacre Older Persons Home where the majority of residents previously resided in Dunstable or Houghton Regis.
39. The Council maintains data of care home capacity and usage in Central Bedfordshire based on publicly-available registration information and its own contractual information. It calculates demand based on population data and population forecasts.
40. Looking at the locality of Chiltern Vale one new 75-place care home (Dukeminster Court, Dunstable) opened in April 2015 and another (Rosewood Court, Dunstable) is under construction and scheduled to open early in 2016.
41. On that basis projected supply and demand for care home places indicates that supply will run well ahead of demand in the period to 2020 and therefore this is the opportunity to consider the future of homes in this locality. The data also indicates that it is unlikely that further new care homes will be developed in this locality in the same period.
42. This data is shown in the graphs below. The first graph shows supply and demand assuming that Greenacre Older Persons Home remains open and the second shows this impact of its closure.
43. In addition, the introduction of new care home places into the market may have a destabilising effect on other care homes (by taking customers and staff away from them) and using the opportunity to re-provide Council-owned capacity will have the effect of moderating this.

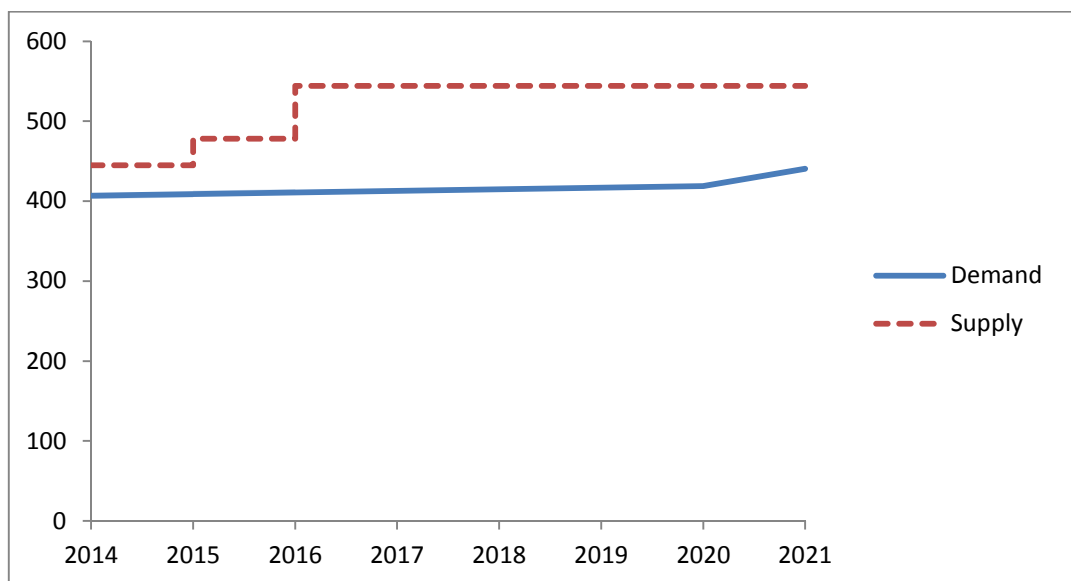


Figure 1: Forecast Care Home Supply and Demand in Chiltern Vale (Greenacre remaining open)

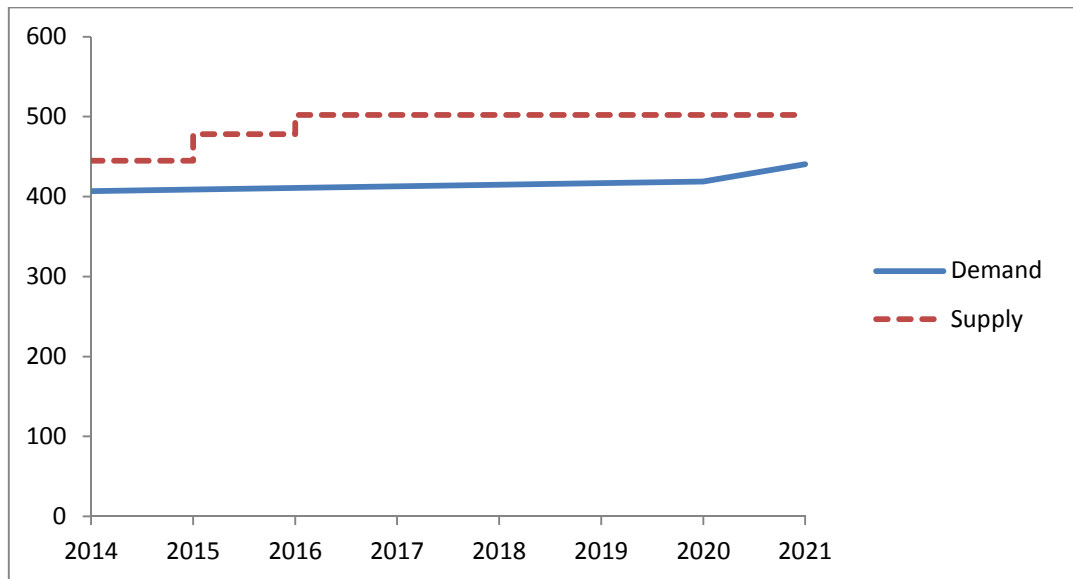


Figure 2: Forecast Care Home Supply and Demand in Chiltern Vale (Greenacre closing)

44. Therefore on the basis of supply and demand this is a good opportunity to pursue the replacement of the residential places at Greenacre Older Persons Home and would not lead to a shortage of placements for those that require one.

The availability of alternative care home places for existing residents

45. As has already been stated the offer of nine places at Dukeminster Court and 22 places at Rosewood Court means that if they wish residents can move in friendship groups.
46. The Council contracts with care home providers in Central Bedfordshire using standard contracts - the Framework Agreement for Accommodation Services in Care Homes and the ADASS Contract for Accommodation Services in Care Homes. Both forms of contract specify the service provided and the rates paid.
47. The Council already contracts with Quantum Care, the operator of Dukeminster Court. In order to place residents at Rosewood Court its operator, Only Care Ltd will need to be contracted with.
48. In accordance with the Council's policies checks have been undertaken on Only Care Ltd and the company meets the financial criteria set down. The ownership of Only Care Ltd is in private hands and the owner also has an interest in other companies providing residential care. For this reason similar checks were undertaken into those companies. None of the information obtained gave cause for concern.
49. On this basis officers have therefore agreed to contract with Only Care Ltd and arrangements are in hand for this to take place.

50. In addition to agreeing to the Council's contractual requirements, Rosewood Court will need to be registered with CQC to provide residential care before it can start to admit residents. This is not a matter that involves the Council but registration would also be a necessary pre-requisite to the placement of any people in the home. Only Care Ltd is already registered with CQC and has advised the Council that it will be seeking to achieve registration for Rosewood Court at the earliest opportunity.
51. In the event that the places at Dukeminster or Rosewood Court cease to be available to the residents of Greenacre Older Persons Home for any reason then the Council would need to reconsider its approach to the future of the home. In respect of Rosewood Court, for example, the places would only be available once the home has successfully registered with CQC and the contractual arrangements made.
52. In addition to the places at Rosewood Court and Dukeminster Court, there are ten other independently provided care homes in the Chiltern Vale locality which provide care to people placed by the Council. At the time of drafting this report seven of these homes had at least one vacancy and across these homes there were a total of 34 vacancies. This indicates that even without the places at Greenacre Older Persons Home there is capacity in local homes to provide a good range of choice for people seeking residential care.

The degree to which Greenacre Older Persons Home meets the care needs of older people.

53. The most recent CQC inspection of Greenacre Older Persons Home took place in January 2015 and was published in May 2015. At that inspection the care provided in the home was rated as 'Requires Improvement'. This has been and continues to be addressed by the current manager and the staff team.
54. The building has no immediate major maintenance issues. However the mechanical and electrical systems are over thirty years old and would require significant investment over the next five years to extend the useful life of the building beyond that.
55. The building was designed and constructed before the modern requirements were introduced and as a result it does not have the room sizes and en-suite facilities that homes constructed more recently do.
56. The issue of room sizes is significant not just in terms of the resident having enough space but it can also be an issue which affects delivery of care. The care needs of older people in care homes have increased since Greenacre was designed and constructed. Many residents now need help with transfers, often needing two carers and suitable hoisting equipment, and this can be difficult to deliver in a small space.

57. The provision of en-suite bathrooms greatly enhances the dignity of the residents who are able to use the facilities, either independently or with assistance. There will always be a proportion of residents who are not able to make full use of this type of facility but even in those situations the en-suite can make the delivery of care to residents more dignified for the residents and staff and removes the need for rooms to have commodes.

The views of existing residents.

58. The views of existing residents and their relatives (along with those with others that responded to the consultation) are set out in full in Appendix 9 - Response to Consultation - The Future of Greenacre Older Person's Home. Exactly half of the 26 respondents supported the preferred option to close the home and re-locate current residents and many of those mentioned the need for improved facilities in more modern homes. 11 people disagreed (42%) and 2 were neutral (8%). Some of those who disagreed would like the Council to pursue the refurbishment option but others stated that they did not accept that the home needed modernisation. Some were concerned about the long term need to suitable accommodation for older people.
59. Many respondents mentioned the potentially disruptive effect on a move on existing residents and the need for such moves to be adequately planned and supported. This matter is covered in detail in the next section.
60. The majority of those who lacked capacity to participate in the consultation but could give a view, said they liked where they were living and did not want to move. Most of them also said that they liked the idea of an en-suite bathroom as it would be easier for them to use and would give them more privacy.
61. Whilst it is understandable that some residents and their relatives would prefer the facilities in the home to be brought up to date a number of issues would also be relevant:
- a. Major building work would require the home to close and the residents move elsewhere whilst it was being carried out.
 - b. Given the site constraints upgrading the home would be likely to reduce the number of places in the home and this would significantly impact on its long term viability.
 - c. Capital investment in the region of £500,000 to £2,000,000 would be needed.
62. Other matters raised during the consultation are dealt with elsewhere in this report or its appendices.

The potential impact of a move on existing residents.

63. Research on the effect of previous home closures in the UK and elsewhere has provided some evidence that the closure of a home can impact negatively on the health and wellbeing of residents. This is an area not without controversy but there is a general consensus that the risk of harm to individual residents can be reduced to an acceptable level by following a number of principles. These are:
- a. The importance of clear, open and honest communication with residents, relatives and staff.
 - b. Communication should be regular and be both proactive and reactive as the situation demands.
 - c. Residents should be sensitively encouraged and facilitated to take part in the consultation process about the future of the home in ways that are compatible with their needs and abilities. Professional assessment of their ability to participate and the potential harmful effects of participation would be made.
 - d. Residents should have access to advocacy.
 - e. All residents should have comprehensive assessments undertaken by appropriate professional(s) and the recommendation of these assessments will be taken into account in the choice of accommodation offered and in planning their move.
 - f. Residents and their relatives should be offered the opportunity to visit other homes and given time to make an informed decision.
 - g. In planning moves particular attention should be paid to those residents identified as most vulnerable or at risk.
 - h. Residents should be given practical help and support to move.
 - i. Residents should not be moved if there is medical advice that to do so would put them at imminent risk. Moves would be postponed until this risk had been mitigated.
 - j. Appropriate methods should be put into place to monitor the people who have transferred.
64. These principles have been defined more fully and published in good practice guidance³ including:
- a. 'Making Choices Good Practice Guide' – Reconfiguration of Statutory Residential Homes – Health and Social Care Board for Northern Ireland. This document was published in 2013 as guidance for practitioners and managers in Northern Ireland in relation to the closure of homes there. Although there are some historical, governance and legislative differences between the UK and NI the majority of the recommendations in the guide are useful and relevant.

³ It should be noted that this guidance covers both 'planned' and 'unplanned' closures. The latter type of closure is where a home needs to close at short notice because of regulatory action, provider failure or catastrophic building issues.

- b. 'Achieving Closure – Good Practice in supporting older people during residential care closures' – University of Birmingham / ADASS. This document was published in 2011 and draws on previously published studies and guidance as well as drawing on the experience of authorities that had undertaken care home closures.
65. The key points from these documents are incorporated into the Council's own guidance 'Closure of Care Homes and Relocation of Residents' which explains to practitioners how to put these principles into practice. This document is available as a background paper. To date all of these good practice principles have been followed and this will continue should the decision be to close the home.
66. Included in the guidance are:
- a. Pre-move evaluations are completed with the resident and relative to identify their aims and any concerns.
 - b. A personalised move plan checklist is used for each resident to detail and track all actions both before and after the move.
 - c. These documents are used to identify and mitigate any risks and are shared with the receiving home.
 - d. 24-48 hours after a move has taken place the post-move evaluation is completed to ensure aims were met and highlight any issues to address.
 - e. The creation of 'Life Story Books' is encouraged and materials and support are supplied to help residents, relatives and carers to complete this. As well as helping people reminisce about their life it is also a way of bringing the person to life for staff who have not known them previously.
 - f. Photo books are provided with pictures of the new home(s) for those unable to visit, enabling the resident to familiarise themselves with their new home.
67. Full assessment of the needs and options for residents will be undertaken should a decision be made to close the home but an initial professional assessment has been made of the needs of residents to ascertain those who may be most at risk should the home close and to identify what actions can be taken to mitigate those risks. A summary of these assessments is set out in an anonymised form in Appendix 11.
68. Although, quite rightly, this approach focusses on managing the risks associated with a closure of the home, a number of residents and relatives see this proposal as one which has its positive aspects and which will lead to an improved quality of life for current and future residents. There is evidence from the previous closure that this is the case.

Consultation Process on the Future of Greenacre Day Centre

69. In relation to the future of the day centre consultees were asked for their views on seven options. These were:
 - a. Doing nothing – continue with day care at Greenacre in its present form.
 - b. Relocating existing attendees to Houghton Regis Day Centre with the existing staff team and running it as a separate group within the Houghton Regis Day Centre.
 - c. Relocating existing attendees to Houghton Regis Day Centre with existing staff and merge the operation of both Centres.
 - d. Provide a similar service using another venue.
 - e. Replace existing provision with more individual services.
70. Consultees were also given the opportunity to identify other options and put forward proposals.
71. The consultation document stated that of the options set out the Council's preference was for either b) or c) as set out in paragraph 69 above and it was made clear to people who used the service and their relatives that all would be offered a place at any alternative service. Similarly it was stated that under options a) to d) that the staff who provide the day service would remain in post albeit at a different location under options b) to d).
72. In conjunction with these proposals, user of the centre's individual wishes and circumstances would be further taken into account where at all possible.
73. Prior to the commencement of the consultation it was identified that Houghton Regis Day Centre had capacity to provide accommodation of the service, either integrated within the centre or in a separate space.
74. The consultation documents in relation to the day centre are set out in Appendices 4, 5 and 6.
75. At the start of the consultation process there were 18 users of the day service. During the course of the consultation one person's needs changed and they stopped attending the centre.
76. In order to ensure that the people most affected by any changes were involved in the consultation process the following activities were undertaken during the consultation period:
 - a. Before it commenced, meetings were held for users of the service, their relatives and staff advising them of the proposals and explaining about the consultation period.
 - b. Relatives and users were offered 'one-to-one' meetings with members of the consultation team to discuss the options.
 - c. User, relatives and other stakeholders were provided with regular updates about the progress of the consultation and what was planned to take place.

- d. Staff were offered 'one-to-one' meetings with members of the consultation team to discuss the options.
- 77. As with the residents of the home, particular attention was given to supporting day centre customers to be involved in the consultation process even though some lacked mental capacity. The ability of all residents to participate in the consultation was assessed by a social worker by undertaking an assessment in accordance with the principles of the Mental Capacity Act 2005.
- 78. The assessments undertaken during the course of the consultation period showed that ten residents had capacity to take part in the consultation and were assisted to do so. Four users were assessed not to have capacity to participate meaningfully in the consultation; however of those two could give a view to a limited extent. The views of these customers are set out in paragraph 85.
- 79. The majority of users had friends or relatives who were able to support them in participating in the consultation or contribute on their behalf. In no cases was it judged or requested that independent advocacy was required to enable a resident to participate.
- 80. During the consultation period a document was published that set out the most common questions asked during the process so far with answers. This document appears as Appendix 8.
- 81. A total of 24 responses were received to the consultation. These are set out in full in Appendix 10 and the key issues raised are discussed in the next section.

Issues important in determining the future of the day centre

- 82. The proposals for the day centre are consequent of any decision on the future of Greenacre Older Persons Home. No review has determined the long term requirements for day care for older people so the proposals are based on a range of solutions designed to replicate the existing service in a different location.
- 83. The consultation responses indicate that the majority value the existing service, appreciating the friendly peaceful environment, the care that the staff provide and the small group sizes. Many also value the current location. Many respondents want to keep as many aspects of the current provision the same even if the service relocated (for example the staff, days of attendance, friendship groups and own space).
- 84. Some respondents expressed concern about the loss of service provision within Dunstable and asked for alternative venues to be investigated.
- 85. The views of the users who did not have capacity were that they liked Greenacre day centre and they indicated that it was important to carry on activities they liked.

86. Given the feedback it is clear that a significant majority of respondents place the great value in the relatively small group and the staff team that supports them. Within this clear preference some are happy with the proposal to go to Houghton Regis but others would prefer to remain in a location is Dunstable, either because they believe it is a more convenient location from a transport perspective and/or because they are not sure that the larger Houghton Regis Day Centre will meet their needs.
87. During the consultation period informal enquiries were made to investigate whether there were alternative venues available in Dunstable. The initial findings were that some venues may be available although no further investigation has taken place with regard to costs or suitability.
88. As a result of the virtual unanimity of view on the desire for the current customers of the day service and the staff that support them to stay together then it is proposed that only options that achieve this are pursued any further and the others are discounted. In both of these options the existing staff group would be retained. These are options b) and d) set out in paragraph 69 above:
 - a. Relocating existing attendees to Houghton Regis Day Centre with the existing staff team and running it as a separate group within the Houghton Regis Day Centre.
 - b. Provide a similar service using another venue.
89. In coming to a final decision on which option is chosen it is proposed that a process be undertaken with the current customers and their relatives and the staff and would include:
 - a. Discussions with customers and relatives about how the service could best be delivered in Houghton Regis Day Centre.
 - b. Undertake and report back on more detailed enquiries into the availability, suitability and cost of alternative venues in Dunstable.
 - c. Visit(s) for customers, relatives and staff to Houghton Regis Day Centre and any other venues identified as suitable.
 - d. Analysis of the transport implications of each option from the perspective of individual customers' journeys.
 - e. Analysis of the costs of each option.
90. Whilst at this stage the Council has an open mind on which option will be chosen it is expected that the following factors will need to be taken into account in coming to a decision:
 - a. The degree to which any option meets the needs of current and likely future customers.
 - b. The degree of disruption to existing customers.
 - c. The overall suitability of alternative premises.
 - d. Cost.

91. It is envisaged that decisions about the final option and transition arrangements will be made in a timescale that is commensurate with that envisaged for the care home aspect.

The future of the Step Up Step Down Unit

92. No public consultation was carried out in relation to the Step Up Step Down Unit as the nature of the service means that it does not have any ongoing customers who would be affected by the proposals.
93. The intention is to continue with the service and to engage in a process with providers of residential care to secure suitable provision of Step Up Step Down. It is envisaged that the arrangements will be based on the existing contractual arrangements and will run concurrently with them.
94. Such a solution would impact on the staff employed by the Council currently delivering the service and it will therefore be necessary to undertake the appropriate Human Resources processes with those affected.
95. Although not a long term solution, as a short term arrangement it would be possible to transfer the delivery of the existing service to another home operated by the Council if, for example the process set out above could not be completed before those relating to other aspects of the home had been completed.

Next steps - issues which need to be considered should the decision be to close Greenacre.

96. There are a number of issues that will need to be considered should the decision be to close Greenacre. These are:
 - a. The degree to which risks to residents associated with a move can be managed and mitigated.
 - b. Managing moves and making practical arrangements.
 - c. Managing the employment options for staff and ensuring the Council meets its obligations to them.
97. Whilst there are a number of actions that cannot be undertaken ahead of a decision on the future of the home, it is important to explain what arrangements would be put in place to deal with these matters.
98. Plans are in place to have a professional team available to work with existing staff in the home, residents and their relatives to review care needs (alongside the resident's GP and any specialist medical advice), agree on the preferred options, plan moves and make the practical arrangements such as transportation.
99. All residents will have the risks to them assessed in more detail as part of the activities set out in paragraphs 66 to 68 above and actions put into place to reduce those risks to a minimum.
100. The assessments and actions required will be recorded for each resident in an individual 'move plan'. This will include follow-up and monitoring for a period after they have moved.

101. Some of the residents of the home are very frail. It is important to be responsive to any changes of needs or deterioration of a resident's condition. Even if arrangements have been made to close the home, residents who are reaching the end of their life or for whom medical advice is that a move could cause a significant deterioration in their health would not be moved and the home would remain open for as long as is necessary. For this reason the recommendation in this report is set out to allow the decision on the actual date of closure to be made operationally by the Director of Social Care, Health and Housing taking any issues of this nature into account.
102. Similar processes to those set out above were followed when a decision was made to close Caddington Hall. Following this relatives who had been involved were contacted and asked for their feedback. All made positive comments about the process. Few had suggestions for improvements but where these were offered they were incorporated into subsequent plans.
103. Following on from the process for the day centre set out in paragraphs 89 to 91 above a timetable and transition plan will be developed and shared with all those affected. The implications for each customer will be assessed and actions identified. Although formal assessment of customers' needs is not likely to be required the planning of transition process will involve a social worker and re-assessment of care needs can be undertaken in an individual basis if required.
104. Although staff in the home have been kept informed of the proposals and invited to participate in the consultation process about the future of the home, no formal employment-related activity has commenced. Should the decision be to close the home then staff from the Social Care, Health and Housing Directorate, supported by Human Resources would follow the agreed process in the circumstances where a change of this nature is being proposed.
105. This process will involve the following activities:
 - a. Formally advising staff of the plan and, where appropriate, that their posts are 'at risk'.
 - b. Advising staff of their options and rights.
 - c. Consulting staff on an individual and group basis on the options for their futures.
106. The Council's processes seek to avoid compulsory redundancy for staff where posts are at risk and would explore other options with them such as redeployment to another unit in a similar role or to another area of the Council. Some staff may wish to seek employment to another care home outside of Central Bedfordshire Council. Whilst the Council cannot arrange this directly it would aim to support staff to do this and would work with interested providers to facilitate this where possible.

Corporate Implications

107. The management of the Greenacre building and the site is a corporate responsibility. Should the decision be made to close the home then there will be a number of consequent actions that will need to be undertaken once the residents have moved out and the home closed. These include:
 - a. Decommissioning the building and making it secure.
 - b. Arranging for ongoing management of the site.
 - c. Examining options for the future use of the site.
108. Following closure the expectation is that a further report would be brought to the Executive setting out the options for the use of the site.

Legal Implications

109. When a Council is contemplating the changes to service provision in the way that is proposed in respect of the care home and day centre there are a number of legal aspects that need to be fully considered. There are three areas of law which are most significant in relation to these decisions:
 - a. The duty to consult: there is a requirement that the Council conducts a consultation before making a decision.
 - b. Obligations under the Human Rights Act 1998 (HRA): the Council has obligations to ensure that any actions it takes do not infringe the human rights of residents in the home.
 - c. The Public Sector Equality Duty (PSED): in coming to a decision about the future of the home the Council must be aware of its duty to promote equality.
110. The obligations placed on the Council have been considered in the actions of officers and in the preparation of this report.
111. Case law sets out a number of principles for the conduct of consultation. These are:
 - a. consultation must take place when the proposal is still at a formative stage
 - b. sufficient reasons must be put forward for the proposal to allow for intelligent consideration and response
 - c. adequate time must be given for consideration and response
 - d. the product of consultation must be conscientiously taken into account.
112. The consultation and decision-making process has been designed to ensure that these principles are adhered to.
113. The HRA set out a number of rights that we all have. Most relevant in relation to the matter in question are:
 - a. Article 2 – the right to life.
 - b. Article 3 – the prohibition of torture or inhuman or degrading treatment.
 - c. Article 8 – the right to privacy.

114. A decision which potentially restricts a human right does not necessarily mean that it will be incompatible with the HRA. Public bodies also need to take into account other general interests of the community. Some rights can therefore be restricted where it is necessary and proportionate to do so in order to achieve a legitimate aim. Provided a restriction of such a right has a legitimate aim and the restriction itself does not go any further than necessary to protect this aim, then it is likely that it will be compatible with the HRA. In this way the HRA recognises that there are certain situations where a public body is allowed to restrict individual rights in the best interests of the wider community.
115. In this situation the Council is proposing changes to service configuration that will result in an overall improvement of care home facilities for older people (which will ultimately benefit many hundreds of people) whilst acknowledging that in doing so there will be some unavoidable disruption to the lives of current residents. Providing that the Council does all that can reasonably be done to minimise the affect on existing residents then closing a home is not incompatible with the requirements of the HRA. The actions to date and proposed are set out in paragraphs 66 to 68 and 96 to 106 above.
116. Discussion of the Council's duties in relation to equalities is set out in paragraphs 126 to 128 along with the actions taken to ensure that it meets its obligations.

Financial Implications

117. Financial considerations have not been a fundamental driver for this proposal but the changes being considered do have financial implications compared to the current position.
118. Under the current contractual arrangements with care homes the Council does not block purchase places at care homes – it pays fees for any places it takes up. The fee structure is set out in the contract.
119. Residents pay an assessed contribution towards the cost of their care depending on their means. Once over a capital or income threshold residents reimburse the Council for the full cost of their care fees. These arrangements are not fundamentally affected by the proposals but the fees paid by full cost payers may increase to the level payable under the contract. Other residents' contributions will be unaffected. For example, the full cost fee for a place at a care home rated as 'Good' under the Framework Agreement is £489.87 per week. The full cost fee for a residential place at Greenacre Older Persons Home is £477.16 per week.
120. It is not envisaged that the proposed changes to the delivery of the services of the Greenacre Day Centre would affect the charges paid by customers.
121. Greenacre is operated as a directly-managed service and the majority of the operational costs relate to the employment of staff. In addition there are supplies and services costs and maintenance costs for the building.

122. If the decision is to close the home then the costs will shift from the directly-managed services to purchased services. In the long term this shift is likely to be cost-neutral but in the case of this home the fact that it has been operating below its capacity means that there are likely to be in-year cost savings.
123. During the transitional period (when residents are in the process of moving out of the home) there are dual running costs because the home needs to remain operational as residents move out. When this programme was originally envisaged the cost of dual running was estimated and incorporated into an earmarked reserve. This will be utilised as required and at this stage is deemed to be adequate to cover all anticipated costs.
124. Monitoring and management of costs in relation to these proposals will be undertaken using the Council's normal procedures and reported to members as part of the Council's normal budget monitoring activities.
125. Decisions around the future of the site have the potential to yield a capital receipt but this would be the subject of a further report should the decision be to close the home.

Equalities Implications

126. Central Bedfordshire Council has a statutory duty to promote equality of opportunity and have due regard to the need to eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
127. An Equality Impact Assessment (EIA) has been completed as part of the development process, and it is available as a background document. Members should read and consider the EIA before coming to a decision on the recommendations in this report.
128. An important aspect referred to in the EIA is the potential for there to be adverse impacts on residents if a care home is closed and they need to move. In light of this the key recommendations of the EIA are:
 - a. There is a need to balance the potentially conflicting duties in relation to consultation with residents who may be distressed (or be at risk of harm for other reasons) by the consultation process itself.
 - b. There is a need to ensure that decision-makers are given accurate information about the risks to individual residents and the degree to which these can be mitigated when coming to a decision about the future of the home. This information is contained in Appendix 11.
 - c. There is a need to ensure that the requirements of the PSED are taken into account and reflected in the information presented to decision-makers.
 - d. A good understanding of the needs and preferences of each resident, along with detailed transition plans that reflect these needs are important in reducing the risk to residents.

- e. A high level of communication and engagement with residents, relatives and staff is important in helping to deal with issues as they arise and manage people's anxieties.

Conclusion and Next Steps

- 129. The availability of alternative places in homes that meet modern standards, the specific offer of places in newly-completed homes in Dunstable and the plans to ensure the welfare of residents mean that this is an appropriate time to proceed with the closure of the home.
- 130. If the recommendations are accepted then the next steps will be to commence the processes set out in paragraphs 96 to 106 of this report.

Appendices

The following appendices are attached/provided through an electronic link:

- 1. Have Your Say on the Future of Greenacre Older Persons Home
- 2. Options Considered for the Future of Greenacre Older Persons Home
- 3. Greenacre Older Persons Home Questionnaire
- 4. Have Your Say on the Future of Day Care at Greenacre
- 5. Options Considered for the Future of Day Care at Greenacre
- 6. Greenacre Day Centre Questionnaire
- 7. Update on the Future of Greenacre Older Persons Home
- 8. Update on the Future of Day Care at Greenacre
- 9. Response to Consultation - Future of Greenacre Older Persons Home
- 10. Response to Consultation - the Future of Day Care at Greenacre
- 11. Anonymised needs and risk assessments of current residents of Greenacre Older Persons Home

Background Papers

- 1. The following background papers, not previously available to the public, were taken into account and are available on the Council's website:
 - a. Equality Impact Assessment – The Future of Greenacre Older Person's Home and Day Centre
 - b. Closure of Care Home and Relocation of Residents – Good Practice Guidance

Reports Considered Previously

2. The following reports relating to this matter were previously considered and are available on the Council's website:
 - a. Improving Care Home Provision for Older People in Central Bedfordshire – Report to Executive on 6 October 2015
 - b. Improving Care Homes For Older People In Central Bedfordshire – Report to the Executive on 10 February 2015



have
your
say...

...on the future of Greenacre Older Persons' Home

Find out more about the consultation process and how you
can have your say on the future of Greenacre

Find Central Bedfordshire Council online at



www.centralbedfordshire.gov.uk/consultations

**Central
Bedfordshire**

Why do we consult?

Councillors are responsible for making decisions for the Council. Holding a consultation gives those directly affected by a proposed decision the opportunity to have their say and influence the decision that is made. Those directly affected, community organisations and the general public are encouraged to review the proposals and feedback their opinions and ideas to the Council.

During the consultation process you can request further information, ask questions and request that the Council looks into alternative options that have not been identified.

All comments made during the consultation process are recorded. The Council will publish its response to these comments and this information will be taken into account by Councillors so they can make an informed decision.

What we are consulting on

Central Bedfordshire Council wants the best possible quality of life for all its residents and is committed to developing and improving accommodation with care for older people. The Council owns and operates six care homes which were built several decades ago and which currently no longer meet the expectations of customers and regulators in terms of facilities and accommodation.

So, when better options become available elsewhere, the Council will consult with residents and relatives about the future.

The availability of places at Dukeminster Court and the opening of Rosewood Court, two new care homes in Dunstable, along with other good quality residential care homes in close proximity to Greenacre, mean that the Council can now offer alternative and improved accommodation to the residents of this home.

The Council is therefore consulting on the future of Greenacre Care Home. Having reviewed a number of options for the future of the home, the Council's current preferred option is to offer and arrange accommodation for the existing residents in good alternative care homes and then to close Greenacre.

At the same time we are also consulting on the future of the day centre that operates from Greenacre. If you would like to take part in this or would like more information about what we are proposing for this service please see the information at www.centralbedfordshire.gov.uk/consultations or contact us using the details at the end of this document.

Consultation Timetable

Key Date	Activity
14 th October 2015	Consultation opens
13 th January 2016	Consultation ends
9 th February 2016	Report to Executive for decision
18 th February 2016	Implementation of Executive decision

How we will consult

Everyone can respond to the consultation by reading this factsheet, which has a summary of the proposals, and completing the consultation questionnaire. There is more information in the document 'Options Considered for the Future of Greenacre Care Home' which we would encourage people to read before responding.

If you have any questions about the options, need more information or would like the Council to consider other ideas these would be welcome. The ways you can contact the Council are explained at the end of this factsheet.

For those people who are most directly affected by the proposal – the people who live at Greenacre, their relatives and the staff who work there – we will organise meetings and events to enable everyone who wants to, to participate in the consultation.

We will take special care to ensure that the people who live in the home are consulted, without causing distress to those who may have difficulty understanding what is happening. We will discuss this with the people who know the residents best – their relatives and the staff in the home.

For those residents who may need help, we will offer support through advocates provided by POhWER, an independent organisation, who will assist them to ensure that they can express their views.

The consultation activities with residents and relatives will be tailored to individual requirements and the options that will be offered include:

- Meetings held at Greenacre for residents, relatives and staff - either in small groups or one to one.
- Meetings held in areas local to relatives for those who find it difficult to get to the home.
- Communications via post or email to residents, relatives and staff to inform them of activities and the progress of the consultation.

In addition members of the consultation team are available to meet with other individuals and organisations who would like to hear more about the proposals. Our contact details are at the end of this factsheet.

What the proposals are trying to achieve

A number of options in relation to the future of Greenacre care home have been considered and evaluated against three important questions. These are:

- Improved quality of accommodation – will the option mean that the current residents of Greenacre will be living in homes that have good quality care and meet modern standards of facilities and accommodation?
- Minimal disruption – what degree of disruption to the lives of current residents would result from the option in question and what will the impact of this be on their health and wellbeing?
- Value for money – would the option represent good value for money– both in the short term and the longer term?

The options we have considered

The Council has considered the following options:

- Doing nothing – continue to run Greenacre in its present form.
- Relocating existing residents to better homes and closing Greenacre.
- Transferring Greenacre to another organisation to run as a going concern.
- Building a new home on the Greenacre site – moving residents to alternative homes, demolishing the old home and building a new one.
- Running the home down – stopping new admissions to the home but keeping it open for an agreed period of time or until it had no residents.
- Refurbishing the home so that it meets modern standards.

These options are set out in more detail in the document ‘Options Considered for the Future of Greenacre Care Home’.

How we have evaluated the options

In the table below we have summarised how these options have been evaluated.

Outcomes	Options					
	Do nothing	Relocate to better homes	Sell as going concern	Rebuild	Run down	Re-furbish
Improved quality of accommodation	x	✓	x	✓	x	✓
Minimal disruption	✓	x	✓	x	✓	x
Value for money	x	✓	x	x	x	x

Preferred Option

Having considered these options for the future of Greenacre, the Council’s preferred option at this stage is to offer and arrange for accommodation in better and alternative care homes for all existing residents. The Council would then close Greenacre.

This is the preferred option because:

- Improved quality of accommodation: it enables existing residents to live in care homes that meet physical and environmental standards and deliver good quality care.
- Minimal disruption for existing residents: any move would mean some disruption for existing residents, which could have a negative impact on their health and wellbeing. Whilst the preferred option would require existing residents to move, this would only happen once and measures could be put in place to minimise any risks to their health and wellbeing
- Value for money: because the independent care home market is delivering good quality residential care homes in south Central Bedfordshire, significant investment in a care

home in this area would not represent value for money to the Council and its council tax payers.

Although this is the preferred option we want to hear your views before coming to a decision. This is why the consultation process is so important.

Have your say

We want to know the views of current residents, their relatives and others who have an interest in the future of Greenacre Care Home. We also want to understand what the impact will be on individuals and how we might reduce this.

A copy of this factsheet and a more detailed briefing document - 'Options Considered for the Future of Greenacre Care Home' is available on the web site for the public and hard copies will be available on request.

You can ask us any questions or tell us your view through the methods on the next page. We are particularly keen to get your answers to the following questions:

- What are your views on the Council's preferred option?
- Are there any options that you think are not correctly evaluated?
- Are there any options listed that you think the Council should investigate in more detail?
- Are there any other options that you think the Council should consider that are not in the document?
- Do you have any further comments about the future of the home?
- What could the Council do to minimise the impact of any changes on existing residents and their relatives.
- Do you have any other comments about the provision of accommodation for residents at Greenacre?

For more information

- Visit our website for more information and complete our online questionnaire:
www.centralbedfordshire.gov.uk/consultations
- Email us at: Consultations@centralbedfordshire.gov.uk
- Write to us at: FREEPOST RSJS GBBZ SRZT (you do not need a stamp)
Greenacre Older Persons Home Consultation
Central Bedfordshire Council
Priory House, Monks Walk
Chicksands, Shefford
SG17 5TQ

The consultation is open until 13th January 2016

If you need information in alternative formats or languages...

Email	consultations@centralbedfordshirecouncil.gov.uk
Telephone	0300 300 4371
Website	www.centralbedfordshire.gov.uk/consultations

Notes



Options Considered for the Future of Greenacre Older Persons' Home

This document provides detailed information about the options currently being considered in relation to the future of Greenacre care home. It aims to support people who wish to participate in the consultation process about the future of the care home and should help people make an informed response to the consultation questionnaire.

For more information about what consultation is, how it works and how you can contribute please read the factsheet 'Have your say on the Future of Greenacre Care Home'.

Reasons for Review

Nationally and locally, people are living longer. Quite rightly the expectations of older people and their relatives have got higher, and as a council, our ambitions for the care and support of older people have also increased.

Central Bedfordshire Council wants the best possible quality of life for its residents and has been looking at how it can secure this both now and for future generations.

In this context we have been reviewing the Council's own residential care homes. These were built some decades ago and no longer meet the higher standards and expectations of our residents.

So, when better options become available elsewhere, the Council will consider consulting with residents and relatives about the future. This is now the case with Greenacre.

There are now good quality care home places in close proximity to Greenacre, including places at new care homes in Dunstable. Dukeminster Court is a new residential care home on Church Street that opened in April 2015 and Rosewood Court is a new residential and nursing care home that is under construction at London Road, due to open in February 2016.

Options Considered

When considering the future of Greenacre the Council has considered and evaluated a number of options.

The outcome of our consideration to date is set out below.

1. Doing nothing

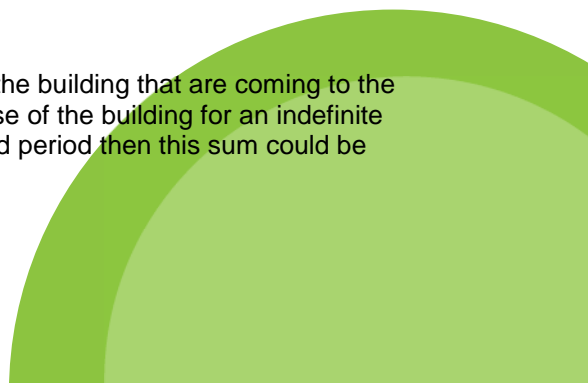
What would this mean in practice?	The Council would continue to own and operate Greenacre. No changes would be made to the building or the arrangement for the delivery of care.
Cost	Estimated annual running cost (including staffing, utilities, day- to-day repairs and maintenance and supplies) are £989k. These are the direct costs incurred in the home and do not include management or corporate overheads.





	<p>Estimated future capital repairs and maintenance £500k¹.</p> <p>These running costs for Greenacre equate to an estimated £583 per place per week.</p> <p>The current fee for 'full cost' payers for Greenacre is £477.16 per week. (Along with the other older persons homes run by the Council it is proposed to increase this rate to £489.87, to align with the rate paid to homes on the Councils Framework Agreement who are judged to be 'Good'. This is planned to come into effect on 1st January 2016).</p>
Approximate timescales	Immediate, as it would be a continuation of the existing arrangement.
Assumptions	None
Advantages	<ul style="list-style-type: none"> • There would be no disruption to residents as they would remain where they are. • The residents care would continue to be delivered by staff with whom they are familiar. • The staff in the home would not be affected.
Disadvantages	<ul style="list-style-type: none"> • Existing and future residents will not live in accommodation that meets modern expectations which could lead to a poorer quality of life. • The Council will not have fulfilled its commitment to deliver a better offer to residents and replace its own care homes with capacity in homes that meet modern expectations. • The existing building would need significant investment to extend its useful life. • In the Council's role of managing the market it may be problematic for the Council to seek to improve standards elsewhere in the market if it had taken the decision not to improve its own services. • This option does not take the opportunity to move residents into new care homes that meets modern standards. Experience shows that new homes generally become fully occupied quickly and the Council will have missed this opportunity. As there is sufficient supply of care homes in this area it is unlikely that many more new homes will be built.

¹ This is an estimate based on the amount required to renew aspects of the building that are coming to the end of their useful life and assuming that there is a need to extend the use of the building for an indefinite period. If there is a need only to extend the life of the building for a limited period then this sum could be reduced.



Initial assessment:

Doing nothing is not considered to be an acceptable option as it does not deliver an improved service for existing and future residents.

2. Offer and arrange alternative accommodation to existing permanent residents in homes that meet current standards and then close Greenacre

<p>What would this mean in practice?</p>	<ul style="list-style-type: none"> • Stop new admissions to the home. • Engage with residents and their representatives to gain an understanding of their needs and preferences. • Undertake assessments as necessary for each resident. • Provide residents with a choice of alternative accommodation that meets their needs and preferences and are within a reasonable distance. The homes suggested would offer good quality care, modern physical and environmental standards and fee rates that are in line with the Council's fee structure or the host Local Authority rates. • Prepare for relocation, including logistical arrangements and having care staff from the new home coming to meet residents and learn their routines, likes and dislikes. • Manage the moves to alternative accommodation, following accepted best practice. • Undertake staff consultation and determine the outcome for the individuals concerned. • Formally close Greenacre.
<p>Cost</p>	<p>The costs will not be confirmed until residents have chosen where they would like to move to. However, residents would be relocated to homes where the fee rates are in line with the Council's fee structure or the host Local Authority rates (if the home is out of area).</p> <p>The Council's fee structure only applies to care homes in Central Bedfordshire and is based on the following quality bands. The fees are reviewed each year:</p> <p style="text-align: center;">Adequate - £473.19 a week Good - £489.87 a week Excellent - £501.91 a week</p> <p>If a home has attained the Council's dementia accreditation then an additional £15.00 a week will be paid for residents with a diagnosis of dementia.</p> <p>The running costs for Greenacre equate to an estimated £583</p>

	<p>per place per week.</p> <p>The Council would no longer have to pay to repair and maintain the home.</p>
Approximate timescales	<p>Undertake assessments and discuss options with residents and their representatives – 6 weeks</p> <p>Preparation for relocation of residents – 4 weeks</p> <p>Relocation of residents – up to 3 months</p> <p>Staff consultation – 3 months</p> <p>Formal closure of Greenacre – 3-4 weeks</p>
Assumptions	<p>The Council is able to secure sufficient places in new homes to meet the needs of Greenacre residents.</p>
Advantages	<ul style="list-style-type: none"> • Existing and future residents will live in a home that meets modern standards. • Some residents could use this opportunity to move to a home that is nearer to family and friends. • The approach supports the independent care home market because the Council will no longer be competing with them for customers. • The approach is fair and open to the care home market, as all homes that meet modern standards and deliver good care will be considered as relocation options for residents. • The Council will no longer have to invest significant funds to maintain and repair an old building that does not meet standards. • The Council would have a surplus site which could be disposed of or given an alternative use.
Disadvantages	<ul style="list-style-type: none"> • Residents' health and wellbeing may be negatively impacted by the disruption of a move and active measures would be taken to minimise these risks. Best practice would be followed to help residents to prepare for any move and familiarise themselves with their new home and care staff (for example, using photos, visits and short videos). The Council would also follow best practice in a thorough handover process with the new home. • Friends and relatives of a small number of residents may have to travel further to the new home. • Although it is not possible to be specific about what would happen to the staff at Greenacre, it appears unlikely that they would transfer to the homes with the residents as TUPE (Transfer of Undertakings, Protection of Employment) would not apply.

Initial assessment

Relocating existing residents at Greenacre to care homes that meet people's expectation in respect of physical and environmental standards is considered to be a favourable option as it allows existing and future residents to live in good quality accommodation as well as receive good quality care. By following best practice the Council would seek to minimise the risks of the disruption caused by moving residents, and for some this could actually prove to be a positive experience. This option represents good value for money to the Council as it requires no additional investment. It also supports care home operators that provide good accommodation and good care.

3. Sell Greenacre as a 'going concern' to another care home provider

<p>What would this mean in practice?</p>	<ul style="list-style-type: none"> • Advertise Greenacre on the open market. • If an acceptable offer is made, enter into negotiations and secure the sale of the site with the care home business as a going concern. • The Council will cease owning and operating Greenacre. • A new care home provider will operate Greenacre as a care home. • Residents would remain in the home and new residents would continue to be admitted • The staff in the home would have the right to transfer under TUPE. It is most likely that the new company would keep the staff at Greenacre but they could be required to work anywhere within the new organisation. • The Council would not enter into any specific contractual arrangement with the new provider other than for existing residents.
<p>Cost</p>	<p>The Council to oversee disposal which would necessarily include the procurement of specialist external support in marketing care provision. The estimated fees are 1.5-2% plus legal costs.</p> <p>Estimated advertising cost (includes a full information pack, promotion and direct approach to care home operators) - £5k.</p> <p>In 2012 Bidwells valued the site at around £1.5M if the existing use of Greenacre continued with no block contract arrangement in place.</p>
<p>Approximate timescales</p>	<p>Appoint external marketing consultant – 2 weeks</p> <p>Create information pack – 3 weeks</p> <p>Advertise Greenacre for sale – 3 months</p> <p>Execution of sale – 2 months</p>
<p>Assumptions</p>	<ul style="list-style-type: none"> • An operator is willing to purchase a home that does not meet modern standards and is able to get the home



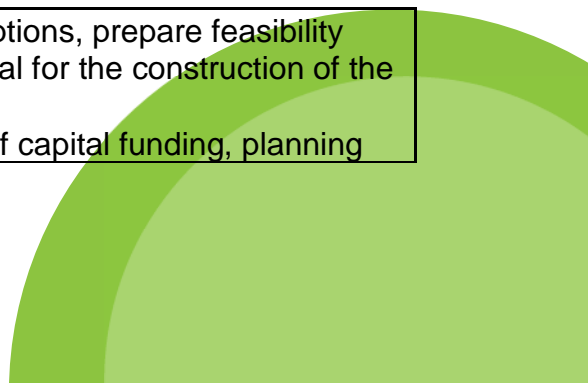
	<p>registered by CQC (Care Quality Commission).</p> <ul style="list-style-type: none"> • An operator is willing to purchase an old building that is in need of significant investment and is considered to be smaller than what most operators require to be economically viable. • An operator is willing to take on the financial commitments that a TUPE transfer would entail.
Advantages	<ul style="list-style-type: none"> • The residents can remain in the home. However, a change of care home operator may lead to changes in the way care is delivered and how the home is managed. • Existing staff would transfer to the new provider and are likely to remain working at the home. • The Council would no longer have to invest significant funds to maintain and repair an old building that does not meet standards. • The Council would receive some income from the sale of Greenacre.
Disadvantages	<ul style="list-style-type: none"> • The Council is unlikely to find an operator to purchase Greenacre as it does not meet registration standards, the building is old so requires considerable investment and it is smaller than what most operators are looking for. The existing and future residents of the home will not live in accommodation that meets modern standards. • The new operator may change the fee rates. This could have a significant impact on the fees charged to self funders. • An incoming operator may change care practices within the home. • It would be very difficult to guarantee the future of the home under a new operator. • The fact that TUPE would apply would affect the operating costs and may deter some operators or impact the sale value.

Initial assessment

This option would be acceptable to the Council. However, our understanding is that it is very unlikely that an operator would purchase Greenacre for reasons of its size, facilities, condition and the TUPE implications.

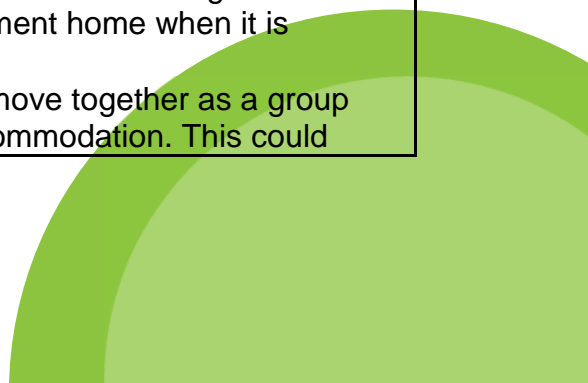
4. Build a new care home on the site after demolition of the existing building

What would this mean in practice?	<ul style="list-style-type: none"> • The Council would analyse options, prepare feasibility studies and develop a proposal for the construction of the new care home. • This would include securing of capital funding, planning
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	<p>processes and procurement of specialist architectural advice</p> <ul style="list-style-type: none"> • Move residents into alternative care home accommodation either on a temporary or permanent basis depending on customer choice. • Demolish the existing building. • Construct new home. • Staff the new home. • Move the residents who wish it back to the new home.
Cost	<p>Building a new 60 bed care home would cost in the region of £6m.</p> <p>If the alternative accommodation is made available at the Council's rates the fees would be between £473.19 and £516.91 a week.</p> <p>The new home would not be available for 12-18 months so the Council would incur additional staff related costs.</p>
Approximate timescales	<p>Write Business Case and Executive Report to request approval to invest in constructing a new home on the Greenacre site – 3 months.</p> <p>Tender for architect – 2 months</p> <p>Produce concept design – 3 months</p> <p>Obtain Planning Permission – 3 months</p> <p>Tender design and build contract – 8 months</p> <p>Move residents to other homes – 6 weeks</p> <p>Construction – 12 months</p> <p>Commissioning and occupation of new home – 3 months</p>
Assumptions	<p>Planning Permission will be granted for the new building.</p>
Advantages	<ul style="list-style-type: none"> • A modern home that meets current standards will be available at Greenacre for existing and future residents.
Disadvantages	<ul style="list-style-type: none"> • This option would require residents to move more than once if they wished to return to the replacement home. Their health and wellbeing may be negatively impacted by this disruption and active measures would need to be taken to minimise these risks. Best practice would be followed to help residents to prepare for any move and familiarise themselves with their new home. For these reasons, in practice, on a proportion of existing residents are likely to move to a replacement home when it is completed. • Residents may not be able to move together as a group into alternative care home accommodation. This could





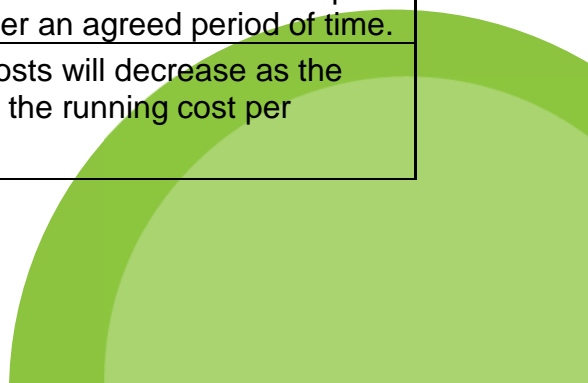
	<p>break up friendship groups.</p> <ul style="list-style-type: none"> • The consequences of this option for staff are complicated as they would not be required at Greenacre until the new home is complete, which could be roughly a year. The Council would incur additional staff-related costs and it may not be possible to retain staff. • Building a new 60 bed care home would cost in the region of £6m. The Council have not made provisions for this in the budget and would need to stop or delay other projects in order to fund this. • There are a sufficient number of care home places available to meet the demand in the Dunstable area. The Council has a duty to the care market and would not want to take active steps to directly deliver services in an area where the market is able to meet the demand. • It would be difficult for the Council to justify why it has chosen to invest in a new care home when the market is building new homes and is able to meet the demand without Greenacre. • The existing site is constrained which would restrict its scale and layout. This in turn could impact on the economic viability of the home and its ability to operate successfully.
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Initial assessment

Building a new care home on the site after the existing building is demolished is not currently considered to be an acceptable option because it would cause considerable disruption to residents as they would all have to move once and those that wanted to return would move twice. In addition, investing in a new-build care home in an area that has enough modern care home places to meet demand would not be a good use of the Council’s resources.

5. Stop new admissions and close after a set period of time – run down the home

What would this mean in practice?	<ul style="list-style-type: none"> • Council agrees to stop admissions to the home. • Council continues to own and operate the home. • Over time beds will become vacant but these will not be offered to new residents. • The number of staff will be reduced gradually as the number of residents decreases. • The home will close when the number of residents drops below an agreed number or after an agreed period of time.
Cost	The staffing, supplies and utility costs will decrease as the number of residents decrease but the running cost per resident will increase.





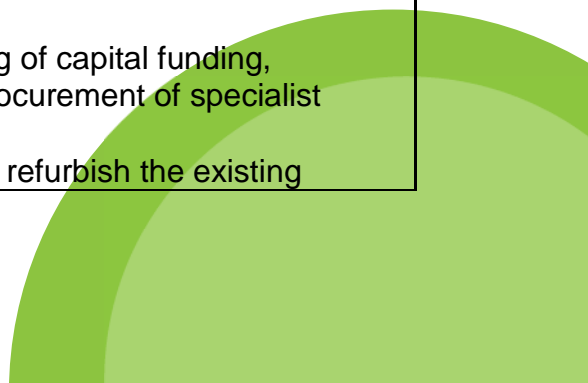
Approximate timescales	The duration that the home will remain open for is unknown.
Assumptions	<ul style="list-style-type: none"> • CQC would find this approach acceptable. • This can be delivered without risking the safety, health and well being of residents.
Advantages	<ul style="list-style-type: none"> • The majority of the existing residents will not have to move. • The Council would eventually have a surplus site which could be disposed of or given an alternative use.
Disadvantages	<ul style="list-style-type: none"> • Existing residents will not live in accommodation that meets modern standards which could lead to a poorer quality of life. • It may become difficult to maintain an active, vibrant atmosphere in the building as vacancy levels increase. It could become very lonely for the last remaining residents. • Operating a home that has a diminishing number of residents can lead to safety and management issues. • It would be difficult to maintain staff over a long period of time. • It may be difficult to retain good quality staff, especially at a senior level. • Any residents that are left after the agreed period of time would have to move to an alternative care home. • The running cost per resident will increase as the number of residents decreases.

Initial assessment

Stopping admissions to the home and closing after a set period of time is not currently considered to be an acceptable option. The home will have the feeling of being wound down, which is likely to affect the mental wellbeing of residents, as the home will become less occupied and less vibrant. Staff will leave and changes will need to be made to enable the home to continue operating safely with fewer residents. It is unlikely that good quality staff will remain, especially those at a senior level, which could affect the quality of care. Those residents that remain in the home at the end of the agreed period would have to move.

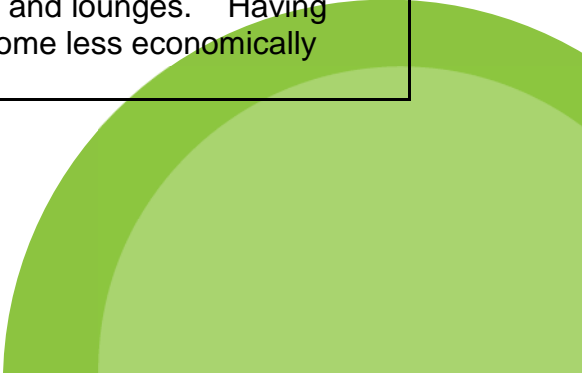
6. Refurbish the existing building so that it meets modern standards

What would this mean in practice?	<ul style="list-style-type: none"> • The Council would analyse options, prepare feasibility studies and develop a proposal for the refurbishment of the home. • This would include securing of capital funding, planning processes and procurement of specialist architectural advice. • Carry out building works to refurbish the existing
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	<p>building to meet current standards.</p> <ul style="list-style-type: none"> Residents will remain in the home.
Cost	<p>Refurbishment costs would not be known until the specification and design is finalised and the build contract is let but it is likely to be between £500k and £2M.</p>
Approximate timescales	<p>Write Business Case and Executive Report to request approval to invest in constructing a new home on the Greenacre site – 3 months.</p> <p>Tender for architect – 2 months.</p> <p>Develop refurbishment design – 3 months.</p> <p>Tender for building contractor – 8 months.</p> <p>Obtain Planning Permission – 3 months (may not be required).</p> <p>Refurbishment works take place – 6-12 months.</p>
Assumptions	<p>Planning Permission would be forthcoming if required.</p> <p>A refurbishment whilst the home remained open would be technically and operationally feasible.</p>
Advantages	<ul style="list-style-type: none"> Residents could remain in the home. The existing staff would remain in the home. Existing and future residents would live in accommodation that meets modern standards.
Disadvantages	<ul style="list-style-type: none"> The adaptations required to bring the home up to current standards would generate noise and mess which would be disruptive to residents over a long period of time. Residents may have to move within the home to enable the building work to take place. It would be difficult for the Council to justify why it has chosen to invest in refurbishing this care home when there are enough care home places to meet demand without Greenacre. The work required would be extensive and would require a significant amount of funding. The Council has not made provisions for refurbishing Greenacre so may have to stop other projects or put them on hold to fund this refurbishment. The number of bedrooms is likely to reduce because of the space required for en-suite bathrooms, larger rooms and wider corridors to accommodate modern equipment, activity rooms, relaxation areas and lounges. Having fewer rooms would make the home less economically viable.





Initial assessment

Refurbishing the home is not currently considered to be an acceptable option because the work required would be disruptive to residents over a long period of time and is likely to result in a home that has considerably fewer places than the current home, adversely affecting its economic viability. In addition, investing in a refurbishment in an area that has enough modern care home places to meet demand would not be a good use of the Council's resources.

Options Summary

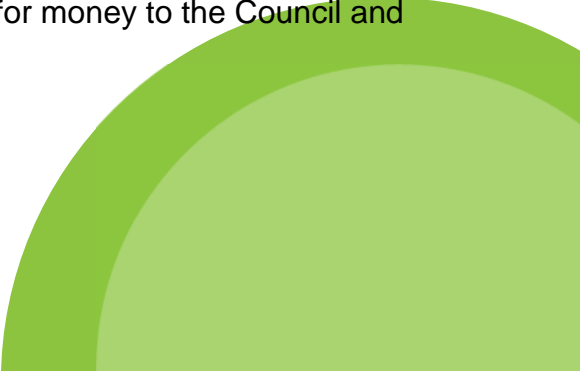
The options are summarised against three key outcomes in the table below.

Outcomes	Options					
	Do nothing	Re-locate to better homes	Sell as going concern	Rebuild	Run down	Re-furbish
Improved quality of accommodation	x	✓	x	✓	x	✓
Minimal disruption for existing residents	✓	x	✓	x	✓	x
Value for money	x	✓	x	x	x	x

Having reviewed the options for the future of Greenacre the Council's preferred option at this stage is to offer and arrange accommodation in alternative care homes for all existing residents. The Council would then close Greenacre.

This is the preferred option at this stage because:

- **Improved quality of accommodation:** it enables existing residents to live in care homes that meet the increase in expectation in respect of physical and environmental standards and deliver good quality care.
- **Minimal disruption for existing residents:** any move would mean some disruption for existing residents, which could have a negative impact on their health and wellbeing. Whilst the preferred option would require existing residents to move, this would only happen once as a result of the Council's action and measures could be put in place to reduce any risks to their health and wellbeing.
- **Value for money:** because the independent care home market is delivering good quality residential care homes in south Central Bedfordshire, significant investment in a care home in this area would not represent value for money to the Council and its council tax payers.



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Consultation on the Future of Greenacre Older Persons Home



Central Bedfordshire Council wants the best possible quality of life for all its residents and is committed to developing and improving accommodation with care for older people. The Council owns and operates six care homes which were built several decades ago and which currently no longer meet the expectations of customers and regulators in terms of facilities and accommodation.

So, when better options become available elsewhere, the Council will consult with residents and relatives about the future.

The availability of places at Dukeminster Court and the opening of Rosewood Court, new care homes in Dunstable, along with other good quality residential care homes in close proximity to Greenacre, mean that the Council can now offer alternative and improved accommodation to the residents of this home.

The Council is therefore consulting on the future of Greenacre.

The Council has considered the following options in relation to the future of Greenacre including:

- Option 1 - Doing nothing - continue to run Greenacre in its present form.
- Option 2 - Relocating existing residents to better homes and closing Greenacre.
- Option 3 - Transferring Greenacre to another organisation to run as a going concern.
- Option 4 - Building a new home on the Greenacre Site - moving residents to alternative homes, demolishing the old home and building a new one.
- Option 5 - Running the home down - stopping new admissions to the home but keeping it open for an agreed period of time or until it had no residents.
- Option 6 - Refurbishing the home so that it meets modern standards.

Having reviewed these options (which are set out in more detail in the document 'Options Considered for the Future of Greenacre') the Council's preferred option is to offer and arrange accommodation for the existing residents in good alternative care homes and then to close Greenacre.

We want to know the views of residents, their relatives and other interested parties. The simplest way to let us have your views is by completing the questionnaire below.

For more information about the consultation process please read the factsheet 'Have your say on the Future of Greenacre'.

The options considered

The preferred option - relocating existing residents to better homes and closing Greenacre Older Person's Home

You can see the explanation about our preference in the 'Options considered for Greenacre Older Persons Home' document.

Q1 How far do you agree or disagree with the Council's preferred option?

- Strongly agree Agree Neither agree or disagree Disagree Strongly disagree

Q2 What are your views on our preferred option?

Q3 Are there any options we have considered that you think we have not correctly evaluated?

- Yes No Don't know

Q4 If yes, please state which options and why you think they should be evaluated differently.

Q5 Are there any options listed that you think the Council should investigate in more detail?

- Yes No Don't know

Q6 If yes, please state which options and say what further information or investigation is needed.

Q7 Are there any other option(s) that you think we should consider that are not in the document?

- Yes No Don't know

Q8 If yes, please explain what these options are.

Q9 Do you have any further comments about the future of the home?

Welfare of residents at Greenacre Older Persons Home

Q10 Throughout the process we will be conducting individual meetings with residents and their relatives, and providing advocates where necessary. Are there any other actions you think we should be taking to minimise the impact of the proposals on the residents at Greenacre Older Persons Home?

Other comments

Q11 Please write any other comments here:

Please turn to the next page to complete the information about you.

About You

This section of the survey is about you. The following information will help us when considering your opinions and to make sure that we're getting the views of all members of the community. The answers will not be used to identify any individual.

Q12 Are you a: (please select one option)

- | | |
|---|--|
| <input type="checkbox"/> Resident | <input type="checkbox"/> Member of the public |
| <input type="checkbox"/> Relative of a resident | <input type="checkbox"/> Charity or organisation |
| <input type="checkbox"/> Member of staff | <input type="checkbox"/> Other |

If other, please specify:

Q13 Are you male or female? (please select one option)

- | | |
|-------------------------------|---------------------------------|
| <input type="checkbox"/> Male | <input type="checkbox"/> Female |
|-------------------------------|---------------------------------|

Q14 What is your age? (please select one option)

- | | |
|---------------------------------------|------------------------------------|
| <input type="checkbox"/> Under 16 yrs | <input type="checkbox"/> 45-59 yrs |
| <input type="checkbox"/> 16-19 yrs | <input type="checkbox"/> 60-64 yrs |
| <input type="checkbox"/> 20-29 yrs | <input type="checkbox"/> 65-74 yrs |
| <input type="checkbox"/> 30-44 yrs | <input type="checkbox"/> 75+ |

Q15 Do you consider yourself to be disabled? (please select one option)

Under the Equality Act 2010 a person is considered to have a disability if he/she has a physical or mental impairment which has a sustained and long-term adverse effect on his/her ability to carry out normal day to day activities.

- | | |
|------------------------------|-----------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No |
|------------------------------|-----------------------------|

Q16 To which of these groups do you consider you belong? (please select one option)

- | | |
|---|----------------------------------|
| <input type="checkbox"/> White British | <input type="checkbox"/> Mixed |
| <input type="checkbox"/> Black or Black British | <input type="checkbox"/> Chinese |
| <input type="checkbox"/> Asian or Asian British | <input type="checkbox"/> Other |

If other, please specify:

Q17 What is your postcode?

This will only be used for analysis purposes and will not be used to identify you in any way

Q18 If you would like to receive any updates on this consultation or alerts for any new consultations, please provide your email address below to be added to the list:

Thank you. Please return your completed form by Wednesday 13th January 2016 to:
FREEPOST RSJS GBBZ SRZT (you do not need a stamp)
 Greenacre Older Persons Home consultation
 Central Bedfordshire Council
 Priory House, Monks Walk, Chicksands, Shefford, SG17 5TQ

Data Protection Act 1998

Please note that your personal details supplied on this form will be held and/or computerised by Central Bedfordshire Council for the purpose of the Greenacre Older Persons Home consultation. The information collected may be disclosed to officers and members of the Council and its' partners involved in this consultation. Summarised information from the forms may be published, but no individual details will be disclosed under these circumstances.

Your personal details will be safeguarded and will not be divulged to any other individuals or organisations for any other purposes.

Information classification: Protected when complete



have
your
say...

...on the future of Day Care at Greenacre

Find out more about the consultation process and how
you can have your say on the future of Day Care at
Greenacre

Find Central Bedfordshire Council online at



www.centralbedfordshire.gov.uk/consultations

**Central
Bedfordshire**

Why do we consult?

Councillors are responsible for making decisions for the Council. Holding a consultation gives those directly affected by a proposed decision the opportunity to have their say and influence the decision that is made. Those directly affected, community organisations and the general public are encouraged to review the proposals and feedback their opinions and ideas to the Council.

During the consultation process you can request further information, ask questions and request that the Council looks into alternative options that have not been identified.

All comments made during the consultation process are recorded. The Council will publish its response to these comments and this information will be taken into account by Councillors so they can make an informed decision.

What we are consulting on

Central Bedfordshire Council is consulting on the future of Greenacre Older Persons' Home. Having reviewed a number of options for the future of the home, the Council's current preferred option is to offer and arrange accommodation for the existing residents in good alternative care homes and then to close Greenacre. The outcome of this consultation could therefore have an impact on Greenacre Day Centre.

We therefore wish to consult with Greenacre Day Centre attendees and their family and/or carers about the options for the day care service.

The Council would also welcome your views about the future of Greenacre Older Persons Home. The details about this separate consultation and how you can tell us your views are listed on the last page of this document.

Consultation Timetable

Key Date	Activity
14 th October 2015	Consultation opens
13 th January 2016	Consultation ends
9 th February 2016	Report to Executive Committee for decision
18 th February 2016	Implementation of Executive decision

How we will consult

Everyone can respond to the consultation by reading this factsheet, which explains the proposals, and completing the consultation questionnaire. There is more information in the document 'Options Considered for the Future of Greenacre Day Centre' which we would encourage people to read before responding.

If you have any questions about the options, need more information or would like the Council to consider other ideas these would be welcome. The ways you can contact the consultation team are explained at the end of this factsheet.

For those people who are most directly affected by the proposal – the people who attend the Day Centre at Greenacre, their relatives and carers – we will organise meetings and events to enable everyone who wants to, to participate in the consultation.

We will take special care to ensure that the people who attend are consulted without causing distress to those who may have difficulty understanding what is happening. We will discuss this with the people who know them best – their relatives and the Day Centre staff.

For those people who may need help with their communication, we will offer support through POhWER, an independent organisation, who will assist them to ensure that they can express their views.

The consultation activities with attendees and relatives will be tailored to individual requirements and the options that will be offered include:

- Meetings held at Greenacre for Day Care attendees, relatives and carers - either in small groups or one-to-one.
- Meetings held in areas local to relatives for those who find it difficult to get to the home.
- Communications via post or email to residents, relatives and carers to inform them of activities and the progress of the consultation.

In addition members of the consultation team are available to meet with other individuals and organisations who would like to hear more about the proposals. Our contact details are at the end of this factsheet.

What the proposals are trying to achieve

A number of options in relation to the future of the Day Centre at Greenacre have been considered and evaluated against three important questions. These are:

- Quality of service provided – will the option mean that the attendees will continue to receive the same or better quality of service as currently?
- Minimal disruption – what degree of disruption to the lives of current attendees would result from the option in question and what will the impact of this be on their health and wellbeing?
- Value for money – does the option represent good value for money– both in the short term and the longer term?

The options we have considered

The Council has considered the following options:

1. Doing nothing – continue with day care at Greenacre in its present form.
2. Relocating existing attendees to Houghton Regis Day Centre with the existing staff team and running it as a separate group within the Houghton Regis Day Centre.
3. Relocating existing attendees to Houghton Regis Day Centre with existing staff and merge the operation of both Centres.
4. Provide a similar service using another venue.
5. Replace existing provision with more individual services.

These options are set out in more detail below and are linked to the decision about the home as a whole.

Option 1. Do Nothing. If a decision is made to close the home then the continuation of the operation of the Day Centre in its current form would not be sustainable. Therefore in these circumstances the 'do nothing' option would either be impractical to achieve or would represent very poor value for money, as it would entail the Day Centre remaining open whilst the rest of the building was closed but common services (such as catering and domestic services) would need to be retained.

Option 2. Move current service 'as is' to Houghton Regis Day Centre. The centre at Houghton Regis has space available to accommodate the Greenacre Day Centre as a separate entity, so the only significant change to attendees would be a change in venue. This may result in a slightly longer journey for some attendees (but perhaps less for others) but the overall disruption would be minimal. This may also provide the opportunity for existing transport arrangements to be streamlined to minimise journey times and give value for money. The move may also open up other activities for attendees to enjoy.

Option 3. Move current service to Houghton Regis Day Centre as above but mix in the groups over time. This option would be similar to Option 2 but it would be planned that over time both the attendee and staff groups would mix together. This could be a little more disruptive but could result in more availability of places and a more personalised service in terms of what abilities and interests attendees may have. It also means that attendees benefit fully from a wider range of activities within the centre.

Option 4. Provide the same day care service using another venue. This could be by building somewhere or by commissioning the service in a new or existing building. This option could not be achieved in the short term. It would be more expensive than other options.

Option 5. Replace existing provision with individual services. In this option current and future attendees could be provided with help to access community-based services and activities to meet their needs. The cost would be met through a Personal Budget or Direct Payment. Whilst this may be an option for some attendees we do not currently think that there are suitable alternative services in place at present to make this a viable option for all of the people who use the Day Centre.

How we have evaluated the options

We have formed an initial view about these options based on some key criteria:

- **Maintaining quality of service:** would the option result in the service to existing and future attendees being of at least as high a quality as the current service?
- **Minimal disruption:** would the option result in a low level of disruption for the people who currently use the service?
- **Value for money:** would the option represent good value for money, compared with the existing service?

Our views are summarised in the table below.

Criteria	Options				
	1. Do nothing	2. Move current service 'as is' to Houghton Regis Day Centre	3. Move current service to Houghton Regis Day Centre as above but mix in the groups over time	4. Provide the same day care service using another venue	5. Replace existing provision with individual services
Maintain quality of service	✓	✓	✓	✓	✗
Minimal disruption	✓	✓	✓	✗	✗
Value for money	✗	✓	✓	✗	✗

Preferred Options

Having considered the options for the future of Day Care at Greenacre, the Council's preferred options, should the home close, would be to move the existing service to Houghton Regis Day Centre, either in a stand alone room or by integrating the service into the wider service on offer at Houghton Regis Day Centre.

Although moving to Houghton Regis Day Centre is our preferred option we want to hear your views before coming to a decision. This is why the consultation process is so important.

We would also be keen to hear from existing attendees and their relatives/carers about their views on the two preferred options (2 and 3 above) and which of those they would favour.

Have your say

We want to know the views of current attendees, their relatives and others who have an interest in the future of Day Care at Greenacre. We also want to understand what the impact will be on individuals and how we might reduce this.

A copy of this factsheet is available on the web site for the public and hard copies will be available on request.

You can ask us any questions or tell us your view through the methods below. We are particularly keen to get your answers to the following questions:

- What are your views on the Council's preferred options for Day Care at Greenacre?
- Are there any options that you think are not correctly evaluated?
- Are there any options listed that you think the Council should investigate in more detail?
- Are there any other options that you think the Council should consider that are not in the document?
- What could the Council do to minimise the impact of any changes on existing attendees and their relatives.
- Do you have any other comments about the provision of Day Care at Greenacre?

For more information

From 14th October 2015 you can:

- Visit our website for more information and complete our online questionnaire:
www.centralbedfordshire.gov.uk/consultations
- Email us at: Consultations@centralbedfordshire.gov.uk
- Write to us at:

FREEPOST RSJS GBBZ SRZT (you do not need a stamp)
Greenacre Day Care Consultation
Central Bedfordshire Council
Priory House, Monks Walk
Chicksands, Shefford
SG17 5TQ

The consultation period is open until 13th January 2016

Please let us know if you need information in alternative formats or languages

Email	consultations@centralbedfordshirecouncil.gov.uk
Telephone	0300 300 4371
Website	www.centralbedfordshire.gov.uk/consultations

Notes

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Options Considered for the Future of Day Care at Greenacre

This document provides detailed information about the options currently being considered in relation to the future of Day Care at Greenacre Older Persons' Home. It aims to support people who wish to participate in the consultation process about the future of the service and should help people make an informed response to the consultation questionnaire.

For more information about what consultation is, how it works and how you can contribute please read the factsheet 'Have your say on the Future of Day Care at Greenacre'.

Reasons for Review

Central Bedfordshire Council is consulting on the future of Greenacre Older Persons' Home. Having reviewed a number of options for the future of the home, the Council's current preferred option is to offer and arrange accommodation for the existing residents in good alternative care homes and then to close Greenacre.

The outcome of this consultation could therefore have an impact on Greenacre Day Centre. We therefore wish to consult with Greenacre Day Centre attendees and their family and/or carers about the options for the day care service.

Options Considered

When considering the future of Day Care at Greenacre the Council has considered and evaluated a number of options.

The outcome of our consideration to date is set out below.

1. Doing nothing – continue with day care at Greenacre in its present form

What would this mean in practice?	No changes would be made to the building or the arrangement for the delivery of Day Care.
Cost	There are no cost-expenditure or cost-saving implications for this option – costs would remain the same.
Approximate timescales	Immediate, as it would be a continuation of the existing arrangement.
Assumptions	This option assumes that there would be no change to Day Care, as either the Council would continue to own and operate Greenacre or a new owner would be commissioned to provide the service 'as is'.

Advantages	<ul style="list-style-type: none"> • There would be no disruption to attendees as they would remain where they are. • The service would continue to be delivered by staff with whom they are familiar.
Disadvantages	<ul style="list-style-type: none"> • This option is not likely to be feasible under many of the options for the future of the care home aspect of Greenacre.

Initial assessment:

If a decision was made in relation to the home that would mean that the Day Centre could continue to operate unchanged then this would be an appropriate option as it would continue to provide the service it does and there would be no disruption for the current attendees. This would also be an option if the home were sold as a 'going concern' although the Council would need to consider whether or not to commission this service alongside the care home aspect. However a new owner may wish to utilise the space in a different way. Under the other options for the care home that would involve closure of the building or a refurbishment then the option for the Day Centre to continue are unlikely to be possible.

2. Relocating existing attendees to Houghton Regis Day Centre with the existing staff team and running it as a separate group within the Houghton Regis Day Centre.

What would this mean in practice?	The existing service would be relocated and operated as it is now, with the same staff and attendees
Cost	There are no negative cost implications for this option and it could produce savings in transport costs.
Approximate timescales	If this option was decided upon then it is likely transfer could happen within a month or so.
Assumptions	That there is sufficient, appropriate space at Houghton Regis Day Centre.
Advantages	<ul style="list-style-type: none"> • There would be minimal disruption to attendees as the service would remain unchanged. • The service would continue to be delivered by staff with whom they are familiar. • There may be a greater range of activities on offer in a larger centre. • Transport may be able to be provided more flexibly
Disadvantages	<ul style="list-style-type: none"> • The venue may be further away from some attendees' home. • The facilities at Houghton Regis Day Centre may be different from those at Greenacre.



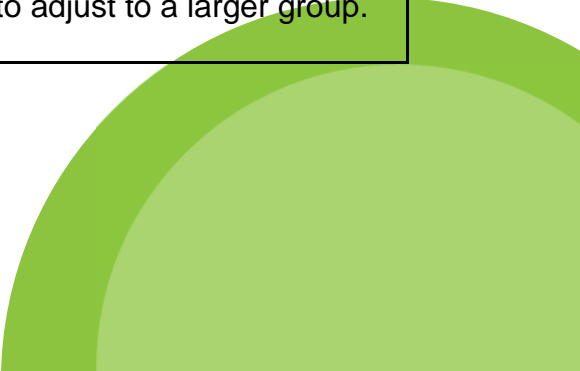
- | | |
|--|--|
| | <ul style="list-style-type: none"> The attendees would have to adjust to the new venue. |
|--|--|

Initial assessment:

This option could be pursued no matter what the decision was in relation to the future of the care home itself, although there may be little benefit in it if the home were to remain open. It is an acceptable option to the Council as it allows the service to continue virtually unchanged and there may be some economies that can be delivered through shared transport arrangements.

3. Relocating existing attendees to Houghton Regis Day Centre with existing staff and merge the operation of both Centres.

What would this mean in practice?	The existing service would be relocated and operated as it is now, with the same staff and attendees but there could be more mixing in with existing attendees and joining in with wider activities on offer. This could be achieved over time to minimise disruption and allow attendees to adjust.
Cost	There are no negative cost implications for this option and it could produce savings in staffing and transport costs.
Approximate timescales	If this option was decided upon then it is likely transfer could happen within a month or so. The merging of operations would then take approximately three months.
Assumptions	That there is sufficient, appropriate space at Houghton Regis Day Centre.
Advantages	<ul style="list-style-type: none"> There would be minimal disruption to attendees as the service would remain unchanged initially. The service would continue to be delivered by staff with whom they are familiar. There may be more capacity in terms of staff and so attendees could attend for more days if needed. There may be a greater range of activities on offer in a larger centre. Transport may be able to be provided more flexibly.
Disadvantages	<ul style="list-style-type: none"> The venue may be further away from some attendees' home. The facilities at Houghton Regis Day Centre may be different from those at Greenacre. The attendees would have to adjust to the new venue. The attendees would have to adjust to a larger group.



Initial assessment:

This option could be pursued no matter what the decision was in relation to the future of the care home, although there may be little benefit in it if the home were to remain open. It is an acceptable option as it allows the service to continue virtually unchanged other than location and there may be economies that could be delivered through shared transport and staffing arrangements. It has the advantage of being able to enhance the existing service using the wider facilities and resources within a larger setting. Provided this is achieved sensitively and gradually, it could provide existing attendees the continuity with a more flexible service moving forward.

4. Provide a similar service using another venue.

What would this mean in practice?	The council would look to commission, build, buy or rent a suitable venue to provide the service
Cost	There are cost implications for this option as the council would need to find capital if it was to purchase the land and build. The revenue costs would increase considerably if a new venue has to be rented or service commissioned.
Approximate timescales	If an existing facility was to be used then it would take approximately six months to make arrangements. If a new facility was required then this would take a minimum of a year.
Assumptions	That a suitable site or venue could be identified and secured.
Advantages	<ul style="list-style-type: none"> • The new venue could be designed specifically for the needs of the attendees. • It could provide more modern facilities.
Disadvantages	<ul style="list-style-type: none"> • This option is not immediately available so interim arrangements may need to be made for attendees. • This will cause disruption for existing attendees.

Initial assessment:

This option could be pursued no matter what the decision was in relation to the future of the care home, although there may be little benefit in it if the home were to remain open. It would incur additional costs but could provide what is needed in the longer term. In the short term it would be disruptive to the existing attendees and the staff. This option may necessitate an interim solution while a new service was developed. For these reasons this option is not one of the preferred ones.



5. Replace existing provision with more individual services away from a building-based day care model.

What would this mean in practice?	The council would provide attendees with a Personal Budget or Direct Payment which they could use to purchase individual services. Support Planners would assist attendees and their relatives/carers to identify appropriate services.
Cost	There are cost implications which are not fully known but there may be additional costs to this option.
Approximate timescales	If this option was decided upon then it would take approximately three months to implement.
Assumptions	This option assumes that there are appropriate alternative services and resources available for attendees to purchase.
Advantages	<ul style="list-style-type: none"> • The services could be personalised and tailored to individuals needs. • The services purchased can be far more flexible and not just available between Monday and Friday.
Disadvantages	<ul style="list-style-type: none"> • The attendees would not necessarily get a group experience using individual services. • This will cause disruption for existing attendees. • Some attendees may lack capacity to manage a Direct Payment or to be able to choose how they use it.

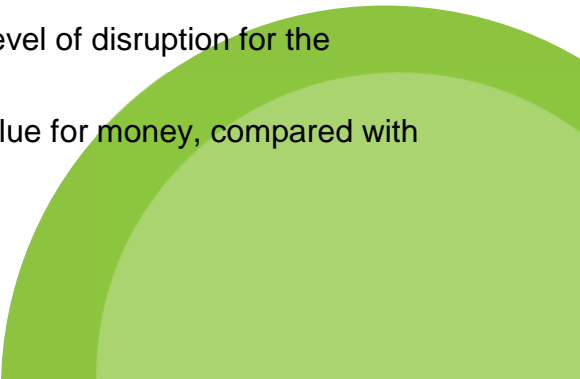
Initial assessment:

This option could be pursued no matter what the decision was in relation to the future of the care home, although there may be little benefit in it if the home were to remain open. Direct Payments can provide a more bespoke and flexible solution to providing care and support but they do require suitable services to be in place for individuals to purchase. Given the care and support needs of the group of day centre attendees it is may be that appropriate services may not be readily available. If adopted it is likely the Council would still need to provide a similar day care experience for some attendees. Therefore this option is not considered to be a solution for all current attendees but could be pursued on for some individuals.

Options Summary

We have formed an initial view about these options based on some key criteria:

- **Maintaining quality of service:** would the option result in the service to existing and future attendees being of at least as high a quality as the current service?
- **Minimal disruption:** would the option result in a low level of disruption for the people who currently use the service?
- **Value for money:** would the option represent good value for money, compared with the existing service?



Our views are summarised in the table below.

Criteria	Options				
	1. Do nothing	2. Move current service 'as is' to Houghton Regis Day Centre	3. Move current service to Houghton Regis Day Centre as above but mix in the groups over time	4. Provide the same day care service using another venue	5. Replace existing provision with individual services
Maintain quality of service	✓	✓	✓	✓	✗
Minimal disruption	✓	✓	✓	✗	✗
Value for money	✗	✓	✓	✗	✗

Having considered the options for the future of Day Care at Greenacre, the Council's preferred options would be to move the existing service to Houghton Regis Day Centre, either in a stand alone room or by integrating the service into the wider service on offer at Houghton Regis Day Centre (options 2 and 3 above).

Although moving to Houghton Regis Day Centre is our preferred option we want to hear your views before coming to a decision. This is why the consultation process is so important.

We would also be keen to hear from existing attendees and their relatives/carers about their views on the two preferred options (2 and 3 above) and which of those they would favour.



Future of the Day Care at Greenacre



Central Bedfordshire Council is consulting on the future of Greenacre Older Persons' Home. Having reviewed a number of options for the future of the home, the Council's current preferred option is to offer and arrange accommodation for the existing residents in good alternative care homes and then to close Greenacre. The outcome of this consultation could have an impact on Greenacre Day Centre.

We therefore wish to consult with Greenacre Day Centre attendees and their family and/or carers about the options for the day care service.

The Council has considered the following options for the Day Care Centre:

Option 1. Do Nothing. If a decision is made to close the home then the continuation of the operation of the Day Centre in its current form would not be sustainable. Therefore in these circumstances the 'do nothing' option would either be impractical to achieve or would represent very poor value for money, as it would entail the Day Centre

Option 2. Move current service 'as is' to Houghton Regis Day Centre. The centre at Houghton Regis has space available to accommodate the Greenacre Day Centre as a separate entity, so the only significant change to attendees would be a change in venue. This may result in a slightly longer journey for some attendees (but perhaps less for others) but the overall disruption would be minimal. This may also provide the opportunity for existing transport arrangements to be streamlined to minimise journey times and give value for money. The move may also open up other activities for attendees to enjoy.

Option 3. Move current service to Houghton Regis Day Centre as above but mix in the groups over time. This option would be similar to Option 2 but it would be planned that over time both the attendee and staff groups would mix together. This could be a little more disruptive but could result in more availability of places and a more personalised service in terms of what abilities and interests attendees may have. It also means that attendees benefit fully from a wider range of activities within the centre.

Option 4. Provide the same day care service using another venue. This could be by building somewhere or by commissioning the service in a new or existing building. This option could not be achieved in the short term. It would be more expensive than other options.

Option 5. Replace existing provision with individual services. In this option current and future attendees could be provided with help to access community-based services and activities to meet their needs. The cost would be met through a Personal Budget or Direct Payment. Whilst this may be an option for some attendees we do not currently think that there are suitable alternative services in place at present to make this a viable option for all of the people who use the Day Centre.

The options considered

The Council preferred options would be:- Option 2 - Move current service to Houghton Regis Day Centre or Option 3 - Move current service to Houghton Regis Day Centre as per option 2, but mix in the groups over time.

You can see the explanation about our preference in the 'Options considered for Day Care at Greenacre' document.

Q1 How far do you agree or disagree with the Council's preferred options?

- Strongly agree Agree Neither agree or disagree Disagree Strongly disagree

Q2 What are your views on our preferred options?

Q3 Are there any options we have considered that you think we have not correctly evaluated?

- Yes No Don't know

Q4 If yes, please state which options and why you think they should be evaluated differently.

Q5 Are there any options listed that you think the Council should investigate in more detail?

- Yes No Don't know

Q6 If yes, please state which options and say what further information or investigation is needed.

Q7 Are there any other option(s) that you think we should consider that are not in the document?

- Yes No Don't know

Q8 If yes, please explain what these options are.

Q9 Do you have any further comments about the future of Day Care at Greenacre?

Welfare of attendess at Day Care - Greenacre

Q10 Throughout the process we will be conducting meetings with attendess of Day Care at Greenacre and their relatives, and providing advocates where necessary. Are there any other actions you think we should be taking to minimise the impact of any changes on existing attendess and their relatives?

Other comments

Q11 Please write any other comments that you may have about the provision of Day Care at Greenacre here:

Please turn to the next page to complete the information about you.

About You

This section of the survey is about you. The following information will help us when considering your opinions and to make sure that we're getting the views of all members of the community. The answers will not be used to identify any individual.

Q12 Are you a: (please select one option)

- | | |
|--|--|
| <input type="checkbox"/> Attendee of Day Care at Greenacre | <input type="checkbox"/> Member of the public |
| <input type="checkbox"/> Relative of a resident | <input type="checkbox"/> Charity or organisation |
| <input type="checkbox"/> Member of staff | <input type="checkbox"/> Other |

If other, please specify:

Q13 Are you male or female? (please select one option)

- | | |
|-------------------------------|---------------------------------|
| <input type="checkbox"/> Male | <input type="checkbox"/> Female |
|-------------------------------|---------------------------------|

Q14 What is your age? (please select one option)

- | | |
|---------------------------------------|------------------------------------|
| <input type="checkbox"/> Under 16 yrs | <input type="checkbox"/> 45-59 yrs |
| <input type="checkbox"/> 16-19 yrs | <input type="checkbox"/> 60-64 yrs |
| <input type="checkbox"/> 20-29 yrs | <input type="checkbox"/> 65-74 yrs |
| <input type="checkbox"/> 30-44 yrs | <input type="checkbox"/> 75+ |

Q15 Do you consider yourself to be disabled? (please select one option)

Under the Equality Act 2010 a person is considered to have a disability if he/she has a physical or mental impairment which has a sustained and long-term adverse effect on his/her ability to carry out normal day to day activities.

- | | |
|------------------------------|-----------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No |
|------------------------------|-----------------------------|

Q16 To which of these groups do you consider you belong? (please select one option)

- | | |
|---|----------------------------------|
| <input type="checkbox"/> White British | <input type="checkbox"/> Mixed |
| <input type="checkbox"/> Black or Black British | <input type="checkbox"/> Chinese |
| <input type="checkbox"/> Asian or Asian British | <input type="checkbox"/> Other |

If other, please specify:

Q17 What is your postcode?

This will only be used for analysis purposes and will not be used to identify you in any way

Q18 If you would like to receive any updates on this consultation or alerts for any new consultations, please provide your email address below to be added to the list:

Thank you. Please return your completed form by Wednesday 13th January 2016 to:
FREEPOST RSJS GBBZ SRZT (you do not need a stamp)
 Greenacre Older Persons Home consultation
 Central Bedfordshire Council
 Priory House, Monks Walk, Chicksands, Shefford, SG17 5TQ

Data Protection Act 1998

Please note that your personal details supplied on this form will be held and/or computerised by Central Bedfordshire Council for the purpose of the Greenacre Older Persons Home consultation. The information collected may be disclosed to officers and members of the Council and its' partners involved in this consultation. Summarised information from the forms may be published, but no individual details will be disclosed under these circumstances.

Your personal details will be safeguarded and will not be divulged to any other individuals or organisations for any other purposes.

Information classification: Protected when complete



have
your
say...

...on Greenacre Older Persons Home

An update on the Greenacre consultation

Find Central Bedfordshire Council online at



www.centralbedfordshire.gov.uk/consultations

**Central
Bedfordshire**



Greenacre

Consultation Update 25th November 2015

What we have done so far

Following the approval by the Council’s Executive Committee on 6th October 2015 to consult on the future of Greenacre the consultation documents were sent out to residents, relatives and other interested parties. Since then the consultation team have been busy talking to residents, relatives and staff about the proposals and encouraging them to complete the consultation questionnaire.

Many residents and relatives have now spoken to or met Claire Blankenship, the social worker in the consultation team who has spent a lot of time in the home helping residents to contribute to the consultation.

Who we have consulted with

Along with the residents, relatives and staff, we have sent consultation information to the organisations listed below that all have a role in relation to Greenacre.

Local GP’s who have patients residing at Greenacre.

East London NHS Foundation Trust (ELFT) – part of the NHS that provides services to people with mental health needs including people with dementia.

Healthwatch – the national consumer champion in health and care. Healthwatch have significant statutory powers to ensure the voice of the consumer is strengthened and heard by those who commission, deliver and regulate health and care services.

Dunstable Town Council and **Houghton Regis Town Council** – Greenacre predominantly has residents from these two areas.

Carers in Bedfordshire – a registered charity existing to help family carers and former carers cope with the mental and physical stress arising from their role. They offer assistance such as practical help, advice, training, advocacy, support and information.

Age UK Bedfordshire – a local charity based in Bedford and operating through the whole of Bedfordshire and Luton for the benefit of all older people in the County.

Alzheimer’s Bedfordshire – a charitable organisation providing information, support and services to people living with all types of dementia, their carers, family members, health professionals, and anyone else with concerns about their memory or that of someone else.

Older Person’s Reference Group (OPRG) – an independent forum to improve the services Central Bedfordshire Council Provide for older people.

POhWER – a charity and membership organisation that provide information, advice, support and advocacy to people who experience disability, vulnerability, distress and social exclusion.



Frequently Asked Questions

Below are some of the questions that we have been asked so far during the consultation by residents and their relatives.

If the decision is made to close the home, will everyone be moved out at the same time?

No. In that situation we would work with residents, relatives and staff at Greenacre and at the homes people would be moving to, to coordinate the moves to ensure that everyone would receive the time and support they needed before, during and after the move.

How can I arrange a visit to view Dukeminster Court, Rosewood Court or another residential care home in Central Bedfordshire?

If you are interested in looking at other homes you can contact them directly to arrange a visit. If you need help or advice on this please contact Mel in the first instance – see details at the end of the document.

Dukeminster Court is open and you can visit any time. There is no need to make an appointment but if you want to let them know you are coming or just find out more about the home you can call them on 01582 474700.

Rosewood Court will not be open to take customers until February 2016, however the home should be open for viewing before then. When we have more information about this we will let people know.

Are Dukeminster Court and Rosewood Court Nursing Homes?

Like Greenacre, Dukeminster Court is a residential care home and any specialist nursing care needed will be provided by a Community Nurse. Rosewood Court is planning to offer both residential and nursing care.

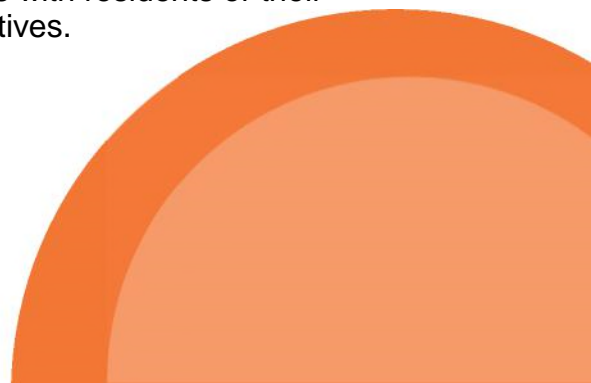
If Greenacre were to close, we would carry out individual assessments of resident's needs and if it is clear that a resident's needs would be better met in a nursing home then this would be discussed with the resident and their relatives.

Would I have to pay more if I were to move to Dukeminster Court, Rosewood Court or another residential care home within Central Bedfordshire?

Those people who are not currently paying the full cost of their care would not have to pay any more than they do at Greenacre.

For those who are paying the full cost of their care (currently £477.16 per week) we have agreed with Dukeminster Court and Rosewood Court that the amount they will pay will be the same as the rate the Council would pay to the home for a person with similar needs who cannot afford to pay the full cost. For example, the amount we currently pay at Dukeminster Court is £489.87 per week. We would try to agree similar terms with other care homes that a person funding their own care was interested in, but cannot guarantee this.

We know that everyone's circumstances and preferences are unique and we will be happy to discuss the financial implications and options with residents or their representatives.



Can I move my relative to Dukeminster Court, Rosewood Court or another home before the end of the consultation?

The places available at Dukeminster Court and Rosewood Court have been reserved in the event that the Executive decides to close Greenacre. They are therefore not available to people who wish to move prior to any decision being made and implemented.

We are not encouraging residents to move until a decision has been made about the future of the home. If the conclusion is that the home will close then we will put in place the resources, plans and activities to support residents and relatives and help them move and settle in to a new home.

However, if you feel that an early move to an alternative care home would be beneficial for your relative, please contact Cheryl-Ann Edwards, Greenacre Home Manager, who will be able to discuss this with you.

Will staff from Greenacre be moving to Dukeminster Court or Rosewood Court?

TUPE refers to the "Transfer of Undertakings (Protection of Employment) Regulations 2006". TUPE rules protect employees' rights when the organisation or service they work for *transfers* to a new employer. As the proposal is to allow residents to choose which home they move to rather than all moving to one home, it is not a transfer of service and TUPE would not apply.

That having been said, in the event of a closure Central Bedfordshire Council would support staff to find alternative employment and where possible, redeploy them to other homes or services run by the Council, where there are suitable vacancies.

We would also be happy to work with the organisations running Rosewood Court and Dukeminster Court to explore employment opportunities for staff.

How will the homes be allocated to residents as there are limited places at Dukeminster Court?

If the decision is made to close the home we will assess each resident's needs, discuss their preferences and look at how they can best be met. We will involve residents and their relatives or representatives in this process.

We would be able to offer all residents a place in a new home that meets their needs.

Will both homes have the same criteria for determining if a resident requires a place in a dementia unit?

Both homes will be able to meet the needs of people with dementia and both will have areas within the home that cater for people with different types of need. There are likely to be some differences in how each home decides where individual's needs are best met and also the needs of each individual resident would need to be considered.

This is an area that can be discussed in more detail with each home and individual residents and relatives should the decision be made to close Greenacre.



If we move to a privately run home will we still be Council customers?

Yes. Any permanent resident of Greenacre who is moved by the Council to a new home will be considered to have been placed by the Council.

Would we still pay the Council or would we have to pay the new home?

If you move to a private home, the Council would normally expect the home to invoice the resident or their representative directly for their contribution. This could be different if a resident moves outside Central Bedfordshire as practices may differ in different areas.

What happens when my relative's savings fall below £23,250?

If a resident has more than £23,250 in savings then they would pay the entire fee for the care home they are living in.

If a resident's savings fall below £23,250 they will require a financial assessment by

the Council. The assessment will allow the Council to determine the amount the resident can afford to pay, based on their income and capital.

We recommend that you contact the Customer Finance Team on 0300 300 8303, to request a financial assessment a few weeks before the resident's savings fall below the threshold.

What will happen with the Day Centre at Greenacre?

The future of the Day Centre at Greenacre is also being consulted on with our preferred option currently being to transfer the service to Houghton Regis Day Centre. The timescales for the consultation are the same as the home so the consultation finishes on 13th January 2016 and a decision should be made on the future of the Day Centre on 9th February 2016.

What will happen with the Step Up Step Down unit at Greenacre?

The Council is currently undertaking a review of the Step Up Step Down service to determine its future.

Independent advice and support

If you would like to speak to someone other than the Council, below are the contact details for two local independent organisations that would be happy to discuss the consultation with you.



Telephone: 0300 456 2370
Email: pohwer@pohwer.net



Telephone: 0300 303 8554
Email: info@healthwatch-centralbedfordshire.org.uk





Consultation Period and Decision Making

No decision about the future of Greenacre has yet been made. Below is a timetable of the activity planned between now and a final decision being made. The earliest a decision would be made about the future of the home is 9th February 2016.

Dates	Activity	Notes
14 th October 2015 to 13 th January 2016	Consultation period	You can respond to the consultation on the future of the home at any time during this period by filling in the questionnaire by hand, which can be obtained from Greenacre or from Mel Alderton on the numbers at the end of this document. This can then be posted to us or handed in to the management at Greenacre. Alternatively the questionnaire can be filled in online at www.centralbedfordshire.gov.uk/consultations .
4 th January to 14 th January 2016	Preparing the report on the consultation	During this time we will be reviewing the consultation responses and producing a written report.
25 th January 2016	Meeting of the Council's Social Care Health and Housing Overview and Scrutiny Committee to consider the report on the consultation and recommendations in respect of the future of Greenacre.	The Overview and Scrutiny Committee provides an opportunity for elected, non-Executive councillors and local residents to discuss and comment on the Council's policies, plans and strategies before they are presented to the Council's Executive. The Committee encourages public engagement in the democratic process and is keen for people to attend its meetings. The report will be published on the Council's website ten days before this meeting takes place.
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9 th to 18 th February 2016	Call In period	The decisions made by Executive on the 9 th February will be published two days after the meeting. Decision made by the Executive can be 'called in' for reconsideration within five working days of the date they are published. In the event that the decision is not called in we would expect to be able to implement the recommendations from 18 th February.2016.

What happens next?

Claire is continuing to meet with residents. She is undertaking assessments to ensure that all residents have their say in the consultation if at all possible and is encouraging relatives to be involved.

Alongside Claire, the other members of the consultation team will also continue to be available at Greenacre on a regular basis to answer any questions you have.

If you haven't completed the consultation questionnaire we would encourage you to do so. You can do this by filling in the questionnaire by hand and posting it to us at the address below or by leaving it with management at Greenacre. Alternatively the questionnaire can be filled in online at www.centralbedfordshire.gov.uk/consultations. If you need copies of the consultation documents or the questionnaire you can get them from the website. There are also copies in the home. If you want to be sent any of the documents please contact Mel Alderton on the numbers below.

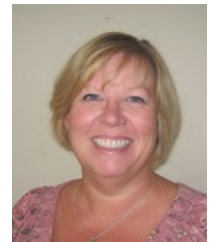
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As soon as a decision is made by the Council's Executive we will inform residents, relatives and staff.

Meet the consultation team

The consultation team consists of (left to right) Claire, Mel, Lorna, and Tim

You can expect to see them in the home and can contact any of them via Mel using the details below.

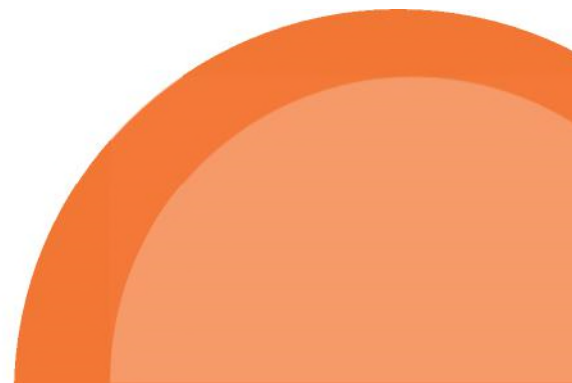


Contact us...

by telephone: 0300 300 4371

by [email: mel.alderton@centralbedfordshire.gov.uk](mailto:mel.alderton@centralbedfordshire.gov.uk)

Write to: Mel Alderton, Central Bedfordshire Council,
Houghton Lodge, Houghton Close, Ampthill, MK45 2TG



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have
your
say...

...on the future of Day Care at Greenacre

An update on the future of day care at
Greenacre consultation

Find Central Bedfordshire Council online at



www.centralbedfordshire.gov.uk/consultations

**Central
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Day Care at Greenacre

Consultation Update 25th November 2015

What we have done so far

Following the approval by the Council's Executive Committee on 6th October 2015 to consult on the future of Day Care at Greenacre the consultation papers were sent out to customers, relatives and other interested parties. Since then the consultation team have been busy talking to customers, relatives and staff about the consultation and encouraging them to complete the consultation questionnaire. A list of the questions we were often asked at those meetings along with their answers can be found on the next page.

Many relatives and customers have now spoken to or met Claire Blankenship, the social worker in the consultation team who has spent a lot of time in the home helping residents to contribute to the consultation.

Who we have consulted with

Along with the customers, relatives and staff, we have consulted with the organisations listed below that all have a role in relation to Greenacre and its residents and relatives.

Local GP's who have patients who attend the day care centre at Greenacre.

East London NHS Foundation Trust (ELFT) – part of the NHS that provides services to people with mental health needs including people with dementia.

Healthwatch – the national consumer champion in health and care. Healthwatch have significant statutory powers to ensure the voice of the consumer is strengthened and heard by those who commission, deliver and regulate health and care services.

Dunstable Town Council and **Houghton Regis Town Council** – Greenacre predominantly has customers from these two areas.

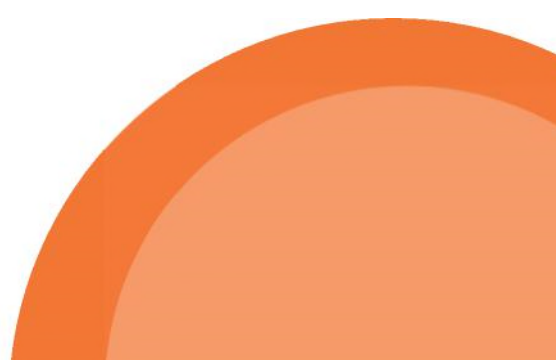
Carers in Bedfordshire – a registered charity existing to help family carers and former carers cope with the mental and physical stress arising from their role. They offer assistance such as practical help, advice, training, advocacy, support and information.

Age UK Bedfordshire – a local charity based in Bedford and operating through the whole of Bedfordshire and Luton for the benefit of all older people in the County.

Alzheimer's Bedfordshire – a charitable organisation providing information, support and services to people living with all types of dementia, their carers, family members, health professionals, and anyone else with concerns about their memory or that of someone else.

Older Person's Reference Group (OPRG) – an independent forum to improve the services Central Bedfordshire Council Provide for older people.

PoHWER – a charity and membership organisation that provide information, advice, support and advocacy to people who experience disability, vulnerability, distress and social exclusion.



Frequently Asked Questions

Below are some of the questions that we have been asked so far during the consultation by residents and their relatives.

How can I arrange a visit to view Houghton Regis Day Centre?

If you are interested in visiting Houghton Regis Day Centre you can contact the Manager Lorraine Bugler on 0300 300 8179 directly to arrange a visit. If you need help or advice on this please contact Mel in the first instance – see details at the end of the document.

Will the attendance days and times change?

If one of the options to move the day centre activities to Houghton Regis Day Centre is chosen then as part of the transfer process we would look to see if there was any benefit to adjusting the day(s) on which people attend. However we would try very hard to minimise the disruption to people attending the centre. If we were considering changes to the day(s) people attend then we would discuss this on an individual basis with customers and their relatives, if appropriate.

Would the staff move to Houghton Regis Day Centre with us?

Yes, if one of the options to move the day centre activities to Houghton Regis Day Centre was chosen then we are proposing that the staff who currently work in the day

centre at Greenacre would transfer to Houghton Regis along with the customers.

Could the buses at Houghton Regis Day Centre be used during the day for trips out?

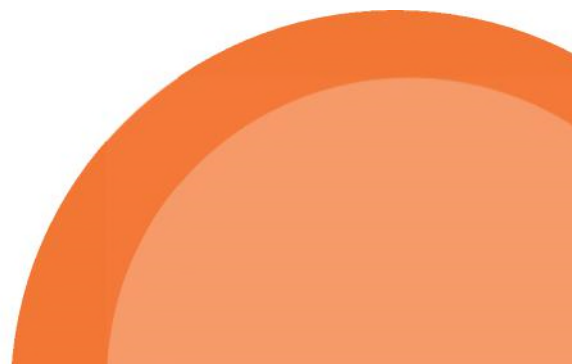
This doesn't happen at present, however the centre does hold various events within the centre such as 'seaside day' by bringing in fish and chips and a race event 'Day at Houghton Races'.

Could the Greenacre transport be merged with Houghton Regis Day Centre's to reduce journey times?

Yes, if one of the options to move the day centre activities to Houghton Regis Day Centre was chosen then this is a possibility.

What is the staff/customer ratio at Houghton Regis Day Centre?

Staffing ratios are based on the needs of the customers attending the centre. There are 13 staff in the centre each day 8 of whom are care assistants. The average number of people attending each day is about 35.



What is the ratio of dementia, learning disability and frail and elderly in Houghton Regis Day Centre?

The figures below are based on current customers attending per week.

- i. People in the early stages of dementia 10%
- ii. People with dementia who have significant care needs 32%
- iii. Adults under 65 with a learning disability 5%
- iv. Adults under 65 with a physical disability 19%
- v. Older people with care or social needs 33%

If the day centre at Greenacre were to move to our own allocated room at Houghton Regis Day Centre would there be a separate entrance?

If this option is chosen then a separate entrance can be made available for those who may be anxious about using the main one. However currently we would prefer customers to use the same entrance to increase social interaction and avoid a sense of groups being segregated.

Can our furniture and memorabilia be moved to Houghton Regis Day Centre?

Yes, any furniture or memorabilia could be moved to Houghton Regis Day Centre to provide as much familiarity of surroundings for the customers.

Independent advice and support

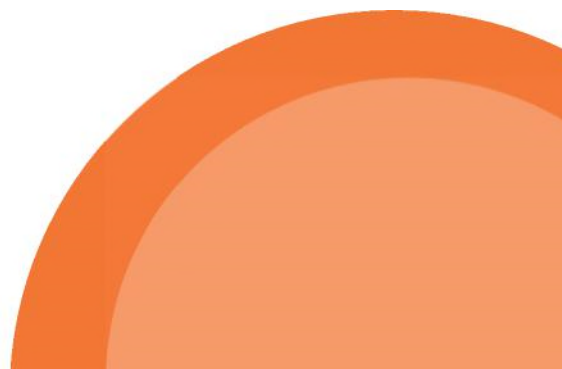
If you would like to speak to someone other than the Council, below are the contact details for two local independent organisations that would be happy to discuss the consultation with you.



Telephone: 0300 456 2370
Email: pohwer@pohwer.net



Telephone: 0300 303 8554
Email: info@healthwatch-centralbedfordshire.org.uk





Consultation Period and Decision Making

No decision about the future of Day Care at Greenacre has yet been made. Below is a timetable of the activity planned between now and a final decision being made. The earliest a decision would be made about the future of the home is 9th February 2016.

Dates	Activity	Notes
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What happens now?

Claire is continuing to meet with day centre customers. She is undertaking assessments to ensure that all customers have their say in the consultation if at all possible and is encouraging relatives to be involved.

Alongside Claire, the other members of the consultation team will also continue to be available at Greenacre on a regular basis to answer any questions you have.

If you haven't completed the consultation questionnaire we would encourage you to do so. You can do this by filling in the questionnaire by hand and posting it to us at the address below or by leaving it with management at Greenacre. Alternatively the questionnaire can be filled in online at www.centralbedfordshire.gov.uk/consultations. If you need copies of the consultation documents or the questionnaire you can get them from the website. There are also copies in the home. If you want to be sent any of the documents please contact Mel Alderton on the numbers below.

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As soon as a decision is made by the Council's Executive we will inform customers, relatives and staff.

Meet the consultation team

The consultation team consists of (left to right) Claire, Mel, Lorna, John and Tim

You may have seen them in the home already. You can contact any of them via Mel using the details below.



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Central Bedfordshire Council Greenacre Older Persons Home Consultation

Response to Formal Consultation

1. INTRODUCTION

- 1.1 Central Bedfordshire Council wants the best possible quality of life for all its residents and is committed to developing and improving accommodation with care for older people. The Council owns and operates six care homes which were built several decades ago and which currently no longer meet the expectations of customers and regulators in terms of facilities and accommodation.
- 1.2 Therefore when better options become available elsewhere, the Council will consult with residents and/or relatives about the future of these homes.
- 1.3 The Council has undertaken a consultation on the future of Greenacre Older Persons Home. Having reviewed a number of options for the future of the home, the Council's preferred option is to offer and arrange accommodation for the existing residents in good alternative care homes and then to close Greenacre Older Persons Home.
- 1.4 The Council has considered the following options in relation to the future of Greenacre Older Persons Home including:
 - Doing nothing – continue to run Greenacre Older Persons Home in its present form.
 - Relocating existing residents to better homes and closing Greenacre Older Persons Home – the Council's preferred option.
 - Transferring Greenacre Older Persons Home to another organisation to run as a going concern.
 - Building a new home on the Greenacre Older Persons Home site – moving residents to alternative homes, demolishing the old home and building a new one.
 - Running the home down – stopping new admissions to the home but keeping it open for an agreed period of time or until it had no residents.
 - Refurbishing the home so that it meets modern standards.
- 1.5 The Council's preferred option is to offer and arrange accommodation for the existing residents in good alternative care homes and then to close Greenacre Older Persons Home.
- 1.6 The formal consultation began on 14th October and ran for 13 weeks, ending on 13th January 2016.
- 1.7 Informal consultation meetings took place on a face-to-face basis with residents and/or their family members/next of kin and members of staff. At these meetings officers answered questions and encouraged people to complete the consultation.
- 1.8 Particular attention was given to supporting residents to be involved in the consultation process even though some lacked mental capacity to fully understand the Council's proposals. The ability of all residents to

participate in the consultation was assessed by a social worker by undertaking an assessment in accordance with the principles of the Mental Capacity Act 2005. The assessments undertaken during the course of the consultation period showed that eight residents had capacity to take part in the consultation and were assisted to do so. 12 residents were assessed not to have capacity to participate meaningfully in the consultation, however of those, seven could give a view to a limited extent. The majority of residents had friends or relatives who were able to support them in participating in the consultation or contribute on their behalf. In no cases was it judged or requested that independent advocacy was required to enable a resident to participate.

- 1.9 The formal consultation was managed via a formal consultation document. This was available in paper format; downloadable from the CBC website, or was obtainable by telephoning or writing to the contact details provided in the letters to stakeholders.
- 1.10 CBC staff and elected members were informed about the formal consultation and external communications were made raise public awareness of the consultation with Central Bedfordshire residents. Key external organisations, MP's and town councillors were also informed.
- 1.11 This report includes an overview of the feedback received during the consultation period.
- 1.12 Further feedback has been received from stakeholders in addition to the formal consultation document. This is set out in Appendix 3.

2. RESPONSE RECEIVED

- 2.1 The formal consultation was designed to capture both quantitative and qualitative data from respondents, with results summarised as follows (percentages are rounded up or down as appropriate).
- 2.2 In total 26 people responded to the formal consultation.
- 2.3 6 (23.1%) of respondents were residents, 9 (34.6%) were family members of residents, 2 (7.7%) were members of staff from Greenacre Older Persons Home, 7 (26.9%) were members of the public and 2 (7.7%) were 'other' people.
- 2.4 12 (46.2%) of respondents were male, 14 (53.8%) were female
- 2.5 Respondents in age groups

20-29	1	(3.8%)
30-44	3	(11.5%)
45-59	8	(30.8%)

60-64	1	(3.8%)
65-74	8	(30.8%)
75+	5	(19.2%)
Preferred not to say or did not answer	0	

- 2.6 3 (11.5%) of respondents stated that they had a disability, 22 (84.6%) of respondents stated they did not have a disability and 1 (3.8%) preferred not to say or did not answer.
- 2.7 25 (96.2%) of respondents were White: British, 1 (3.8%) of Respondents stated "Other" and 0 (00.0%) of respondents preferred not to state or did not answer.
- 2.8 Appendix 1 provides a full demographic statistical profile of respondents

3. RESULTS OF CONSULTATION: QUESTION RESPONSES

The formal consultation was designed to capture both quantitative and qualitative data from respondents, with results summarised as follows

3.1 Q1 How far do you agree or disagree with the Council's preferred option?

Strongly agree	2	(7.7%)
Agree	11	(42.3%)
Neither agree or disagree	2	(7.7%)
Disagree	4	(15.4%)
Strongly disagree	7	(26.9%)

3.2 Q2 What are your views on our preferred option?

There is general agreement that the facilities offered by Greenacre Older Persons Home are not modern and the Council is right to be looking at options for the future. While half of respondents agree with the Council's preferred option a number of concerns have been raised about the impact moving to alternative accommodation would have on current residents and whether or not this would result in increased costs.

It is positive that a majority of the respondents were supportive of the proposals and recognised that the facilities offered by Greenacre Older Persons Home do not meet modern standards.

If the decision is made to close the home all residents would have their care and support needs assessed and the risk associated with a move would be fully assessed and managed. We would follow best practice for relocating residents and would coordinate the moves to ensure that everyone would receive the time and support they needed before, during and after the move.

The potential financial implications of relocation to a new home were explained in the consultation update issued on 25th November 2015. The Council would be recommending alternative care homes that it currently contracts with and the rates for these are between £473.19 and £501.91 per week, depending on the quality banding the home is on. Those people who are not currently paying the full cost of their care would not have to pay any more than they do at Greenacre Older Persons Home For those who are paying the full cost (currently £477.16 per week), the Council has agreed that they would pay the same as the rate the Council would pay to the home for a person with similar needs who cannot afford to pay the full cost. As everyone's circumstances and preferences are unique we would discuss the financial implications and options with residents and/or their representatives.

3.3 Q3 Are there any options we have considered that you think we have not correctly evaluated?

Yes	2	(7.7%)
No	20	(76.9%)
Don't know	4	(15.4%)

20 (76.9%) of respondents agreed that options had been evaluated correctly.

3.4 Q4 If yes, please state which options and why you think they should be evaluated differently.

Options from the respondents included:-

- Land-swap with a developer.
- Further research into refurbishment costs of Greenacre.

We do not think that a 'land swap' arrangement in these circumstances would be an effective solution to meeting the need for care home places in the Dunstable area.

The refurbishment of Greenacre Older Persons Home was one of the options in the consultation document and estimations of the cost were made. Given the feedback on this option we consider that it would not be appropriate to further investigate the cost of a refurbishment.

3.5 Q5 Are there any options listed that you think the Council should investigate in more detail?

Yes	6	(24.0%)
No	15	(60.0%)
Don't know	4	(16.4%)

15 (60%) of respondents felt the Council had investigated all options fully.

3.6 Q6 If yes, please state which options and say what further information or investigation is needed.

Options that respondents stated they would like to see further information or investigation on:

- Further development on the timeline to support current residents should the Council continue with the preferred
- Redistribution of Council Tax money to fund refurbishment of Greenacre
- The views and opinions of the wider ageing population of Dunstable residents should be sought.

If a decision is made to relocate residents and close Greenacre Older Persons Home a detailed timeline will be developed. The project team will work with residents, relatives, staff from Greenacre Older Persons Home and staff from the new home to develop a realistic timetable that takes into account the needs of the residents. We would follow best practice for relocating residents and would coordinate the moves to ensure that everyone would receive the time and support they needed before, during and after the move. The move timetable would be flexible to take into account changes in the health and needs of residents.

The refurbishment of Greenacre Older Persons Home was one of the options in the consultation document.

Wider stakeholder engagement took place as part of the consultation. In particular we invited the Older People's Reference Group, the local U3A, the Dunstable Association of Senior Citizens and Dunstable and Houghton Regis Town Councils to contribute to the consultation.

3.7 Q7 Are there any other option(s) that you think we should consider that are not in the document?

Yes	2	(8.0%)
No	21	(84.0%)
Don't know	2	(8.0%)

21 (84.0%) of respondents felt all options had been considered

3.8 Q8 If yes, please explain what these options are.

No new options identified

3.9 Q9 Do you have any further comments about the future of the home?

Comments included:

- The need for Greenacre to be modernised

- For the council to consider the impact and support offered to residents and families should the home close and the offer of alternative accommodation made
- Clarification over re-development and sale of the site.

If a decision is made to close the home then support would be made available to residents, their families and the staff at Greenacre. Older Persons Home This is made clear in the report to the Executive.

The decision on the future of the home is a separate one from what would happen to the site in the event that the home closes. There are no proposals in the Executive report about the future of the building and the site as a whole. Any changes on the site may require planning permission and the usual planning permission process followed.

3.10 Welfare of residents at Greenacre Older Persons Home

Q10 Throughout the process we will be conducting individual meetings with residents and their relatives, and providing advocates where necessary. Are there any other actions you think we should be taking to minimise the impact of the proposals on the residents at Greenacre Older Persons Home?

- Residents and family members asked that they are kept fully informed and updated at regular intervals, that action plan is drawn up and stuck to. To record and report the outcomes of the meetings accurately, and act on them.
- Request to view alternative accommodation in advance of closure.
- The transitional arrangements are imperative as good relationships have been forged with residents, relatives and staff over time and they may be fear of losing this, if the Council decides to close the home.

As stated above we would work with residents and relatives and keep them informed throughout the process if there was a decision to close Greenacre Older Persons Home. This would involve the agreeing and sharing of plans and timetables which we would endeavour to adhere to.

Part of the process would be to arrange visits to alternative homes for residents and relatives.

3.11 Other comments

Q11 Please write any other comments here:

Comments from respondents reiterated suggestions and statements made in the questions above i.e. Greenacre Older Persons Home remaining a Care Home. Reassurance of the wellbeing and independence of residents being maintained.

4. SUMMARY

- 4.1 In summary, 50% of the 26 respondents support the preferred option to close the home and re-locate current residents and many mentioned the need for improved facilities in more modern homes. 11 people disagreed (42%) and 2 were neutral (8%). Some of those who disagreed would like the Council to pursue the refurbishment option but others stated that they did not accept that the home needed modernisation. Some were concerned about the long term need to suitable accommodation for older people.
- 4.2 Other comments received included the request for ongoing communication between the Council and those people affected as well as clarification and reassurance over possible impact on residents, cost implications and the redevelopment of the site.

Appendix 1:

Results of Consultation: Demographic Profile of Respondents

	No.	Percentage
Q12: Are you a: (please select one option)		
Resident	6	23.1%
Relative of a Resident	9	34.6%
Member of Staff	2	7.7%
Member of the Public	7	26.9%
Charity or Organisation	0	00.0%
Other	2	7.7%
No Response	0	00.0%

Q13: Are you male or female? (please select one option)

Male	12	46.2%
Female	14	53.8%
No response	0	00.0%

Q14: What is your age? (please select one option)

Under 16	0	00.0%
16-19	0	00.0%
20-29	1	3.8%
30-44	3	11.5%
45-59	8	30.8%
60-64	1	3.8%
65-74	8	30.8%
75+	5	19.2%
Preferred not to say or did not answer	0	00.0%

Q15: Do you consider yourself to be disabled?

Under the Equality Act 2010 a person is considered to have a disability if he/she has a physical or mental impairment which has a sustained and long-term adverse effect on his/her ability to carry out normal day to day activities.

Yes	3	11.5%
No	22	84.6%
Preferred not to say or did not answer	1	3.8%

Q16: Please tell us your ethnicity

White: British	25	96.2%
White: Irish	0	00.0%
White: Gypsy or traveller	0	00.0%

Mixed: White and Black Caribbean		00.0%
Mixed: White and Black African		00.0%
Mixed: White and Asian		00.0%
Mixed: other		00.0%
Asian or Asian British: Indian		00.0%
Asian or Asian British: Pakistani		00.0%
Asian or Asian British: Bangladeshi		00.0%
Asian or Asian British: Chinese		00.0%
Asian or Asian British: other		00.0%
Black or Black British: Caribbean		00.0%
Black or Black British: African		00.0%
Black or Black British: other		00.0%
Other	1	3.8%
Preferred not to say or no response		00.0%

Appendix 2 - Results of Consultation: Qualitative Feedback

3.1 Q2 What are your views on our preferred option?

- My concern is not that closing Greenacre is a poor decision; the case is well made but that 'value for money' for the Council will result in clients ending up paying more for residential care in privately owned homes.
- Whilst I can see the sense of moving the residents to a better unit and I understand why this is more cost effective, it seems a shame to close down a care home when the numbers of elderly population are constantly increasing and will do for ever. Surely the council needs to invest in INCREASING the number of spaces available instead of merging homes etc. I imagine the site would be sold for residential, but it would only be releasing money for the short term because within the next 10 years they will have to build another home anyway which will cost significantly more than the £6million mentioned. Surely a refurb would be cheaper in the long run. Or, turn it into some other healthcare provision.
- I appreciate the reasons behind this. however, I am very concerned about the impact on the residents, especially those who sadly have dementia
- That full consultation be carried out with residents and their families to ensure their new placement is to their complete satisfaction. That a move be done as smoothly as possible. That staff be given help to find new employment within the sector. That nothing is rushed.
- Option 4, demolish and re build in the future....or Do a land swop with a developer for a New Care home site in a more selected area, as Dunstable as enough...
- Not sure how it would effect the existing residents by moving them especially as its mainly a dementia home it could be a huge disruption in their life causing them more stress
- This is the best option but must be handled very sympathetically with lots of consultation with residents and families.
- It would be too much hassle and too disruptive moving out of Greenacre. I think it would be a good idea to have an ensuite bathroom but I don't need a bigger bedroom as it's big enough. The Council can refurbish Greenacre while the residents stay in it. I think Option 6 is the best option- refurbishing the home so that it meets modern standards.
- I think Greenacre needs modernising but a lot of people are happy here and don't mind if they have to share a bathroom or if there are better facilities elsewhere. A move will be very disruptive for my sister.
- I agree that Greenacre is old but I would like it to stay as it is.
- I agree that Greenacre is not modern enough. I would be happy to move to a new home in Dunstable with an ensuite bathroom. I do not really like communal bathrooms as they are not very private.
- I agree that Greenacre needs to be modernised.
- I would like to question the thinking behind coming to this decision... why is too expensive to renovate the home, and why is it not fit for purpose in its current state? This has not been explained.
- Moving to a new home will give a new outlook for people and more modern facilities and things to do
- the residents have a lovely home where they are and this is to save money pure and simple
- Continuity is very important for people suffering from dementia and they regard Greenacre as their home. They have, in my view, little interest in improved facilities if it results in the upheaval of losing their existing home.
- Not really the best option but better than doing nothing

- Greenacre does not need modernising, it is fine the way it is. I do not need an ensuite bathroom. I prefer it separate as it's nicer when people come to visit, if you don't have an ensuite bathroom next to the bedroom. The Council's crazy. Why do they have to ruin everything for nothing?
- Well think I rather prefer to hold out to see if green acre can be modernised.
- The closure of Greenacre should not have any financial impact on my mother's circumstances.

Q4 If yes, please state which options and why you think they should be evaluated differently.

- Land swap with a developer, for a New Care home site in a more selected area.
- Refurbishment option - how can a 1960's building be so costly to refurbish when so many care homes that the council pays to accommodate people in are in converted Victorian buildings????

Q6 If yes, please state which options and say what further information or investigation is needed.

- I think that the council needs to re-evaluate all of the options and speak to the local people in more depth - what about conducting surveys of residents in Dunstable who are in their early 70's now, who potentially within the next 10 years might be needing to use these services. I know that some friends of mine care for their parents at their own home, but there appears to be very limited provisions for respite breaks for members of the public who are caring for elderly persons in their own home. Surely we need more of these provisions.
- Somewhere in between the preferred option and allowing the home to be run down naturally. Allowing those who are happy to move to new places to do so and then giving additional support to those remaining, over a slightly longer period, without pressure, to aid their relocation. Each individual being treated as such.
- as said....land swop with a Developer, Dunstable location for a more sort after area for a care Home in central Beds..
- The cost of modernising the home and leaving the building up
- Yes, again refurbishment. Will it really cost more in the long term than paying private providers to accommodate residents?
- Keeping the current home open. You now have the chance to add a 2% surcharge to the council tax bill so why not use it for the good of the old

Q8 If yes, please explain what these options are.

- See my earlier comments
- YES See my answer to Q 6, land swop

Q9 Do you have any further comments about the future of the home?

- Will the existing residents of Greenacre get priority of choice in the two new care homes?
- No
- The home is unsuitable for purpose as it stands. My father was transferred there, from

hospital, following a hip replacement, and the unsupervised nature of the rooms and the low staffing levels meant that he fell and broke his thigh within his first 45 minutes there, leading to his death a few months later. I would not send my worst enemy to live out their days at Greenacres and will be very happy when it has finally been demolished.

- Now is the time to do something once you have recognised the HIGH annual costs, almost a MILLION, compared with New home costs.....do it...dont dally..
- I am quite concerned about the home being knocked down as the home is at the back of my property and I would like to know what the council will put there instead of the home I'm pretty sure that the council has already made up its mind
- Care promised to residents during any move needs to be maintained
- Having been the manager of Abbotsbury in Biggleswade from 1982 until my retirement in 2010, I remember Greenarces opening in the 80's. The way residents needs have moved on then the home is no longer fit for purpose. The running of homes by otter companies requires considerable investment because they are needing to make profit, this I experience for 12 years during my career.
- Refurbishing the home so that it meets modern standards.
- No
- I agree that home could be in need of modernising.
- I would like it to stay as it is.
- No
- I would like to move to somewhere more comfortable and with an ensuite bathroom.
- Surely it makes sense at a time of increased pressure on care home places to keep a small provision of our own homes?
- Try to sell it to somebody else so the Council gets some of their money back to relieve some of the pressures.
- it should stay open. What do you really know about the private providers?
- The consultation seems to have been brought about for financial reasons- what about increasing the council tax to provide extra funding?
- The Council should leave Greenacre the way it is unless everyone agrees that it should close.
- Well would like to be kept up to date with the position of green acres.
- I can understand that comparing Greenacre to other more up-to-date care homes shows Greenacre to be lacking in facilities; however there seems to be a good atmosphere within the home and feel it's a shame that Greenacre cannot be updated. I would have thought that with the ageing population there would have been a need for more accommodation in Dunstable.

Welfare of residents at Greenacre Older Persons Home

Q10 Throughout the process we will be conducting individual meetings with residents and their relatives, and providing advocates where necessary. Are there any other actions you think we should be taking to minimise the impact of the proposals on the residents at Greenacre Older Persons Home?

- How about speaking to the social services team in the NHS. I recently attended an event about the expansion and re-development of the Luton and Dunstable Hospital. One of the speakers admitted that one of the reasons why the waiting lists in the NHS are so long is because 20% of the bed space in a hospital is taken up by patients who cannot be discharged because there is nowhere to discharge them to (no temporary

rehab or care home spaces). How about running a joint venture with the NHS to help resolve this issue.

- I welcome the Council's commitment to conduct individual meetings with residents and their relatives. The transitional arrangements are imperative as good relationships have been forged with residents, relatives and staff over time and they may be fearful of losing this, if the Council decides to close the home.
- We have seen how such meetings go. It is vital that residents and the families be listened to and their worries and concerns taken into account. No action should be taken that residents or families are not totally in agreement with. No pressure should be exerted. Where possible visits should take place or, where not, staff from the new home should visit the resident and family. Transport should be as untraumatic as possible. Planning and forethought to ease transitions. Treat people as if they were your own loved ones.
- You have to be honest and straight, The home is very costly to maintain, almost a Million, and its very much out of date, also there is BETTER accommodation available in the area. Its for the quality and long term comfort of the residents and to comply with the CQC. Its unfortunate that residents will have to move, a huge Sorry. BUT make it easy for resident by making the staff secure, where possible. GOOD staff are hard to get, dont KILL morale. No one likes to Move, unless its for a better more secure future...
- No
- When writing to residents and relatives, in first instances don't mention the closure of Greenarces but say you wish to give them details of the new homes. If you have drawing or pictures present them at your meetings. Selling a new home is will have a much less impact on them that just telling Greenarces is closing.
- Its important that friendships are kept.
- No
- The Council could help organise visits to new homes.
- Not at the moment.
- Yes, don't move them. Moving elderly people is always traumatic.
- People need to see new homes beforehand. The Council need to support with this and provide transport for this.
- make sure that every issue raised at council meetings are fully resolved before you close the consultation
- Ensuring that care is taken to replace any carers that leave in the belief that the home may close
- I think just keeping everybody updated on what's going on for the future of green acre.

Other comments

Q11 Please write any other comments here:

- Robust care plans need to be in place to support any changes that may be made in the future, especially transitional arrangements.
- Don't ditch the STAFF; it will kill morale throughout the Care Home community in Central Beds.
- Once you have made your plans for the close, you should stop taking in residents so there less people affected. You should also consider the fact that residents will have made friends within the homes and would like to move with them, however in my experience they do cope with loss very well.
- I would like to know that any new home would have the same level of care and will be easy for my sons to visit. I also prefer to be on an unit for people who are physically

disabled.

- Is this a political decision, based on the fact that Greenacres is council owned and run and not private? There did not seem to be any rush to close these homes when they were operated by Bupa on the council's behalf...
- no other comments
- As the present home is past its sell by date I can only hope that moving residents to a newer better home will benefit them.
- Not much to say been updated by the council on what they might do and the options they have set out.

Appendix 3 – Other Responses

During the course of the consultation the relative of one of the residents in Greenacre Older Persons Home raised a number of detailed issues. These were responded to at some length by members of the MANOP team. The following section has been agreed with the respondent to be a fair and accurate summary of the questions or issues raised and the Council's response.

Can you confirm that my relative was placed at Greenacre by the Council?

Yes, that is the case.

If Greenacre closes will its former residents who are self-funders be required to move to another home when and if their capital falls below the self-funding threshold?

In seeking to place people resident at Greenacre Older Persons Home, the guarantee is the offer of a place in a new home that meets the individual's care and support needs, meets modern expectations and where the rates are within or which match the rates that the Council pays to care home providers. A self-funding person taking up a place on this basis would not be asked to move to an alternative home as a result of their resources falling naturally below the financial thresholds.

Will Greenacre residents who are self-funders have to pay the 'private rate' in an alternative care home, either now or in the future?

No, if Greenacre Older Persons Home closes the Council intends to contract with providers to place all of its residents at rates that are within or which match the rates that the Council pays to care home providers. It is our intention that these arrangements will prevail whilst these residents require residential care.

Will the Council discriminate in any way between those people in Greenacre who fully fund their own care and those who do not?

No. We intend to treat everyone equally

Do the rates charged in Council-run homes align with those paid to independent providers under the Council's contractual arrangements with them?

Not precisely (rates in Council homes are currently in the region of £12-£30 per week less). The Council is considering increasing the rates for its own home and there are some benefits in aligning with the amounts paid to independent providers.

Could a provider unilaterally reduce the number of places it offered to the Council through the Framework Agreement and expect the residents affected to either be moved to alternative homes or for the Council to pay higher rates?

Whilst this is not impossible it is considered to be highly unlikely as such a move would cause significant reputational damage to the provider. The Council would also resist such action as far as possible and would also act to safeguard the wellbeing of residents.

Has a provider ever ceased to provide places for new or existing residents and if this happened how would the Council respond?

This situation has not happened. If it did the Council would seek to avoid disruption to existing residents through negotiation with the provider but if this was unsuccessful it is most likely that we would seek to move residents to alternative homes rather than pay a higher rate.

Does the Council have a policy on placing self-funding customers with providers at framework rates during the '12-week' disregard period but then the provider charging their higher 'private rate' thereafter?

The Council follows any legal and contractual requirements but does not have a written policy on this matter. The situation described is acceptable so long as all parties are aware of it and agree at the outset.

How many private care home choices would we be presented with, should the Council decide to close Greenacre? Is there a minimum number?

We have set no minimum or maximum number. In practice we would assess the needs of each resident and find out their preferences and those of their relatives. We would then work with all concerned to find suitable options.

Will residents be asked to move out of the local area? Will this be an option if a resident wants to consider this?

We have secured sufficient places in two new homes in Dunstable to enable all of the residents at Greenacre Older Persons Home to go to them if they wish. We will work with residents and relatives to identify the most suitable home for the resident's needs and the proximity of relatives will be a consideration in the identification of suitable options. In a previous home closure two people moved to homes outside of Central Bedfordshire to be closer to relatives and friends and we will assist anyone who wants to consider this option.

Can we move our relative before a decision is made on the future of the home?

We will strongly discourage residents from moving ahead of any decision on the future of the home. If a decision is made to close the home, then at that point we will put the resources in place to assess all the residents and to work with them and their relatives to organise moves and ensure that these go smoothly. Prior to this we would not be able to deliver such a complete service.

There may be reasons why individual residents may wish to move from Greenacre Older Persons Home before a decision is made about its future. We will assist residents in this situation as we would any other Council-placed resident in any care home. However, those places the Council has earmarked at Dukeminster Court and Rosewood Court would not be available to residents seeking to move before a decision is made.

Could you provide a list of providers along with the number of places available to the Council and how many of these are occupied and how many vacant?

For operational purposes we keep a list of care home vacancies that are available through the Council's framework contract. This is updated on a weekly basis and can be supplied at any time. Although we have records of all placements made within the framework agreement this is not collated numerically as it is not data that the Council requires in this form. This information can be collated and supplied and it is suggested

that this is done if a decision is made to close Greenacre Older Persons Home. The usefulness of this information is limited as the availability of places varies over time and it does not take into account the ability of these homes to meet the needs of individual residents.

Would it be possible for the Council to have a policy of not placing or contracting with a provider that had previously been closed down by CQC for poor standards?

There are a number of mechanisms in place which are operated by CQC and the Council to promote high quality care and to act if a provider does not meet minimum requirements. Whilst it may be possible for a Council to have a policy of this type it would be complex to formulate and implement and the resources required to do this may well outweigh the benefit. Even if a Council had such a policy in place and had used it to decline to contract with a particular provider, the Council would still have a duty in relation to the quality of care in the home and to safeguard the residents there.

What mechanisms does the Council have to investigate a potential new framework provider?

In addition to the checks on financial health undertaken when the Council contracts with third parties, the contract between the Council and the provider prevents them subcontracting or reassigning the contract without the Council's permission. If appropriate, as well as undertaking checks on the proposed contractor similar checks are undertaken of 'holding companies' and other companies in the same ownership.

Will you confirm that Rosewood Court has passed relevant financial checks and that this will feature in the Executive Report?

Yes, this is the case.

Would my relative be asked to move from a residential home to a nursing home if they develop nursing needs?

General practice is to try to avoid older people moving from one care home to another should their needs change. The time when this is most difficult is when a person living in a care home gets to the point where they require nursing care that cannot be provided by visits from a community nurse. In such circumstance people may need to move from a care home to a nursing home. Some homes provide both residential and nursing care. Such homes allow for the possibility that a person whose needs change from 'residential' to 'nursing' could remain there. This would not be possible in a home that was registered only to provide residential care.

Should the checks on any new care providers have been completed sooner?

Yes, on reflection there would have been some benefit in carrying out 'due diligence' checks on the new provider earlier in the process and ideally ahead of the start of the consultation

If it was not possible to secure places at Rosewood Court for any reason would this jeopardise the proposal and render the consultation invalid?

The proposal to close Greenacre Older Persons Home is predicated on the availability of places at Rosewood Court and if there was a reason why these places were not available then a review of the situation at the time would be necessary.

How would the Council proceed if Rosewood Court has not been registered with CQC before a decision is made on the closure of Greenacre?

Registration is not likely to happen before the meeting of the Executive. This should not be an issue as it is likely that the Executive decision on the future of Greenacre Older Persons Home would give the Director authority to close Greenacre Older Persons

Home but would not require her to do this nor would it set a date for this to happen. This would mean that the Council can deal with any unforeseen situations such as a delay in Rosewood Court opening.



Central Bedfordshire Council

Greenacre Day Centre

Consultation

Response to Formal Consultation

1. INTRODUCTION

- 1.1 Central Bedfordshire Council wants the best possible quality of life for all its residents and is committed to developing and improving opportunities for older people. The Council owns and operates six care homes which may have Day Centre opportunities within them or attached to them. These homes were built several decades ago and which currently no longer meet the expectations of customers and regulators in terms of facilities and accommodation.
- 1.2 As the outcome of the Future of Greenacre Older Persons Home consultation could have an impact on Greenacre Day Centre, the Council decided to run a parallel consultation outlining options for the Greenacre Day Centre.
- 1.3 The Council has considered the following options in relation to the future of Greenacre Day Centre including:

Option 1 - Doing nothing

If a decision is made to close the home then the continuation of the operation of the Day Centre in its current form would not be sustainable. Therefore, in these circumstances the “do nothing” option would either be impractical to achieve or would represent very poor value for money, as it would entail the Day Centre.

Option 2 – Move current service “as is” to Houghton Regis Day Centre.

The centre at Houghton Regis has space available to accommodate the Greenacre Day Centre as a separate entity, so the only significant change to attendees would be a change in venue. This may result in a slightly longer journey for some attendees (but perhaps less for others) but the overall disruption would be minimal. This may also provide the opportunity for existing transport arrangement to be streamlined to minimise journey times and give value for money. The move may also open up other activities for attendees to enjoy.

Option 3 – Move current service to Houghton Regis Day Centre as above but mix in the groups over time.

This option would be similar to Option 2, but it would be planned that over time both the attendee and staff groups would mix together. This could be a little more disruptive, but could result in more availability of places and more personalised service in terms of what abilities and interested attendees may have. It also means that attendees benefit fully from a wider range of activities within the centre.

Option 4. Provide the same day care service using another venue.

This could be by building somewhere or by commissioning the service in a new or existing building. This option could not be achieved in the short term. It would be more expensive than other options.

Option 5 – Replace existing provision with individual services.

In this option current and future attendees could be provided with help to access community-based services and activities to meet their needs. The cost would be met through a Personal Budget or Direct Payment. Whilst this may be an option for some attendees we do not currently think that there are suitable alternative services in place at present to make this a viable option for all of the people who use the Day Centre

1.4 The Council's preferred options are:-

Option 2 – Move current service to Houghton Regis Day Centre

Or

Option 3 – Move current service to Houghton Regis Day Centre as per option 2, but mix in the groups over time.

- 1.5 The formal consultation began on 14th October 2015 and will run for 12 weeks, ending on 13th January 2016.
- 1.6 Consultation meetings have taken place on a face-to-face basis with residents and/or their family members/next of kin and members of staff.
- 1.7 The formal consultation was managed via a formal consultation document. This was available in paper format; downloadable from the CBC website, or was obtainable by telephoning or writing to the contact details provided in the letters to stakeholders.
- 1.8 CBC staff and elected members were informed about the formal consultation and press releases were issued to the media to raise awareness of the consultation with Central Bedfordshire residents.
- 1.9 This report includes an overview of the feedback received via the consultation questionnaires during the consultation period.
- 1.10 No further feedback was been received from stakeholders in addition to the formal consultation document.

2. RESPONSE RECEIVED

- 2.1 The consultation was designed to capture both quantitative and qualitative data from respondents, with results summarised as follows (percentages are rounded up or down as appropriate).
- 2.2 In total 24 people responded to the consultation, although not all the respondents answered all the questions.
- 2.3 11 (45.8) of respondents are attendees of at Greenacre Day Centre, 4 (16.7%) are family members of residents of Greenacre Day Centre, 2 (8.3) are members of the public, 1 (4.2%) was a member of staff and 6 (25.0%) are 'other' people.

2.4 5 (20.8%) of respondents were male, 19 (79.2%) were female

2.5 Respondents in age groups

Under 16	0	0.00%
16-19	0	0.00%
20-29	0	0.00%
30-44	1	4.2%
45-59	2	8.3%
60-64	0	0.00%
65-74	6	25.0%
75+	15	62.6%
Preferred not to say or did not answer	0	0.00%

2.6 8 (33.3%) of respondents stated that they had a disability, 16 (66.7%) of respondents stated they did not have a disability.

2.7 24 (100%) of respondents were White: British.

2.8 Appendix 1 provides a full demographic statistical profile of respondents

3. RESULTS OF CONSULTATION: QUESTION RESPONSES

The formal consultation was designed to capture both quantitative and qualitative data from respondents, with results summarised as follows (percentages are rounded up or down as appropriate):

3.1 Q1 How far do you agree or disagree with the Council's preferred options?

Strong agree	0	0.00%
Agree	5	21.7%
Neither agree or disagree	6	26.1%
Disagree	6	26.1%
Strongly disagree	6	26.1%

3.2 Q2 What are your views on our preferred options?

The majority of respondents value the existing service at Greenacre Day Centre offers. In particular they appreciated small group size, the care provided by the staff, the relationships and friendships built up over time and the location of the Day Centre within Dunstable. Respondents identified a number of issues with the Council's preferred option (option 2). These were: additional journey times, specialist Dementia care provided by the care staff at Greenacre and the resulting lack of provision within Dunstable.

These are all valid comments. We are pleased that people value the current service in terms of the care provided by the staff, the small group size and the environment. We will address specific concerns about journey times and the type of care provided when we consider the future options.

3.3 Q3 Are there any options we have considered that you think we have not correctly evaluated?

Yes	4	18.2%
No	14	63.6%
Don't know	4	18.2%

14 (63.6% of respondents agreed that options had been evaluated correctly.

3.4 Q4 If yes, please state which options and why you think they should be evaluated differently.

Options from the respondents included:-

- Consider alternative venues within Dunstable.

As a result of the feedback we are happy to investigate further the option of an alternative venue for the centre in Dunstable. We have already begun to look at options and will share this information with customers and their relatives.

3.5 Q5 Are there any options listed that you think the Council should investigate in more detail?

Yes	10	43.5%
No	9	39.1%
Don't know	4	17.4%

9 (39.1%) of respondents felt that the Council had investigated all options fully, however 10 (43.5%) of respondents felt the Council should investigate alternative venues in Dunstable.

3.6 Q6 If yes, please state which options and say what further information or investigation is needed.

Options that respondents stated they would like to see further information or investigation on:

- Alternative venue in Dunstable

As a result of the feedback we are happy to investigate further the option of an alternative venue for the centre in Dunstable. We have already begun to look at options and will share this information with customers and their relatives.

3.7 Q7 Are there any other option(s) that you think we should consider that are not in the document?

Yes	10	45.5%
No	8	36.4%
Don't know	4	18.2%

8 (36.4%) of respondents felt all options had been considered, however 10 (45.5% respondents would like the Council to work closer with alternative Care homes for Day opportunities.

3.8 Q8 If yes, please explain what these options are.

The Council to consider alternative venues in Dunstable and the possibility of joined up working with other care homes in Dunstable e.g. Rosewood Court and Dukeminster.

We will approach the operators of Dukeminster Court and Rosewood Court to explore these options.

3.9 Q9 Do you have any further comments about the future of Day Care at Greenacre?

- Respondents felt the staff are caring and that good relationships and friendships have been formed and that this is important to Day Centre attendees and residents alike.
- Respondents felt that Greenacre Day Centre offered a supportive, safe environment.
- The Day Centre facilities have offered families members respite

We agree with these comments and value the good practice at Greenacre Day Centre. We will do what we can to ensure that it is preserved.

3.10 Welfare of residents at Greenacre Day Centre

Q10 Throughout the process we will be conducting individual meetings with residents and their relatives, and providing advocates where necessary. Are there any other actions you think we should be taking to minimise the impact of the proposals on the residents at Greenacre Day Centre?

- Residents and family members asked that they are kept fully informed and communicated with at regular intervals.
- Request to view alternative Day Centre Venues in advance of closure.
- Query over staffing ratios, levels and consistency of care.
- Transport availability and journey times.

We will ensure that customers and relatives are fully involved in exploring future options in more detail. This will include visits to alternative venues.

Our aim will be to keep the existing group together with the current staff continuing to provide the day centre services.

3.11 Other comments

Q11 Please write any other comments here:

Greenacre provide good facilities and activities at a local level in the local area.

4. SUMMARY

- 4.1 In summary, the majority of respondents value the existing service, appreciating the friendly peaceful environment, the care that the staff provide and the small group sizes. Many also value the current location, Many respondents want to keep as many aspects of the current provision the same even if the service relocated (for example the staff, days of attendance, friendship groups and own space).
- 4.2 Throughout the consultation many respondents raised a concern about the loss of service provision within Dunstable asking for alternative venue to be investigated.
- 4.3 Other comments received included the request for ongoing communication between the Council and effected stakeholders as well as clarification on transport and journey times along with the impact a potential move to Houghton Regis will have on attendees.

Appendix 1:

Results of Consultation: Demographic Profile of Respondents

	No.	Percentage
Q12: Are you a: (please select one option)		
Attendee of DayCareentre at Greenacre 45.8%	11	
Relative of a Resident	4	16.7%
Member of Staff	1	4.2%
Member of the Public	2	8.3%
Charity or Organisation	0	0.00%
Other:	6	25.0%
No Response	0	0.00%

Q13: Are you male or female? (please select one option)

Male	5	20.8%
Female	19	79.2%
No response		

Q14: What is your age? (please select one option)

Under 16	0	0.00%
16-19	0	0.00%
20-29	0	0.00%
30-44	1	4.2%
45-59	2	8.3%
60-64	0	0.00%
65-74	6	25.0%
75+	15	62.6%
Preferred not to say or did not answer	0	0.00%

Q15: Do you consider yourself to be disabled?

Under the Equality Act 2010 a person is considered to have a disability if he/she has a physical or mental impairment which has a sustained and long-term adverse effect on his/her ability to carry out normal day to day activities.

Yes	8	33.3%
No	16	66.7%
Preferred not to say or did not answer	0	00.0%

Q15: Please tell us your ethnicity

White: British	24	100.0%
White: Irish		00.0%
White: Gypsy or traveller		00.0%
White: other		00.0%
Mixed: White and Black Caribbean		00.0%
Mixed: White and Black African		00.0%
Mixed: White and Asian		00.0%
Mixed: other		00.0%
Asian or Asian British: Indian		00.0%
Asian or Asian British: Pakistani		00.0%
Asian or Asian British: Bangladeshi		00.0%
Asian or Asian British: Chinese		00.0%
Asian or Asian British: other		00.0%
Black or Black British: Caribbean		00.0%
Black or Black British: African		00.0%
Black or Black British: other		00.0%
Other		
Preferred not to say or no response		

Appendix 2 - Results of Consultation: Qualitative Feedback

3.1 Q2 What are your views on our preferred option?

- This would leave the older needy residents of Dunstable without day care places as when Greenacres was re-organised the day centre in Houghton Regis was unable to cope and there are not enough places as it is.
- Option two would be the best option. There is such value in the service remaining as an individual service. There is a reason why the smaller set up works for individuals with dementia as there are many people that find this setting more appropriate to their needs where they get more of a 1:1 service. It also supports to reduce anxieties when individuals find a larger group setting unsettling. This smaller set up allows the individual and their family members feel reassured that they have a safer environment to settle in to. I do not think that the option of merging it with the current day centre would be in the best interests of service users.
- Option 2. Would continue to give my husband the quiet enjoyment which he needs. Vascular Dementia with TIA = quiet environment, noise = agitation and can cause another stroke.
- The move would need to take place over time. It is important for people who attend the day centre to maintain their friendships.
- I think it could be a bit disruptive for the people who attend the day centre as they are used to going there. If they move to Houghton Regis, I think the smaller group would be more beneficial. Otherwise my husband might not join in as easily. I am concerned about the length of time it will take my husband to get to a new day centre in Houghton Regis. I am concerned that he is used to Wendy and the other staff and it will take time to get to know the new staff.
- I would like the day centre to stay open. The people are friendly and it's near to where I live. If I had to move I would like to be in a smaller group.
- I don't agree or disagree. If it's got to happen, it's got to happen.
- Disagree with option 3 - Option 2 would be fine BUT I envisage that it would in time become option 3. My mother does NOT cope well in large groups and the acoustics at H/Regis are poor for those who wear hearing aids, so long as the room could accommodate features to allow for this should be OK.
- I think we should be able to have some day centre in facility in Dunstable itself. There is no facility on the whole west side of Dunstable to service Whipsnade and Tottenhamhoe as well. I am concerned about the time it would take for my husband to get to Houghton Regis on the coach. This would take approximately 1.5 hours each way and my husband hates the long journey. I also think Houghton Regis will get too big and there will be too many people going there. I think something more local in Dunstable with a smaller group would be better. For example, a Church Hall or a village hall could be an option.
- I think that people should be moved to another centre in Dunstable. Dunstable is big enough to find another centre.
- I disagree with the closure of the day centre because I have made a lot of friends there and got used to it. At our age people don't like change. I also get picked up last and dropped off first so it is less tiring for me. I will try Houghton Regis if I have to but if it is too far, I might not be able to keep coming.
- I disagree with moving everyone to Houghton Regis. This would be a long way for my mother. She nearly stopped going to Greenacre because it was taking too long on the coach. They have now changed this so that she is collected last and dropped off first so it is not too tiring for her. Going to Houghton Regis would be too far for her and too tiring. Greenacre is local and people know each other already.

- Mr S loved the day centre because it is small and there is a lot of one to one attention from the staff. He hated Leighton Buzzard Day Centre because it is so big, so for him option 3
- If it has to be option 2 best as people with dementia need things to be the same and if things are not the people who care for them suffer as it will hard to get them to go.
- The Council has disregarded the comfort and convenience of the people who attend Greenacre day centre. By offering Houghton Regis Day Centre, it feels like the Council are going for the cheapest option but not really considering the needs of the people at Greenacre. I need assistance with looking after my husband. 2 days a week at the day centre makes a real difference to me. I think the Council have thought through the financial side rather than the care of the people.
- I am not very happy about the proposal as I enjoy going to Greenacre. The people are very friendly and I like it there. I have been to Houghton Regis before and did not like it. The people are not very friendly. I would like Greenacre to stay open.
- I do not want to move to Houghton Regis day centre. I have a good friend who goes to the day centre who I wouldn't see if she is moved to a new home. I think it should stay open.
- I think the day centre should stay open. There are a lot of people who go who have Alzheimer's and it is important that they get continuity of care.
- Only one day care centre offered. Too many attendees
- Option 2 - Maintaining the present staff and homely atmosphere of the group. Option 3 - Will NO DOUBT happen over time, but it is not something to be undertaken lightly, it needs more thought - bigger groups lose their identity.
- If the day centre closes I am okay with the idea of moving to a new day centre.
- I think it's a shame that the day centre may be closing. It's a nice centre with friendly people who attend and nice staff. We do lots of activities there and have a nice meal.

Q4 If yes, please state which options and why you think they should be evaluated differently.

- If no sale perhaps use the site for housing with some sheltered housing. As alterations are needed to the existing site, be more cost effective, deal with the government building requirements
- The Council should look into places in Dunstable. There are plenty of empty buildings that could be used, for example the Conservative Club opposite the Sugar Loaf, the Methodist Church. They probably wouldn't charge alot. There are plenty of charitable organisations that could have rooms. Also what about the Council offices? They would probably have spare rooms.
- Has the Council considered a day centre at another residential home in Dunstable? If not, somewhere purpose built in Dunstable. An alternative venue in Dunstable needs to be as good as or better than Greenacre.
- Option 4

Q6 If yes, please state which options and say what further information or investigation is needed.

- See above
- Can you move an even older care home i.e. Friars Lodge to Greenacres site and keep Greenacres day centre open?
- Yes, other options in Dunstable itself. The Grove theatre has a function room,

Dunstable Leisure Centre could be an option or the old cinema?

- Another venue in Dunstable. Houghton Regis is a long way.
- Other places in Dunstable (as I have just said).
- Other options in Dunstable. There is a new place being built opposite the co-op in Dunstable. The Council talks about days out in its leaflet but this doesn't seem to have been looked into. Fish and chip at a day centre is not the same as real day out. Why can't transport be used to take people for a real day out?
- The Disability Resource Centre in Dunstable.
- Option 4 (missed opportunity with Dukeminster and Rosewood Court as additional small group Day Care Centres)
- Put more thought into modernising Greenacre and retaining it for a few more years. More or less as outline in Option 1. I don't think my husband would be alone in preferring the calm happy & friendly place that he is part of there.

Q8 If yes, please explain what these options are.

- See above and admit to it.
- The Council should investigate the possibility of providing day care at Dukeminster and Rosewood Court- as they are more central than Houghton Regis.
- Move even old care homes to Greenacres i.e. Friars Lodge and then retain Greenacre Day Centre.
- Other options in Dunstable. Houghton Regis day centre will get overcrowded and be a long way for my husband.
- Another venue in Dunstable.
- Other places in Dunstable so that people do not have as far to travel and it stays local.
- Why can't a room be found in one of the new centres i.e. Dukeminster or the new being built on the A5 as have not heard any good reports of the HR Centre
- Other venues in Dunstable. My husband has been to Houghton Regis and did not like it. He needs a peaceful, warm environment with some stimulation but not too taxing.
- The Disability Resource Centre in Dunstable.
- Smaller venues and small groups of attendees. Houghton Regis to large

Q9 Do you have any further comments about the future of the home?

- Continue with the existing excellent staff and care
- The greenacres day centre is such a valuable resource to our community. it provides a small and safe environment to provide personalised support to people suffering from dementia as well as much needed respite to family members. their approach to care is everything that personalisation is about and i believe this is achieved due to the small numbers of people that attend, the atmosphere this creates and the time the staff have to dedicate to each individual. Taking this away from the service by merging it with a larger group setting I believe would do more harm than good. It would take away all of the current benefits of this service. I think it would cause greater cost to the council in the long run if this wasn't kept as an individual bespoke service as it is now.
- The staff and available rooms are ideal for people in my husbands situation. Personally I had not realised my stress until I had time to deal with things without worry
- It is wonderful and I really enjoy going there and seeing my friends.
- From talking to different people, it would appear that moving to Houghton Regis as as a separate group with the existing staff would be the ideal way forward for the immediate future to enable people to settle into what would be for them strange surroundings, also this group being together for some time works very well and

certainly in my wife's case it has been a life saver.

- I think the Council has made up its mind due to facilities for residential care. The building is evidently outdated so I understand that the Council may need to close it down. Not sure why the Council did not ask Dukeminster and Rosewood Court to provide day centre facilities. This would also benefit the people residing there.
- Shame it may be moving, but to keep it similar to what it is now I think is the most important factor. Change to these elderly clients when they are at their most vulnerable is not ideal.
- I would like day care here to keep going.
- I have got used to the staff there who are very good and I have made a lot of friends there.
- It will be said to see the day centre close as my mother is settled there.
- I think it is a shame it has to move but if the home is to close then there is no choice
- The care from staff at Greenacres is excellent they really do care and individual care is important to the people they care for at the day centre.
- My husband likes Greenacre. It's very friendly and a warm, peaceful environment.
- I think Greenacre should stay open as it is a good day centre and the staff and people who go are very friendly.
- I don't think Greenacre needs modernising. It is lovely and has nice gardens. I like the day centre and the people who go there. The staff are really good.
-
- What will happen to Greenacres Building & Site if it closes (sold off as usual). It is the only Council Care Home in Dunstable; it should be brought up to standard and extended for more residents, by the Council. These illness are not going away
- I don't suppose I'm alone in not really wanting to embrace change, but am fully aware such things must happen. Making them happen in the least disruptive way as possible is as essential as ideal to be aimed for.
- I think it would be nice for everyone to move together to a new place if the day centre closes.
- If people are moved to Houghton Regis, it would be nice for everyone to be moved together and to stay in one group as we all know each other. Houghton Regis will be a little bit further for me but that doesn't matter. Some of my friends from the day centre are residents at Greenacre. I will ask my husband to take me to see them at their new home.

Welfare of residents at Greenacre Day Centre

Q10 Throughout the process we will be conducting individual meetings with residents and their relatives, and providing advocates where necessary. Are there any other actions you think we should be taking to minimise the impact of the proposals on the residents at Greenacre Day Care?

- talk about it with great sensitivity. seek advice from the staff members and family that know the individuals the best to ensure that the information provided is in their best interests given their level of understanding. Communicate with the family and keep them informed every step of the way. In turn communicate with staff members that will also be affected by this decision.
- Perhaps visits to the proposed possible sites.
- It would be good if the attendees at Greenacre day centre could go to Houghton Regis day centre in advance to see what it's like and help prepare them for moving there.
- I think a meeting held at the Centre in Houghton Regis would be of great help

- It would be better for the people from Greenacre to go into a smaller group. Concerned about the staff ratios and people from Greenacre not having the same individual attention that they get now. My husband recognises the people he is with and could become disorientated in the big group and may not get the attention he needs. He may start to feel isolated.
- It would be better to keep people in smaller groups where everyone knows everyone. I would like to keep the same carers.
- No, will just see how it goes. If I don't like the new people, I don't like them or they might not like me.
- Obviously stay the same, BUT as little staff change as possible i.e. option 3 would bring in unfamiliar staff, we need a room fit for purpose for clients with not only memory problems but other medical needs.
- Keeping the same days at the new place will be important and also my husband being with the same people that he is used to.
- There needs to be sufficient transport for people if they move to a new venue. It would be good to have the same friends together although I'm quite happy to make new friends too.
- It would be good to be with the same people and the same carers if it does move to Houghton Regis.
- Keeping people who go to Greenacre together.
- I would like to keep in contact with my friend from the day centre. If it does close then it would be better for everyone to go to Houghton Regis with the same carers too.
- Think to the future years ahead. Start planning and building Council Care Homes and Day Centres. Don't leave everything to the last minute.
- I have spoken with Claire and we know my husband is unable to make any informed comment
- I think it would be nice for everyone to move together.

Other comments

Q11 Please write any other comments here:

- Another day care centre in Dunstable should be considered in the future for local residents who may not wish to travel to Houghton Regis.
- Please keep it as an individual service.
- It is excellent
- It is very good but there could be a better variety of activities such as arts and crafts, cooking and flower arranging.
- It is a very friendly atmosphere and I am happy with the service. It is very compact and the staff ratios are good here.
- I like it here because it's local. I can walk to the day centre if I like.
- I like the activities such as doing jigsaws and I like the people. I have quite a few friends here.
- Day care at Greenacres has given my mum a chance to get away from "all four walls" with staff that are kind and considerate to her needs, within a small intimate group setting and staff that understand her needs and provide support for me when I need it!
- The day care at greenacres has been of the highest standard. My relative is now in a care home and no longer attends the centre (at least for the moment)
- Suggestion that Greenacres is turned into a community centre for older people. A lot of elderly people in area that live alone in sheltered housing and in own homes or Council property. We don't have any facilities in this area, a carers cafe for all kinds of carers is needed in this part of town. Social workers could be based there, maybe a library, somewhere to get advise, a nurse on site to save going to town for minor

things. Someplace for people to meet for a chat with others, Beecroft Community Centre is not a comfortable place. Other organisations could have a room there, i.e. Age Concern etc. Just a suggestion so building does not get into the state of the one on Loring Road.

- My husband has been very happy here.
- I feel happy when I leave my wife for a few hours, with a small group of people and great staff looking and attending to them.
- My husband has settled into the routine at Greenacre. Provided the staff who he is fond of and trust remain the same. I'm sure he will settle elsewhere.

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Anonymised Need And Risk Assessment of Residents of Greenacre Older Persons Home

1. The Council has given serious consideration to the impact upon residents of any decision to close Greenacre Older Persons Home. In light of this, a social worker has assessed the risks associated with a move to a new home for each of the 20 remaining residents at Greenacre Older Persons Home between 8th December 2015 and 15th January 2016 to establish the potential impact of the move on individuals if the home were to close. It is important to note that the risks referred to in this document solely relate to additional risk to each resident which would result from a relocation. If the Executive does approve the recommendation to close Greenacre Older Persons Home then at that point an updated care and support needs assessment of each resident would take place.
2. It is widely recognised that the following factors increase the vulnerability of residents when considering relocation:
 - a) complex physical health needs
 - b) high Waterlow score (This refers to the risk of skin breakdown which is exacerbated by incontinence and immobility. A high Waterlow score increases the risk of pressure sores)
 - c) high MUST score (This refers to the risk of inadequate nutritional and weight loss)
 - d) concerns regarding Body Mass Index
 - e) moving and handling risks
 - f) sensory impairments
 - g) risk of Urinary Tract Infection (UTI, which increases confusion)
 - h) whether the resident had a recent deterioration in health
 - i) whether they had the capacity to choose where to move to
 - j) anxiety/depression/diagnosis of dementia and confusion
 - k) risk of isolation
 - l) behavioural concerns
 - m) concerns of health professionals
3. These risk factors have been used to form the basis of a risk assessment template which has been completed for each resident by a social worker. Each resident was personally involved and views were also sought from their family and appropriate health professionals. The residents were given a risk score of low, medium or high for each risk factor and then mitigating measures were identified to minimise the risks and a new risk score was generated based on these mitigating measures being in place.
4. The table below is an anonymised breakdown of the individual risk assessments of the residents in Greenacre Older Persons Home. Each number (1-20) refers to an individual resident. The table also shows all the mitigation measures to be considered for each risk factor but those used for each resident if a there is a decision to close would be tailored to their personal circumstances and their needs.
5. Prior to identifying mitigating measures, one of the residents was assessed overall as being at high risk, 17 at medium risk and two at low risk. The proposed

mitigation measures outlined below are intended to act as a protection to the residents' health and well being, prior to, during and following a move. With the mitigation measures in place, it is estimated that there will be risk reductions to all those people with high and medium scores. Following mitigating actions it is estimated that none will be at high risk, one will be at medium risk and 19 will be at low risk.

6. This is not to say that circumstances of individuals cannot change. The physical and mental well being of all residents and the risks associated with the move will continue to be monitored prior to and in the months following a move. The welfare of residents will continue to inform decisions about the relocation process.

Risk Factor	Mitigating Measure	Risk Level for each resident if all relevant mitigation measures undertaken (L = Low, M = Medium or H = High)																			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Complex physical health needs	<ul style="list-style-type: none"> Any deterioration in resident's health to be reported by the current home manager to the GP for the GP to investigate prior to move. For residents whose health is a concern the GP is to advise whether they are stable/safe to be moved. Care needed when moving residents so not to increase pain. GP's advice to be sought regarding pain management where required. Medication and patient summary to be transferred with resident on day of move. Resident to be registered with new GP on day of move. For residents that are incontinent ensure incontinence pads are worn during the move and the correct incontinence pads are available in the new home. For residents with blood pressure problems ensure that blood pressure is measured prior to the move and immediately following the move. Advice from GP to be sought if outside the normal range for that individual. Staff in new home to be made aware through detailed care plans of complex health needs and these to be monitored regularly. 	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L
High Waterlow score?	<ul style="list-style-type: none"> Continue monitoring skin integrity and ensure barrier creams are used when appropriate. A new assessment for pressure relieving equipment to take place prior to the move by the OT/Community Matron. Community Matron to give advice on specific treatment regarding pressure sores. Pressure relieving equipment and barrier creams required by the individual to be in place for transporting to new residence. Incontinence pads to worn during the move and be in situ in new residence prior to or on transfer. 	M	L	M	L	L	M	M	L	M	M	M	M	M	L	M	M	L	M	M	M
High MUST score?	<ul style="list-style-type: none"> Any sudden decrease in weight prior to the move to be flagged up with the GP for advice. For residents that are at risk of weight loss, staff in the new home to continue to monitor the resident's food and fluid intake and weight. Provide with nutritional supplements if required and inform GP if there is further decline. Where required, staff in the new home to continue to prompt residents with eating and drinking to ensure proper nutritional intake. Recommendations from the SALT (Speech and Language Team) to be put in place and incorporated into the new care plan where there are concerns regarding resident's ability to swallow. New home to be made aware of the any specific dietary requirements of residents, such as diabetes. New home to be made aware of current needs- e.g. soft diet, Complan and continue with this to reduce nutritional risks. Staff in new home to be made aware of dietary preferences and dislikes. Residents to be involved in discussing their preferences with new staff, where possible. 	L	L	L	L	L	L	M	L	L	L	L	L	M	L	L	L	L	L	L	L
Concerns re. BMI?	<ul style="list-style-type: none"> Staff in the new home to continue to monitor BMI of resident where this is a concern. Any concerns about weight loss to be reported to the GP/dietician. Referral to dietician if BMI increases into the overweight or underweight category. 	L	L	L	L	L	L	M	L	L	L	L	M	M	L	M	L	L	M	L	M
Mobility risks: falls/non weight bearing?	<ul style="list-style-type: none"> A full Occupational Therapy (OT) risk and moving and handling assessment to take place prior to the move. This will inform any equipment needs to transfer residents to the new residence and equipment needed in the new home. Physiotherapist to be involved in assessing mobility and ongoing physiotherapy requirements as appropriate prior to move Equipment (e.g. hoists, safety mats) to be in situ in the new home prior to transfer. Staff in the new home to familiarise residents with their new environment to help minimise confusion and the risk of falls. Measures need to be in place within the home to minimise risk of falls on stairs etc. whilst retaining freedom of movement. Resident to be facilitated to continue with daily routines and exercise following the move to help retain muscle strength and independence. OT to review equipment following the move to ensure that it is meeting the resident's needs. 	M	L	M	M	L	M	M	L	L	L	M	M	L	M	L	L	L	L	L	M

Risk Factor	Mitigating Measure	Risk Level for each resident if all relevant mitigation measures undertaken (L = Low, M = Medium or H = High)																			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Visual impairment?	<ul style="list-style-type: none"> In preparation for the move, enlarged photos could be provided of the staff, room and shared areas in the new home. For residents that wear glasses ensure that their glasses are transported with them on the day of transfer. Staff and family to provide extra reassurance to residents with limited vision during the transfer to the new home. Reassurance could come through explaining what is happening as it happens. Once in the new home, staff should help residents with impaired vision to familiarise themselves with the layout of the new building. Residents with limited vision to have their room layout as similar as possible to their current room. 	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L
Hearing impairment?	<ul style="list-style-type: none"> New home to be aware of the residents that are hearing impaired. On the day of relocation, staff and family to explain to residents with hearing impairments what is happening and ensure they can hear them. New home to be aware of residents that require them to adapt how they communicate with them to ensure that the resident can hear and understand them. Ensure that all residents that use hearing aids have their hearing aids in and operational on day of move and that spare batteries go with them to new residence. 	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L
History of Urinary Tract Infection (UTI)? Current UTI?	<ul style="list-style-type: none"> Staff to continue to monitor for UTI in all residents, but especially for those susceptible to UTIs. No relocation to take place if a resident has a UTI until treatment has been completed to minimise distress and confusion. Staff in the new home to continue to ensure that residents that are susceptible to UTIs are hydrated and to regularly monitor for UTIs. 	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L
Has the resident's health deteriorated recently?	<ul style="list-style-type: none"> For residents whose health is a concern, the GP is to carry out a full medical assessment prior to move to advise whether residents are medically stable to be moved. Staff to continue to monitor resident's health and GP to be informed if sudden deterioration in health. 	M	L	L	L	L	L	M	L	L	L	L	M	L	L	L	L	L	L	L	L
Has the person capacity to choose where to move?	<ul style="list-style-type: none"> A Mental Capacity assessment to be carried out for all residents with regards to the move. If it is deemed, following a Mental Capacity assessment, that a resident does not have capacity to choose where to move (even with support), a decision will need to be made in their best interests with the involvement of family, where possible. An Independent Mental Capacity Advocate (IMCA) may need to be appointed if a resident does not have capacity to choose where to move and there are no family involved who can support with decision making. A Deprivation of Liberty Safeguards (DoLS) authorisation will need to be requested by new home if a resident lacks capacity. Residents that have capacity to decide where they move to are to be given information about alternative residencies and to be supported by staff, social worker and next of kin/ family members (where appropriate) in making informed choices. Wherever possible resident's views about the move (when and how it should take place, their belongings etc.) should be sought and included in the preparation to move, to help them retain control and independence over their new environment. Resident's and relative's views should also be sought following the move so that any issues can be resolved. 	M	L	L	L	L	M	M	M	L	L	M	M	M	L	M	L	M	M	M	M
Complex mental health needs e.g. Anxiety depression paranoia	<ul style="list-style-type: none"> Staff to continue to monitor resident's mood prior to and particularly within the first 3 months of the move (when residents are most vulnerable). Care planning needs to include how staff currently manage resident's needs and reassure them. Ensure residents are kept informed and involved in decision making about the move as far as possible. If they are confused, speak to them again at another time of day/on another day. Provide photos in advance of the new staff and the new home to try to familiarise residents with them prior to the move. 	M	M	L	M	M	M	M	M	L	L	M	M	M	M	M	M	M	L	M	M

Risk Factor	Mitigating Measure	Risk Level for each resident if all relevant mitigation measures undertaken (L = Low, M = Medium or H = High)																			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
dementia confusion	<ul style="list-style-type: none"> Residents to meet staff from new home in advance so they become more familiar with them which could help reduce anxiety. Residents could benefit from a keyworker from the new home to bond with. A slower approach may be needed for anxious residents to give them more time to bond with new staff. New staff could be involved in completing lifestory work to help resident bond with them. Family or a familiar staff member to accompany residents to the new residence. Staff from the new home to be made aware of resident's routines and what affects their moods. Where possible residents to be involved in choices about their room, how they would like it, who they would like to meet up with and activities they would like to be involved in. Reassurance could come from laying out a resident's new room in familiar way. Having access to music/TV programmes they like or items of comfort in the new home. Advice to be sought from the psychiatrist/mental health professionals regarding how to manage resident's anxiety if it becomes a concern. 																				
Behavioural Concerns?	<ul style="list-style-type: none"> On the day of the move, additional time to be given to staff to carry out resident's personal care and to prepare them for the move. Staff to explain to residents what is happening and to reassure them. Family member or familiar staff member to go with residents on day of the move in case they become distressed during the move. Staff in the new home to provide consistency of routine, as far as possible, to minimise distress. Staff in new home to be aware of strategies employed by staff in existing home to manage behavioural concerns of residents. Staff to monitor if there are any changes in behaviour immediately prior to the move or following the move which will need support/addressing. The development of any behavioural concerns prior to or immediately following the move to be flagged up with health professionals. 	L	M	L	L	L	L	M	L	L	L	M	L	M	L	L	L	L	L	L	M
Risk of isolation as a result of the move?	<ul style="list-style-type: none"> New care staff to meet residents prior to moving. To alleviate stress, someone familiar should go with residents on the day of the move and immediately after. Enable residents to move together if they wish to and it is safe to do so. Lifestory work should be undertaken to identify resident's interests and new staff should try to incorporate these into the daily routines of residents as far as possible. Staff at the new homes should facilitate residents that are at risk of isolation to meet other residents at the home. Residents should be encouraged to be involved in social events at the new home and to participate, where possible, in activities that they like. Continuing activities the residents enjoy in the new home will help to promote familiarity. Staff could engage in one to one activities with residents if they do not like to be in large groups. 	L	L	L	L	L	L	L	L	L	L	L	M	L	L	L	L	L	L	L	L
Are there concerns from health professionals regarding the move	<ul style="list-style-type: none"> For residents whose health is a concern the GP is to carry out a full medical assessment prior to move to determine whether residents are physically stable enough to be moved. Resident's physical and mental well being to continue to be monitored by staff and health professionals prior to and in the months following the move. 	M	M	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L
Any other concerns?		L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L

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Central Bedfordshire Council

EXECUTIVE

9 February 2016

Budget 2016/17 and Medium Term Financial Plan

Report of Cllr Richard Wenham, Executive Member for Corporate Resources
(richard.wenham@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 Budget for 2016/17 and updates the Medium Term Financial Plan (MTFP) approved by Council in February 2015.

RECOMMENDATIONS

The Executive is asked to:

1. **note the response to consultation with Overview & Scrutiny as set out in Appendix K and the response to consultation with the public and stakeholders as set out in Appendix A;**
2. **recommend to Council the Revenue Budget for 2016/17 and the Medium Term Financial Plan for 2016/17 to 2019/20;**
3. **note the Council Tax Base as set out in Appendix G;**
4. **recommend to Council, in line with Government guidance, the following increases in council tax (CBC element) for residents of Central Bedfordshire:**
 - a) **a Band D increase of £25.51, representing a 1.95% increase on the charge for 2015/16; and**
 - b) **a Band D increase of £26.17, representing a 2.0% increase on the charge for 2015/16, reflecting a precept of this amount to help fund adult social care costs**

In total the Band D increase will be £51.68, representing a 3.95% increase on the charge for 2015/16. The CBC element of Band D council tax for 2016/17 will therefore be £1,360.01.

5. **note that certain efficiency proposals identified in Appendix I will be subject to formal consultation and Equality Impact Assessment in the coming months and instruct the Corporate Management Team to propose alternative compensatory savings if it appears, following a review of the outcome of the consultation and Equality Impact Assessment, that any specific proposal cannot be delivered.**

Overview and Scrutiny Comments/Recommendations

2. Overview and Scrutiny Committees considered the budget proposals in their January/February 2016 cycle of meetings. Comments are included in Appendix K.

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 overly dependent upon the use of one-off reserves. It should provide for a prudent level of reserves for contingencies.
4. The Budget for 2016/17 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. £15.3M of efficiencies are identified for 2016/17. A further £30M of efficiencies have been identified as being required over the subsequent three years to achieve the proposed MTFP.
5. The Capital Programme is included elsewhere on the Agenda. However, the revenue implications of the 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 Council to approve the Budget 2016/17 and Medium Term Financial Plan 2016/17 – 2019/20.

Council Priorities

8. The Council approved the Medium Term Financial Plan (MTFP) for 2015/16 to 2018/19 in February 2015. The MTFP has been updated and extended to 2019/20 and an initial Budget for 2016/17 prepared, reflecting further changes in funding, including the impact of the Local Government Financial Settlement announced in December 2015 and new cost pressures and offsetting efficiencies.

9. The Council's priorities are:

- Enhancing Central Bedfordshire.
- Great resident services.
- Improving education and skills.
- Protecting the vulnerable; improving wellbeing.
- Creating stronger communities.
- A more efficient and responsive Council.

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 2016/17 by 11 March 2016. 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 4th August 2015.
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 134.

Financial Implications

14. The financial implications of the Budget 2016/17 and Medium Term Financial Plan 2016/17 to 2019/20 are set out in the report.

Equalities Implications

15. Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
16. Public authorities must demonstrate that they are making financial decisions in a fair, transparent and accountable way, considering the needs and the rights of different members of their community. This is achieved through assessing the impact that changes could have on different protected groups
17. All the efficiency proposals have been screened to assess their potential relevance to equality.
18. A number of efficiency proposals will be subject to formal consultation and Equality Impact Assessment in the coming months and the Corporate Management Team will propose alternative compensatory savings if it appears, following a review of the outcome of the consultation and Equality Impact Assessment, that any specific proposal cannot be delivered.
19. Three efficiency proposals are likely to have a more immediate effect. Equality Impact Assessments have been developed for each proposal and are provided as an appendix (Appendices M to O) to this report in order that the equality implications can be fully considered as part of the decision making process.

Corporate Strategy

20. Over the past six years, the Council has generated savings of more than £90M 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.
21. The future priorities and resourcing strategies for each Directorate are outlined below:

Children's Services

22. The Service is committed to achieve better outcomes for all Central Bedfordshire children through ensuring their care and protection and supporting school performance.

23. 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 via expensive agencies.

Regeneration & Business Support

24. 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.

25. 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 the lives of residents.
- Focus on prioritised programmes, which will be rigorously managed.
- Provide a 'one stop' response to businesses.

Social Care, Health & Housing (SCHH)

26. The Directorate approach is to move investment from institutional to personal solutions. Modernisation continues across Adult Social Care and Housing Services, to prevent crisis, keep people safe and offer an improved customer experience, enabling people to live independently for longer.

27. The Directorate is responding to demographic pressures, constrained housing supply, increasing demand (including complexity of need e.g. dementia) 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 other welfare reform changes.

28. In addressing these pressures and ambitions, the Directorate will:
- First and foremost – protect vulnerable people, keep them safe and respond to crisis' including homelessness, abuse and neglect.
 - Assist residents (including carers) who require care and support, irrespective of their financial means.
 - Deliver the right accommodation in the right places, to enable people to live independently.
 - Increase its focus on prevention, information and advice (including residents having the opportunity to self serve).
 - 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

29. 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.
30. 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.
 - Increase the revenue income we are able to achieve primarily from property and land assets.

Finance

31. 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. The service will also continue to focus on the efficient collection of council tax, business rates (NNDR), management of the Local Council Tax Support scheme and Housing Benefit.

Specifically, the Service will:

- Continue to review financial processes and procedures to ensure that they are fit for purpose and add value to the governance of the Council's financial position.
- Provide financial and commercial advice to Directorates to assist them in delivering their efficiency plans.
- Further develop Risk Based Verification processes and e-claim benefit application forms to improve efficiency and customer experience.
- Continue to manage 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

32. 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:

- Look to share legal services with other local authorities, reducing cost.
- Extend the range of services that can be accessed by customers online.
- Ensure that employees of the Council are able to 'work smarter' by working in a flexible, mobile and paperlite way.

Public Health

33. 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

34. In February 2015 the Council approved the 2015/16 Budget and Medium Term Financial Plan to 2018/19.
35. The Budget process for 2016/17 built on that adopted in prior years with a series of "Budget Strategy Reviews" at an early stage. Given the ever increasing pressures on local authority finances, this year a greater emphasis was placed on planning for the whole 4 year period of the MTFP. For this year this was mainly conducted at Assistant Director (AD) level. This process was refined following input from Senior Management across the Council and key stakeholders. Assistant Directors were requested to present their budget in detail covering the full four years of the MTFP.
36. As per last year, the Capital Programme was also included in the Budget Strategy Review process, the two (i.e. revenue and capital plans) being run concurrently. There was an increased focus on what drives costs, and the degree to which these can be controlled, together with a rigorous approach to reviewing pressures & efficiencies. Focus was on the major challenges and opportunities facing the Council over the four years to 2019/20.

Budget Context

Political

Emergency Budget July 2015

37. The MTFP has been updated against a background of significant challenges. In July 2015, the Government announced an Emergency Budget which included a number of issues impacting on Council finances.
38. The Emergency Budget announced £37bn of further spending cuts by 2020, including £12bn of welfare cuts, £5bn from reducing tax avoidance and a £20bn reduction in departmental budgets. Given the protection announced for the NHS, Overseas Aid and parts of Education funding, and setting Defence spend at 2% of Gross Domestic Product this meant deeper cuts for local authorities than originally planned.
39. The Emergency Budget also advised that a significant number of new responsibilities would transfer from government departments to local authorities. Detail of what this means in practice is still unclear.
40. The Chancellor also advised that councils will retain 100% of business rates receipts at a national level and a number of grants related to business rates would be phased out. The business rate levy on growth would also be abolished. The details of this are not yet clear and changes to the current system are not expected until c.2020 and will be subject to consultation. Some redistributive elements of the business rates system are likely to remain and this is apparent from the early analysis of the Local Government Finance Settlement.
41. The Chancellor also announced that:
 - Public sector pay will rise by 1% per annum.
 - A National Living Wage will be introduced from April 2016 setting a national minimum of £7.20 per hour for people aged 25 years and over, rising to £9.00 per hour by 2020.
 - Rents in the social housing sector will reduce by 1% a year for four years which has been factored into the updated Housing Revenue Account (HRA) plan but of itself represents a significant change in policy.
 - An in year (2015/16) reduction of 6.2% (£746K for CBC) to the Public Health Grant.
 - Increases in the costs of Insurance Premium Tax.

42. Some of the measures that were announced will impact on residents of CBC. Examples include:
- 18 to 21year olds will not be entitled to claim housing benefit automatically, with a new "earn to learn" obligation.
 - The annual household benefit cap will be reduced to £23,000 in London and to £20,000 in the rest of Britain.
43. In addition to this, Central Bedfordshire, like all local authorities, is still dealing with the effects of national changes to the welfare system introduced in 2014/15.

Spending Review & Autumn Statement (25 November 2015)

44. Spending Review 2015 is central to the Government's commitment to control spending, eliminate the deficit and start to run a surplus by 2019/20. The review set out how the Government will deliver the savings required overall to achieve this.
45. To achieve the surplus in 2019/20, the Government will implement around £37bn of consolidation measures. The Emergency Budget made significant progress towards this aim, setting out £17bn of measures to reduce the deficit, including £12bn by 2019/20 from welfare reform and £5bn by 2019/20 from tackling tax avoidance and tax planning, evasion and non-compliance.
46. In November 2015, the Government announced the impact of the review on local authority spending (for current responsibilities) at a national level. Detail at individual local authority level was issued in late December 2015.
47. The Spending Review also announced:
- An opportunity to use capital receipts for some revenue purposes subject to certain rules.
 - An apprenticeship levy will be set at 0.5% of an employers' pay bill for companies with payrolls over £3M. This is estimated to cost CBC £450K, commencing in 2017/18.

Financial Settlement (17 December 2015)

48. The Financial Settlement announced on the 17th December 2015 and subsequently amended on the 23rd December 2015 was very significantly worse for Central Bedfordshire than had been anticipated both in absolute and comparative terms.

49. Whilst the removal of Revenue Support Grant (RSG) had been signalled previously, it had been indicated that there would be compensatory increases in retained business rates (NNDR).
50. In a major change of policy direction, Government has now applied a Comparative Spending Power methodology to determine which authorities could, replace lost RSG with local council tax increases.
51. It is clear from guidance issued by DCLG that Government has made the assumption in its financial modelling that upper tier councils will raise council tax by both a 2% precept earmarked for adult social care and an assumed 1.75% for inflation in each of the next four years.
52. As a result of this methodology, RSG for Central Bedfordshire has been removed entirely over the life of the MTFP which includes all of the Council Tax Freeze Grants previously earned and also the Care Act funding.
53. This funding cut comes on top of the significant efficiencies identified in the Draft Budget/updated MTFP presented to the Executive in January 2016 as being necessary to address the financial pressures we had been anticipating.
54. The Financial Settlement contained the following key issues for Central Bedfordshire:

Revenue Support Grant/NNDR Retention

- RSG phased out by 2019/20. It had been assumed this would be broadly neutral over the length of the Parliament as councils as a whole would retain 100% of NNDR income.
- It is likely that any income the Council receives from the NNDR retention scheme will be at least matched by a transfer of additional responsibilities such as funding administration of Housing Benefit for pensioners, funding Public Health from retained NNDR and so losing the Public Health Grant. Confirmation of the specific transfer of additional responsibilities is still awaited.

New Homes Bonus

- The cash value of New Homes Bonus (NHB) has been significantly reduced by £800M nationally from 2018/19 in order to fund the Better Care Fund.
- This has had the impact of reducing the CBC's earned NHB by £6.4M in 2018/19 and £7.1M in 2019/20.

- NHB will also be reviewed and is subject to a consultation which is looking at proposals such as:
 - Restricting it to 4 years or less (currently 6 years).
 - Linking payment to the existence of an adopted Local Plan.
 - Setting housing growth percentage thresholds below which NHB will not be earned.
 - No NHB payment if planning approval is granted on appeal
- See paragraph 97 for more detail.

Social Care Precept

- The introduction of an option to raise a 2% Council Tax Precept to help fund adult social care. This is not one off and would be 2% compounded each year. This is entirely separate from a general increase in Council Tax, where the referendum cap is still 2%.

Public Health Grant

- A reduction in the current Public Health Grant nationally has been announced as 2.2% 2016/17, 2.5% 2017/18, 2.6% 2018/19 and 2019/20. Again, it is not yet clear exactly how this will impact on CBC, so these figures are indicative only.

Four Year Funding Offer

- Government has announced that a four year settlement will be available to those authorities that wish to take up this offer and can demonstrate robust efficiency plans.
- Further details are not yet known, but this is likely to be restricted to the RSG element only as NNDR and NHB are subject to further consultations.

Cities and Local Government Devolution Bill

55. The Cities and Local Government Devolution Bill is a public bill introduced to Parliament by the Government. The bill takes the form of enabling legislation and requires negotiations between the UK Government and local authorities (or groups of local authorities), over what are known as devolution deals, to bring any transfer of budgets and/or powers into effect. The negotiation of such deals initially took place during 2014/15, and by September 2015 a total of 38 towns, cities, counties and regions had submitted devolution proposals to the Government (including four bids from Scotland and Wales).

56. Central Bedfordshire is currently reviewing its options in the context of this emerging legislation.

Social

57. 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 53% and 65+ age group of 35%.
 - Continuing increased numbers and complexity of demand associated with 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.
 - The Introduction of phase 1 of the Care Act and Better Care Fund. (See paragraphs 101 to 107).
 - 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

58. The principal objectives of the 2016/17 Budget have been:
- To produce a sustainable plan which allows Council priorities to be delivered.
 - Realistic spending year on year not overly dependent on reserves.
 - Reserves maintained at, or above, an agreed minimum prudent level which reflects the risks faced by the Council.
 - Cuts to front line services to be avoided; and commitment to efficiency as a means of delivering savings.

- A previous objective of zero council tax increases in CBC's share of the charge over the MTFP period, has now been superseded by the Government's use of the Comparative Spending Power methodology which assumes that councils will increase council tax in order to replace lost RSG.

Economic Outlook

Inflation

59. The November 2015 Quarterly Inflation Report issued by the Bank of England advised that in September, twelve-month CPI inflation stood at -0.1%, slightly over 2 percentage points below the inflation target.
60. Around 80% of the deviation from the target reflects falls in energy, food and other imported goods prices, with the remainder reflecting subdued domestic cost growth. The combined weakness in domestic costs and imported goods prices is evident in subdued measures of core inflation, which are currently around 1%.
61. The Governor of the Bank of England also advised that inflation over the next few months could remain at current levels and that he did not expect inflation to reach the targeted rate of 2% for the next two years. The Bank also cut its prediction for UK economic growth in 2015 to 2.9% although there are indications that this might not be achieved.

Quantitative Easing

62. The Bank of England's Monetary Policy Committee decided to maintain the quantitative easing programme at £375bn at its meeting in November 2015. 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

63. The outlook for global growth has weakened since the August 2015 Inflation Report. Many emerging market economies have slowed markedly and the Monetary Policy Committee has downgraded its assessment of their medium-term growth prospects. While growth in advanced economies has continued and broadened, the Committee nonetheless expects the overall pace of UK-weighted global growth to be more modest than had been expected in August. There remain downside risks to this outlook, including that of a more abrupt slowdown in emerging economies.
64. Domestic momentum remains resilient. Consumer confidence is firm, real income growth this year is expected to be the strongest since the banking crisis, and investment intentions remain robust.

As a result, domestic demand growth has been solid despite the fiscal consolidation. Although it has moderated, growth is projected to pick up a little towards the middle of next year, as a tighter labour market and stronger productivity support real incomes and consumption, and as accommodative credit conditions encourage strong investment and a pickup in the housing market. The Committee judges the risks to domestic demand to be broadly balanced.

65. The Office for National Statistics announced in December 2015 that the UK unemployment rate was 5.2%, the lowest it has been for 11 years. The unemployment rate is the proportion of the labour force (those in work plus those unemployed) that were unemployed.
66. The employment rate was 73.9%, the highest since comparable records began in 1971.
67. There were 1.71 million unemployed people (people not in work but seeking and available to work), 110,000 fewer than for May to July 2015 and 244,000 fewer than for a year earlier.

Interest Rate Implications.

68. 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 probably at least the second half of 2016 given the weakness of global growth and a low risk of inflation. However, it is significant that rates have now been increased in the United States.
69. 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 50% of its borrowings in variable rate loans.
70. With short term interest rates being much lower than long term rates, it continues to be more cost effective in the short term to use a combination of internal resources and short term borrowing, rather than undertake further long term borrowing. By doing so, the Council is able to minimise net borrowing costs and reduce overall treasury risk.
71. Revenue implications of the Capital Programme have been calculated on the assumption that 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, public authorities are lending to each other at rates below the PWLB for short term periods and the inclusion of these rates coupled with revised assumptions in respect of future increases in UK base rates has lowered the projected revenue implications of the Capital Programme over 2016/17 to 2019/20.

72. The rate of interest used is important in determining the 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. Table 1 below demonstrates the impact on the MTFP of interest rates above those assumed in the Plan.

Table 1 - Additional costs over the Medium Term Financial Plan period of an unexpected increase in the interest rate

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
1% Point Higher	1,411	1,608	1,652	1,663
2% Points Higher	2,821	3,217	3,304	3,327

73. There is a risk that interest rates may 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 Capital Programme over the longer term within and beyond the current MTFP period. Conversely, higher interest rates would reduce the Council's net pension liability which would be reflected in the triennial assessment of employer's contributions by the Local Government Pension Scheme Fund Actuary.
74. The Council's treasury management adviser, Arlingclose Ltd, forecasts the first rise in official interest rates in September 2016 and a gradual pace of increases thereafter, with the average base rate for 2016/17 being around 0.63% compared to 0.50% in 2015/16.
75. The Council's MTFP assumes variable interest rate forecasts as follows in table 2:

Table 2

	2016/17	2017/18	2018/19	2019/20
Rate %	0.78%	1.28%	1.78%	2.03%

76. 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. However, 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.

Budget 2016/17 consultation

77. The Council has a responsibility to consult with residents and businesses on its Budget.

As part of an ongoing programme of market research a resident survey takes place once every two years with a representative sample of 1,200 residents. Recipients of the survey are asked a series of questions relating to:

The Area
The Council
Our Services
Financial Issues

78. The last full survey took place in September 2014 and included a range of questions on the Budget, including perceptions around levels of council tax and preferred approaches to generation of savings. Feedback on this research was reported to Members and influenced the development of the current Medium Term Financial Plan.
79. In addition to our biennial market research, each year the Council conducts a more specific consultation on the budget proposals, in advance of decision making in February (see Appendix A).
80. This consultation was launched in early January and comprised online and paper questionnaires, promoted to residents through a mixture of social and conventional media initiatives. Key stakeholder groups were also be targeted for promotion, including Town and Parish Councils, the Council's Equality Forum, Youth Parliament the business community and Older Person's Reference Group.
81. Following the conclusion of the budget process for 2016/17, communication about the final decisions and implications for residents will take place through a range of communications, including a household leaflet that will be delivered with the council tax notices in Spring 2016.
82. Depending on the nature of the budget proposals, further and more targeted consultation may be required with groups directly affected by any anticipated changes.
83. Consultation with business is undertaken through a number of different channels including:
- Sharing our plans with the Bedfordshire Chamber of Commerce and Federation of Small Business to promote to their members.
 - Publishing plans on the Councils business portal.

- Promoting the consultation via our business facing social media such as twitter, Linked-in, Facebook.
84. In addition to this specific promotion of the detailed budget, we ask a broader value for money question of businesses as part of the annual business survey, sampling over 250 businesses directly.

Budget Assumptions

85. 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. However, none of the modelling anticipated the scale of the changes contained within the Financial Settlement.
86. The following assumptions have been applied in producing the Medium Term Financial Plan.

2015/16 Forecast Outturn

87. Based on the current forecast, this Budget assumes 2015/16 outturn will be on budget.

Funding

88. Revenue Support Grant (RSG)
- RSG phased out by 2019/20.
 - Reductions of 38% 2016/17, 57% 2017/18, 75% 2018/19 and 100% 2019/20.
 - Last year the assumption was 8% in 2016/17 & 2017/18 and 5% in 2018/19.
 - Although RSG has been phased out for CBC, it had been assumed, based on Government announcements that this would be compensated by local retention of business rates.
 - Funding for the Care Act of £1.2M and all previously earned Council Tax Freeze Grants have been rolled into RSG and therefore phased out by 2019/20.
 - Table 3 below shows the difference between the Draft Budget and the Provisional Financial Settlement.

Table 3 - Revenue Support Grant

Revenue Support Grant	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
As Per Draft Budget	24.589	18.544	14.768	12.721
As advised in the settlement	20.152	10.601	4.683	0.000
Difference	(4.437)	(7.943)	(10.085)	(12.721)

The as per draft figures already included estimated cuts of 17% in 2016/17, 23% in 2017/18, 18% in 2018/19, 11% in 2019/20. Total estimated reduction in the Draft Budget of 53%.

89. Council Tax Freeze Grant

- In previous years Government has incentivised councils to freeze council tax by awarding grants to partially compensate for this loss of revenue. In a major change of policy direction these freeze grants no longer exist and Government expects councils to increase council tax.
- No new Council Tax Freeze Grant will be received in 2016/17.
- Previous Council Tax Freeze Grants are included in the Revenue Support Grant baseline (RSG) from 2015/16, and phased out along with RSG.
- This is despite these grants being awarded as compensation for zero council tax increases and previous assurances that these would remain in our funding.

90. Council Tax

- The council tax base for 2016/17 has grown by 2.73% as a result of housing growth within Central Bedfordshire and also a reduction in the number of claimants of Local Council Tax Support (LCTS).
- For future years, it is assumed the tax base will increase by 1.75% per annum as a result of housing growth and also an increase of 0.1% per annum as a result of fewer people claiming LCTS and therefore they are due to pay the full rate of council tax. The combined assumption is a continuation of a 1.85% tax base increase per annum.

- The MTFP assumes a 1.95% council tax rate increase (CBC share) in order to make up the reduction to RSG as calculated in the Comparative Spending Power modelling undertaken by Government. Further increases of 1.75% in 2017/18 and 1.55% in 2018/19 and 2019/20 are included in the MTFP.
- It also assumes a further 2% council tax rate increase (CBC share) for the Social Care Precept, again announced by Government and applying to all four years in the MTFP.

91. Retained Business Rates

- Business rates growth has been forecast as a result of new businesses being attracted into the Central Bedfordshire area. Additional business rates income of: zero in 2016/17, £5.7M in 2017/18, £1.8M in 2018/19 and £3.9M in 2019/20 has been included in the MTFP.
- The business rate baseline advised in the Financial Settlement has been reduced by c£400K in 2016/17 and c£300K in 2017/18. This is as a result of the current redistribution methodology to determine tariff to growth authorities and top ups to authorities that are deemed to raise insufficient business rates to support their spending requirements.
- The business rates figure in 2016/17 is impacted as a result of a Collection Fund deficit (£2.7M), which because it is one off, reverses in 2017/18 increasing that year's business rates income. Thereafter the Collection Fund impact is assumed as zero.
- The Council receives a Section 31 Grant each year as compensation for the Government decision to cap NNDR increases at 2% rather than the full RPI increase due, amongst other factors. This mitigates the Collection Fund deficit referred to above.
- It is currently assumed that a similar level of this grant will be received in each of the following financial years, after deducting the compensation provided for the 2% cap on business rate increases (due to anticipated inflation being below 2%).
- The Budget includes the following amounts of s31 Grant: 2016/17 £2.6M, 2017/18 £3.2M, 2018/19 £2.6M and 2019/20 £2.6M.

Business Rates Review

92. The Business Rates Retention scheme was introduced in 2013/14. Current forecasts for this suggest that Central Bedfordshire will exceed the “Baseline Funding Level” set by Government for the year 2015/16 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 2016/17. For the remaining three years an element of growth has been added based on modelling work of future developments.
93. As mentioned previously, 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.
94. The timing of the introduction of changes resulting from this review is not known as yet, but is likely to be at the end of this MTFP period, c2020.

2017 Business Rates Revaluation

95. 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.
96. 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)

97. 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 or to generate income streams. Access to the reserve will be supported by an approved business case where appropriate.
 - The whole basis of the calculation of NHB is subject to a Government consultation covering:

- Moving to a four year scheme from the current six years.
 - Potentially moving to a two to three year scheme.
 - Top sliced to fund the Better Care Fund (BCF).
 - Introducing thresholds below which NHB will not be earned.
 - Reducing NHB if developments are built following a planning appeal.
 - Removing NHB for those authorities that do not have a Local Plan in place.
- This consultation closes on the 10 March 2016.
 - The Spending Power methodology within the Financial Settlement has reflected the reduction in funding relating to the BCF from 2017/18.
 - As a result, the amount of NHB due to be paid to CBC has reduced substantially. Table 4 below shows the difference between the Draft Budget and the Provisional financial settlement.

Table 4 – New Homes Bonus

New Homes Bonus	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
Current Method	11.603	13.014	13.764	14.214
As advised in the settlement	11.657	11.800	7.401	7.101
Difference	0.054	(1.214)	(6.363)	(7.113)

- Under current arrangements, income will be received in each financial year of the MTFP period for properties completed two years prior. The MTFP assumes this funding continues for a rolling six year period.
- If there is no change to the basis of funding; approximately £2.5M of additional income will be received in 2016/17 compared to 2015/16. This would leave the reserve standing at c£4.7M in 2016/17 and £9.5M in 2017/18. However, as mentioned previously, from 2017/18 the amount available to NHB is significantly reduced and so the reserve is likely to be frozen at £9.5M.
- Under the current Financial Settlement, the amount of NHB due to be earned does not drop below the £6.95M we have reflected in the base budget.

- However, given the uncertainty over this source of funding, this is likely to change following consultation and so will need to be kept under review.

Expenditure

98. Economic

- For all years of the MTFP inflation is allocated to Directorates on a contract by contract basis.
- Pay is assumed at 1% annually. The additional impact of the National Living Wage (NLW) for Council employees is £22K in 2016/17, £134K in 2017/18, £271K in 2018/19 and £443K in 2019/20.
- Other increases in costs due to legislative changes announced as part of the Emergency Budget in July 2015 are estimated at c£1.2M per annum.

99. Financial

- It is expected that the General Fund Reserves remain at the 2015/16 level of £15.2M.
- An analysis of the minimum prudent level of reserves is shown at Appendix E.

100. Contingency

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

101. The Care Act 2014 has important financial implications for the Council and adult social care services in particular. From April 2015 the Council has needed to consider the resource implications required to manage the additional cost of discharging the new duties for assessment and support of carers and the provision of information.

102. In addition, it is a universal requirement for local authorities to offer people the option of deferring payment towards the cost of their care services.
103. Phase 2 of the Care Act was due for implementation in April 2016 but has been postponed by Government until 2020.
104. The budget included £1.189M funding for the Care Act in the base budget, however, this has now been rolled into RSG and so is effectively lost, creating a funding pressure.

Better Care Fund (BCF)

105. The Better Care Fund was announced in June as part of the 2013 Spending Round. It gave an opportunity to transform local services so that people are provided with better integrated care and support. It encompassed a substantial level of funding to help local areas manage pressures and improve long term sustainability. The Fund is an important enabler to take the integration agenda forward at scale and pace, acting as a significant catalyst for change.
106. The Financial Settlement did not include additional specific funding for 2016/17. It stated that an additional £1.5bn will be provided by 2019/20 and will commence in 2017/18.
107. This is also subject to consultation.

Public Health 0 to 5 Children

108. From the 1st October 2015, responsibility for the commissioning of 0 to 5 year old children's public health services transferred from NHS England to Local Government.
109. 0 to 5 children's public health services comprises commissioning the Healthy Child Programme including the health visiting service and Family Nurse Partnership targeted services for teenage mothers.
110. This transfer was initially fully funded by an increase to the public health grant and was £1.89m for CBC in 2015/16. The full year cost for 2016/17 is £3.8m. However, the 0 to 5 children's public health service was included in the grant that was subject to a 6.2% in year reduction (£746K in 2015/16) across all aspects of Public Health.

This is not expected to impact the net budget position due to the continuing ring fence applied to this grant.

111. The Spending Review announced further reductions of c£0.3M per annum but this has not yet been confirmed.

112. Spending plans for 2016/17 to 2019/20 have had to be reduced in order to operate within the limit of the revised Public Health Grant
113. The amount of grant assumed for 2016/17 is £12.9M including the full year impact of the 0 to 5 children's transfer.

Medium Term Financial Plan (MTFP)

114. The key elements of the MTFP for 2016/17 to 2019/20 are shown at Appendix C(i). Table 5 shows a summary of this plan.

Table 5 Medium Term Financial Plan

Medium Term Financial Plan	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
Funding				
Revenue Support Grant	20.1	10.6	4.7	0.0
Retained Business Rates	32.0	37.7	39.5	43.4
Council Tax :				
Council Tax Increase 1.95% in 16/17, 1.75% Increase in 17/18 and 1.55% Increase in 18/19 & 19/20.	2.4	2.4	2.2	2.3
2% Social Care Precept Council Tax Increase	2.5	2.7	2.9	3.0
Total Council Tax	134.6	137.9	145.4	153.4
Use of / Contribution to Reserves	2.5	(0.3)	(2.2)	0.0
Total Funding	189.2	186.0	187.4	196.7
Revenue Budget				
Opening Base Net Revenue Budget	186.5	189.2	186.0	187.4
Inflation	2.7	2.7	2.7	2.7
Pressures	15.3	9.6	8.0	7.4
Revenue Budget before efficiencies	204.4	201.5	196.6	197.6
Efficiency Savings identified	(15.3)	(7.0)	(6.0)	(5.8)
Efficiency Savings to be allocated	0	(8.1)	(2.5)	(0.6)
Total Revenue Budget after efficiencies	189.2	186.4	188.1	191.1
Budget Gap/ (Surplus)	0.0	0.4	0.7	(5.6)

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

Funding Sources

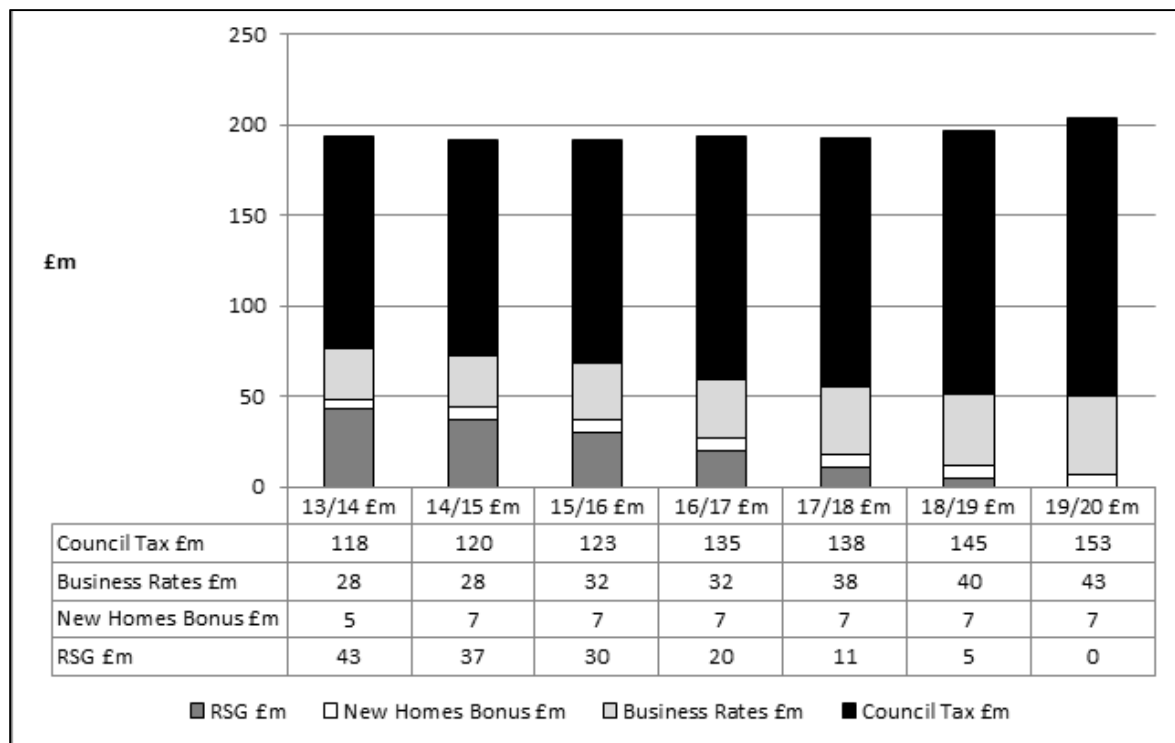
115. The Council's funding from Government over the MTFP period comprises three elements:

- Revenue Support Grant (RSG) – ceasing in 2019/20
- Business Rates Retention Scheme and
- Grants, including Ring Fenced Grants & New Homes Bonus

116. Local Government funding sources are forecast to change significantly over the Medium Term Financial Plan period 2016/17 to 2019/20.

117. Figure 1 below shows how funding sources are forecast to change over the MTFP period, with 2013/14 to 2015/16 as comparators.

Figure 1 – CBC Revenue budget Funding Sources Projection

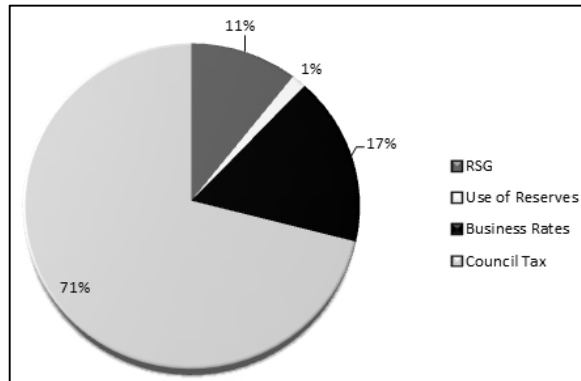


118. The above graph shows that over the MTFP period:

- The Council Tax element increases from 70% of total funding in 2016/17 to 75% by 2019/20.
- Business Rates Retention increases from 16% in 2016/17 to 21% by 2019/20.
- New Homes Bonus is assumed to remain static.
- Revenue Support Grant is removed.

119. The 2016/17 net revenue budget funding sources are shown in Figure 2.

Figure 2 – 2016/17 Net Revenue budget income sources

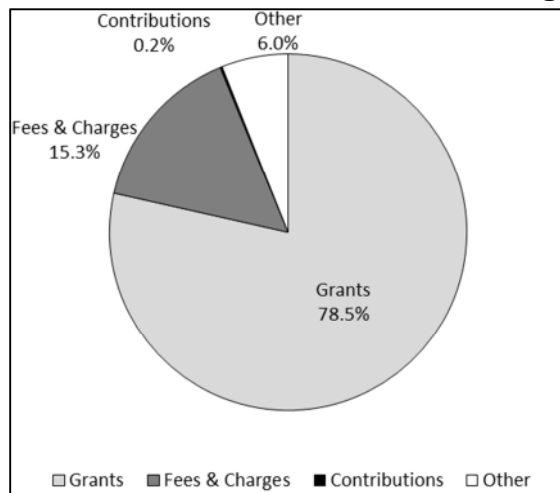


Note that the council tax percentage differs marginally from paragraph 118 due to a one off use of reserves as a funding source in 2016/17 to balance the budget.

Gross Budget Income Sources

120. Figure 3 below shows the 2016/17 Gross revenue budget income sources (note this is mainly grant income and does not include RSG, Council Tax etc.).

Figure 3 – Estimated 2016/17 Gross budget income sources



Fees and

Charges

121. For the majority of services there will be a 1% increase for 2016. Fees & Charges for 2016 were subject to a separate report which was approved by Council in November 2015.

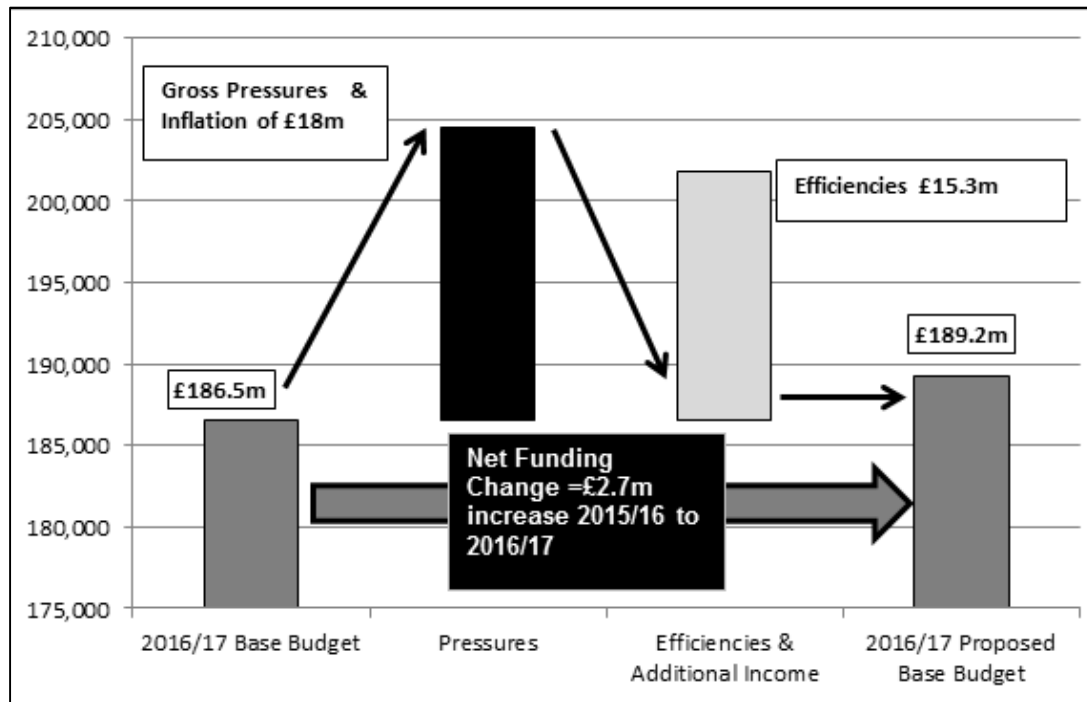
Grants

122. A detailed analysis of grant income is included in Appendix F.

Expenditure Budget Detail

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

Figure 4 Summary of changes to Central Bedfordshire Council's Net Expenditure Budget 2015/16 to 2016/17



(Note – Any minor rounding differences are due to linking to detailed spreadsheets)

124. The information in figure 4, above, is broken down by Directorate in table 6 below.

Table 6 2016/17 Net Expenditure Budget breakdown by Directorate

Medium Term Financial Plan	Expenditure Budget 2015/16	Inflation	Unavoidable Cost Pressures	Efficiencies	Net Base Expenditure Budget 2016/17
	£m	£m	£m	£m	£m
Social Care, Health & Housing	64.6	1.1	8.6	(6.4)	67.9
Children's Services	36.4	0.2	1.3	(1.9)	36.1
Community Services	49.0	1.0	1.7	(3.9)	47.7
Regeneration and Business Support	4.8	0.1	0.5	(0.3)	5.1
Public Health	0	0.0	1.3	(1.3)	0
Improvement and Corporate Services	15.9	0.1	0.2	(1.0)	15.3
Corporate Resources	4.7	0.1	0.4	(0.3)	4.8
Capital Financing Costs	13.4	0.0	0.5	0	13.9
Corporate Costs	(2.4)	0.1	0.8	(0.1)	(1.6)
Total	186.5	2.7	15.3	(15.3)	189.2

Efficiencies

125. All of the £34.1M of allocated efficiencies during the period of the MTFP have been identified and are shown at Appendices I(i) and I(ii). A summary of these is shown below in Table 7 and Table 8.
126. 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 Demand Management
 - B Income Generation
 - C New Delivery Models
 - D Better Targeting of Resources
 - E Procurement/Commissioning
 - F Digitisation and Process Automation
 - G End to end process improvement (including restructuring)
127. The themes encapsulate the Council's approach to delivering efficiencies whilst maintaining the outcomes from services delivered. Table 7 below groups the efficiencies by these themes.

Table 7 Medium Term Financial Plan Efficiencies by Category

Ref	Category	2016/17	2017/18	2018/19	2019/20	Total
		£m	£m	£m	£m	£m
A	Demand Management	(5.0)	(1.4)	(1.9)	(2.0)	(10.3)
B	Income Generation	(3.2)	(1.5)	(1.0)	(1.3)	(6.9)
C	New Delivery Models	(1.6)	(0.7)	(0.5)	(0.6)	(3.4)
D	Better Targeting of Resources	(0.0)	(0.0)	(0.3)	(0.4)	(0.7)
E	Procurement/Commissioning	(2.4)	(1.7)	(1.1)	(1.3)	(6.5)
F	Digitisation and process automation	(0.2)	(0.1)	(0.2)	(0.1)	(0.5)
G	End to end process improvement	(2.9)	(1.5)	(1.0)	(0.3)	(5.7)
Total		(15.3)	(7.0)	(6.0)	(5.8)	(34.1)

128. These are included within the directorate efficiencies as detailed in Appendix I(ii). Note: Table 7 does not include the efficiencies that have yet to be allocated to directorates.

129. Table 8 below shows the breakdown of allocated efficiencies by directorate.

Table 8 Efficiencies by Directorate 2016/17 to 2019/20

Efficiencies	2016/17	2017/18	2018/19	2019/20	Total
	£m	£m	£m	£m	£m
Social Care, Health & Housing	(6.4)	(1.7)	(2.1)	(2.1)	(12.3)
Children's Services	(1.9)	(1.2)	(1.5)	(1.0)	(5.5)
Community Services	(3.9)	(1.7)	(0.9)	(1.3)	(7.8)
Regeneration and Business Support	(0.3)	(0.4)	(0.1)	(0.3)	(1.2)
Public Health	(1.3)	(0.5)	(0.5)	(0.5)	(2.7)
Improvement and Corporate Services	(1.0)	(0.9)	(0.6)	(0.5)	(3.1)
Corporate Resources	(0.3)	(0.4)	(0.1)	(0.1)	(0.9)
Capital Financing Costs	0.0	0.0	0.0	0.0	0.0
Corporate Costs	(0.1)	(0.3)	(0.1)	(0.1)	(0.5)
Total	(15.3)	(7.0)	(6.0)	(5.8)	(34.1)

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

Pressures

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

- Increased demand for adult disability services £8.1M;
- Increased demand for care services from an ageing population £7.6M;
- Financing costs of the Capital Programme £5.7M;
- Impact of legislative changes £4.6M;
- Impact of National Insurance Changes £1.2M.

Table 9 Pressures by Directorate 2016/17 to 2019/20

Pressures	2016/17	2017/18	2018/19	2019/20	Total
	£m	£m	£m	£m	£m
Social Care, Health & Housing	8.6	5.0	4.9	4.7	23.2
Children's Services	1.3	0.2	0.1	(0.1)	1.6
Community Services	1.7	0.9	0.1	0.2	2.9
Regeneration and Business Support	0.5	0.1	0.0	0.0	0.6
Public Health	1.3	0.5	0.5	0.5	2.8
Improvement and Corporate Services	0.2	0.1	0.1	0.0	0.4
Corporate Resources	0.4	0.2	0.2	0.2	1.0
Capital Financing Costs	0.5	2.3	1.6	1.4	5.7
Corporate Costs	0.8	0.3	0.5	0.6	2.2
Total	15.3	9.6	8.0	7.4	40.3

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

Reserves

131. 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 2015/16 indicates a General Fund reserve position of £15.2M 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 services in particular.

The Budget anticipates the use of £2.5m of reserves in 2016/17, which is not sustainable in the long term. However, the intention is to replenish reserves over the plan period, which mitigates the risks of this approach.

132. The reserves policy has been updated to ensure it accounts for these risk factors, and is included at Appendix E. The budget also includes a contingency element of £2.1M.
133. The assessment of the appropriate level of reserves is continually kept under review.

Risk Management

134. 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 may require major organisational change programmes.
 - Increases in the number of children and older people in care.
 - Ability to achieve £15.3M savings in 2016/17 and £45.3M (including unallocated) in total over plan period.
 - Ability to collect the budgeted levels of council tax and business rates.
 - Impact of Universal Credit.
 - Inflationary pressures greater than assumed.
 - Changes to interest rates.
 - Financial stability of the Health system.

- Risk of school deficits and redundancy costs falling to the Council.
- Uncertainty around the funding of New Homes Bonus which is subject to a consultation.
- Uncertainty around the funding of NNDR which is subject to a consultation as part of the move to a 100% retention scheme by 2020.
- Government announced changes to the National Living Wage commencing from April 2016. This will have significant implications for local authority costs and in particular, the care market. The impact is not yet fully assessed, but the Council has included estimated cost pressures in all years of the MTFP.

2016/17 Capital Programme

135. 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 2016/17 are reflected below. Note that the figures below exclude slippage from 2015/16.

Table 10 2016/17 Capital Programme Budget (Excluding HRA)

Gross Expenditure	External Funding	Net Expenditure
£m	£m	£m
82.791	(45.801)	36.990

Table 11 2016/17 Capital Programme Funding (Excluding HRA)

Funding Source	2016/17
	£m
Gross Expenditure Budget	82.791
External Funding	(45.801)
Net Expenditure Budget	36.990
Funded by :	
Capital Receipts	(10.500)
Borrowing	(26.490)
Total Funding	36.990

Table 12 2016/17 Capital Programme Revenue Implications (Excluding HRA)

Minimum Revenue Provision	Interest	Total Revenue Implications
£m	£m	£m
8.000	5.883	13.883

136. Table 13 below shows the change in Capital Programme Revenue implications.

Table 13 Capital Programme Revenue Implications (Excluding HRA)

	Opening position £M	Movements			Closing Position £m
		Interest Charges £m	MRP £m	Total change £m	
2016/17	15.51	(1.18)	(0.44)	(1.62)	13.89
2017/18	13.94	0.84	1.37	2.21	16.15
2018/19	16.29	0.83	0.62	1.45	17.74
2019/20	17.94	0.53	0.63	1.16	19.10

Note: the opening position is as per the 2015/16 MTFP.

137. 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 principal element of external loans and meeting other credit liabilities. Interest is the estimated cost of borrowing to fund the Capital Programme.

138. It should also be noted that a number of schemes, for example Leisure Centres, will generate income for the Council as users of the facilities pay for usage.

Timetable Milestones

139. The key milestones in the timetable for Council to agree its budget in February 2016 are set out in Table 14 below:

Table 14 Timetable Milestones

Date	Body	Outcome
Early January 2016	Public	Budget papers made available to Public and Public Consultation commenced
12 January 2016	Executive	Considered Draft Budget
14 January 2016	Sustainable Communities OSC	Overview & Scrutiny Committees (OSC) considered efficiencies and savings and draft budget proposals
25 January 2016	Social Care, Health & Housing OSC	
28 January 2016	Children's Services OSC	
2 February 2016	Corporate Resources OSC	
9 February 2016	Executive	Recommends Final Budget
25 February 2016	Council	Approves Budget
29 February 2016	Council	Reserve Council Meeting in case of delay in receiving notification of other precepts.

Appendices

Appendix A	Budget Consultation
Appendix B	List of petitions
Appendix C (i)	MTFP Four year Summary
Appendix C(ii)	MTFP Annual Summary
Appendix D (i)	Budgets by Head of Service
Appendix D (ii)	Budgets by Head of Service Subjective
Appendix E	Reserves
Appendix F	Grant Income
Appendix G	Tax Base
Appendix H	Pressures
Appendix I (i)	Efficiencies by Directorate
Appendix I (ii)	Efficiencies by Category
Appendix K	Overview & Scrutiny Committee comments
Appendix L	2016/17 Budget Diagram
Appendix M	EIA – Developing our News and Information Officer
Appendix N	EIA – VCA, CVS and BRCC
Appendix O	EIA – Children's Services Decommissioning

Background Papers

- (i) Budget Strategy - Executive, August 2015

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List of Petitions**APPENDIX B**

Source of Petition	Purpose / Title	Number of signatures	Date Considered by Executive	Date considered by Council	Considered by O&S
ePetition	Appenine Way – road crossing	300+	4/2/16		
ePetition	Common Road, Kensworth – HGV ban	260	4/2/16		
Paper	Pine View Park – pelican crossing	52	4/2/16		
Paper	Wrestlingworth – speed reduction	30	4/2/16		

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

These petitions will be considered at the Delegated Decisions by the Executive Member for Community Services on Traffic Regulation Orders on Thursday 4th February 2016.

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Medium Term Financial Plan Summary 2016/17 to 2019/20

Appendix C (i)

Medium Term Financial Plan	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000
Funding				
Revenue Support Grant (RSG)	20,150	10,601	4,683	0
Retained Business Rates	32,014	37,738	39,504	43,369
Council Tax :				
Council Tax Increase 1.95% in 16/17, 1.75% Increase in 17/18 and 1.55% Increase in 18/19 & 19/20.	2,448	2,368	2,220	2,334
2% Social Care Precept Council Tax Increase	2,511	2,702	2,854	3,013
Total Council Tax	134,575	137,874	145,421	153,367
Use of / Contribution to Reserves	2,453	(260)	(2,193)	0
Total Funding	189,192	185,953	187,415	196,736
Growth (%)		-1.74%	0.78%	4.74%
Planned Revenue Budget				
Base Revenue Budget Expenditure	375,871	378,552	375,313	376,775
Net Inflation	2,660	2,714	2,714	2,714
Pressures	15,279	9,608	7,983	7,431
Base Income	(189,360)	(189,360)	(189,360)	(189,360)
Total Planned Spending before savings	204,448	201,513	196,649	197,559
Growth before Savings (%)		-1.46%	-2.47%	0.46%
Efficiency Savings	(15,257)	(7,000)	(5,968)	(5,832)
Efficiency Savings yet to be allocated	-	(8,113)	(2,545)	(621)
Total Planned spending after savings	189,192	186,401	188,136	191,106
Growth after Savings (%)		-1.50%	0.92%	1.55%
Budget Gap / (Surplus)	0	448	721	(5,630)

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	2016/17							
	Base Revenue Spend £'000	Cost Inflation £'000	Pressures £'000	Base Income £'000	Income Inflation £'000	Net Revenue Spend before efficiencies £'000	Efficiencies £'000	Net budget £'000
Revenue Support Grant								20,150
Retained Business Rates								32,014
Council Tax								134,575
Use of / Contribution to Reserves								2,453
								189,192
Planned Revenue Spend								
Social Care Health & Housing	90,175	1,068	8,653	(25,571)	-	74,325	(6,449)	67,876
Children's Services	61,906	217	1,324	(25,472)	-	37,975	(1,853)	36,122
Community Services	61,446	984	1,670	(12,470)	-	51,630	(3,932)	47,698
Regeneration and Business Support	11,707	74	456	(6,842)	-	5,395	(302)	5,093
Public Health	16,658	21	1,294	(16,654)	-	1,319	(1,279)	40
Improvement and Corporate Services	20,478	137	211	(4,534)	-	16,292	(1,035)	15,257
Corporate Resources	65,674	60	385	(60,925)	-	5,194	(306)	4,888
Capital Financing Costs	13,320	-	463	-	-	13,783	-	13,783
Corporate Costs	5,583	99	823	(7,968)	-	(1,463)	(101)	(1,564)
	346,947	2,660	15,278	(160,436)	-	204,449	(15,257)	189,192
Housing Revenue Account	28,924			(28,924)	-	-	-	-
Schools	-	-	-	-	-	-	-	-
	375,871	2,660	15,278	(189,360)	-	204,449	(15,257)	189,192
Savings Yet to be Identified							-	-
TOTAL							(15,257)	189,192

	2017/18							
	Base Revenue Spend £'000	Cost Inflation £'000	Pressures £'000	Base Income £'000	Income Inflation £'000	Net Revenue Spend before efficiencies £'000	Efficiencies £'000	Net budget £'000
Revenue Support Grant								10,601
Retained Business Rates								37,738
Council Tax								137,874
Use of / Contribution to Reserves								(260)
								185,953
Planned Revenue Spend								
Social Care Health & Housing	93,447	890	5,010	(25,572)	-	73,775	(1,658)	72,118
Children's Services	61,594	366	193	(25,472)	-	36,681	(1,158)	35,523
Community Services	60,168	964	934	(12,470)	-	49,595	(1,722)	47,873
Regeneration and Business Support	11,935	111	120	(6,842)	-	5,324	(385)	4,939
Public Health	16,694	-	522	(16,654)	-	562	(522)	40
Improvement and Corporate Services	19,791	313	58	(4,534)	-	15,629	(926)	14,703
Corporate Resources	65,813	70	200	(60,926)	-	5,157	(357)	4,800
Capital Financing Costs	13,783	-	2,267	-	-	16,050	-	16,050
Corporate Costs	6,404	-	304	(7,968)	-	(1,261)	(272)	(1,533)
	349,628	2,714	9,609	(160,438)	-	201,514	(7,000)	194,514
Housing Revenue Account	28,729	-	-	(28,729)	-	-	-	-
Schools	-	-	-	-	-	-	-	-
	378,357	2,714	9,609	(189,167)	-	201,514	(7,000)	194,514
Savings Yet to be Identified							(8,113)	(8,113)
Budget Gap to be closed								(448)
TOTAL							(15,113)	185,953

	2018/19							
	Base Revenue Spend £'000	Cost Inflation £'000	Pressures £'000	Base Income £'000	Income Inflation £'000	Net Revenue Spend before efficiencies £'000	Efficiencies £'000	Net budget £'000
Revenue Support Grant								4,683
Retained Business Rates								39,504
Council Tax								145,421
Use of / Contribution to Reserves								(2,193)
								187,415
Planned Revenue Spend								
Social Care Health & Housing	97,690	890	4,874	(25,572)	-	77,881	(2,128)	75,753
Children's Services	60,995	366	138	(25,472)	-	36,027	(1,476)	34,551
Community Services	60,343	964	118	(12,470)	-	48,955	(921)	48,034
Regeneration and Business Support	11,781	111	-	(6,842)	-	5,051	(125)	4,926
Public Health	16,694	-	475	(16,654)	-	515	(475)	40
Improvement and Corporate Services	19,237	313	137	(4,534)	-	15,153	(640)	14,513
Corporate Resources	65,726	70	200	(60,926)	-	5,070	(132)	4,938
Capital Financing Costs	16,050	-	1,586	-	-	17,636	-	17,636
Corporate Costs	6,435	-	455	(7,968)	-	(1,078)	(71)	(1,149)
	354,952	2,714	7,983	(160,439)	-	205,210	(5,968)	199,242
Housing Revenue Account	28,480	-	-	(28,480)	-	-	-	-
Schools	-	-	-	-	-	-	-	-
	383,432	2,714	7,983	(188,919)	-	205,210	(5,968)	199,242
Savings Yet to be Identified							(2,545)	(2,545)
Savings Yet to be Identified in 2017/18	(8,113)							(8,113)
Budget Gap to be closed in 17/18	(448)							(448)
Budget Gap to be closed in 18/19								(721)
TOTAL	374,872						(8,513)	187,415

	2019/20							
	Base Revenue Spend £'000	Cost Inflation £'000	Pressures £'000	Base Income £'000	Income Inflation £'000	Net Revenue Spend before efficiencies £'000	Efficiencies £'000	Net budget £'000
Revenue Support Grant								-
Retained Business Rates								43,369
Council Tax								153,367
Use of / Contribution to Reserves								-
								196,736
Planned Revenue Spend								
Social Care Health & Housing	101,326	890	4,666	(25,572)	-	81,309	(2,058)	79,251
Children's Services	60,023	366	(50)	(25,472)	-	34,867	(964)	33,903
Community Services	60,504	964	153	(12,470)	-	49,150	(1,273)	47,877
Regeneration and Business Support	11,768	111	-	(6,842)	-	5,037	(340)	4,697
Public Health	16,694	-	462	(16,654)	-	502	(462)	40
Improvement and Corporate Services	19,047	313	-	(4,534)	-	14,826	(524)	14,302
Corporate Resources	65,864	70	200	(60,926)	-	5,208	(140)	5,068
Capital Financing Costs	17,636	-	1,367	-	-	19,003	-	19,003
Corporate Costs	6,819	-	633	(7,968)	-	(516)	(71)	(587)
	359,680	2,714	7,430	(160,439)	-	209,386	(5,832)	203,554
Housing Revenue Account	28,357	-	-	(28,357)	-	-	-	-
Schools	-	-	-	-	-	-	-	-
	388,037	2,714	7,430	(188,796)	-	209,386	(5,832)	203,554
Savings Yet to be Identified in 17/18	(8,113)							(8,113)
Savings Yet to be Identified 18/19	(2,545)							(2,545)
Savings Yet to be Identified 19/20							(621)	(621)
Budget Gap to be closed in 17/18	(448)							(448)
Budget Gap to be closed in 18/19	(721)							(721)
Budget Surplus in 2019/20								5,630
TOTAL	376,211						(6,453)	196,736

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD

Appendix D (i)

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Virements and income					2016/17 NET BUDGET
	Opening BASE BUDGET	reallocations	Inflation	Pressures	Efficiencies	
	£'000	£'000	£'000	£'000	£'000	£'000
Social Care, Health & Housing						
5000 Director of Social Care, Health, Housing						
50000 Director of Social Care Health & Housing	192	-	663	4	(30)	829
50010 Managing Accom Needs of Older	5	-	(0)	0	-	5
	197	-	663	4	(30)	834
5150 Housing Solutions (GF)						
51500 Housing Solutions	1,498	-	16	968	(175)	2,307
51600 Private Sector Housing options (GF)	(253)	-	-	-	-	(253)
51700 Housing Management (GF)	(47)	350	-	-	-	303
	1,198	350	16	968	(175)	2,357
5200 Adult Social Care						
52000 Assistant Director Adult Social Care	106	-	9	843	(276)	683
52100 Older People and Physical Disability Mgt	330	-	3	4	-	337
52140 Older People - Day Care	534	-	13	138	(33)	652
52160 Enablement	828	-	26	33	-	887
52180 OPPD Care Management - Central	923	-	9	15	-	947
52185 OPPD Care Management - North	11,096	388	13	1,774	(1,345)	11,926
52190 OPPD Care Management - South	9,774	371	14	1,548	(1,499)	10,208
52300 LD and MH Management	547	-	4	6	-	557
52301 Under 65 Mental Health Packages	903	-	-	-	(14)	889
52420 Learning Disabilities - A&C	17,687	-	11	2,260	(875)	19,082
52440 Learning Disabilities - Direct Services	3,921	-	40	69	(100)	3,930
52460 Sheltered Employment	129	-	12	1	-	142
52600 Emergency Duty Team	222	-	6	38	(20)	245
52700 Residential Homes for Older People	3,590	-	196	32	-	3,818
	50,590	759	355	6,761	(4,162)	54,303
5300 Commissioning						
53000 Assistant Director Commissioning	118	-	2	45	-	164
53300 Contracts	2,762	-	-	-	(8)	2,754
53301 LD Transfer	3,832	-	0	-	-	3,832
53400 Housing Support Service	2,068	(350)	-	-	(414)	1,304
53600 Contracting	564	-	4	47	-	614
53700 Personalisation	456	-	0	20	-	476
53800 Commissioning	372	-	4	136	-	513
	10,171	(350)	10	248	(422)	9,657

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Virements and income					2016/17 NET BUDGET
	Opening BASE BUDGET	reallocations	Inflation	Pressures	Efficiencies	
	£'000	£'000	£'000	£'000	£'000	£'000
5400 Resources - SCH&H						
54000 Asst Director - Business and Performance	44	-	1	241	(1,537)	(1,250)
54100 Business Systems	1,044	-	13	72	(23)	1,106
54200 Partnership & Performance	644	-	9	360	(100)	913
	1,732	-	24	673	(1,660)	769
Total Social Care, Health and Housing	63,888	759	1,068	8,654	(6,449)	67,921
Children's Services						
4000 Director of Children's Services						
40000 Directors Cost Centre	412	-	4	8	(60)	364
	412	-	4	8	(60)	364
4100 Children's Services Operations						
41000 AD - CSS	989	-	7	13	-	1,010
41200 Children in Care & Care Leavers	3,254	(42)	21	28	(8)	3,253
41205 LAC Placement Costs	9,144	-	9	175	(937)	8,391
41210 Intake and Family Support	5,845	-	48	365	(12)	6,246
41300 Children with Disabilities Service Manager	2,851	-	17	22	(158)	2,732
41400 Quality Assurance CRS Service Manager	1,163	42	11	15	(60)	1,170
41500 Fostering & Adoption Service Manager	3,680	-	16	419	-	4,115
43300 Early Intervention / Prevention Serv Manager	4,641	-	26	150	(311)	4,506
	31,567	-	154	1,187	(1,486)	31,423
4200 Commissioning & Partnerships						
42000 AD - Commissioning & Partnerships	165	-	3	6	-	174
41600 Local Safeguarding Children's Board	121	-	1	2	-	124
42300 Children's Services Commissioning	376	-	4	6	(56)	329
43100 Youth Service	1,824	-	6	10	(25)	1,815
44500 Head of Partnerships & Workforce Dev	984	-	7	9	(125)	875
44650 Head of Performance	229	-	3	5	-	237
	3,700	-	24	37	(206)	3,555
4400 Partnerships						
44000 Partnerships	593	-	2	3	(42)	555
	593	-	2	3	(42)	555

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Virements and income					2016/17 NET BUDGET
	Opening BASE BUDGET	reallocations	Inflation	Pressures	Efficiencies	
	£'000	£'000	£'000	£'000	£'000	£'000
4500 Education Services						
44300 Education Services	995	-	18	56	(29)	1,040
45000 AD Education Services	189	-	2	3	-	194
45600 Music Service	48	-	8	9	(30)	34
45700 School Organisation & Capital Planning	264	-	5	22	-	290
	1,496	-	32	89	(59)	1,558
4950 Central DSG/YPLA						
49500 Central Retained Funds	(1,356)	-	-	-	-	(1,356)
	(1,356)	-	-	-	-	(1,356)
Total Children's Services	36,412	-	216	1,324	(1,853)	36,099
Community Services						
6200 Community Services Director						
62000 Community Services Director	396	-	4	5	(142)	262
	396	-	4	5	(142)	262
6400 Highways Transportation						
64000 AD Highways & Transportation	139	-	1	2	-	143
64001 Highways Contracts	5,011	-	28	65	(189)	4,916
64003 Passenger Transport Services	13,170	-	271	262	(260)	13,443
65003 Transport Strategy & Countryside	532	-	7	306	(589)	256
42350 JSCS Transport	362	-	-	-	-	362
	19,214	-	308	636	(1,038)	19,120
6800 Environmental Services						
63005 Libraries	2,794	-	42	20	(192)	2,664
68001 Emergency Planning	195	-	3	3	(40)	160
68002 Public Protection	1,093	-	17	23	(223)	910
68003 Community Safety	1,190	-	9	83	(86)	1,195
68004 Waste Strategy	18,592	-	438	627	(562)	19,094
68005 Leisure Services	1,047	-	9	13	(660)	409
68006 Parking	(278)	-	5	44	(289)	(518)
	24,632	-	522	812	(2,052)	23,914

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Virements and income					2016/17 NET BUDGET
	Opening BASE BUDGET	reallocations	Inflation	Pressures	Efficiencies	
	£'000	£'000	£'000	£'000	£'000	£'000
7600 Chief Assets Officer						
76050 Chief Assets Officer	(79)	-	4	42	(282)	(315)
76000 Corporate Assets	(404)	-	32	29	(123)	(466)
76300 Facilities and Maintenance	4,729	478	114	146	(295)	5,174
	4,246	478	151	217	(700)	4,393
Total Community Services	48,489	478	984	1,670	(3,932)	47,689
Regeneration and Business Support						
6100 Service Development						
66000 Regeneration & Business Support Director	463	-	4	364	-	832
	463	-	4	364	-	832
6300 Business and Investment						
63000 Group Manager - Business and Investment	686	-	7	10	(70)	633
63001 Business and Employment - Economy	98	-	-	-	-	98
63002 Investment	43	-	0	0	-	43
63003 External European Funding Schemes	129	-	1	1	(10)	121
63004 Employment Skills	(22)	-	6	6	(5)	(15)
	935	-	14	17	(85)	880
6500 Planning						
65000 AD Planning	643	-	2	3	-	647
65001 Development Plan & Strategic Housing	1,372	-	12	18	-	1,401
65002 Development Management	139	-	19	26	(217)	(33)
65004 Building Control	1,035	-	48	11	-	1,094
65005 Archaeology	(3)	-	11	12	-	20
65006 Minerals and Waste	231	-	4	6	-	241
	3,417	-	96	75	(217)	3,371
Total Regeneration and Business Support	4,815	-	114	456	(302)	5,083

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Virements and income					2016/17 NET BUDGET
	Opening BASE BUDGET	reallocations	Inflation	Pressures	Efficiencies	
	£'000	£'000	£'000	£'000	£'000	£'000
Public Health						
8000 Director of Public Health						
81000 Director of Public Health	(11,421)	(1,902)	-	1,279	-	(12,045)
	(11,421)	(1,902)	-	1,279	-	(12,045)
8010 Asst Director of Public Health						
80100 AD (Shared Srvcs/Mngmnt Tm/Doolittle Mill/Other	1,832	(8)	14	5	(520)	1,322
80101 Bedfordshire Drugs Action Team	2,924	2	1	1	(430)	2,498
80102 Children and Young People	5,390	1,903	2	3	(252)	7,046
80103 Adults and Older People	1,280	5	4	7	(77)	1,219
	11,425	1,902	21	15	(1,279)	12,085
Total Public Health	4	-	21	1,294	(1,279)	40
Improvement and Corporate Services						
1500 Director of Improvement & Corporate Services						
15000 Director of Improvement & Corporate Services	248	-	2	5	(103)	152
	248	-	2	5	(103)	152
2100 Communications & Insight						
21000 Communications	145	-	2	3	(60)	89
21100 Corporate Communications	136	-	1	2	-	139
21200 Media, Editorial Marketing	151	-	1	2	-	154
21300 Digital Comms	231	-	1	2	-	234
21400 Consultation & Intelligence	178	-	1	2	-	181
	840	-	7	11	(60)	798
2200 Customer Services						
22200 Head of Customer Services	1,841	-	18	26	(56)	1,829
	1,841	-	18	26	(56)	1,829
2300 Programme & Performance						
23000 Programme & Performance Operational	267	-	3	4	-	273
23400 Programme & Performance Non-Operational	98	-	-	-	-	98
	365	-	3	4	-	372
2500 Policy & Strategy						
25000 Policy & Strategy	197	-	2	3	-	202
	197	-	2	3	-	202

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Virements and income					2016/17 NET BUDGET
	Opening BASE BUDGET	reallocations	Inflation	Pressures	Efficiencies	
	£'000	£'000	£'000	£'000	£'000	£'000
2700 E Procurement & Payments (OH)						
27000 E Procurement & Payments	(321)	-	4	7	(55)	(365)
	(321)	-	4	7	(55)	(365)
7300 People (OH)						
73000 Operational HR	2,150	-	19	30	(109)	2,090
73010 TU Facilities	76	-	1	1	-	77
73020 Corporate Development	305	-	-	-	-	305
	2,531	-	20	31	(109)	2,472
7410 Information Technologies						
74000 Head of Systems (Operations)	6,262	(478)	38	59	(337)	5,543
	6,262	(478)	38	59	(337)	5,543
7500 Legal & Democratic Services						
75110 Head of Legal Services	2,245	-	17	26	(278)	2,010
75200 Head of Democratic Services	1,615	-	18	26	(5)	1,654
75210 Committee Services	248	-	2	4	-	253
75300 Registration & Coroner Service	332	-	7	10	(30)	319
	4,440	-	44	65	(313)	4,235
Total Improvement and Corporate Services	16,403	(478)	137	211	(1,033)	15,238
Corporate Resources						
1100 Chief Executive (OH)						
11000 Chief Executive	302	-	3	5	-	310
	302	-	3	5	-	310

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Opening BASE BUDGET	Virements and income reallocations	Inflation	Pressures	Efficiencies	2016/17 NET BUDGET
	£'000	£'000	£'000	£'000	£'000	£'000
7200 Chief Finance Officer						
72000 Chief Finance Officer	134	-	1	2	(48)	90
22400 Head of Revenues & Benefits	937	-	28	243	(75)	1,133
22400.1 Housing Benefit Transactions	-	-	-	-	-	-
72020 Financial Performance and Support	1,424	-	15	22	(59)	1,402
72010 Financial Control	1,316	-	8	107	(84)	1,347
77000 Head of Audit	635	-	4	6	(41)	604
	4,447	-	56	380	(307)	4,576
Total Corporate Resources	4,749	-	59	385	(307)	4,887
Corporate Costs						
7800 Corporate Costs						
78000 Corporate Costs	15,083	15	61	786	(102)	15,844
	15,083	15	61	786	(102)	15,844
7900 Non Specific Entitlement						
79000 Non Specific Entitlement	-	-	-	-	-	-
79100 Contingency & Reserves	(3,349)	(759)	-	500	-	(3,608)
	(3,349)	(759)	-	500	-	(3,608)
Total Corporate Costs	11,734	(744)	61	1,286	(102)	12,236
7950 Payroll Control						
72100 Payroll Processing	-	-	-	-	-	-
	-	-	-	-	-	-
Total Corporate Costs	-	-	-	-	-	-

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Opening BASE BUDGET	Virements and income reallocations	Inflation	Pressures	Efficiencies	2016/17 NET BUDGET
	£'000	£'000	£'000	£'000	£'000	£'000
Landlord Business						
51000 Assistant Director Housing Service (HRA)	18,698	(867)	-	-	-	17,832
51100 Housing Management (HRA)	(25,257)	935	-	-	-	(24,322)
51200 Asset Management (HRA)	6,486	(410)	-	-	-	6,076
51300 Financial Inclusion (HRA)	88	326	-	-	-	414
	15	(15)	-	-	-	(0)
Total Landlord Business	15	(15)	-	-	-	(0)
Schools						
45500 PVIs	5,309	-	-	-	-	5,309
30000 Nursery School Control Account	996	-	-	-	-	996
60000 Lower School Control Account	73,815	-	-	-	-	73,815
70000 Middle School Control Account	44,176	-	-	-	-	44,176
80000 Upper School Control Account	45,358	-	-	-	-	45,358
90000 Special School Control Account	6,425	-	-	-	-	6,425
49000 School ISB Funding	(176,080)	-	-	-	-	(176,080)
Total Schools	(0)	-	-	-	-	(0)
TOTAL	186,510	(0)	2,660	15,279	(15,257)	189,193

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD							Appendix D (i)
2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Opening BASE BUDGET	Virements and income			2016/17 NET		
		BUDGET	reallocations	Inflation	Pressures	Efficiencies	BUDGET
	£'000	£'000	£'000	£'000	£'000	£'000	
Social Care, Health & Housing							
5000 Director of Social Care, Health, Housing							
50000 Director of Social Care Health & Housing	192	-	663	4	(30)	829	
50010 Managing Accom Needs of Older	5	-	(0)	0	-	5	
	197	-	663	4	(30)	834	
5150 Housing Solutions (GF)							
51500 Housing Solutions	1,498	-	16	968	(175)	2,307	
51600 Private Sector Housing options (GF)	(253)	-	-	-	-	(253)	
51700 Housing Management (GF)	(47)	350	-	-	-	303	
	1,198	350	16	968	(175)	2,357	
5200 Adult Social Care							
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52420 Learning Disabilities - A&C	17,687	-	11	2,260	(875)	19,082	
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	50,590	759	355	6,761	(4,162)	54,303	
5300 Commissioning							
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53300 Contracts	2,762	-	-	-	(8)	2,754	
53301 LD Transfer	3,832	-	0	-	-	3,832	
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53700 Personalisation	456	-	0	20	-	476	
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	10,171	(350)	10	248	(422)	9,657	

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Virements and income					2016/17 NET BUDGET
	Opening BASE BUDGET	reallocations	Inflation	Pressures	Efficiencies	
	£'000	£'000	£'000	£'000	£'000	£'000
5400 Resources - SCH&H						
54000 Asst Director - Business and Performance	44	-	1	241	(1,537)	(1,250)
54100 Business Systems	1,044	-	13	72	(23)	1,106
54200 Partnership & Performance	644	-	9	360	(100)	913
	1,732	-	24	673	(1,660)	769
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	412	-	4	8	(60)	364
4100 Children's Services Operations						
41000 AD - CSS	989	-	7	13	-	1,010
41200 Children in Care & Care Leavers	3,254	(42)	21	28	(8)	3,253
41205 LAC Placement Costs	9,144	-	9	175	(937)	8,391
41210 Intake and Family Support	5,845	-	48	365	(12)	6,246
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41400 Quality Assurance CRS Service Manager	1,163	42	11	15	(60)	1,170
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43300 Early Intervention / Prevention Serv Manager	4,641	-	26	150	(311)	4,506
	31,567	-	154	1,187	(1,486)	31,423
4200 Commissioning & Partnerships						
42000 AD - Commissioning & Partnerships	165	-	3	6	-	174
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42300 Children's Services Commissioning	376	-	4	6	(56)	329
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44500 Head of Partnerships & Workforce Dev	984	-	7	9	(125)	875
44650 Head of Performance	229	-	3	5	-	237
	3,700	-	24	37	(206)	3,555
4400 Partnerships						
44000 Partnerships	593	-	2	3	(42)	555
	593	-	2	3	(42)	555

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Virements and income					2016/17 NET BUDGET
	Opening BASE BUDGET	reallocations	Inflation	Pressures	Efficiencies	
	£'000	£'000	£'000	£'000	£'000	£'000
4500 Education Services						
44300 Education Services	995	-	18	56	(29)	1,040
45000 AD Education Services	189	-	2	3	-	194
45600 Music Service	48	-	8	9	(30)	34
45700 School Organisation & Capital Planning	264	-	5	22	-	290
	1,496	-	32	89	(59)	1,558
4950 Central DSG/YPLA						
49500 Central Retained Funds	(1,356)	-	-	-	-	(1,356)
	(1,356)	-	-	-	-	(1,356)
Total Children's Services	36,412	-	216	1,324	(1,853)	36,099
Community Services						
6200 Community Services Director						
62000 Community Services Director	396	-	4	5	(142)	262
	396	-	4	5	(142)	262
6400 Highways Transportation						
64000 AD Highways & Transportation	139	-	1	2	-	143
64001 Highways Contracts	5,011	-	28	65	(189)	4,916
64003 Passenger Transport Services	13,170	-	271	262	(260)	13,443
65003 Transport Strategy & Countryside	532	-	7	306	(589)	256
42350 JSCS Transport	362	-	-	-	-	362
	19,214	-	308	636	(1,038)	19,120
6800 Environmental Services						
63005 Libraries	2,794	-	42	20	(192)	2,664
68001 Emergency Planning	195	-	3	3	(40)	160
68002 Public Protection	1,093	-	17	23	(223)	910
68003 Community Safety	1,190	-	9	83	(86)	1,195
68004 Waste Strategy	18,592	-	438	627	(562)	19,094
68005 Leisure Services	1,047	-	9	13	(660)	409
68006 Parking	(278)	-	5	44	(289)	(518)
	24,632	-	522	812	(2,052)	23,914

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Opening BASE BUDGET	Virements and income reallocations	Inflation	Pressures	Efficiencies	2016/17 NET BUDGET
	£'000	£'000	£'000	£'000	£'000	£'000
7600 Chief Assets Officer						
76050 Chief Assets Officer	(79)	-	4	42	(282)	(315)
76000 Corporate Assets	(404)	-	32	29	(123)	(466)
76300 Facilities and Maintenance	4,729	478	114	146	(295)	5,174
	4,246	478	151	217	(700)	4,393
Total Community Services	48,489	478	984	1,670	(3,932)	47,689
Regeneration and Business Support						
6100 Service Development						
66000 Regeneration & Business Support Director	463	-	4	364	-	832
	463	-	4	364	-	832
6300 Business and Investment						
63000 Group Manager - Business and Investment	686	-	7	10	(70)	633
63001 Business and Employment - Economy	98	-	-	-	-	98
63002 Investment	43	-	0	0	-	43
63003 External European Funding Schemes	129	-	1	1	(10)	121
63004 Employment Skills	(22)	-	6	6	(5)	(15)
	935	-	14	17	(85)	880
6500 Planning						
65000 AD Planning	643	-	2	3	-	647
65001 Development Plan & Strategic Housing	1,372	-	12	18	-	1,401
65002 Development Management	139	-	19	26	(217)	(33)
65004 Building Control	1,035	-	48	11	-	1,094
65005 Archaeology	(3)	-	11	12	-	20
65006 Minerals and Waste	231	-	4	6	-	241
	3,417	-	96	75	(217)	3,371
Total Regeneration and Business Support	4,815	-	114	456	(302)	5,083

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Virements and income					2016/17 NET BUDGET
	Opening BASE BUDGET	reallocations	Inflation	Pressures	Efficiencies	
	£'000	£'000	£'000	£'000	£'000	£'000
Public Health						
8000 Director of Public Health						
81000 Director of Public Health	(11,421)	(1,902)	-	1,279	-	(12,045)
	(11,421)	(1,902)	-	1,279	-	(12,045)
8010 Asst Director of Public Health						
80100 AD (Shared Svcs/Mngmnt Tm/Doolittle Mill/Other)	1,832	(8)	14	5	(520)	1,322
80101 Bedfordshire Drugs Action Team	2,924	2	1	1	(430)	2,498
80102 Children and Young People	5,390	1,903	2	3	(252)	7,046
80103 Adults and Older People	1,280	5	4	7	(77)	1,219
	11,425	1,902	21	15	(1,279)	12,085
Total Public Health	4	-	21	1,294	(1,279)	40
Improvement and Corporate Services						
1500 Director of Improvement & Corporate Services						
15000 Director of Improvement & Corporate Services	248	-	2	5	(103)	152
	248	-	2	5	(103)	152
2100 Communications & Insight						
21000 Communications	145	-	2	3	(60)	89
21100 Corporate Communications	136	-	1	2	-	139
21200 Media, Editorial Marketing	151	-	1	2	-	154
21300 Digital Comms	231	-	1	2	-	234
21400 Consultation & Intelligence	178	-	1	2	-	181
	840	-	7	11	(60)	798
2200 Customer Services						
22200 Head of Customer Services	1,841	-	18	26	(56)	1,829
	1,841	-	18	26	(56)	1,829
2300 Programme & Performance						
23000 Programme & Performance Operational	267	-	3	4	-	273
23400 Programme & Performance Non-Operational	98	-	-	-	-	98
	365	-	3	4	-	372
2500 Policy & Strategy						
25000 Policy & Strategy	197	-	2	3	-	202
	197	-	2	3	-	202

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Virements and income					2016/17 NET BUDGET
	Opening BASE BUDGET	reallocations	Inflation	Pressures	Efficiencies	
	£'000	£'000	£'000	£'000	£'000	£'000
2700 E Procurement & Payments (OH)						
27000 E Procurement & Payments	(321)	-	4	7	(55)	(365)
	(321)	-	4	7	(55)	(365)
7300 People (OH)						
73000 Operational HR	2,150	-	19	30	(109)	2,090
73010 TU Facilities	76	-	1	1	-	77
73020 Corporate Development	305	-	-	-	-	305
	2,531	-	20	31	(109)	2,472
7410 Information Technologies						
74000 Head of Systems (Operations)	6,262	(478)	38	59	(337)	5,543
	6,262	(478)	38	59	(337)	5,543
7500 Legal & Democratic Services						
75110 Head of Legal Services	2,245	-	17	26	(278)	2,010
75200 Head of Democratic Services	1,615	-	18	26	(5)	1,654
75210 Committee Services	248	-	2	4	-	253
75300 Registration & Coroner Service	332	-	7	10	(30)	319
	4,440	-	44	65	(313)	4,235
Total Improvement and Corporate Services	16,403	(478)	137	211	(1,033)	15,238
Corporate Resources						
1100 Chief Executive (OH)						
11000 Chief Executive	302	-	3	5	-	310
	302	-	3	5	-	310

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Opening BASE BUDGET	Virements and income reallocations	Inflation	Pressures	Efficiencies	2016/17 NET BUDGET
	£'000	£'000	£'000	£'000	£'000	£'000
7200 Chief Finance Officer						
72000 Chief Finance Officer	134	-	1	2	(48)	90
22400 Head of Revenues & Benefits	937	-	28	243	(75)	1,133
22400.1 Housing Benefit Transactions	-	-	-	-	-	-
72020 Financial Performance and Support	1,424	-	15	22	(59)	1,402
72010 Financial Control	1,316	-	8	107	(84)	1,347
77000 Head of Audit	635	-	4	6	(41)	604
	4,447	-	56	380	(307)	4,576
Total Corporate Resources	4,749	-	59	385	(307)	4,887
Corporate Costs						
7800 Corporate Costs						
78000 Corporate Costs	15,083	15	61	786	(102)	15,844
	15,083	15	61	786	(102)	15,844
7900 Non Specific Entitlement						
79000 Non Specific Entitlement	-	-	-	-	-	-
79100 Contingency & Reserves	(3,349)	(759)	-	500	-	(3,608)
	(3,349)	(759)	-	500	-	(3,608)
Total Corporate Costs	11,734	(744)	61	1,286	(102)	12,236
7950 Payroll Control						
72100 Payroll Processing	-	-	-	-	-	-
	-	-	-	-	-	-
Total Corporate Costs	-	-	-	-	-	-

2016/17 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Opening BASE BUDGET	Virements and income reallocations	Inflation	Pressures	Efficiencies	2016/17 NET BUDGET
	£'000	£'000	£'000	£'000	£'000	£'000
Landlord Business						
51000 Assistant Director Housing Service (HRA)	18,698	(867)	-	-	-	17,832
51100 Housing Management (HRA)	(25,257)	935	-	-	-	(24,322)
51200 Asset Management (HRA)	6,486	(410)	-	-	-	6,076
51300 Financial Inclusion (HRA)	88	326	-	-	-	414
	15	(15)	-	-	-	(0)
Total Landlord Business	15	(15)	-	-	-	(0)
Schools						
45500 PVIs	5,309	-	-	-	-	5,309
30000 Nursery School Control Account	996	-	-	-	-	996
60000 Lower School Control Account	73,815	-	-	-	-	73,815
70000 Middle School Control Account	44,176	-	-	-	-	44,176
80000 Upper School Control Account	45,358	-	-	-	-	45,358
90000 Special School Control Account	6,425	-	-	-	-	6,425
49000 School ISB Funding	(176,080)	-	-	-	-	(176,080)
Total Schools	(0)	-	-	-	-	(0)
TOTAL	186,510	(0)	2,660	15,279	(15,257)	189,193

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

Background

- 1) Since coming into being on 1 April 2009 Central Bedfordshire has made annual improvements to the corporate budget process. This has enabled a greater insight into trends over time as the amount of robust historical information continues to grow.
- 2) Past experience, combined with an assessment of future risks and opportunities, provides a sound basis for determining the robustness of estimates and appropriate levels of reserves for existing services.
- 3) However, the Budget for 2016/17 and current MTFP is set against a rapidly changing environment for local government. Consultation is currently underway on changes to the New Homes Bonus system and the Retained Business Rates (NNDR) system will also be subject to significant change over the MTFP period.
- 4) This means that there is a greater degree of financial uncertainty for the Council than has been the case for a number of years, and consequently a greater degree of estimation in the Budget and MTFP numbers. Whilst currently relatively well placed to accommodate these changes, the Council will nevertheless have to maintain adequate reserves to respond to unforeseen impacts.
- 5) This is demonstrated by the need to propose the use of £2.5M of reserves in 2016/17 in order to balance the budget following the Settlement Funding Allocation issued in December 2016. This unwelcome development is clearly not sustainable in the long term, but in mitigation, the MTFP sets out the intention to replenish Reserves over the course of the plan period.

Robustness of Estimates

Overall Approach

- 6) The 2016/17 Budget setting process formally commenced with the approval of the process and Budget Strategy at the Executive meeting on 4 August 2015. The Strategy assessed the assumptions in the existing Medium Term Financial Plan (MTFP), approved by Council in February 2015, in light of the continued challenging economic situation and the Government's commitment to reduce overall public spending.
- 7) The 2016/17 Budget process was based on a refinement of the process undertaken for 2015/16. This included a series of reviews at Assistant Director (AD) level at an early stage during the process. These reviews involved each AD making a presentation to senior management which:

- provided an overview of the service;
 - split the budget into activities and explained the basis for the total budget for each activity;
 - identified pressures and efficiencies, both existing in the previous MTFP and new items and;
 - outlined potential options for further savings;
- 8) As a result, the budget process allowed for full consideration of where savings could be made. Relevant Portfolio Holders were involved in each of the Directorate reviews to provide direction on political priorities.
 - 9) The baseline position for the budget reviews was the 2015/16 agreed budget.
 - 10) This process allowed for savings proposals to be developed across the late summer and early autumn. During January/February 2016 all Overview & Scrutiny committees reviewed the Draft Revenue Budget, including savings proposals and pressures, the Draft Capital Programme and the Draft Landlord Services Business Plan (Housing Revenue Account).
 - 11) The latest position was presented to the Executive, together with the Draft Budget and the most up to date information on funding available at that time, on 12 January 2016. Public consultation commenced with the residents of Central Bedfordshire when the papers were published on 23 December 2015. Staff have also had the opportunity to input into the savings proposals as they have been assessed within Directorates.
 - 12) The Chancellor of the Exchequer did not deliver the Autumn Statement until 25 November 2015 with the subsequent announcement of the Finance Settlement on 17 December 2015 (updated on the 23rd December 2015). Although in line with the timetable of last year, these late announcements meant there was little time in which to assess and incorporate changes to assumptions following the Settlement.
 - 13) The Settlement figures for 2016/17 – 2019/20 were significantly worse than the Spending Review in November 2015 indicated it would be with very substantial reductions in funding. This has therefore resulted in a budget shortfall where additional savings will have to be identified in future years in order to present a balanced position. This is not new, as previous MTFPs have also not balanced over the medium term and it does not represent any immediate risk, but rather emphasises the need for further financial planning in the medium term. It also supports the requirement for holding reserves.

Budget Assumptions

- 14) The headline assumptions within the Budget cover the levels of funding received and inflationary pressures, as well as the consideration of Directorate pressures and efficiencies outlined above. All of this has been considered in the context of the national economic conditions, and those specifically relating to Central Bedfordshire.

Funding sources

- 15) The main funding sources are Revenue Support Grant (RSG), Retained Business Rates (NNDR), specific grants and Council Tax.
- 16) The Local Government Financial Settlement repeated the '4-block model' and used the floor damping methodology introduced for 2011/12, which groups authorities into four separate floor bands.
- 17) The Settlement has provided figures for the next four years with an offer to councils of a four year settlement should they wish to take advantage of that. Further details about the process to accept that offer are still awaited.
- 18) This will give some certainty over the medium term, but will only relate to the Revenue Support Grant which is due cease by 2019/20.
- 19) New Homes Bonus (NHB) amounts for future years of the MTFP are subject to consultation, and consultation on NNDR changes is expected to commence in summer 2016. These are likely to result in significant change.
- 20) This potential volatility adds uncertainty to financial estimates and makes long term planning more difficult. Appendix F to the budget report sets out the funding anticipated to be received from various sources, showing year on year movements to each source.
- 21) In line with currently announced intentions, Central Bedfordshire will continue to benefit significantly from the New Homes Bonus for the next two years. The grant is built into the overall resources in the Budget and is predicated on housing growth over the medium term. Clearly any slowing of growth is a risk to the Council's finances.
- 22) The Government has committed to reviewing the New Homes Bonus. In light of this uncertainty, the MTFP takes the prudent approach of capping the level of grant assumed to be received at the 2014/15 level (£6.95M). Where any additional amounts are received, these will be held in a reserve that will be used to fund infrastructure costs incurred as a result of growth and to mitigate budget pressures. From 2018/19 the amount of NHB received is expected to drop to c£7.0M as suggested in the Comparative Spending Methodology used as part of the Financial

Settlement. However, some of the options currently being consulted on could reduce this substantially.

- 23) Historically, CBC has frozen council tax, however, the Financial Settlement this year is predicated on an assumption by Government that all upper tier local authorities will increase council tax by 2% as an adult social care precept (ringfenced) and a further 1.75% general council tax increase to make up for the reduction to RSG. The budget consultation currently underway includes these proposals.
- 24) In addition, the Council Tax Freeze Grants from Central Government provided for previous years has now been rolled into the RSG baseline and so is lost as RSG is removed. The same treatment has been applied to the Care Act funding of £1.2M
- 25) Central Bedfordshire has, since 2013/14, been able to keep a portion of National Non-Domestic Rates (NNDR) income under the Business Rates retention scheme. The MTFP takes a prudent approach to recognising NNDR growth over and above the Government's baseline estimate, based on modelling of planning data and anticipated business expansion.
- 26) The financial estimates are complicated by a series of grants received from Government to compensate for nationally imposed restrictions in the increase of NNDR to 2%, rather than following RPI as previously indicated. Prudent assumptions relating to the value of these grants in future years have been made.
- 27) The Council's plans for NNDR are ambitious and backed up by detailed working based on known development activity. However, the Business Rates Revaluation due in 2017 and also the NNDR consultation add significant risks to this funding source.

Inflation

- 28) The key assumptions are set out in the main body of the report and cover pay award, specific changes to pension arrangements and national insurance and non pay inflation.
- 29) The outlook for the economy is continuing to give rise to general pay restraint and for this reason a 1% increase only is provided for in the years of the plan beyond 2016/17. All pay awards are subject to national negotiations.
- 30) The Government has introduced a National Living Wage from April 2016 with the aim to achieve a minimum hourly rate of £9 by 2020. The rate for 2016/17 will be £7.20. This will put further pressure on Council costs.
- 31) Following the practice adopted the previous year, a general percentage uplift on non-pay items was not allocated for 2016/17. Instead, specific

inflation was provided only on a case-by-case basis where contractual conditions or similar factors necessitated an uplift. This ensures that inflation provisions are better targeted to the right areas.

- 32) The November 2015 Quarterly Inflation Report issued by the Bank of England advised that in September, twelve-month CPI inflation stood at -0.1%, slightly over 2 percentage points below the inflation target.
- 33) Around 80% of the deviation from the target reflects falls in energy, food and other imported goods prices, with the remainder reflecting subdued domestic cost growth. The combined weakness in domestic costs and imported goods prices is evident in subdued measures of core inflation, which are currently around 1%.
- 34) The Governor of the Bank of England also advised that inflation over the next few months could remain at current levels and that he did not expect inflation to reach the targeted rate of 2% for the next two years. The Bank also cut its prediction for UK economic growth in 2015 to 2.9%.
- 35) 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 probably at least the second half of 2016 given the weakness of global growth and a low risk of inflation.

Service Expenditure

- 36) The robustness of estimates for each of the Directorates has been considered during the budget setting process, with an assessment of the general robustness of service budgets as well as the impact of pressures, growth and efficiencies.
- 37) The Base Budget build provides assurance that budget and activity are aligned and that budgets are at the correct level for 1 April 2016. A core part of the budget strategy has been to ensure that additional resources are allocated to those areas experiencing continuing pressures. These are detailed in the body of the report.
- 38) There is an Efficiencies Implementation Group in place, chaired by the Chief Finance Officer, which will oversee the delivery of all efficiencies; ensuring plans are in place to secure the required savings. This is a continuation of previous years' practice which has successfully overseen the delivery of significant savings. Nevertheless, continued delivery of further savings year on year, including £15.3M of savings in 2016/17, is a significant challenge.
- 39) This successful track record demonstrates a sound corporate approach to the delivery of budgeted savings and gives a measure of confidence that the 2016/17 Budget is realistic and achievable. Nevertheless each year it becomes harder to deliver savings whilst maintaining service

levels and there will be significant challenges to be faced in the years ahead. This is reflected in the fact that for the years 2017/18 onwards, the MTFP continues to show that additional, as yet unspecified, savings will need to be delivered. Together with those savings that have been identified, these total £44.7M.

- 40) The Revenue budget for 2016/17 also includes a contingency of £2.1M which should help to mitigate any unforeseen pressures, or risks that might materialise.
- 41) Expected capital receipts exceeds the budgeted amount in order to allow for non achievement. If realised, these will also help to reduce the Council's need to borrow to fund the Capital Programme.

Risk Assessment

- 42) The above assessment of the robustness of estimates has identified a number of risks in the budget.
- 43) The Efficiencies Implementation Group chaired by the Chief Finance Officer, risk assesses all planned efficiencies using a Red/Amber/Green status at the beginning of each year and tracks their achievement throughout the year. In the event of any shortfall against an efficiency, a compensatory saving is sought.
- 44) Risks and opportunities are also tracked monthly as part of budget monitoring and migrating action taken where necessary.

General Fund Balances and Reserves Analysis

Background	
1.1	The Chief Finance Officer has a statutory duty under Section 25 of the Local Government Finance Act 2003 to comment annually on the adequacy of the Council's General Fund (GF) Reserves. This is reported as part of the annual budget papers to Executive and Full Council and the analysis within this document supports the Chief Finance Officer's opinion.
1.2	<p>The purpose of General Fund reserves are to act as:</p> <ul style="list-style-type: none"> • A working balance to help cushion the impact of volatility in net expenditure or income across financial years*. • To smooth the flow of funds e.g. when faced with funding cuts a GF Reserve enables the Council to draw down on reserves whilst a permanent efficiency saving is implemented. • A contingency to cushion the impact of unexpected events or emergencies; • A means of building up funds to meet known or predicted requirements. Funds can also be set aside in the form of specific earmarked reserves, which are accounted for separately but legally form part of the General Fund balance. <p>* This ability of reserves to react to volatility in income or expenditure is different from the availability of physical cash. The Council can maintain low liquidity balances, as set out in its Treasury Management Strategy, as it has sufficient and immediate access to debt finance.</p>
1.3	When considering whether the level of General Fund reserves is both adequate and necessary, the Chief Finance Officer considers the strategic, operational and financial risks facing the Council and balances this against utilising the maximum resources available to the Council to achieve its objectives and ensuring that current resources are used to the benefit of the current tax payer.
1.4	<p>The Chartered Institute of Public Finance and Accountancy (CIPFA) released a Local Authority Accounting Panel (LAAP) Bulletin 99 (July 2014) outlining key areas to consider when assessing the adequacy of reserves including:</p> <ul style="list-style-type: none"> • The robustness of the financial planning process (including treatment of inflation and interest rates, estimates of locally raised income and timing of capital receipts) • How the Council manages demand led service pressures • The treatment of planned savings / productivity gains • The financial risks inherent in any major capital project, outsourcing arrangements or significant new funding changes

	<ul style="list-style-type: none"> • The strength of the financial monitoring and reporting processes • Cash flow management and the need for short term borrowing • The availability of reserves, Government grants and other funds to deal with major contingencies • The general financial climate to which the Council is subject and its previous record in budget and financial management.
1.5	<p>In November 2013 the Audit Commission stated that: <i>“Reserves are an essential part of councils’ strategic, financial and risk management. Councils hold reserves either as a contingency fund in the event of unforeseen circumstances, such as unexpected demand for services or a shortfall in income, or to smooth the impact of planned spending requirements over time, for example, setting aside funds for staff redundancies or to invest in large-scale capital projects. Our 2012 report on councils’ decision making on reserves encouraged councils to:</i></p> <ul style="list-style-type: none"> • <i>examine routinely how much they hold in reserves, and the purposes for which reserves are held; and</i> • <i>ensure their decisions on reserves are clearly explained to local taxpayers to promote accountability.”</i>
1.6	<p>The analysis in Table 1 examines the Council’s balances against the criteria outlined in LAAP Bulletin 99 and is based on the Council’s procedures and structures. However, the assessment necessarily includes an element of subjectivity and, in acknowledgement of this, incorporates a range of possible balances. The calculated range for recommended general fund balances remains at £11.5m to £25m. The upper end of the range includes the maximum unallocated balances the Council could justify holding, and if balances were at this level, the Chief Finance Officer may recommend that plans were developed to use balances to enhance the Council’s expenditure plans in the current year.</p>
1.7	<p>The expected closing balance for 2015/16 is £15.2m which is 4% of gross income and within the recommended range. Additionally £31.6m has been set aside as General Fund earmarked reserves for specific identified purposes. Appropriate use of these reserves is included within the budget estimates presented, although in some cases the use may span more than one year. As an emergency measure these earmarked reserves could provide additional resilience, and therefore assist as a mitigation of risk to the Council.</p>
1.8	<p>Monitoring of both general and earmarked reserves takes place every month, to ensure these are correctly identified and are being used appropriately. The creation of new earmarked reserves, and transfers to and from reserves, are subject to approval by Executive as part of the final budget outturn position for the year. The reserves position is therefore transparent to all Members.</p>

Table 1 Assessment of Required General Fund Reserve Balances

Area of Risk	Details	Minimum	Maximum
<p>The general financial climate to which the Council is subject</p>	<p>Local Government will see sustained reductions in Central Government Funding beyond 2016/17. The Chancellor has stated the Government's aim of running a budget surplus over the next parliament. The Chancellor has committed to achieving this without increasing taxes and has indicated that ring-fencing of NHS and Schools Funding will continue.</p> <p>As part of the Financial Settlement for 2016/17 – 2019/20, councils have been made an offer of a four year settlement subject to certain conditions. Further details are awaited, but it is likely that this will only apply to the RSG element of the settlement.</p> <p>This is against a backdrop of early signs that the UK economy is recovering, with unemployment down to 5% and continuous period on period growth. The Bank of England has maintained Quantitative Easing at £375bn and low interest rates awaiting stronger signs of recovery, particularly with the wider European economy still facing difficulties.</p> <p>Locally, Central Bedfordshire Council has included identified Central Government funding reductions within its Medium Term Financial Plan (MTFP).</p> <p>Though more slowly than in previous years, Schools continue to convert to Academy status placing them outside the Council's control. Education Support Grant funding is provided to Councils on a per pupil basis and is reduced with every Academy conversion. The anticipated reduction is built into the MTFP.</p> <p>In addition, there are financial risks to the Council as a result of decision taken by schools to change their age range from a three tier system to a two tier system. This could result in the Council having to pick up significant redundancy costs and deficits from schools that close as a result.</p>	<p>£2M</p>	<p>£4M</p>
<p>The overall financial standing of the authority</p>	<p>From commencing with reserves of £5.1M on 31 March 2010, Central Bedfordshire Council has steadily increased reserves to £15.2M as at 31 March 2015, which is 4% of gross income. This reflects continuous improvement in the financial strength of the Council. Additionally the Council at 31 March 2015 had £31.6M in General Fund earmarked reserves set aside for specific purposes. A balanced budget has been set for 2016/17. However, to achieve this the Council has had to draw on £2.5m of Reserves. This is not sustainable</p>	<p>£0M</p>	<p>£1M</p>

	in the long term but the intention is to replenish Reserves over the plan period.		
Estimates of level of locally raised income	<p>In 2013/14 the administration of Council Tax Support Scheme was localised with a 10% reduction in funding and National Non-Domestic Rates (NNDR) moved to a retention system, where Councils keep an element of business rates raised.</p> <p>Retention of an element of Business Rates by Councils means the organisation would benefit from higher Rates income than expected, but also suffer the consequences if Business Rates income was to reduce. The Government has introduced a safety net payment to prevent excessive losses and a levy on gains and Central Bedfordshire Council would be funded for NNDR losses above £2.2M in a financial year and would have to pay 24% of their share of any gains above their baseline funding as a levy back to Central Government.</p> <p>The new NNDR retention system requires Councils to determine a provision for NNDR appeals in future years, where individuals may successfully challenge their NNDR rating. Councils have had to set this provision which directly affects NNDR income and necessarily involves an element of subjectivity.</p> <p>Both NNDR and Council Tax income forecasts are based on the estimation of property bandings and rateable properties by valuation professionals in each respective area.</p> <p>As noted about NNDR there is a risk that this could be impacted by both the NNDR consultation and the Rebasing of Rateable Value in 2017.</p>	£1M	£3M
The treatment of planned efficiency savings/productivity gains	<p>The Council has set a balanced budget for 2016/17 which includes £15.3M of efficiencies. A further £29.4M of efficiencies are required over the subsequent 3 years to achieve the Medium Term Financial Plan (MTFP).</p> <p>The Council has a successful track record of achieving efficiency savings. Efficiencies are monitored in the Council by the Efficiencies Implementation Group (EIG) chaired by the Chief Finance Officer.</p>	£1M	£2M
The treatment of inflation and interest rates	Limited inflation has currently been included in the 2016/17 budget and price inflation has remained low with both RPI and CPI now significantly below 2% set by the Bank of England. However, there do remain specific risks in relation to contracts and fuel.	£2M	£3M

	<p>Low interest rates have been in place for a number of years, with the Bank of England base rate at 0.5%, resulting in the Council receiving low returns on its investments, which has been factored into the budget.</p> <p>The General Fund at 31 March 2015 had external General Fund debt of £147.6M, 77% (£113.1M) of which is from the Public Works Loan Board (PWLB), a Central Government loan facility, 14% (£21M) was short-term fixed rate borrowing from other local authorities and 9% (£13.5M) was Market Debt from banks. Some £37.1M of the overall borrowing is based on either a variable rate of interest or reaches maturity within twelve months (temporary fixed rate debt). As at 31 March 2015 the Council had deferred accessing external debt to a value of £120M by borrowing from internal cash balances.</p> <p>An increase in interest rates would therefore have a direct and immediate cost on variable borrowing. Where amounts which have been internally borrowed are required to be spent, external borrowing may be required at that time to fund these and this would be at a cost to the organisation at that time depending on the rate of interest.</p> <p>The Council has a significant Capital Programme which forecasts £99M of borrowing over the next 4 years. At present the MTFP has calculated revenue implications on current interest rates and debt taken out on a short term basis. If interest rates were to increase, the revenue implications of this debt would increase when borrowing or refinancing the debt in future years.</p>		
<p>The financial risk inherent in any major outsourcing / insourcing arrangements</p>	<p>The Council has a number of high value contracts with external providers. The largest of these are contracts for: waste management, highways, passenger transport, social care for residential and nursing care provision, temporary accommodation, agency staff and grounds maintenance.</p> <p>Some of these suppliers are reliant on private finance linked to asset values for their viability. In the current financial climate this poses an increased risk of service failure to the Council.</p> <p>The Council has also engaged with a supplier to run its leisure centres, in a contract which creates a residual risk to be managed by the Council.</p>	<p>£1M</p>	<p>£2M</p>
<p>The treatment of demand led pressures</p>	<p>The Council faces significant population growth by 2021 with:</p> <ul style="list-style-type: none"> • a 35% increase in the over 65's population; 	<p>£1M</p>	<p>£2M</p>

	<ul style="list-style-type: none"> • a 44% increase in the over 85's population ; and • a 74% increase in the over 90's population. <p>The Council has a robust Medium Term Financial Plan (MTFP) process embedded across the organisation. Through this process, reasonable assumptions about demand and funding pressures have been made and a prudent view of volatile areas has been taken. All known pressures across the Council are included as funded items in the MTFP, with additional funding in future years linked to forecast demand. The budget contingency is largely to take account of potential demand led pressures on key expenditure and income streams.</p>		
The financial risks inherent in any major capital developments	<p>The Capital Programme includes expenditure over the next 4 years of over £308M with substantial investment in schools places, enhanced waste disposal facilities and the Woodside Link. A further £36M of expenditure is on the capital reserve list, to be included in the main programme if the project can be accommodated within the Council's financing constraints. There is also expected to be significant investment through the Housing Revenue Account.</p> <p>Increased capital activity and development will result in a corresponding increase in financial risk.</p>	£0.5M	£1.5M
Estimates of the level and timing of capital receipts	<p>Capital Receipts are forecast to be £33.5M over the next four years, based on a schedule of land and properties that have been identified for disposal and form an important source of financing for the capital programme. If disposals are lower than projected then alternative options to achieve disposals or compensatory improvements to asset utilisation will be considered.</p>	£2M	£3M
The availability of reserves, Government grants and other funds to deal with major contingencies and the adequacy of provisions	<p>In the event of a major emergency it is possible that aside from general reserves, Central Government may provide funding to support the Council via the Belwin scheme. However Councils will only be able to access this funding if they have already spent 0.2% of their budget on repairs and thus may incur direct costs as a result.</p>	£0M	£0.5M
The Council's capacity to manage in year budget pressures, and its strategy for managing both demand and service delivery in the longer term	<p>There is a well-developed monthly budget monitoring process in place, ensuring adverse variations are identified promptly by service managers. The monthly challenge and review process ensures the early identification and resolution of issues. Additionally the 2016/17 budget includes a £2.1M contingency to potentially support any in year issues.</p>	£0M	£1M

<p>Miscellaneous</p>	<p>There are a number of risks that face the Council which have a low likelihood of occurring but would have a high impact if the risk was actualised. This includes risks of substantial flooding, disease outbreak or a serious service failure for example in Children's Services or Adult Social Care. There is also the risk of widespread ICT failure. The Council has strong internal mechanisms for identifying, monitoring and reporting risks on a regular basis.</p> <p>Recent changes in legislation have brought about new community rights and alternative methods of delivering services traditionally provided by the Council. This has led to more and different supply chain partnerships being entered into, sharing risks across private, public and voluntary organisations.</p> <p>The Council may also face from time to time potential legal actions. Funds in excess of budgetary provision may be required to defend the Council against such actions.</p>	<p>£1M</p>	<p>£2M</p>
<p>Total</p>		<p>£11.5M</p>	<p>£25M</p>

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Central Bedfordshire Council Major Grant Schedule

Appendix F

Grant	2015/16	2016/17	2015/16	2016/17	
Non-passported Grant	Non-passported Grant		Passported Grant		
	£'000	£'000	£'000	£'000	
Formula funding					
Revenue Support Grant	29,809	20,150	-	-	- Based on announced allocation
Council Tax Freeze Grant	1,312	-	-	-	- As per Government Announcement.
Estimated Retained Business Rates	28,934	29,446	-	-	- As per latest estimates
Section 31 Grant NNDR Compensation	3,073	2,568	-	-	
Total Formula funding	63,128	52,164	-	-	
<u>Social Care Health & Housing</u>					
NHS Funding Grant	-	-	-	-	- Based on announced allocation; part of Better Care Fund arrangements from 15/16
Local Welfare Provision	-	-	-	-	- Grant Allocation ceased
Local Reform and Community Voices DH Revenue Grant	117	-	-	-	- Awaiting notification from DoH.
Independent Living Fund	307	362	-	-	- Awaiting notification from DWP.
Care Act Funding - Carers and Care Act Implementation	200	-	-	-	- Part of Revenue Support Grant from 2016/17.
Care Act Funding - Early Assessments	639	-	-	-	- Part of Revenue Support Grant from 2016/17.
Care Act Funding - Deferred Payments	350	-	-	-	- Part of Revenue Support Grant from 2016/17.
Reablement Grant	-	-	-	-	- Part of Better Care Fund arrangements from 2015/16
Better Care Fund	9,161	9,161	-	-	- Latest Estimate
Total SCH&H	10,774	9,523	-	-	
<u>Children's Services</u>					
Dedicated Schools Grants (DSG include Recoupment)			190,087	195,578	Latest estimate
Education Services Grant (ESG)	2,268	2,079			Latest estimate
Pupil Premium Grant			4,110	4,088	Latest Estimate (actual to be announced in June 15)
PE & Sports Grant			712	712	Latest estimate
Universal Infant Free School Meal (UIFSM)			3,860	2,640	Latest estimate
Music Grant	283	283			Latest estimate
Asylum Seekers	229	229			Latest estimate
SEND Implementation (New Burdens) Grant	154	154			Latest estimate
Troubled Families	479	479			Latest estimate
School Improvement Moderation & Phonics Grant	-	16			Latest estimate
Assessed and Supported Year in Employment (AYSE)	18	18			Latest estimate
Total Children's	3,431	3,258	198,769	203,018	
<u>Community Services</u>					
Bikeability Cycle Training	35	40	-	-	- Latest estimate
Extended Rights to Free Travel	122	-	-	-	- Awaiting notification.
PFI	1,886	1,886	-	-	- Same value over life of project.
Total Community Services	2,043	1,926	-	-	

Central Bedfordshire Council Major Grant Schedule

Appendix F

Grant	2015/16	2016/17	2015/16	2016/17	
Regeneration and Business Support					
Skills Funding Agency	1,317	-	-	-	- Awaiting notification.
European Social Fund Grant	750	-	-	-	- Project comes to an end in 2015-16, no allocation for 2016-17.
Lead Local Flood Authorities	44	-	-	-	- Part of Revenue Support Grant from 2016/17.
Total Regeneration	2,111	-	-	-	
Corporate Resources					
NNDR Cost of Collection	316	312	-	-	- Latest estimate
New Homes Bonus	6,947	6,947	-	-	- As per 2015/16 , any growth will be put into a reserve.
Housing Benefit Admin Subsidy	1,050	875	-	-	- Based on announced allocation
Total Corporate Resources	8,313	8,134	-	-	
Public Health					
PH Grant	10,149	12,916	-	-	- Latest estimate based on the reductions announced in the Spending Review. This figure includes the 0-5 element , which was previously separate.
0-5 Transfer	1,893	-	-	-	- New responsibility from 1st October 2015, grant now included in the PH Grant.
Total Corporate Resources	12,042	12,916	-	-	
Total other funding	101,842	87,921	198,769	203,018	
Change in grant funding		Non-passported (13,921)	Passported 4,249		
TOTAL (Non-Passported + Passported Grants)	2015/16	2016/17			
	300,611	290,939			

Central Beds Council - Taxbase calculation 2016-17 Summary

Appendix G

		Band D equivalents												
		Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total	1% Non collection	Band D total for parish	Rounded Band D total for parish	
100	Amphill	68.43	279.98	694.87	650.86	601.28	574.22	212.92	18.00	3,100.56	31.01	3,069.55	3,070	
101	Arlesey	109.41	354.57	689.89	289.06	277.95	145.44	24.17	0.00	1,890.49	18.9	1,871.59	1,872	
102	Aspley Guise	16.08	22.98	233.61	93.47	122.60	209.42	287.08	72.00	1,057.24	10.57	1,046.67	1,047	
103	Aspley Heath	2.33	18.18	24.44	31.50	40.94	76.56	147.68	31.00	372.63	3.73	368.90	369	
104	Astwick	0.67	0.00	0.00	2.63	1.22	5.78	5.00	0.00	15.30	0.15	15.15	15	
105	Battlesden	0.00	0.00	0.00	5.10	5.81	1.44	6.25	2.00	20.60	0.21	20.39	20	
106	Biggleswade	296.57	1,423.49	1,631.72	1,332.78	1,186.75	385.18	67.73	5.00	6,329.22	63.29	6,265.93	6,266	
107	Blunham	9.47	13.83	70.52	52.74	98.93	75.47	110.83	10.00	441.79	4.42	437.37	437	
108	Brogborough	2.08	46.92	46.71	9.00	4.58	1.44	2.92	0.00	113.65	1.14	112.51	113	
109	Campton/Chicksands	0.00	5.76	346.59	98.03	43.08	44.06	27.92	41.50	606.94	6.07	600.87	601	
110	Clifton	71.47	62.56	263.02	222.74	285.11	182.59	129.17	3.00	1,219.66	12.2	1,207.46	1,207	
111	Clophill	9.21	11.74	142.63	109.56	167.90	165.53	134.55	2.00	743.12	7.43	735.69	736	
112	Cranfield	54.25	129.75	446.23	365.57	407.07	201.11	60.83	2.00	1,666.81	16.67	1,650.14	1,650	
113	Dunton	1.67	22.33	70.74	30.25	62.33	45.63	42.50	0.00	275.45	2.75	272.70	273	
114	Edworth	0.67	2.33	6.39	6.00	4.89	1.08	5.00	2.00	28.36	0.28	28.08	28	
115	Eversholt	1.58	6.42	34.28	21.51	34.59	38.64	56.67	10.00	203.69	2.04	201.65	202	
116	Everton	0.13	5.25	51.57	38.78	42.95	33.64	36.25	4.00	212.57	2.13	210.44	210	
117	Eyeworth	0.00	0.00	5.61	9.00	3.67	16.97	12.50	0.00	47.75	0.48	47.27	47	
118	Flitton/Greenfield	2.75	15.71	63.62	92.53	116.59	127.85	200.73	24.00	643.78	6.44	637.34	637	
119	Flitwick	85.37	783.35	1,438.72	826.49	1,002.66	463.51	89.58	0.00	4,689.68	46.9	4,642.78	4,643	
120	Gravenhurst	1.67	7.47	46.57	47.66	45.27	46.94	49.17	3.50	248.25	2.48	245.77	246	
121	Harlington	14.19	18.05	214.37	277.03	175.93	119.53	74.17	0.00	893.27	8.93	884.34	884	
122	Haynes	14.77	22.91	53.53	72.13	125.89	90.64	137.08	6.00	522.95	5.23	517.72	518	
123	Henlow	39.07	162.31	422.31	338.23	282.09	204.06	90.42	7.50	1,545.99	15.46	1,530.53	1,531	
124	Houghton Conquest	8.00	57.73	158.35	125.43	117.65	88.83	55.83	4.00	615.82	6.16	609.66	610	
125	Hulcote & Salford	3.00	6.25	10.88	13.00	10.65	19.73	27.50	5.50	96.51	0.97	95.54	96	
126	Husborne Crawley	1.17	1.17	26.04	30.69	8.92	17.72	18.75	8.00	112.46	1.12	111.34	111	
127	Langford	15.33	96.82	247.59	280.56	240.18	229.67	152.97	2.00	1,265.12	12.65	1,252.47	1,252	
128	Lidlington	6.52	97.28	137.54	52.35	92.80	52.72	28.75	4.00	471.96	4.72	467.24	467	
129	Marston Moretaine	45.01	327.71	436.02	423.50	424.49	140.08	83.33	1.50	1,881.64	18.82	1,862.82	1,863	
130	Maulden	38.89	79.51	162.35	129.81	322.98	309.18	217.67	10.00	1,270.39	12.7	1,257.69	1,258	
131	Meppershall	5.77	34.54	106.79	137.72	141.66	203.51	73.33	6.00	709.32	7.09	702.23	702	
132	Millbrook	1.17	1.56	9.56	15.06	9.78	4.33	13.75	6.00	61.21	0.61	60.60	61	
133	Milton Bryan	0.67	1.80	7.96	9.79	11.00	4.33	35.83	9.50	80.88	0.81	80.07	80	
134	Mogerhanger	4.14	26.75	49.16	44.54	39.50	54.89	15.00	4.00	237.98	2.38	235.60	236	

Central Beds Council - Taxbase calculation 2016-17 Summary

Appendix G

		Band D equivalents											
		Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total	1% Non collection	Band D total for parish	Rounded Band D total for parish
135	Northill LA	2.17	17.84	120.28	74.81	153.13	66.44	34.17	2.00	470.84	4.71	466.13	466
136	Northill NLA	11.00	35.28	38.62	78.33	93.93	108.69	125.32	21.50	512.67	5.13	507.54	508
137	Old Warden	7.83	3.11	22.31	19.97	26.64	19.86	30.42	5.50	135.64	1.36	134.28	134
138	Potsgrove	0.67	0.00	0.00	2.75	2.14	2.89	6.25	6.00	20.70	0.21	20.49	20
139	Potton	106.52	237.46	487.11	317.80	379.23	221.95	125.42	4.00	1,879.49	18.79	1,860.70	1,861
140	Pulloxhill	2.00	9.14	75.67	46.06	75.17	126.87	121.17	3.50	459.58	4.6	454.98	455
141	Ridgmont	4.33	15.82	29.93	33.61	25.29	23.11	19.17	6.00	157.26	1.57	155.69	156
142	Sandy	172.55	932.43	882.84	764.66	820.33	307.81	102.50	6.00	3,989.12	39.89	3,949.23	3,949
143	Shefford	116.63	259.32	565.23	399.56	653.77	287.01	89.17	0.00	2,370.69	23.71	2,346.98	2,347
144	Shillington	15.26	54.64	155.51	146.20	164.96	174.78	96.25	14.50	822.10	8.22	813.88	814
145	Silsoe	5.83	36.50	168.76	218.63	236.19	251.64	258.32	9.50	1,185.37	11.85	1,173.52	1,174
146	Southill	5.95	15.90	132.88	53.79	96.57	108.74	50.00	8.00	471.83	4.72	467.11	467
147	Steppingley	2.09	3.65	4.89	27.50	9.78	15.89	40.00	2.00	105.80	1.06	104.74	105
148	Stondon	104.41	92.80	214.88	110.24	107.59	224.18	130.83	7.00	991.93	9.92	982.01	982
149	Stotfold	68.86	322.91	697.12	962.86	682.39	344.50	96.90	0.00	3,175.54	31.76	3,143.78	3,144
150	Sutton	0.67	7.19	23.24	11.00	20.78	28.89	36.67	4.00	132.44	1.32	131.12	131
151	Tempsford	2.00	12.97	44.23	46.00	43.00	32.37	46.67	4.00	231.24	2.31	228.93	229
152	Tingrith	0.50	0.78	6.09	11.94	4.89	15.17	43.75	5.50	88.62	0.89	87.73	88
153	Westoning	7.08	45.04	173.25	164.02	101.05	148.42	211.67	24.50	875.03	8.75	866.28	866
154	Woburn	5.17	22.41	109.40	76.56	56.53	56.69	95.83	15.50	438.09	4.38	433.71	434
155	Wrestlingworth & Cockayne Hatley	1.67	2.35	61.75	44.68	97.85	55.61	67.08	4.00	334.99	3.35	331.64	332
156	Fairfield	0.33	13.19	164.46	358.81	278.12	126.39	212.92	0.00	1,154.22	11.54	1,142.68	1,143
AE	Barton Le Clay	13.57	54.53	509.06	535.81	340.12	298.12	199.17	8.00	1,958.38	19.58	1,938.80	1,939
BW	Billington	29.63	2.14	19.36	22.02	18.94	15.53	66.25	5.50	179.37	1.79	177.58	178
CE	Caddington	71.48	26.30	380.12	366.62	308.46	227.43	91.25	4.00	1,475.66	14.76	1,460.90	1,461
DW	Chalgrave	4.75	5.26	38.72	33.27	25.36	33.94	63.75	4.00	209.05	2.09	206.96	207
EE	Dunstable	855.03	1,786.28	3,547.75	3,755.76	1,380.27	598.45	279.68	3.00	12,206.22	122.06	12,084.16	12,084
FW	Eaton Bray	10.55	51.46	186.18	146.16	181.55	321.72	258.62	6.00	1,162.24	11.62	1,150.62	1,151
GW	Eggington	1.67	3.11	5.06	25.44	27.19	19.51	37.08	6.00	125.06	1.25	123.81	124
HW	Heath & Reach	7.03	36.65	128.84	115.30	93.15	146.38	76.25	28.00	631.60	6.32	625.28	625
JW	Hockliffe	7.79	43.82	127.15	80.37	68.68	19.86	14.58	8.00	370.25	3.7	366.55	367
KW	Houghton Regis	317.13	2,238.44	1,099.63	643.09	263.02	76.41	28.33	5.00	4,671.05	46.71	4,624.34	4,624
LE	Hyde	1.00	1.56	38.57	38.69	33.05	22.03	23.33	8.00	166.23	1.66	164.57	165
ME	Kensworth	12.63	9.43	120.23	90.60	139.96	98.22	107.92	26.00	604.99	6.05	598.94	599
NW	Leighton-Linslade	512.68	2,411.99	4,128.21	2,893.79	2,525.23	1,056.18	408.85	28.50	13,965.43	139.65	13,825.78	13,826
PW	Stanbridge	2.08	6.64	9.72	36.58	98.41	96.23	96.25	2.00	347.91	3.48	344.43	344
QE	Streatley	0.67	38.22	228.88	137.37	124.37	92.72	64.58	8.00	694.81	6.95	687.86	688

**Central Beds Council - Taxbase
calculation 2016-17 Summary**

Appendix G

		Band D equivalents											
		Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total	1% Non collection	Band D total for parish	Rounded Band D total for parish
RE	Studham	5.00	4.28	16.04	56.82	54.80	157.08	335.00	13.50	642.52	6.43	636.09	636
SE	Sundon	5.73	20.67	64.39	14.75	20.40	29.97	13.33	2.00	171.24	1.71	169.53	170
TW	Tilsworth	1.33	10.19	28.08	26.14	23.83	30.69	42.92	4.00	167.18	1.67	165.51	166
UE	Toddington	30.25	106.38	449.83	306.80	389.41	273.74	236.23	9.50	1,802.14	18.02	1,784.12	1,784
VE	Totternhoe	34.85	12.81	102.50	57.25	102.18	110.14	72.50	2.00	494.23	4.94	489.29	489
WW	Whipsnade	49.89	1.56	2.44	10.75	9.17	22.03	105.83	29.00	230.67	2.31	228.36	228
XE	Chalton	1.33	3.53	33.06	73.39	60.81	28.17	32.08	0.00	232.37	2.32	230.05	230
YE	Slip End	109.38	10.50	105.68	220.58	146.37	95.33	16.67	0.00	704.51	7.05	697.46	697
		3,660.48	13,173.49	23,898.13	19,942.23	17,123.75	10,999.50	7,444.76	667.00	96,909.34	969.10	95,940.24	95,945

Central Beds Council - Taxbase
calculation 2016-17 Summary

Appendix G

Parish	2015/2016 band D equivalents	2016/2017 band D equivalents	Difference in Tax base	% difference
Ampthill	2,992	3,070	78	2.61%
Arlesey	1,824	1,872	48	2.63%
Aspley Guise	1,026	1,047	21	2.05%
Aspley Heath	368	369	1	0.27%
Astwick	13	15	2	15.38%
Battlesden	20	20	0	0.00%
Biggleswade	5,874	6,266	392	6.67%
Blunham	435	437	2	0.46%
Brogborough	101	113	12	11.88%
Campton/Chicksands	601	601	0	0.00%
Clifton	1,156	1,207	51	4.41%
Clophill	720	736	16	2.22%
Cranfield	1,552	1,650	98	6.31%
Dunton	270	273	3	1.11%
Edworth	28	28	0	0.00%
Eversholt	200	202	2	1.00%
Everton	209	210	1	0.48%
Eyeworth	45	47	2	4.44%
Flitton/Greenfield	632	637	5	0.79%
Flitwick	4,492	4,643	151	3.36%
Gravenhurst	245	246	1	0.41%
Harlington	871	884	13	1.49%
Haynes	512	518	6	1.17%
Henlow	1,501	1,531	30	2.00%
Houghton Conquest	581	610	29	4.99%
Hulcote & Salford	95	96	1	1.05%
Husbourne Crawley	105	111	6	5.71%
Langford	1,249	1,252	3	0.24%
Lidlington	457	467	10	2.19%
Marston Moretaine	1,731	1,863	132	7.63%
Maulden	1,245	1,258	13	1.04%
Meppershall	695	702	7	1.01%
Millbrook	61	61	0	0.00%
Milton Bryan	80	80	0	0.00%
Mogerhanger	241	236	-5	-2.07%
Northill	978	974	-4	-0.41%
Old Warden	133	134	1	0.75%
Potsgrove	20	20	0	0.00%
Potton	1,831	1,861	30	1.64%
Pulloxhill	450	455	5	1.11%
Ridgmont	154	156	2	1.30%
Sandy	3,874	3,949	75	1.94%
Shefford	2,308	2,347	39	1.69%
Shillington	805	814	9	1.12%
Silsoe	1,064	1,174	110	10.34%
Southill	463	467	4	0.86%
Steppingley	105	105	0	0.00%
Stondon	953	982	29	3.04%
Stotfold	3,004	3,144	140	4.66%
Fairfield	1,141	1,143	2	0.18%
Sutton	127	131	4	3.15%
Tempsford	231	229	-2	-0.87%
Tingrith	89	88	-1	-1.12%
Westoning	855	866	11	1.29%
Woburn	431	434	3	0.70%
Wrestlingworth & Cockayne Hatley	329	332	3	0.91%
Totals:	51,572.00	53,163.00	1,591	3.09%

Central Beds Council - Taxbase
calculation 2016-17 Summary

Appendix G

Parish	2015/2016 band D equivalents	2016/2017 band D equivalents	Difference in Tax base	% difference
Barton Le Clay	1,929	1,939	10	0.52%
Billington	173	178	5	2.89%
Caddington	1,449	1,461	12	0.83%
Chalgrave	206	207	1	0.49%
Chalton	229	230	1	0.44%
Dunstable	11,783	12,084	301	2.55%
Eaton Bray	1,134	1,151	17	1.50%
Eggington	121	124	3	2.48%
Heath & Reach	616	625	9	1.46%
Hockliffe	369	367	-2	-0.54%
Houghton Regis	4,466	4,624	158	3.54%
Hyde	162	165	3	1.85%
Kensworth	592	599	7	1.18%
Leighton-Linslade	13,438	13,826	388	2.89%
Slip End	695	697	2	0.29%
Stanbridge	338	344	6	1.78%
Streatley	682	688	6	0.88%
Studham	631	636	5	0.79%
Sundon	168	170	2	1.19%
Tilsworth	156	166	10	6.41%
Toddington	1,768	1,784	16	0.90%
Totternhoe	492	489	-3	-0.61%
Whipsnade	223	228	5	2.24%
Totals:	41,820	42,782	962	2.30%
Grand Totals	93,392	95,945	2,553	2.73%

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Central Bedfordshire Council
Medium Term Financial Plan 2016-17
Pressures by Directorate

Appendix H

	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s
Social Care Health & Housing	8,653	5,010	4,874	4,666	23,203
Children's Services	1,324	193	138	(50)	1,605
Community Services	1,670	934	118	153	2,875
Regeneration and Business Support	456	120	-	-	576
Public Health	1,294	522	475	462	2,753
Improvement and Corporate Services	211	58	137	-	406
Corporate Resources	385	200	200	200	985
Sub-total	13,993	7,037	5,942	5,431	32,403
Corporate Costs	1,286	2,571	2,041	2,000	7,899
Total	15,279	9,609	7,983	7,431	40,302

Directorate	Reference	Details of pressure	Implications/ Impact	2016/17	2017/18	2018/19	2019/20	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
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	179	75	(33)	(50)	171	Expected No. of Special Guardianship Orders March 2015, 120, average cost £720 per month, increase of 24 per year anticipated phased (50% increase held on risk 2015/16).
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	155	94	94		343	Expected No. of Adoption Allowances March 2015, 35, average cost per £650 month, increase of 12 per year anticipated phased (50% increase held on risk 2015/16).
Children's Services	CSP1504	Foster Care Allowance - Existing Pressure 2014/15 reduced to align with number of expected In-house Foster Carers and extended 2016/17 to 2018/19	This realignment will support the recruitment of more in house foster carers and reduce reliance on more expensive external foster carers.	56	63	70		189	Review annual increase of Foster Care Allowances. This is an allowance to pay for the needs of the child. It is separate from the foster fee.
Children's Services	CSP1506	Partnerships - grant funding that is being used to support a staff post will end 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.
Children's Services	CSP1601	Special Educational Needs and Disabilities (SEND) Grant		30				30	Special Educational Needs and Disabilities (SEND) Grant. There is a big increase in demand of children's assessments.
Children's Services	CSP1602	Early Help		116				116	Pressure funded from reserves 2014/15 and 2015/16 relating to efficiencies Biggleswade
Children's Services	CSP1603	Assessed and Supported Year in Employment (AYSE) Mitigation		189				189	2016/17, 3 x Agency Social Workers to mitigate use of Assessed and Supported Year in Employment (AYSE), 2017/18 reduce to 1, 2018/19 No AYSE mitigation
Children's Services	CSP1604	Agency		114	(47)	(47)		20	Based on 15 Social Workers full year, 14 recruited to by July
Children's Services	CSP1607	Residential Orders / Child Arrangement Orders		64				64	Residential / Child Arrangements Orders increased numbers
Children's Services	CSP1608	Leaving Care Accommodation		107				107	Increased Looked After Children in Leaving Care Accommodation
Children's Services	CSP1609	Unachievable 2015/16 Efficiency		15				15	Relates to decision that Transport would not remain in Children's - merging of posts therefore not achievable
Children's Services	CCP- 1617-03	Corporate Costs	Withdrawal of Pension Contracted Out Employer's National Insurance Rebate (3.4%)	299				299	National policy change. Children's Services allocation.

Directorate	Reference	Details of pressure	Implications/ Impact	2016/17	2017/18	2018/19	2019/20	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
Total Children's Services				1,324	193	138	(50)	1,605	
Corporate Resources	CRP - 1617-01	Revenues & Benefits	Reduction in Housing Benefit Admin grant.	200	200	200	200	800	This grant has been reduced each year. Figures are estimates as precise details have not yet been announced.
Corporate Resources	CRP - 1617-02	Financial Control	Increased charges for customer use of Debit Cards when making payments.	45				45	Major Debit Card companies have already increased the charges in 2015/16. This is the full year effect of the increases.
Corporate Resources	CRP - 1617-03	Insurance Management	Insurance administration recharge (income).	18				18	Reduced income as fewer Academies are opting to use the Council's framework insurance arrangements. Central government having introduced an alternative option.
Corporate Resources	CRP - 1617-04	Insurance Services	Insurance premiums, fees and net Insurance Premium Tax.	32				32	National increase in Insurance Premium Tax announced by the Chancellor.
Corporate Resources	CCP- 1617-03	Corporate Costs	Withdrawal of Pension Contracted Out Employer's National Insurance Rebate (3.4%)	90				90	National policy change. Corporate Resources allocation.
Total Corporate Resources				385	200	200	200	985	
Corporate Costs	CCP- 1617-01	Corporate Costs	Capital Financing - Minimum Revenue Provision	566	1,370	619	746	3,301	Figures reflect the proposed Capital Programme.
Corporate Costs	CCP- 1617-02	Corporate Costs	Capital Financing - Interest Payable	(103)	897	967	621	2,382	Figures reflect the proposed Capital Programme.
Corporate Costs	CCP- 1617-04	Employer's Pension Contribution	Past Service Pension Costs.	(28)	178	184	190	524	Employer's Pension Contribution - Linked to CCP-1415-01
Corporate Costs	CCP- 1617-05	Finance Cost Adjustment	Finance cost adjustment. Requirement in 2017/18 increases from £116k to £158k		42			42	Adjustment to early redemption premia relating to past Council borrowings.
Corporate Costs	CCP- 1617-06	Cross Cutting Efficiencies	Customer First phase 2 efficiency unachievable	329				329	Cross Cutting Efficiencies now reflected within Directorates where achievable.
Corporate Costs	CCP- 1617-07	National Living Wage	Internal Staffing Impact	22	134	271	443	871	National policy change. This cost will eventually be allocated across all appropriate Directorates.
Corporate Costs	CCP- 1617-08	Digitisation		500	(500)			0	
Corporate Costs	CCP- 1617-09	Apprenticeships Levy			450			450	
Total Corporate Costs				1,286	2,571	2,041	2,000	7,899	
ICS	ICSP-1516-05	Legal & Democratic - Democratic	Reduction in Local Land Charges income budget to move to a break even position		58	137		195	

Directorate	Reference	Details of pressure	Implications/ Impact	2016/17	2017/18	2018/19	2019/20	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
ICS	CCP- 1617-03	Corporate Costs	Withdrawal of Pension Contracted Out Employer's National Insurance Rebate (3.4%)	211				211	National policy change. Improvement & Corporate Services' allocation.
Total Improvement & Corporate Services				211	58	137	0	406	
Public Health	PH1	Public Health England Grant Reduction		749				749	Public Health England confirmed that the 2015-16 Grant will be cut in year.
Public Health	PH2	Movement in Public Health Reserve		530	522	475	462	1,989	Assumes Public Health Grant Ringfence continues.
Public Health	CCP- 1617-03	Corporate Costs	Withdrawal of Pension Contracted Out Employer's National Insurance Rebate (3.4%)	15				15	National policy change. Public Health allocation.
Total Public Health				1,294	522	475	462	2,753	
Community Services	SC1	Landfill tax uplift		15	19	23	24	81	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	SC2	Transport		161	137	140	140	578	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.
Community Services	SC3	Highways contract retendering resource.		(50)				(50)	Reversal of previous pressure as contract now let: Specialist advice and capacity required to procure a new highways maintenance contract for 1 April 2016.
Community Services	SC4	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	SC5	Residual treatment of waste		146	112			258	Additional costs of new treatment contracts
Community Services	SC6	Additional cost of bulking and haulage in the south		280	280			560	Waste from south central Bedfordshire will need to be bulked
Community Services	SC7	Increase in waste disposal costs due to housing growth		110	116	105	100	431	Figures based on housing completion numbers
Community Services	SC8	Gypsy and traveller resource		0	50			50	To cover cost of Gypsy & Traveller liaison officer - currently funded from reserves
Community Services	SC9	Assets	Private Finance Initiative (PFI)	38	38	38	38	152	Inflationary increase on contracted payments for Schools PFI contract
Community Services	SC10	Mailroom budget pressure	Postage volumes and the cost of postage have increased beyond the budget provision.	100	(33)	(33)	(34)	0	Mitigating action required across the Council to reduce pressure to zero over period of plan

Directorate	Reference	Details of pressure	Implications/ Impact	2016/17	2017/18	2018/19	2019/20	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
Community Services	SC11	Reduced Housing Revenue Account (HRA) recovery (£140k vs £174k budget)		34				34	Impact of formula revision
Community Services	SC12	Contract inflation		86				86	Amount over and above that built into Medium Term Financial Plan (MTFP) based on actual waste contract costs
Community Services	SC13	Domestic Abuse Perpetrator Programme		40				40	Currently a pilot scheme - becomes mainstream work following success - external funding will be sought if available
Community Services	SC14	Domestic Abuse Children's Refuge Worker		30				30	Currently a pilot scheme - becomes mainstream work following success. External funding will be sought if available
Community Services	SC15	Overtime budget for Parking Enforcement Team	Nature of shift work requires enhanced payments that are not included in salary budgets	22				22	Allows evening working
Community Services	SC16	Additional enforcement due to Automatic Number Plate Recognition (ANPR) cars being removed		15				15	Minimal staff costs to help alleviate changes in working patterns following removal of ANPR car provision
Community Services	SC17	Change to new highways contract format		100	(100)			0	Impact of different revenue / capital cost split in new contract - will be reversed as we reorganise
Community Services	SC18	Technical costs of Dunstable Leisure Centre			300	(170)	-130	0	Anticipated revenue cost of closing Dunstable Leisure Centre for rebuild
Community Services	SC19	Transport Strategy Team provision of a new Majors Team	More opportunity to be focussed on bid funding. Needed to support infrastructure that in turn supports growth	145				145	Create a new Major Projects team - cost recovered by staff savings and capitalisation
Community Services	SC20	Highways Development Management Team proposed changes.	New roles to deliver Section 38 / Section 278 income	150				150	Currently being delivered on a temporary basis by agency, cost is recovered through additional income from S38
Community Services	SC21	Reduced recycle income	result of new Code of Practice sampling regime requirements	50				50	Impact of new Government requirements
Community Services	CCP- 1617-03	Corporate Costs	Withdrawal of Pension Contracted Out Employer's National Insurance Rebate (3.4%)	183				183	National policy change. Community Services' allocation.
Total Community Services				1,670	934	118	153	2,875	
Regeneration	RG450	Sustainable drainage systems (SuDS) change in legislation resulting in Regulation setting out charges not brought forward			120			120	
Regeneration	RG451	Enabling Team		360	0			360	
Regeneration	CCP- 1617-03	Corporate Costs	Withdrawal of Pension Contracted Out Employer's National Insurance Rebate (3.4%)	96				96	National policy change. Regeneration & Business Support allocation.

Directorate	Reference	Details of pressure	Implications/ Impact	2016/17	2017/18	2018/19	2019/20	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
Total Regeneration & Business Support				456	120	0	0	576	
SCHH	ASC1	Increased demand on care packages for Older People		1,883	1,910	1,910	1,910	7,613	
SCHH	ASC2	Increased demand on care packages for Adults with a Learning Disability		2,220	2,051	1,930	1,890	8,091	
SCHH	ASC3	Local Welfare Provision		250				250	
SCHH	ASC4	Deprivation of Liberty Safeguarding (DoLS)		829				829	
SCHH	ASC5	Emergency Duty Team		30				30	
SCHH	ASC6	Reduction in income at the Houghton Regis Day Centre		125				125	
SCHH	ASC7	Increased cost of service delivery due to legislative changes		1,121	1,094	1,234	1,171	4,620	
SCHH	ASC8	Increased demand due to Homelessness		605	(100)	(200)	(305)	0	
SCHH	ASC9	Increase resources for the Let's Rent scheme		95	55			150	
SCHH	ASC10	Care Act Grant		1,189	0			1,189	
SCHH	CCP- 1617-03	Corporate Costs	Withdrawal of Pension Contracted Out Employer's National Insurance Rebate (3.4%)	306				306	National policy change. Social Care, Health & Housing allocation.
Total Social Care, Health & Housing				8,653	5,010	4,874	4,666	23,203	
Total				15,279	9,609	7,983	7,431	40,302	

Central Bedfordshire Council
Medium Term Financial Plan 2016-17
Efficiencies by Directorate

Appendix I (i)

	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s
Social Care Health & Housing	(6,449)	(1,658)	(2,128)	(2,058)	(12,293)
Children's Services	(1,853)	(1,158)	(1,476)	(964)	(5,451)
Community Services	(3,932)	(1,722)	(921)	(1,273)	(7,848)
Regeneration and Business Support	(302)	(385)	(125)	(340)	(1,152)
Public Health	(1,279)	(522)	(475)	(462)	(2,738)
Improvement and Corporate Services	(1,035)	(926)	(640)	(524)	(3,125)
Corporate Resources	(306)	(357)	(132)	(140)	(935)
Sub-total	(15,156)	(6,727)	(5,897)	(5,761)	(33,541)
Corporate Costs	(101)	(272)	(71)	(71)	(517)
Total	(15,257)	(7,000)	(5,968)	(5,832)	(34,058)

Central Bedfordshire Council
Medium Term Financial Plan 2016-17
Efficiencies by Directorate

Appendix I (i)

Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
Children's Services	CSE08	Corporate Partnerships and Community Engagement	This is a planned realignment in partnership funding through external grants.	(18)				(18)	These savings can be achieved through further efficiencies in the team's contracts and operational costs.
Children's Services	CSE1509	Looked After Children Residential Placements - Existing Efficiency 2014/15 reviewed and rephased	Fewer children in external placements	(195)	(156)			(351)	This efficiency is particularly focused on the nature and type of placement for children looked after. It is dependant upon CBC recruiting more foster carers in order that fewer residential placements will be required.
Children's Services	CSE1511	Foster Fee Scheme efficiency for 2014/15 reviewed in line with latest target for in-house carers / Independent Fostering Agencies (IFA's)	More in-house foster carers recruited and a reduction to use of Independent Fostering Agencies (IFA's)	(718)	(196)	(199)		(1,113)	This saving is dependant on successfully recruiting and retaining more in-house foster carers in order that fewer Independent Fostering Agency placements will be required.
Children's Services		Education Services	Music Service	(30)	(18)			(48)	Reduction to Council contribution to Music Services. Costs will be covered by increasing music lesson fees by 1%
Children's Services	CSE1602	Education Services	Income Generation	(29)	(39)			(68)	There is a demand from schools to buy in more psychology services.
Children's Services	CSE1603	Education Services	Staffing Review			(54)	(52)	(106)	We shall reduce staffing across Education Services to make this efficiency
Children's Services	CSE1604	Youth Support Services: Review commissions and the way we work to support young people	We will work with other organisations and local communities to deliver more for less, bid for European Social Funding money and access other funding sources not available to councils.	(25)	0	0	0	(25)	Youth Services will be delivered in a different way.
Children's Services	CSE1605	Academy of Social Work and Early Intervention: review staffing and reduce costs	Review Terms and Conditions of staff to reflect working arrangements(16/17); Reduce venue costs and the staffing delivering the Assessed and Supported Year in Employment programme (18/19), reduce staffing (19/20).	(25)	0	(93)	(42)	(160)	As the social worker workforce stabilises it is likely that the recruitment of two cohorts of newly qualified social workers each year will no longer be needed. Service to be reshaped to reflect this.
Children's Services	CSE1607	Children's Commissioning: review arrangements to ensure the service continues to deliver improved efficiency and outcomes	Identify opportunities for joint commissioning , review staffing and increase income generation	(56)	(45)			(101)	The reduction in staff over the next 2 years reflects the changing demand for commissioning activity across the directorate.
Children's Services	CSE1608	Generating additional income through the Academy of Social Work and Early Intervention	Compensatory savings will have to be delivered if income target not achieved. This will require a reduction in staff and aspects of the Academy will no longer be viable.	(100)	(50)	(65)		(215)	If the Academy is no longer viable the Council could be at risk of not meeting its legal duty to ensure sufficient child care for parents. This could be mitigated by the local market developing to fill the gap in provision. We also rely on the Academy to support our social worker recruitment and retention strategy.
Children's Services	CSE1609	Reduction to funding for the Voluntary and Community Services Infrastructure Organisations.	Reduction in funding to Infrastructure organisations that provide information, advice and training support to voluntary and community organisations.	(24)	(23)	(22)	(21)	(90)	We will work with the sector to explore new ways of working and support voluntary and community organisations to access alternative sources of funding.
Children's Services	CSE1610	Operations	Early Help	(77)				(77)	Reduction to staff - 2 posts currently vacant
Children's Services	CSE1611	Operations	Early Help	(16)				(16)	Payment By Results - Troubled Families
Children's Services	CSE1612	Operations	Early Help & Family Support	(518)				(518)	Contracts to be reviewed include direct work with , Looked After Children and vulnerable families who could receive less support.

Central Bedfordshire Council
Medium Term Financial Plan 2016-17
Efficiencies by Directorate

Appendix I (i)

Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
Children's Services	CSE1618	Operations	Transition of Early Help & Family Support	300	(200)	(100)		0	Review Children Society Contract. This could reduce the amount of direct support to children who are vulnerable from outside Social work team support.
Children's Services	CSE1614	Operations	Children with Disabilities	(158)				(158)	Reduce payments to voluntary organisations and encourage them to deliver support for CWD and their families in a different way.
Children's Services	CSE1617	Operations	Supervised Contact	(8)				(8)	Reduce contracted supervised contact hours for families.
Children's Services	CSE1619	Operations	Childminding	(12)				(12)	Reduced contribution to childminding costs
Children's Services	CSE1620	Operations	Fostering	(24)	(24)			(48)	Revise Framework Agreement to introduce efficiencies
Children's Services	CSE1624	Operations	Assessed and Supported Year in Employment (AYSE) Mitigation		(126)	(63)		(189)	Reduce AYSE Mitigation to 1 Agency SW as we will need fewer AYSE's on reduced caseloads.
Children's Services	CSE1627	Operations	Quality Assurance	(60)				(60)	Reduce 1 FTE IRO - based on reduced LAC Numbers. This efficiency depends on reduced LAC numbers.
Children's Services	CSE1629	Transformation			(281)	(880)	(849)	(2,010)	Deliver Children's Services Transformation strategy to ensure we continue to reduce family breakdown and child abuse,
Children's Services	CSE1628	Programme Management		(60)				(60)	Staff Reduction 1 FTE
Total Children's Services				(1,853)	(1,158)	(1,476)	(964)	(5,451)	
Corporate Resources	CRE - 1617-01	Financial Performance & Support	Staff Savings through streamlining processes, and overhead reduction.	(59)	(20)			(79)	
Corporate Resources	CRE - 1617-02	Financial Control	Achieving efficiencies in end to end processes	(78)	9	8		(61)	
Corporate Resources	CRE - 1617-03	Revenues & Benefits	Increase in recovery of overpaid Housing Benefit	(50)	(95)	(70)	(90)	(305)	Additional Real Time Information now being received from DWP enables more overpayments to be identified.
Corporate Resources	CRE - 1617-04	Revenues & Benefits	Risk Based Verification processing efficiency	(45)	(45)			(90)	Staffing reductions through more efficient processes.

Central Bedfordshire Council
Medium Term Financial Plan 2016-17
Efficiencies by Directorate

Appendix I (i)

Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
Corporate Resources	CRE - 1617-05	Revenues & Benefits	Civica Revenues Module Savings	(30)				(30)	Staffing reductions through more efficient processes.
Corporate Resources	CRE - 1617-06	Chief Finance Officer	Increased Housing Revenue Account (HRA) contribution	(47)				(47)	Recharge to HRA reflecting additional resources allocated.
Corporate Resources	CRE - 1617-07	Insurance Management	Process Improvement	(6)	(18)			(24)	More efficient arrangements for management of Insurance.
Corporate Resources	CRE - 1617-08	Audit Fees	Reduced fees	(41)				(41)	External Audit fees expected to be reduced.
Corporate Resources	CRE - 1617-09	Audit	Misc. overhead cost reductions		(8)			(8)	Reduction in Internal Audit overheads.
Corporate Resources	CRE - 1617-10	Revenues & Benefits	Corporate Fraud Team external income generation		(30)			(30)	Proposal to provide chargeable services to, for example, Housing Associations.
Corporate Resources	CRE - 1617-11	Revenues & Benefits	Administration of Local Council Tax Support scheme	50	(150)	-		(100)	Savings related to streamlining the administration of the Local Council Tax Support scheme.
Corporate Resources	CRE - 1617-12	Audit	Internal Audit Income Generation			(40)	(20)	(60)	Proposal to provide chargeable services to, for example, schools and other bodies.
Corporate Resources	CRE - 1617-13	Revenues & Benefits	Revenues and Benefits external income generation			(30)	(30)	(60)	Proposal to provide chargeable services to other local authorities.
Total Corporate Resources				(306)	(357)	(132)	(140)	(935)	
Corporate Costs	CCE- 1617-02	Corporate Housing Revenue Accounts (HRA) Recharges	Increased HRA recharges	(30)				(30)	Recharge to HRA reflecting additional resources allocated.
Corporate Costs	CCE- 1617-03	Premature Retirement	Pension costs (teachers and non teachers) early retirement- assumed 2.5% reduction p.a.	(71)	(71)	(71)	(71)	(286)	Reduction in costs relating to historic early retirements.
Corporate Costs	CCE- 1617-04	Contingency & Reserves	Reduction in budget to support income analysis and capital programme control		(201)			(201)	Release of reserve set aside in 2016/17 to fund support of service transformation. (Base budget reduction.)
Total Corporate Costs				(101)	(272)	(71)	(71)	(517)	
ICS	ICSE - 1617-01	L&D	Savings due to Registration Service's move from Pilgrim House to Ampthill Court House	(30)				(30)	L&D

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Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
ICS	ICSE - 1617-02	Cust Serv	Delay in Customer Services Staff multitasking to carry out JCP work.		(50)			(50)	Cust Serv
ICS	ICSE - 1617-03	Dir ICS	Merge common functions	(100)	(100)	(100)		(300)	
ICS	ICSE - 1617-04	IT	Reprofile Mobile and Fixed Line Savings - EFF-RES-ICT-06, 07	40				40	IT
ICS	ICSE - 1617-05	IT	Review of Management and IT structures	(151)				(151)	IT
ICS	ICSE - 1617-06	IT	Minimal Consultancy Prof Serv BAU	(50)				(50)	IT
ICS	ICSE - 1617-07	Procurement	General Procurement Savings ICS	(50)	(50)	(50)		(150)	Procurement
ICS	ICSE - 1617-08	HRA recharges	Increased recharges to the HRA to reflect ICS support levels	(200)				(200)	
ICS	ICSE - 1617-09	IT	Further review of IT staff structure	(149)				(149)	
ICS	ICSE - 1617-10	Legal Services	New service provision	(225)				(225)	
ICS	ICSE - 1617-11	Democratic Services	Various efficiencies	(33)		(40)	(40)	(113)	
ICS	ICSE - 1617-12	Communications & Insight	Restructure and News Central	(44)				(44)	
ICS	ICSE - 1617-13	Procurement	Central Purchasing		(200)	(300)	(300)	(800)	

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Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
ICS	ICSE - 1617-14	Communications & Insight	Service delivery review		(91)			(91)	
ICS	ICSE - 1617-15	Customer Services	Reductions in call centre as a result of channel shift			(150)	(75)	(225)	
ICS	ICSE - 1617-16	IT	Service delivery review	(40)	(30)			(70)	
ICS	ICSE - 1617-17	ICS	Review directorate arrangements				(100)	(100)	
ICS	ICSE - 1617-18	Customer Services	Review of face to face		(250)			(250)	
ICS	ICSE - 1617-19	HR	Service delivery review		(152)			(152)	
ICS	ICSE - 1617-20	Working Smarter		(3)	(2)		(9)	(14)	
Total Improvement & Corporate Services				(1,035)	(926)	(640)	(524)	(3,125)	
Public Health	PH1	0-5 Commissioning & Commissioning for Quality and Innovation (CQUIN)	Minimal	(122)				(122)	Commissioning for Quality and Innovation (CQUIN) may be required if NHS contract, use strategic reserve in 16/17 if necessary
Public Health	PH2	Re-aligning priorities	Significant in short term requiring new ways of working in longer term	(160)				(160)	Shared posts & de-prioritise some activity
Public Health	PH3	Reduce duplication and de-commission services with poor outcomes	Minimal	(173)				(173)	Services currently funded through contributions to other directorates - Kidstime (£25k), CAN YP (£70k) & CAN housing support (£30k) DA Aspire (£48k)
Public Health	PH4	Reduce existing budgets	Minimal	(45)				(45)	
Public Health	PH5	Income generation	Using existing skills & expertise to other parts of the system, therefore reducing some capacity for CBC	(30)	(50)		(100)	(180)	
Public Health	PH6	Innovation Fund - Drug & Alcohol	Minimal		(25)			(25)	
Public Health	PH7	Healthy Child Programme (HCP) re-procurement	Minimal if market sufficiently competitive on outcome based specification		(282)			(282)	6.2 % (equivalent to Central government reduction to grant) on CBC element
Public Health	PH8	Vacancy Rate Factor 5%	Minimal		(38)			(38)	

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Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
Public Health	PH9	FYE Sexual Health re-procurement efficiencies	Minimal if market sufficiently competitive on outcome based specification		(37)			(37)	
Public Health	PH10	FYE Re-prioritisation			(90)			(90)	
Public Health	PH11	Further re-alignment of priorities	Reduction in capacity to deliver strategic priorities			(160)		(160)	
Public Health	PH12	Re-define stop smoking offer	Reduction in capacity				(62)	(62)	Equivalent to 10% on budget
Public Health	PH13	Reduce Aspire NLP (Neuro-Linguistic Programming)	Reduced early intervention and prevention for vulnerable young people			(65)		(65)	
Public Health	PH14	Re-focus health check programme	Reputational if national programme remains universal			(250)		(250)	Deliver to high risk groups only
Public Health	PH15	Reduce adult weight management	No funded access to commercial weight management				(45)	(45)	
Public Health	PH16	Stop Health checks	No systematic identification of those at high risk of CVD (Cardiovascular Disease). Reputational risk				(255)	(255)	Includes associated posts (£40k)
Public Health	PH17	Vacant Post Payroll Savings	Stop some functions	(78)				(78)	Vacant Posts, inc EP
Public Health	PH18	Drugs & Alcohol Service	Budget savings on retender of contract	(230)				(230)	Full Year Effect of new contract
Public Health	PH19	Drug Intervention Programme	Change of Institute of Medicine (IOM) focus and new Drug & Alcohol provider	(125)				(125)	Potential savings on contract
Public Health	PH20	Other Drug & Alcohol savings	Fund for innovation and service user input reduced.	(60)				(60)	Potential saving within new contract on Innovation and SAMAS
Public Health	PH21	Aspire NLP (Neuro-Linguistic Programming)	Minimal	(7)				(7)	Saving 10% on £72k budget
Public Health	PH22	Doolittle Mill	Minimal - part of working smarter	(45)				(45)	Rent/Rates/Utilities
Public Health	PH23	Sexual Health	Minimal if market sufficiently competitive	(113)				(113)	Saving 10% on CASH & GUM contract - part year effect
Public Health	PH24	Lecturing & Health Protection Income	Additional income	(30)				(30)	Bucks Medical School & MK for health protection
Public Health	PH25	Healthy Under 5's	Minimal - as some duplication in current commissioning arrangements	(50)				(50)	De-commission include in oral health promotion
Public Health	PH26	Risky Behaviours	Minimal	(10)				(10)	De-commission

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Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
Total Public Health				(1,279)	(522)	(475)	(462)	(2,738)	
Community Services	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.	(70)				(70)	Revenue savings from implementation of Street Lighting Strategy
Community Services	SC158	Countryside sites - wider provision of services to provide increased income and revised maintenance regime		(70)				(70)	Countryside sites - wider provision of services to provide increased income and revised maintenance regime
Community Services	SC166	CCTV	Integrate CCTV into Council ICT infrastructure		(35)			(35)	CCTV will use existing CBC infrastructure leading to line rental savings. This is dependent on IT agreeing use of WAN.
Community Services	SC171	Reduction in shared library hub back office costs		(35)				(35)	Reduction in shared library hub back office costs
Community Services	SC173	Additional libraries income and Leighton Buzzard theatre		(13)				(13)	Additional libraries income and Leighton Buzzard Theatre
Community Services	SC251	Increased income from leisure contracts			(60)	(40)		(100)	Year on year increases in income from leisure contracts (over and above £45K in previous MTFP) - this is existing contracts and excludes FLC
Community Services	SC253	Increase range of fees and charges (and income generated)		(50)				(50)	Fees and charges
Community Services	SC254	New leisure management contract		(437)	(110)	(96)	(42)	(685)	These are the new contract income figures for new Flitwick Leisure Centre.
Community Services	SC351	Reduction in repairs and maintenance for leisure centres		(10)				(10)	Reflects capital investment in the centres
Community Services	SC355	food waste disposal costs	negotiated reduced gate fee	(7)				(7)	
Community Services	SC357	Food bags north		(25)				(25)	Needs investment by contractor for them to process revised material hence occurring in 16/17
Community Services	SC358	Biffa contract negotiations		(25)	(25)			(50)	Reduced costs of waste collection contracts following negotiation
Community Services	SC374	Dunstable Leisure Centre					(400)	(400)	Increased income from rebuilt Leisure Centre
Community Services	SC450	working smarter	Unachievable £ 200k saving from 15/16 assumed to slip into 16/17	(166)		(56)	5	(217)	Savings from property included in the 'Working Smarter' project whose costs are accounted for in Assets
Community Services	SC451	FM - efficiency Additional recharges Bedford Sq.		(89)				(89)	External income from tenants

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Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
Community Services	SC452	FM - Bundle FM services as contracts expire			(27)	(80)		(107)	17/18 Combine security with cleaning contract & 18/19 Retender catering contract
Community Services	SC454	FM - Additional utility recharges to tenants		(10)				(10)	
Community Services	SC455	FM - Printing & Stationery - rate reduction		(25)				(25)	
Community Services	SC456	Salary capitalisation	Include in cost plan for Development Team	(28)	(10)			(38)	
Community Services	SC457	Estates - Additional rental income from Investment portfolio	New lettings	(65)	(10)	(10)	(10)	(95)	
Community Services	SC460	Capital - Feed In Tariff(FiT) income generation - assumes install programme completes in 2015/16	Assets registered to receive income	(39)				(39)	Impact of installing solar panels in 2015
Community Services	SC461	Capital - Energy Savings from energy efficiency capital works	Tenders received 15/09/2015	(19)	(30)	(30)	(30)	(109)	Impact of capital investment programme to reduce energy costs
Community Services	SC462	Assets - Staff costs		(158)	(20)	(20)		(198)	Reorganisation of Assets team
Community Services	SC464	Increase in current parking Fees and Charges		(179)				(179)	As per fees and charges approved by Council
Community Services	SC465	Domestic Abuse SLA Income		(22)				(22)	Year on year funding from agreement to provide service to Bedford Borough - Not guaranteed
Community Services	SC466	ASB SLA Income		(15)				(15)	Year on year funding from agreement to provide service to Bedford Borough - Not guaranteed
Community Services	SC467	IDVA Home Office Grant		(20)				(20)	Year on Year Funding - Not guaranteed
Community Services	SC468	Community Safety operational budget reductions		(14)				(14)	Combination of various small efficiencies - Vehicle fuel, maintenance, legal fees and CCTV general expenses
Community Services	SC469	Charge for Sunday Parking in MSCP	Based on £2 for a day on last years usage.	(15)				(15)	Multi Story Car Park is already open on Sundays but is free of charge. Would need enforcement
Community Services	SC470	Additional car parking income Steppingley Road		(45)				(45)	Linked to capital business case yet to be agreed.
Community Services	SC471	Service Manager reduction	workload impact - need to review processes		(40)			(40)	Loss of 1 service manager post
Community Services	SC472	Reduce CCTV cameras in areas where there is little impact		(15)				(15)	Cameras identified are in low incident demand areas.
Community Services	SC473	Develop additional off-street car parking				(100)	(100)	(200)	Parking studies suggest opportunities exist to develop additional revenue streams from new car parking provision in Leighton Buzzard and Biggleswade

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Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
Community Services	SC474	Bus way maintenance		(50)				(50)	Present spend indicates that budget can be reduced
Community Services	SC475	Reduction in maintenance on safety cameras		(15)				(15)	5 year reduction in maintenance costs following capital investment
Community Services	SC476	additional income through new highways contract		(100)				(100)	New contract allows Council to retain income previously kept by contractor as Council staff now have to do the associated work
Community Services	SC477	Grass cutting tender		(20)				(20)	Anticipated saving from retender
Community Services	SC478	reduction in contributions by leisure services			(6)	(8)		(14)	End of funding to FA partnership and reduction of contribution (in line with partners) of Team Beds and Luton
Community Services	SC480	Staff - countryside		(50)	(50)			(100)	Requires review of site management and agreement reached on alternative site management
Community Services	SC481	Physical Activity Income		(5)				(5)	From LiTC contract surplus - new income
Community Services	SC482	Library book fund	brings book fund budget down to £300k	(82)				(82)	Reduced stock renewal hard copy and on line. (£50k to meet previously agreed £85k plus another £32k SC171)
Community Services	SC483	Countryside site savings			(15)	(6)		(21)	£6k is Swiss Garden as due to surrender the lease, £15k net reduction on other sites
Community Services	SC484	Library savings – various (staffing and library link)		(62)				(62)	£37k (service development team) £25k (mini restructure in ops and van purchase of lease)
Community Services	SC485	Contract income improvements		(100)				(100)	11lfe contract as a result of Best Value proposals from the operator
Community Services	SC486	Standardised opening hours in libraries			(85)			(85)	Review of staffed opening hours to offer manned library service during times shown to be demand - greater use of buildings by community at other times
Community Services	SC487	staffing changes - libraries				(85)		(85)	
Community Services	SC488	Move to national concessionary fare scheme			(10)			(10)	Free bus travel limited to nationally agreed times
Community Services	SC489	Stop printed timetables	Information available from other sources	(25)				(25)	Implementation of second part of saving begun in 2015/16
Community Services	SC490	Movement of TC&ET to Passenger Transport	Better joined up working	(50)				(50)	Salary savings from combining two teams
Community Services	SC491	More Efficient running of services from business unit		(75)	(75)	(50)		(200)	includes IT saving
Community Services	SC492	Public Transport Savings from Passenger Transport Strategy	Routes may no longer be commercial and Dial a ride not funded		(270)	(100)	(100)	(470)	Dependant on adoption of Passenger Transport Strategy (may need to be kept to support Community Transport)

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Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
Community Services	SC493	More efficient use of Fleet by Adult Social Care	SCHH have agreed to annual review	(60)	(57)			(117)	Dependant on outcome of Passenger Transport Strategy
Community Services	SC494	Outsourcing of client transport team roles and responsibilities			(150)			(150)	Potential for saving from economies of scale
Community Services	SC495	Reduction in Salary budget Public Protection		(211)				(211)	
Community Services	SC496	increase in fees and charges		(2)				(2)	
Community Services	SC497	Hackney and private hire driver assessments and training		(10)				(10)	Provision of training to taxi drivers
Community Services	SC498	Provision joint Bedfordshire Trading Standards Unit			(40)			(40)	Indicative - requires suitable willing partner to share services
Community Services	SC499	Emergency Planning for Clinical Commissioning Groups (CCG)	Shared offer with Public health to co-ordinate emergency planning function for CCG	(40)				(40)	Requires agreement with Clinical Commissioning Groups (CCG)
Community Services	SC500	Provision of Bedfordshire Emergency Planning Unit			(10)			(10)	Indicative - requires suitable willing partner to share services
Community Services	SC501	Provision of Joint Bedfordshire Environmental Health & Licencing Unit				(50)		(50)	Indicative - requires suitable willing partner to share services
Community Services	SC502	Transport Strategy Team proposed changes	Set up a more process led approach to transport strategy	(42)				(42)	Reducing Transport Strategy (LTP Team) by one member of staff. The future over the next four years will be more policy led, with less variance in programmes.
Community Services	SC503	Income from charging of new transport model			(10)	(10)		(20)	Revenue from new transport model.
Community Services	SC504	Capitalisation of posts from the major projects team	Dependant on pressure to establish major projects team		(100)			(100)	Capitalisation of new transport Majors team salary - dependant on successful bids for new schemes
Community Services	SC505	Increased Section 38 income		(469)	(25)			(494)	Significant increased income from Section 38 debt over the medium term.
Community Services	SC506	Household Waste Recycling Centres (HWRC) new management contract	New contract and pricing structure including income for recyclates	(300)				(300)	Contract already in place
Community Services	SC507	Residual disposal savings	Treatment of Street Sweepings rather than landfill	(60)				(60)	Trial currently being run - savings will be achieved if successful
Community Services	SC508	New waste collection and street cleansing contract	2017/18 tender process				(300)	(300)	Estimated saving from retender

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Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
Community Services	SC509	Demand Management	Research & implementation post or other investment	50	(50)	(50)		(50)	Investment in then impact of demand management in waste
Community Services	SC510	Reduction of Household Waste Recycling Centre (HWRC) opening days	Reduce to 5 day opening	(135)				(135)	HWRC's will close for 2 days per week - these will not overlap at all sites so that there is always some provision
Community Services	SC512	Garden waste - suspension of collection over winter		(60)				(60)	No collection over winter months
Community Services	SC512	Income from transfer station			(40)			(40)	Income from new Transfer Station through provision of commercial capacity
Community Services	SC513	Management review -staff costs		(142)	(112)			(254)	Review of senior directorate management
Community Services	SC514	savings from depot based services			(80)			(80)	Saving in passenger transport operations through standardised operating procedures
Community Services	SC515	various small budget realignments from on-going savings	Budget realignment - ongoing savings	(31)				(31)	
Community Services	SC516	Business Rates	Budget realignment - ongoing savings	(70)				(70)	
Community Services	SC517	Transport - walking assessments policy reviews	The Passenger Transport Strategy deals with safe walking assessments. The methodology and prioritisation has been agreed by MRG 01/10/15	(50)	(100)	(100)	(50)	(300)	Impact of work following Transport Strategy on Home to School Transport costs
Community Services	SC519	Dunstable Library & Leisure Centre					(66)	(66)	Maintenance cost savings following provision of new Library in Dunstable
Community Services	SC518	Efficiencies from Special Educational Needs (SEN) Transport	A new procurement process will be put in place to deliver efficiencies for Home to School Transport		(70)	(30)	(180)	(280)	Impact of work following Transport Strategy on Home to School Transport costs
Total Community Services				(3,932)	(1,722)	(921)	(1,273)	(7,848)	

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Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
Regeneration	SC151	Community Infrastructure levy (CIL) administration fee		(25)	(25)	(25)		(75)	Administrative fee levied as part of the charge
Regeneration	SC154	Reduce development plan consultancy budget				150	(150)	0	
Regeneration	SC174	Business support & regeneration - private sector contributions		(10)				(10)	
Regeneration	SC175	Recovery of additional adult and community learning back office costs from external grant		(60)				(60)	
Regeneration	RG400	Sustainable drainage systems (SuDS) – explore introduction of charging for SuDS'			(120)			(120)	Unknown at this stage if charging can be introduced.
Regeneration	RG401	Increase development management income		(192)	(185)	(177)	(170)	(724)	
Regeneration	RG402	Deletion of allowance budget		(10)				(10)	
Regeneration	RG403	Electronic processes		(5)	(25)	(25)		(55)	need investment and support from ICT cost of investment unknown
Regeneration	RG404	Building control / Albion			(30)	(30)	(20)	(80)	
Regeneration	RG405	Working Smarter				(18)		(18)	
Total Regeneration & Business Support				(302)	(385)	(125)	(340)	(1,152)	
SCHH	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 Older People		(850)	(500)	(500)	(500)	(2,350)	
SCHH	EA61	Continue to extend the Reablement service to all customers with domiciliary care packages		(250)				(250)	
SCHH	EA64	Development of Independent Living Schemes		(360)		(386)	(369)	(1,115)	
SCHH	EA73	Deliver savings within Private Sector Housing & Housing Needs by better use of ICT and further income generation activity		(75)	(46)	(44)	(42)	(207)	
SCHH	EA91	Reviewing Care Packages to support proportional, targeted and focused care need for Older People		(400)				(400)	
SCHH	EA98	Housing Private Business Initiative		(100)	(300)			(400)	
SCHH	EA103	Investment in Independent Living schemes as an alternative to the use of Residential Care		(115)				(115)	

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Directorate	Reference	Details of efficiency	Implications/ Impact	2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	Total £'000s	Comments
SCHH	EA104	Use of earmarked reserve to support development of Independent Living schemes		30	470			500	
SCHH	EA106	Increased income from Care Fees		(330)	(210)	(210)	(210)	(960)	
SCHH	EA109	Transforming Care & Support		(318)	(675)	(408)	(434)	(1,835)	
SCHH	EA110	Utilisation of earmarked reserves to meet Deprivation of Liberty Safeguarding (DoLS) pressures		(276)	276			0	
SCHH	EA111	Review operational delivery of services for Adults with a Learning Disability		(204)				(204)	
SCHH	EA112	Better use of Assistive Technology		(200)	(100)	(100)	(100)	(500)	
SCHH	EA113	Implementation of new delivery models for services supporting Adults with a Learning Disability		(448)	(50)			(498)	
SCHH	EA114	Additional contributions from other local authorities to support the Emergency Duty Team		(20)				(20)	
SCHH	EA115	Right sizing care packages for Adults with a Learning Disability		(420)	(250)	(250)	(250)	(1,170)	
SCHH	EA116	More targeted approach of Domiciliary Care Packages for Older People		(150)				(150)	
SCHH	EA117	Review operational delivery of services for Older People		(33)				(33)	
SCHH	EA118	Reshape the Voluntary & Community Sector offer		(205)	(150)	(50)	(50)	(455)	
SCHH	EA119	Business process improvements		(176)				(176)	
SCHH	EA120	Realignment of Care Act Funding		(942)				(942)	
SCHH	EA121	Review of SCH&H directorate management arrangements		(277)	(100)	(180)	(100)	(657)	
SCHH	EA122	Maximise the allocation of the Training budget		(100)				(100)	
SCHH	EA123	Implementation of the Better Care Fund plan		(200)				(200)	
SCHH	EA124	Review recharge arrangements for management time in the Housing Revenue Account		(30)				(30)	
SCHH	EA125	Working Smarter			(23)		(3)	(26)	
Total Social Care, Health & Housing				(6,449)	(1,658)	(2,128)	(2,058)	(12,293)	
Total				(15,257)	(7,000)	(5,968)	(5,832)	(34,058)	

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Ref	Category	2016/17	2017/18	2018/19	2019/20	Total
		£000s	£000s	£000s	£000s	£000s
A	Demand Management	(4,998)	(1,389)	(1,900)	(1,986)	(10,275)
B	Income Generation	(3,158)	(1,533)	(977)	(1,264)	(6,932)
C	New Delivery Models	(1,575)	(662)	(542)	(572)	(3,351)
D	Better Targeting of Resources	(43)	(24)	(315)	(362)	(744)
E	Procurement/Commissioning	(2,426)	(1,747)	(1,066)	(1,304)	(6,543)
F	Digitisation and process automation	(165)	(105)	(175)	(75)	(520)
G	End to end process improvement	(2,891)	(1,540)	(993)	(269)	(5,693)
Total		(15,257)	(7,000)	(5,968)	(5,832)	(34,058)

Social Care, Health and Housing

Ref	Category	2016/17	2017/18	2018/19	2019/20	Total
		£000s	£000s	£000s	£000s	£000s
A	Demand Management	(3,508)	(4)	(750)	(750)	(5,012)
B	Income Generation	(605)	(556)	(254)	(252)	(1,667)
C	New Delivery Models	(1,245)	(173)	(486)	(472)	(2,376)
D	Better Targeting of Resources	-	-	-	-	-
E	Procurement/Commissioning	(638)	(825)	(458)	(484)	(2,405)
F	Digitisation and process automation	-	-	-	-	-
G	End to end process improvement	(453)	(100)	(180)	(100)	(833)
Total		(6,449)	(1,658)	(2,128)	(2,058)	(12,293)

Children's Services

Ref	Category	2016/17	2017/18	2018/19	2019/20	Total
		£000s	£000s	£000s	£000s	£000s
A	Demand Management	(981)	(633)	(1,079)	(849)	(3,542)
B	Income Generation	(175)	(107)	(65)	-	(347)
C	New Delivery Models	(25)	-	-	-	(25)
D	Better Targeting of Resources	(36)	(24)	-	-	(60)
E	Procurement/Commissioning	(394)	(200)	(100)	-	(694)
F	Digitisation and process automation	-	-	-	-	-
G	End to end process improvement	(242)	(194)	(232)	(115)	(783)
Total		(1,853)	(1,158)	(1,476)	(964)	(5,451)

Central Bedfordshire Council
Medium Term Financial Plan 2016-17
Efficiencies by Category

Appendix I (ii)

Community Services

Ref	Category	2016/17	2017/18	2018/19	2019/20	Total
		£000s	£000s	£000s	£000s	£000s
A	Demand Management	(387)	(472)	(150)	(166)	(1,175)
B	Income Generation	(1,704)	(285)	(286)	(582)	(2,857)
C	New Delivery Models	(40)	(215)	(56)	-	(311)
D	Better Targeting of Resources	-	-	-	-	-
E	Procurement/Commissioning	(468)	(128)	(118)	(480)	(1,194)
F	Digitisation and process automation	(85)	(35)	-	-	(120)
G	End to end process improvement	(1,248)	(587)	(311)	(45)	(2,191)
Total		(3,932)	(1,722)	(921)	(1,273)	(7,848)

Regeneration and Business Support

Ref	Category	2016/17	2017/18	2018/19	2019/20	Total
		£000s	£000s	£000s	£000s	£000s
A	Demand Management	(10)	-	150	(150)	(10)
B	Income Generation	(287)	(360)	(232)	(190)	(1,069)
C	New Delivery Models	-	-	-	-	-
D	Better Targeting of Resources	-	-	-	-	-
E	Procurement/Commissioning	-	-	-	-	-
F	Digitisation and process automation	(5)	(25)	(25)	-	(55)
G	End to end process improvement	-	-	(18)	-	(18)
Total		(302)	(385)	(125)	(340)	(1,152)

Public Health

Ref	Category	2016/17	2017/18	2018/19	2019/20	Total
		£000s	£000s	£000s	£000s	£000s
A	Demand Management	-	-	-	-	-
B	Income Generation	(60)	(50)	-	(100)	(210)
C	New Delivery Models	-	-	-	-	-
D	Better Targeting of Resources	(7)	-	(315)	(362)	(684)
E	Procurement/Commissioning	(883)	(344)	-	-	(1,227)
F	Digitisation and process automation	-	-	-	-	-
G	End to end process improvement	(328)	(128)	(160)	-	(616)
Total		(1,279)	(522)	(475)	(462)	(2,738)

Central Bedfordshire Council
Medium Term Financial Plan 2016-17
Efficiencies by Category

Appendix I (ii)

Improvement and Corporate Services

Ref	Category	2016/17	2017/18	2018/19	2019/20	Total
		£000s	£000s	£000s	£000s	£000s
A	Demand Management	-	-	-	-	-
B	Income Generation	(200)	(50)	-	-	(250)
C	New Delivery Models	(265)	(274)	-	(100)	(639)
D	Better Targeting of Resources	-	-	-	-	-
E	Procurement/Commissioning	(43)	(250)	(390)	(340)	(1,023)
F	Digitisation and process automation	-	-	(150)	(75)	(225)
G	End to end process improvement	(527)	(352)	(100)	(9)	(988)
Total		(1,035)	(926)	(640)	(524)	(3,125)

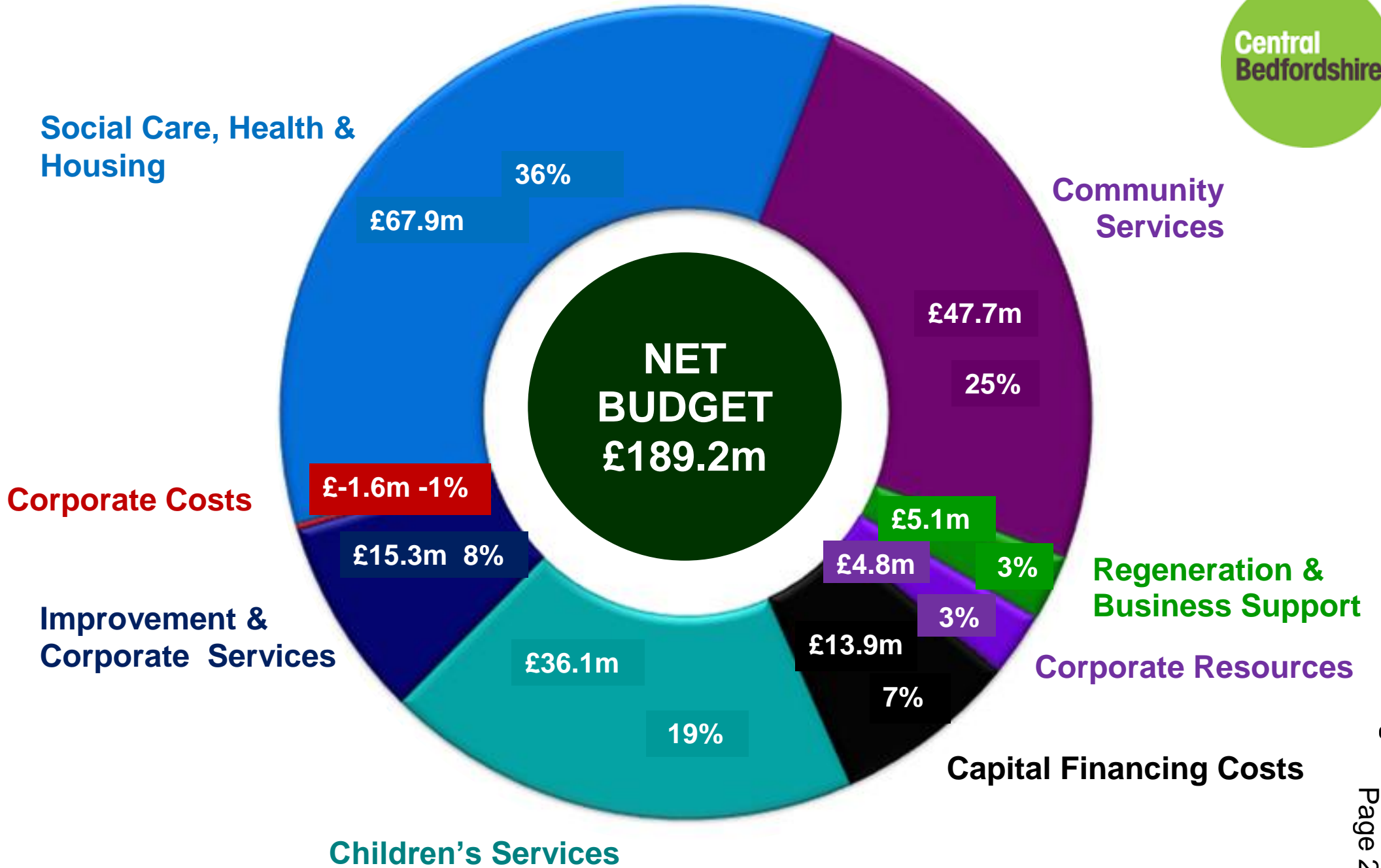
Corporate Resources

Ref	Category	2016/17	2017/18	2018/19	2019/20	Total
		£000s	£000s	£000s	£000s	£000s
A	Demand Management	(41)	(8)	-	-	(49)
B	Income Generation	(97)	(125)	(140)	(140)	(502)
C	New Delivery Models	-	-	-	-	-
D	Better Targeting of Resources	-	-	-	-	-
E	Procurement/Commissioning	-	-	-	-	-
F	Digitisation and process automation	(75)	(45)	-	-	(120)
G	End to end process improvement	(93)	(179)	8	-	(264)
Total		(306)	(357)	(132)	(140)	(935)

Corporate Costs

Ref	Category	2016/17	2017/18	2018/19	2019/20	Total
		£000s	£000s	£000s	£000s	£000s
A	Demand Management	(71)	(272)	(71)	(71)	(487)
B	Income Generation	(30)	-	-	-	(30)
C	New Delivery Models	-	-	-	-	-
D	Better Targeting of Resources	-	-	-	-	-
E	Procurement/Commissioning	-	-	-	-	-
F	Digitisation and process automation	-	-	-	-	-
G	End to end process improvement	-	-	-	-	-
Total		(101)	(272)	(71)	(71)	(517)

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Central Bedfordshire Equality Impact Assessment

Title of the Assessment:	Developing our News & Information Offer	Date of Assessment:	13/01/16
Responsible Officer	Name: Karen Aspinall	Extension Number:	76286
	Title: Head of Communications – Channels & Campaigns		
	Email: karen.aspinall@centralbedfordshire.gov.uk		

Stage 1 - Setting out the nature of the proposal and potential outcomes.

Stage 1 – Aims and Objectives	
1.1	<p>What are the objectives of the proposal under consideration?</p> <p>Proposing to change approach:</p> <ul style="list-style-type: none"> from quarterly production of News Central to annual Info Central directory: How to contact us – multi channel, including service standards Your services- an A-Z Your Councillors – who’s who and webcast promotion Your money – Council Tax explained and payment options Your feedback – how to comment, complain or compliment Stay in touch – email bulletins and social media Using local printed publications <p>For example almost 30 Town and Parish Councils have their own newsletter. The main towns of Dunstable, Houghton Regis and Leighton Buzzard produce their own publications for local residents, while Biggleswade and Sandy prefer to channel their news via the Biggleswade, Sandy and Beeston Bulletin (Rosetta Publishing title). Although the frequency of publication varies, most are open to including news from CBC but it would need to be very relevant i.e. very localised.</p> <ul style="list-style-type: none"> Extending our use of local digital channels <p>There are approximately 50 local Facebook pages in Central Bedfordshire. Some local radio stations have websites that could publish Council news. Some of the local newspapers also have fairly active Facebook pages or websites.</p> <ul style="list-style-type: none"> building digital skills <p>Some activities are happening in Central Bedfordshire already and there is potential for the council to partner with the agencies or support them by providing funding, training venues or equipment. The council will also provide some how to guides.</p>
1.2	<p>Why is this being done?</p> <p>The Council needs to identify efficiency savings as central government funding to local government continues to reduce. This approach also fits with the council’s digitisation agenda.</p> <p>Ofcom research indicates that newspapers have become the least popular medium for news with just 31% of the UK population reading a newspaper (reduction of 10% since 2014).</p>



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Mosaic analysis indicates that 95% of our residents use internet daily, 72% have smartphones and 86% have laptops and 52% have a tablet. Amongst older residents, 94% use internet daily, 44% have smartphones and 73% have laptops.

We also know from our own feedback surveys that residents would prefer their news to be localised, so it is about where they live rather than Central Bedfordshire as a whole. This is not achievable through News Central as it is one publication for the whole area. Using local publications and digital channels we can provide more relevant local news to residents.

Our own research has also indicated that reducing the frequency of News Central has not impacted on how informed residents feel about the council. In 2009 when the council was first established we produced 9 editions a year. This was reduced to six and for the past few years we have only produced four editions a year. In 2009 48% of residents said they felt informed, this increased to 62% in 2011 and has slowly increased to 66% with minor fluctuations around this figure between 2011 and 2015 but these are not significant.

Research into Local Authorities communication practices indicates that civic papers continue to decline. In 2015, 92% of borough/district councils produced a paper and for the larger authorities it was 78%. Now it is less than half for both, down to 47% of borough/districts and 44% of larger authorities.

For those authorities that have continued to produce newsletters frequency has reduced. Ten years ago newsletters were produced four or six times a year. Now two or three a year is more likely.

Some of this reduction is in response to austerity measures and some is in response to the updated Code of Recommended Practice on Local Authority Publicity (2011) which states “Where local authorities do commission or publish newsletters, news sheets or similar communications, they should not issue them more frequently than quarterly.”

The Code also states “In relation to all publicity, local authorities should be able to confirm that consideration has been given to the value for money that is being achieved.” This proposal fits with this guidance.

1.3 What will be the impact on staff or customers?

Residents will no longer receive a quarterly newsletter from the council but will receive an annual information bulletin and further information throughout the year through a variety of sources and platforms.

1.4 How does this proposal contribute or relate to other Council initiatives?

- Value for money – continuing focus on cost efficiency and effectiveness
- Responsive council – improve customer experience and satisfaction



Central Bedfordshire Equality Impact Assessment

1.5 In which ways does the proposal support Central Bedfordshire’s legal duty to:

- Eliminate unlawful discrimination harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and people who do not share it
- Foster good relations between people who share a protected characteristic and people who do not share it

The proposal recognises that some sections of the community still have a preference for receiving printed information and the provision of an annual Information Central booklet will help to address this need.

Recognising the benefits of digital communication, the proposal also includes a focus on building digital skills.

1.6 Is it possible that this proposal could damage relations amongst groups of people with different protected characteristics or contribute to inequality by treating some members of the community less favourably such as people of different ages, men or women, people from black and minority ethnic communities, disabled people, carers, people with different religions or beliefs, new and expectant mothers, lesbian, gay, bisexual and transgender communities?

The proposal recognises that some groups, for example people with certain types of disability, are less likely / not able to use digital channels and there is still a need to be able to access written information or via telephony channels.

Stage 2 - Consideration of national and local research, data and consultation findings in order to understand the potential impacts of the proposal.

Stage 2 - Consideration of Relevant Data and Consultation

In completing this section it will be helpful to consider:

- **Publicity** – Do people know that the service exists?
- **Access** – Who is using the service? / Who should be using the service? Why aren't they?
- **Appropriateness** – Does the service meet people’s needs and improve outcomes?
- **Service support needs** – Is further training and development required for employees?
- **Partnership working** – Are partners aware of and implementing equality requirements?
- **Contracts & monitoring** – Is equality built into the contract and are outcomes monitored?

2.1. Examples of relevant evidence sources are listed below. Please tick which evidence sources are being used in this assessment and provide a summary for each protected characteristic in sections 2.2 and 2.3.

Internal desktop research

X	Place survey / Customer satisfaction data	X	Demographic Profiles – Census & ONS
	Local Needs Analysis		Service Monitoring / Performance Information
X	Other local research		

Third party guidance and examples

	National / Regional Research		Analysis of service outcomes for different groups
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Best Practice / Guidance	X	Benchmarking with other organisations
Inspection Reports		

Public consultation related activities

Consultation with Service Users		Consultation with Community / Voluntary Sector
Consultation with Staff		Customer Feedback / Complaints
Data about the physical environment e.g. housing market, employment, education and training provision, transport, spatial planning and public spaces		

Consulting Members, stakeholders and specialists

X	Elected Members	Expert views of stakeholders representing diverse groups
	Specialist staff / service expertise	

Please bear in mind that whilst sections of the community will have common interests and concerns, views and issues vary within groups. E.g. women have differing needs and concerns depending on age, ethnic origin, disability etc

Lack of local knowledge or data is not a justification for assuming there is not a negative impact on some groups of people. Further research may be required.

**2.2. Summary of Existing Data and Consultation Findings: - Service Delivery
Considering the impact on Customers/Residents**

- **Age:** e.g. Under 16 yrs / 16-19 yrs / 20-29 yrs / 30-44 yrs / 45-59 yrs / 60-64 yrs / 65-74 yrs / 75+

Age UK Internet Use amongst Older People 17 September 2013

Women aged 75 and over who live alone are the most likely group in society to have never been online. In addition, older people with lower economic wealth, those living alone and those in relatively worse health are far less likely to be online.

Top five areas for internet use amongst people aged 65 and over:		People 65+ offline	People 65+ online
Surrey	% within Area	37.0%	63.0%
Bedfordshire	% within Area	46.2%	53.8%
Buckinghamshire	% within Area	46.6%	53.4%
Suffolk	% within Area	47.1%	52.9%
Oxfordshire	% within Area	50.0%	50.0%



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Independent Age 2030 Vision March 2014:

People in the 55 to 64-year age group are driving growth on the internet with 35% now having a social networking profile, numbers of older people getting online is rising rapidly. What's more, older people who use the internet are three times less likely to say they are lonely than those who don't.

The fact remains, though, that the number of internet users drops considerably for the over-75s. In 2012, only 27% of this age group were online at home, plus they were three times more likely to be unconfident about using the internet.

Office National Statistics 2015

Adults aged 75 years and over had the highest rate of lapsed internet users in quarter 1 (Jan to Mar) 2015 at 6%, compared with 0.3% of adults aged 16 to 24 years. This suggests that, although more adults aged 75 years and over are becoming internet users, they are not necessarily continuing to use the internet.

Of the 5.9 million adults who had never used the internet in quarter 1 (Jan to Mar) 2015, just over half (3.0 million) were aged 75 years and over.

Whilst older people are more likely to read News Central (Residents Survey 2011) we can make an assumption that they are therefore more likely to read local publications such as Town and Parish Council newsletters too so they will still receive information from the council.

- Disability: *e.g. Physical impairment / Sensory impairment / Mental health condition / Learning disability or difficulty / Long-standing illness or health condition / Severe disfigurement*

Oxford Internet Surveys 2013:

While disabilities, such as health-related problems, are a continuing source of digital exclusion, OxIS 2013 shows that over half (51%) of British people with a disability use the Internet. This is a rise of 15 percentage points from 2007. Unfortunately, 51% is still considerably less than the 84% of non-disabled respondents who use the Internet, leaving a major digital divide for the disabled.

Office National Statistics 2015

- In quarter 1 (Jan to Mar) 2015, 27% of disabled adults (3.3 million) had never used the internet. There were 0.5 million disabled adults, who had last used the internet over 3 months ago, making up 48% of the 1.1 million lapsed internet users.
- In quarter 1 (Jan to Mar) 2015, the proportion of adults who were recent internet users was lower for those that were disabled (68%), compared with those that were not disabled (92%).
- In quarter 1 (Jan to Mar) 2015 the proportion of adults aged 16 to 24 years who were recent internet users was lower for those that were disabled (95% recent users) compared with those that were not disabled (99% recent users).
- The proportion of adults aged 75 years and over who were recent internet users was also lower for those that were disabled (27% recent users) compared with those that were not disabled (40% recent users).

The new website will meet national accessibility standards which means people who are online with a disability will be able to access our news and service information much more easily.



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- **Carers:** *A person of any age who provides unpaid support to family or friends who could not manage without this help due to illness, disability, mental ill-health or a substance misuse problem*

Research commissioned by the Department of Health and produced by Crossroads Care and The Princess Royal Trust for Carers:

Because nearly nine in 10 carers find it difficult to leave their home due to their caring roles, the internet has a very valuable role to play in providing access to services and support to those who have difficulty accessing them in the offline world, particularly as 95% of users mainly access the internet from home

As technology continues to develop and options for telecare and telehealth expand, the internet is likely to become an even more essential tool for carers, making the provision of online services and support more relevant and useful than ever. However Not all carers use the internet and even those who do may not always be able to access services online or may prefer to use another method.

- **Gender Reassignment:** *People who are proposing to undergo, are undergoing or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex*

No issues identified

- **Pregnancy and Maternity:** *e.g. pregnant women / women who have given birth & women who are breastfeeding (26 week time limit then protected by sex discrimination provisions)*

No issues identified

- **Race:** *e.g. Asian or Asian British / Black or Black British / Chinese / Gypsies and Travellers / Mixed Heritage / White British / White Irish / White Other*

Office National Statistics 2015

In quarter 1 (Jan to Mar) 2015, the ethnic group with the highest percentage of recent internet users was the mixed or multiple ethnic background (97%).

White 85.9%	Mixed/multiple ethnic 97%	Indian 87.8%
Pakistani 85.7%	Bangladeshi 83.1%	Chinese 92.6%
Other Asian 91%	Black/African/Caribbean/BlackBritish 87.7%	
Other ethnic group 90.5%		

- **Religion or Belief:** *e.g. Buddhist / Christian / Hindu / Jewish / Muslim / Sikh / No religion / Other*

Some religious groups such as seventh day Adventists avoid use of the internet and will need to be able to access information in other ways.

- **Sex:** *e.g. Women / Girls / Men / Boys*

Office National Statistics 2015

In quarter 1 (Jan to Mar) 2015, 88% of men (22.2 million) and 85% of women (22.4 million) were recent internet users. Since quarter 2 (Apr to June) 2011, the proportion of men and women who were recent internet users has increased by 6 and 8 percentage points respectively.



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Men in the oldest 2 age groups are more likely to use the internet than women in the same age groups. In quarter 1 (Jan to Mar) 2015, 41% of men aged 75 years and over were recent internet users compared with 27% of women.

There is little difference in the rates of internet use between men and women in all age groups under 65 years of age.

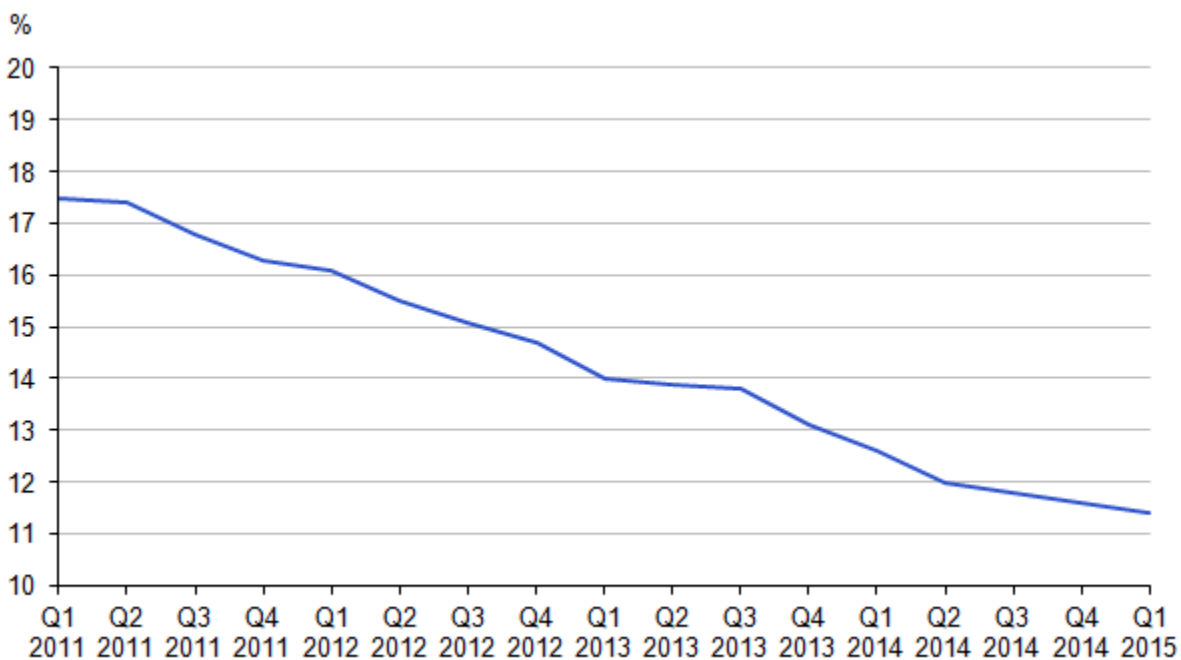
- **Sexual Orientation:** *e.g. Lesbians / Gay men / Bisexuals / Heterosexuals*
No issues identified

- **Other:** *e.g. Human Rights, Poverty / Social Class / Deprivation, Looked After Children, Offenders, Cohesion, Marriage and Civil Partnership*

Office National Statistics 2015

- In quarter 1 (Jan to Mar) 2015, 86% of adults (44.7 million) in the UK had used the internet in the last 3 months (recent users), an increase of 1 percentage point since the quarter 1 (Jan to Mar) 2014 estimate of 85%.
- 11% of adults (5.9 million) had never used the internet, falling by 1 percentage point since quarter 1 (Jan to Mar) 2014.

Internet non-users



2.3. Summary of Existing Data and Consultation Findings – Employment Considering the impact on Employees

- **Age:** *e.g. 16-19 / 20-29 / 30-39 / 40-49 / 50-59 / 60+* **N/A**

- **Disability:** *e.g. Physical impairment / Sensory impairment / Mental health condition / Learning disability or difficulty / Long-standing illness or health condition / Severe disfigurement* **N/A**

- **Carers:** *e.g. parent / guardian / foster carer / person caring for an adult who is a spouse,*



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<p><i>partner, civil partner, relative or person who lives at the same address</i> N/A</p>
<p>- Gender Reassignment: <i>People who are proposing to undergo, are undergoing or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex</i> N/A</p>
<p>- Pregnancy and Maternity: <i>e.g. Pregnancy / Compulsory maternity leave / Ordinary maternity leave / Additional maternity leave</i> N/A</p>
<p>- Race: <i>e.g. Asian or Asian British / Black or Black British / Chinese / Gypsies and Travellers / Mixed Heritage / White British / White Irish / White Other</i> N/A</p>
<p>- Religion or Belief: <i>e.g. Buddhist / Christian / Hindu / Jewish / Muslim / Sikh / No religion / Other</i> N/A</p>
<p>- Sex: <i>Women / Men</i> N/A</p>
<p>- Sexual Orientation: <i>e.g. Lesbians / Gay men / Bisexuals / Heterosexuals</i> N/A</p>
<p>- Other: <i>e.g. Human Rights, Poverty / Social Class / Deprivation, Looked After Children, Offenders, Cohesion, Marriage and Civil Partnership</i></p>
<p>2.4. To what extent are vulnerable groups more affected by this proposal compared to the population or workforce as a whole?</p> <p>Research indicates that some disabled and older people are less likely to be online. The measures identified in relation to exploring local publications to develop other channels and building digital skills will help to address this issue.</p>
<p>2.5. To what extent do current procedures and working practices address the above issues and help to promote equality of opportunity?</p> <p>Building digital skills</p> <p>For example, Citizens Advice are just starting an initiative in Leighton Linlade with Barclays Digital Eagles. Also, Age UK also run Tea and Teach sessions. Both of these agencies are open to discussions about partnering. The Housing team at CBC hold monthly gadget sessions for housing tenants. This could be extended with additional funding.</p> <p>Community Newsletters</p> <p>Almost 30 Town and Parish Councils have their own newsletter. The main towns of Dunstable, Houghton Regis and Leighton Buzzard produce their own publications for local residents, while Biggleswade and Sandy prefer to channel their news via the Biggleswade, Sandy and Beeston Bulletin (Rosetta Publishing title).</p> <p>Although the frequency of publication varies, most are open to including news from CBC but it would need to be very relevant i.e. very localised.</p> <p>There are two Rosetta Publishing newsletters. These magazines are published monthly and cover the following areas:</p> <ul style="list-style-type: none"> • Mid Beds Bulletin – Ampthill, Flitwick, Harlington, Toddington and Westoning • Biggleswade, Sandy and Beeston Bulletin <p>Other community titles that cover a wider area include:</p> <ul style="list-style-type: none"> • The Oracle Flitwick and Ampthill Directory – published 10 times per year (Ampthill,



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Flitwick, Lidlington, Westoning, Harlington, Toddington)

- The Oracle Villages Directory – published 10 times per year (Barton, Shefford, Silsoe, Houghton Conquest, Pulloxhill, Greenfield, Flitton, Clophill, Maulden, Marston Moretaine)
- On the Button – monthly magazine (Arlesey, Fairfield, Ickleford, Henlow, Henlow Camp and Lower Stondon)
- The Vine Villages – magazine published six times per year (Toddington, Harlington, Hockliffe, Stanbridge, Tilsworth, Eggington, Tebworth, Totternhoe, Eaton Bray)
- The Vine Dunstable - magazine published six times per year (Dunstable, Studham, Whipsnade, Kensworth, Houghton Regis)

2.6. Are there any gaps in data or consultation findings

The budget consultation includes a question which will gauge levels of support for reducing printing costs and making better use of technology but we know from previous consultations with similar questions that residents are supportive of doing more online.

2.7. What action will be taken to obtain this information?

Budget consultation feedback. We will also continue to evaluate how informed people are about the council in the council's Residents Survey.

Stage 3 - Providing an overview of impacts and potential discrimination.

Stage 3 – Assessing Positive & Negative Impacts					
Analysis of Impacts	Impact?		Discrimination?		Summary of impacts and reasons
	(+ve)	(- ve)	YES	NO	
3.1 Age	neutral			✓	older people with lower economic wealth, those living alone and those in relatively worse health are far less likely to be online. The number of internet users drops considerably for the over-75s. This group are more likely to read local publications
3.2 Disability	neutral			✓	Use of the internet is lower among some groups of disabled people so local publications will still be needed.
3.3 Carers	neutral			✓	The internet has a very valuable role to play in providing access to services and support. Information in local publications will also be helpful
3.4 Gender Reassignment	neutral			✓	No issues identified
3.5 Pregnancy & Maternity	neutral			✓	No issues identified
3.6 Race	neutral			✓	The internet is accessed to a great extent by all racial groups
3.7 Religion / Belief	neutral			✓	No issues identified as local publications will be available
3.8 Sex	neutral			✓	Women aged 75 and over who live alone are the most likely group in



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				society to have never been online. This group are more likely to read local publications
3.9 Sexual Orientation	neutral		✓	No issues identified
3.10 Other e.g. Human Rights, Poverty / Social Class / Deprivation, Looked After Children, Offenders, Cohesion Marriage and Civil Partnership	neutral		✓	11% of adults (5.9 million) had never used the internet. Information in local publications will also be helpful

Stage 4 - Identifying mitigating actions that can be taken to address adverse impacts.

Stage 4 – Conclusions, Recommendations and Action Planning			
4.1 What are the main conclusions and recommendations from the assessment?			
Internet usage is increasing across most groups but there is still a need for a mixed approach to take account of people who need written and other sources of information.			
4.2 What changes will be made to address or mitigate any adverse impacts that have been identified?			
More use of local publications to provide news. Info Central booklet for information on how to access our services.			
4.3 Are there any budgetary implications?			
Approximately £4,000 (printing and distribution) per year plus significant officer time in terms of editorial and design.			
4.4 Actions to be taken to mitigate against any adverse impacts:			
Action	Lead Officer	Date	Priority
Proposed actions are set out in section 2.5			

Stage 5 - Checking that all the relevant issues and mitigating actions have been identified

Stage 5 – Quality Assurance & Scrutiny: Checking that all the relevant issues have been identified
5.1 What methods have been used to gain feedback on the main issues raised in the assessment?
Step 1:
Has the Corporate Policy Advisor (Equality & Diversity) reviewed this assessment and provided feedback? <i>Yes</i>
Summary of CPA’s comments:



Central Bedfordshire Equality Impact Assessment

The Corporate Policy Advisor (Equality & Diversity) has supported the development of the EIA

Step 2:

5.2 Feedback from Central Bedfordshire Equality Forum 14 January 2016

No specific concerns were expressed in relation to News Central.

Stage 6 - Ensuring that the actual impact of proposals are monitored over time.

Stage 6 – Monitoring Future Impact

6.1 How will implementation of the actions be monitored?

We will also continue to evaluate how informed people are about the council in the council's Residents Survey.

6.2 What sort of data will be collected and how often will it be analysed?

Survey data collected at least once every two years, possibly more often. The next survey will be in September 2016 which will be almost a year since the last publication of News Central.

6.3 How often will the proposal be reviewed?

If survey data or customer feedback suggests that we need to review the decision.

6.4 Who will be responsible for this?

Communications Team

6.5 How have the actions from this assessment been incorporated into the proposal?

Not applicable

Stage 7 - Finalising the assessment.

Stage 7 – Accountability / Signing Off

7.1 Has the lead Assistant Director/Head of Service been notified of the outcome of the assessment

Name: Karen Aspinall Date: 22/01/16

7.2 Has the Corporate Policy Adviser Equality & Diversity provided confirmation that the Assessment is complete?

Date: 22/01/16

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Title of the Assessment:	Voluntary and Community Action Central Bedfordshire (VCA), Community and Voluntary Service (CVS) and Bedfordshire Rural Communities Charity (BRCC)	Date of Assessment:	January 2016
Responsible Officer	Name: Sarah Hughes	Extension Number:	76166
	Title: Community Engagement Manager		
	Email: Sarah.hughes@centralbedfordshire.gov.uk		

Stage 1 - Setting out the nature of the proposal and potential outcomes.

Stage 1 – Aims and Objectives
<p>1.1 What are the objectives of the proposal under consideration? To review and develop new arrangements for supporting VCS infrastructure bodies.</p> <p>The purpose of local infrastructure support is to provide services support and advice and promote local charities, community groups and social enterprise. It also helps to foster relationships between the local voluntary sector, public bodies and local businesses.</p> <p>Groups accessing infrastructure support have a substantially higher likelihood of success in grant applications and bidding for contracts There are 3 such organisations in Central Bedfordshire. Voluntary and Community Action Central Bedfordshire (VCA), Community and Voluntary Service (CVS) and Bedfordshire Rural Communities Charity (BRCC).</p> <p>An Independent Commission set up by National Association Community and Voluntary Associations (NACVA) published a review in 2015. The review highlighted that infrastructure faces a rapidly changing environment that is starting to make new demands upon it and the social action it supports. Localism and devolution are likely to require more decisions to be taken locally, whilst austerity and the state’s withdrawal from a range of public services means communities are being asked to do more themselves: for example running libraries and local parks; gritting the roads; looking out for vulnerable neighbours. Furthermore, collaboration or merger has to be a consideration if VCS bodies are to continue to provide a suitable continuation of service.</p> <p>The Partnerships and Community Engagement Team (PCE) has been working with the infrastructure bodies to review existing arrangements, but also in the context of budget changes and the need to align services to the delivery of the Creating Stronger Communities priority in the 5 Year Plan.</p>
<p>1.2 Why is this being done? The Commission found that infrastructure will be needed as long as people come together to form voluntary organisations and community groups. It suggested that the infrastructure of the future is likely to be leaner, an enabler, broker and catalyst rather than necessarily a deliverer. The Commission believed that the case for investment in infrastructure is just as compelling, but that it has to be different and needs to deliver capacity by unlocking capital and leverage. The message to funders is to invest, whilst the message to infrastructure is to change.</p> <p>The Commission suggested infrastructure services must redesign themselves to meet changing demand. They need to both be reactive and proactive, e.g. offering the local sector foresight and stewardship, helping it to respond to emerging needs and new demands. They must be relationship builders and brokers capable of leveraging resources. They must look for opportunities to collaborate with each other, within and across existing boundaries.</p>

The key recommendation from the Commission is that Local Infrastructure needs to be redesigned and creatively resourced to meet future challenges.

A proposed reduction in the budget has been a key catalyst to review the size of the grant available to the three VCS infrastructure organisations.

1.3 What will be the impact on staff or customers?

Consistent with the findings of the commission, together with the potential reduction in funding, it is clear that the three infrastructure bodies need to redirect their services to better meet the needs of third party organisations. This would affect communities and VCS organisations in Central Bedfordshire.

The three VCS infrastructure organisations will need to consider greater collaboration and a reallocation of their priorities and resources including their staff.

The desired emphasis during the four years of reduced investment is to focus their activity on achieving the outcomes relating to the 5 year plan priority which is about building stronger communities. A reduction in funding may potentially lead to reduced services in four years time. However, this would be mitigated by previous years efforts to increase formal and informal volunteering, social action and community asset management and greater use of information and advice resources available on line. At this stage following discussions with the three infrastructure organisations there has been no indication to us that any of their existing services to third party organisations will cease.

1.4 How does this proposal contribute or relate to other Council initiatives?

It relates to the 'Creating stronger communities' priority in the 5 Year Plan. The emerging Strategy for Action will focus on Volunteering, Building Social Capital, Community Assets and Facilities and local participation in decision making .Its vital that the VCS infrastructure bodies realign their services to help meet this priority.

Other parts of CBC engage with the wider voluntary sector to protect vulnerable communities and meet other council objectives. The VCS infrastructure bodies provide a vital role in brokering relationships between the Council and third party organisations as well as support and development services to the wider voluntary sector to ensure that they are as effective as possible.

1.5 In which ways does the proposal support Central Bedfordshire's legal duty to:

- Eliminate unlawful discrimination harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and people who do not share it
- Foster good relations between people who share a protected characteristic and people who do not share it

National research indicates Infrastructure bodies have a key role to play, particularly in under resourced areas, in helping local communities to address need and tackle inequalities. However, as the Third Sector Research Centre suggests, the level of engagement is generally lower in more deprived areas. Where this is the case, infrastructure bodies will need to maintain, and in some cases develop, their community development activity to help communities tackle growing inequalities caused by the economic downturn and the loss of public services. Consideration of this issue will be more explicitly built into new proposals.

Volunteers often provide support to charitable organisations which provide a variety of activities and often work with vulnerable and disadvantaged groups. Whilst the outcome of a reduction in funding will largely be the decision of the three VCS organisations affected, as they will have to collaboratively best manage their available resources to ensure continuation of service, the Council would wish to work closely with these organisations to support any reconfiguration.

1.6 Is it possible that this proposal could damage relations amongst groups of people with different protected characteristics or contribute to inequality by treating some members of the community less favourably such as people of different ages, men or women, people from black and minority ethnic communities, disabled people, carers, people with different religions or beliefs, new and expectant mothers, lesbian, gay, bisexual and transgender communities?

A reduction in funding would lead to reduced services across **all** communities and organisations in Central Bedfordshire. While on the face of it, no demographic group would appear to be disproportionately affected it will be necessary to undertake data analysis to investigate this more carefully. It is essential for the VCS infrastructure bodies to significantly improve the range and quality of data they collect; so that ongoing impact can be more accurately measured.

It is also important to note that the service with the exception of Volunteer Centre supports voluntary groups who in turn support the public. Some voluntary groups work with specific equality groups some reductions may therefore adversely affect key equality groups and this potential impact would need to be investigated.

Stage 2 - Consideration of national and local research, data and consultation findings in order to understand the potential impacts of the proposal.

Stage 2 - Consideration of Relevant Data and Consultation

In completing this section it will be helpful to consider:

- **Publicity** – Do people know that the service exists? Yes
- **Access** – Who is using the service? / Who should be using the service? Why aren't they?
See attached performance report
- **Appropriateness** – Does the service meet people's needs and improve outcomes? Yes
- **Service support needs** – Is further training and development required for employees?
Not 'required', but is provided
- **Partnership working** – Are partners aware of and implementing equality requirements?
Yes
- **Contracts & monitoring** – Is equality built into the contract and are outcomes monitored?
Yes

<p>2.1. Examples of relevant evidence sources are listed below. Please tick which evidence sources are being used in this assessment and provide a summary for each protected characteristic in sections 2.2 and 2.3.</p>			
<p>Internal desktop research</p>			
	Place survey / Customer satisfaction data		Demographic Profiles – Census & ONS
	Local Needs Analysis	√	Service Monitoring / Performance Information
	Other local research		
<p>Third party guidance and examples</p> <p>See NAVCA report at end of this assessment</p>			
√	National / Regional Research	√	Analysis of service outcomes for different groups
	Best Practice / Guidance		Benchmarking with other organisations
	Inspection Reports		
<p>Public consultation related activities</p>			
	Consultation with Service Users	√	Consultation with Community / Voluntary Sector <i>We are in regular dialogue with the three VCS orgs, and they are already aware / preparing to manage a cut in our funding levels.</i>
	Consultation with Staff		Customer Feedback / Complaints
	Data about the physical environment e.g. housing market, employment, education and training provision, transport, spatial planning and public spaces		
<p>Consulting Members, stakeholders and specialists</p>			
	Elected Members		Expert views of stakeholders representing diverse groups
√	Specialist staff / service expertise		
<p><i>Please bear in mind that whilst sections of the community will have common interests and concerns, views and issues vary within groups. E.g. women have differing needs and concerns depending on age, ethnic origin, disability etc</i></p> <p>Lack of local knowledge or data is not a justification for assuming there is not a negative impact on some groups of people. Further research may be required.</p>			
<p>2.2. Summary of Existing Data and Consultation Findings: - Service Delivery Considering the impact on Customers/Residents</p>			
<p>Summary of Independent Commission Research</p> <p>Our research shows that infrastructure will be needed in some form as long as people come together to form voluntary organisations and community groups. The infrastructure of the future is likely to be a much leaner enabler, broker and catalyst, rather than necessarily a deliverer. New groups and existing ones will still need advice on legal forms governance, compliance, fundraising and income generation, financial and organisational management and demonstrating their value.</p> <p>Many users of infrastructure operate on little or no income and are unlikely to be able to pay for it. They will also continue to look to infrastructure for information, advocacy and advice, for</p>			

which it is very difficult to charge. All this leads us to conclude that one-off injections of finance, which have been tried in the past, will not address the sector's support needs. It is generally understood that our physical infrastructure requires regular investment to help it cope with new and changing demands.

We believe the case for investment in voluntary and community sector infrastructure is just as compelling, but that it has to be different to past attempts at delivering sustainability. Any future investment needs to deliver capacity, by unlocking social capital and leverage. If the message to funders is to invest, the message to infrastructure has to be to change. This must be a 'something for something' deal.

Infrastructure must prove capable of 'redesigning' itself to meet changing demand. It will need to be both proactive and reactive – offering the local voluntary and community sector foresight and stewardship and helping shape how it responds to emerging needs and new demands. Infrastructure bodies must be relationship builders and brokers capable of leveraging resources.

They must look for opportunities to collaborate with each other both within and across existing boundaries; maintaining strong links with their communities, whilst operating collectively and strategically to help their communities influence decision makers. We identified a number of key challenges for social action, which we address in our recommendations. In summary they are:

- Coping with the problems of today leaves no time for foresight.
- Many local organisations are hanging on for the 'good times' to return.
- Direct financial support is declining while demand is increasing.
- New forms of organising and advancing social causes are emerging.
- There are places where organised social action and infrastructure are fragile.
- Cashless and informal economies are growing but need more support.
- Lack of capacity is placing governance, leadership and succession planning under strain.
- Social media, on-line tools and technology are generally underused.
- Poor inter-sector understanding is resulting in lost opportunities.
- Too few infrastructure bodies and local groups demonstrate impact.
- Understanding of new forms of finance is weak.

The nature of the service provided locally by the three infrastructure bodies is one of both immediate and ultimate impact, in that they provide services to a wider group of VCS organisations to have an immediate impact – those organisations in turn ultimately impact on a more diverse range of groups. This is demonstrated below.

- **Age:** e.g. Under 16 yrs / 16-19 yrs / 20-29 yrs / 30-44 yrs / 45-59 yrs / 60-64 yrs / 65-74 yrs / 75+

Current data indicates that the VCS infrastructure bodies support 45 VCS organisations that in turn support children and young people, pre-school – 25 years.

In addition, they also support 13 VCS organisations who in turn are supporting older people.

- **Disability:** e.g. Physical impairment / Sensory impairment / Mental health condition / Learning disability or difficulty / Long-standing illness or health condition / Severe disfigurement

Current data indicates that the VCS infrastructure bodies support 6 VCS organisations that in turn support those with a learning disability, and 32 with a mental health condition.

<p>- Carers: <i>A person of any age who provides unpaid support to family or friends who could not manage without this help due to illness, disability, mental ill-health or a substance misuse problem</i></p> <p>Current data indicates that the 3 VCS infrastructure bodies support 8 VCS organisations that in turn support Carers.</p>
<p>- Gender Reassignment: <i>People who are proposing to undergo, are undergoing or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex</i></p> <p>No data available</p>
<p>- Pregnancy and Maternity: <i>e.g. pregnant women / women who have given birth & women who are breastfeeding (26 week time limit then protected by sex discrimination provisions)</i></p> <p>No data available</p>
<p>- Race: <i>e.g. Asian or Asian British / Black or Black British / Chinese / Gypsies and Travellers / Mixed Heritage / White British / White Irish / White Other</i></p> <p>Current data indicates that the three VCS infrastructure bodies support nine VCS organisations that in turn support black and minority groups, including refugees and asylum seekers.</p>
<p>- Religion or Belief: <i>e.g. Buddhist / Christian / Hindu / Jewish / Muslim / Sikh / No religion / Other</i></p> <p>Current data indicates that the three VCS infrastructure bodies support three VCS organisations that in turn support faith or religious communities.</p>
<p>- Sex: <i>e.g. Women / Girls / Men / Boys</i></p> <p>Current data indicates that the three VCS infrastructure bodies support one VCS organisation that in turn supports a women only group.</p>
<p>- Sexual Orientation: <i>e.g. Lesbians / Gay men / Bisexuals / Heterosexuals</i></p> <p>No data available</p>
<p>- Other: <i>e.g. Human Rights, Poverty / Social Class / Deprivation, Looked After Children, Offenders, Cohesion, Marriage and Civil Partnership</i></p> <p>Current data indicates that the three VCS infrastructure bodies support the following number of organisations, that in turn support these specific interest groups:</p> <ul style="list-style-type: none"> • Advocacy organisations – 6 • Befriending and mentoring groups – 16 • Family support groups – 12 • Alcohol and substance misuse groups – 2 • Domestic abuse agencies – 1 • Emergency and humanitarian aid organisations – 1 • Housing / homelessness organisations – 3 • Anti - Poverty organisation – 3 • Prisoner / Ex Offender agencies – 1 • Veterans / Armed Forces organisations - 1
<p>2.3. Summary of Existing Data and Consultation Findings – Employment</p>

Considering the impact on Employees	
This proposal does not affect CBC employees	
- Age: e.g. 16-19 / 20-29 / 30-39 / 40-49 / 50-59 / 60+	
- Disability: e.g. Physical impairment / Sensory impairment / Mental health condition / Learning disability or difficulty / Long-standing illness or health condition / Severe disfigurement	
- Carers: e.g. parent / guardian / foster carer / person caring for an adult who is a spouse, partner, civil partner, relative or person who lives at the same address	
- Gender Reassignment: People who are proposing to undergo, are undergoing or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex	
- Pregnancy and Maternity: e.g. Pregnancy / Compulsory maternity leave / Ordinary maternity leave / Additional maternity leave	
- Race: e.g. Asian or Asian British / Black or Black British / Chinese / Gypsies and Travellers / Mixed Heritage / White British / White Irish / White Other	
- Religion or Belief: e.g. Buddhist / Christian / Hindu / Jewish / Muslim / Sikh / No religion / Other	
- Sex: Women / Men	
- Sexual Orientation: e.g. Lesbians / Gay men / Bisexuals / Heterosexuals	
- Other: e.g. Human Rights, Poverty / Social Class / Deprivation, Looked After Children, Offenders, Cohesion, Marriage and Civil Partnership	
2.4. To what extent are vulnerable groups more affected by this proposal compared to the population or workforce as a whole?	
There is already a difficulty in engaging with vulnerable groups – less funding would mean this was even more difficult to resource / undertake. Reduced core funding would also impact on other contracts held by the three VCS organisations that target vulnerable people.	
2.5. To what extent do current procedures and working practices address the above issues and help to promote equality of opportunity?	
Voluntary Works website – information available online rather than face to face. Quarterly performance management and monitoring meetings are held with the three infrastructure bodies, at which data and feedback on performance is discussed.	
A series of meetings, involving the Service Manager and Head of Service, have been held, on a both a group and individual basis, with the infrastructure bodies during November 2015 to January 2016 to discuss the proposals. Initially some low level reservations were naturally expressed, but all 3 bodies are happy to continue working with the Council to develop specific proposals and discussions are continuing.	
2.6. Are there any gaps in data or consultation findings	
The proposal was highlighted in the main budget consultation and the findings will be reported to members at Executive.	
2.7. What action will be taken to obtain this information?	
N/A	

Stage 3 - Providing an overview of impacts and potential discrimination.

Stage 3 – Assessing Positive & Negative Impacts			
Analysis of	Impact?	Discrimination	Summary of impacts and reasons

Impacts			?		
	(+ve)	(-ve)	YES	NO	
3.1 Age				No	No one group will be affected disproportionately
3.2 Disability				No	
3.3 Carers				No	
3.4 Gender				No	
Reassignment					
3.5 Pregnancy & Maternity				No	
3.6 Race				No	
3.7 Religion / Belief				No	
3.8 Sex				No	
3.9 Sexual Orientation				No	
3.10 Other e.g. Human Rights, Poverty / Social Class / Deprivation, Looked After Children, Offenders, Cohesion Marriage and Civil Partnership				No	

Stage 4 - Identifying mitigating actions that can be taken to address adverse impacts.

Stage 4 – Conclusions, Recommendations and Action Planning
<p>4.1 What are the main conclusions and recommendations from the assessment? The Commissions’ key recommendation that infrastructure bodies need to change, together with the local funding review that indicated the current funding base was not sustainable has been further reinforced by the new priority to Create Stronger Communities.</p> <p>Discussions have been held with the infrastructure bodies to engage them in the delivery of this priority; this is entirely consistent with the Commission’s findings. With better engagement and collaboration comes the intention to create a three year commission allowing for greater stability</p>

and continuity. The reduced funding scenario will encourage the infrastructure bodies to deliver social value and potentially attract corporate funders from the business community.			
4.2 What changes will be made to address or mitigate any adverse impacts that have been identified?			
Engaging the infrastructure bodies in the delivery of the outcomes in the 5 Year Plan relating to Creating Stronger Communities.			
Security of three year funding commitments; albeit at a reduced level.			
To work with the three infrastructure organisations to ensure any reductions in service are managed, and that we ensure Compact compliance.			
4.3 Are there any budgetary implications?			
A reduction in funding would lead to reduced services across all communities and organisations in Central Bedfordshire.			
4.4 Actions to be taken to mitigate against any adverse impacts:			
Action	Lead Officer	Date	Priority
The VCS infrastructure bodies have been informed individually and collectively of the proposed funding levels for the next four years. We have engaged in positive discussions to explore aligning their services to the outcomes detailed in the emerging Strategy for Stronger Communities.	Peter Fraser / Sarah Hughes	October – January 2015	High
Significantly improved quarterly performance monitoring	Sarah Hughes	Ongoing	Medium

Stage 5 - Checking that all the relevant issues and mitigating actions have been identified

Stage 5 – Quality Assurance & Scrutiny:
Checking that all the relevant issues have been identified
5.1 What methods have been used to gain feedback on the main issues raised in the assessment?
Step 1:
Has the Corporate Policy Advisor (Equality & Diversity) reviewed this assessment and provided feedback? Yes
Summary of CPA’s comments:
The Corporate Policy Advisor (Equality & Diversity) has supported the development of the equality impact assessment.
Step 2:
5.2 Feedback from Central Bedfordshire Equality Forum
No specific issues identified at the 14 January 2016 meeting.

Stage 6 - Ensuring that the actual impact of proposals are monitored over time.

Stage 6 – Monitoring Future Impact
6.1 How will implementation of the actions be monitored?
Quarterly Performance meetings and monitoring. We are also in regular dialogue with the three VCS organisations.
6.2 What sort of data will be collected and how often will it be analysed?
Performance data analysed quarterly
6.3 How often will the proposal be reviewed?

Annually
6.4 Who will be responsible for this? Community Engagement Manager
6.5 How have the actions from this assessment been incorporated into the proposal? Yes

Stage 7 - Finalising the assessment.

Stage 7 – Accountability / Signing Off	
7.1 Has the lead Assistant Director/Head of Service been notified of the outcome of the assessment	
Name: Peter Fraser Date: 25/01/16	
7.2 Has the Corporate Policy Adviser Equality & Diversity provided confirmation that the Assessment is complete?	
Date: 25/01/16	

Quarter 2 2014/15 - Supporting VCS activity in Central Bedfordshire and supporting communities to do more for themselves

Activity		BRCC	CVS	VCA
a	TOTAL No of organisations provided with training, information, advice and other support services	63	20	13
	No of organisations provided with training, information, advice and other support services by geographical area	Ampthill 2 Aspley Guise 1 Biggleswade 6 Caddington 1 Campton 1 Central Beds 11 Clifton 1 Clophill 1 Dunstable 4 Dunton 2 Fairfield 1 Flitwick 6 Hockliffe 1 Houghton Regis 3 Leighton-Linslade 3 Lidlington 2 Marston Moretaine 1 Meppershall 2 Pottton 1 Ridgmont 1 Sandy 2 Shefford 2 Silsoe 5	Ampthill 4 Biggleswade 3 Flitwick 3 Gravenhurst 1 Lidlington 2 Moggerhanger 1 Northill 1 Sandy 2 Shefford 1 Shillington 1 Silsoe 1	Central Beds 1 Caddington 1 Dunstable 4 Hockliffe 1 Hyde 1 Leighton-Linslade 4 Totternhoe 1

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		Stotfold 1 Toddington 1 West Mid Beds 1		
Activity		BRCC	CVS	VCA
	No of organisations provided with training, information, advice and other support services by service categories:			
	• Advice & Support	0	4	1
	• Children & Young People	17	4	2
	• Community Development	1	2	2
	• Health & Care Services	27	3	2
	• Learning, Skills & Economy	0		1
	• Leisure & Environment	17	7	5
	• Social Welfare	1	0	0
b	No of volunteer-involving organisations		204	446
	No of live volunteering opportunities		430	417
	No of volunteer enquiries		254	313
	No of volunteers successfully placed in a volunteering opportunity		67	8
	Anonymised information on volunteers by postcode / Age range / Gender / Employment Status / Ethnicity / Disability		To be discussed at Monitoring Meeting	To be discussed at Monitoring Meeting
c	No of Organisations included in the Voluntaryworks CRM by geographical area	132 (7 pending) organisations with entry on voluntaryworks website working in the CBC area. CRM system contains 3,256 organisations: <ul style="list-style-type: none"> • 189 with MK45 postcodes • 282 with SG postcodes • 231 with LU5 postcodes • 270 with LU6 postcodes • 329 with LU7 postcodes 		
	No of Organisations included in the Voluntaryworks CRM	See list attached of organisations with entry on voluntaryworks website working in the CBC area by service categories		

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	by service categories			
	No of website hits to the Voluntaryworks website – All Pages	95,524		
	No of website hits to the Voluntaryworks website – Partnership Pages	Not yet set up		
	No of website hits to the Voluntaryworks website – Support Pages	2,726		
	No of website hits to the Voluntaryworks website – News Pages	4,202		
	Activity	BRCC	CVS	VCA
d	No of communities helped to manage community buildings through advice:	12 (Ickwell, Dunton, Westoning, Cranfield, Moggerhanger, Clifton, Totternhoe, Barton-le-Clay, Chalton, Husborne Crawley, Gravenhurst, Kensworth) 66 in total		
	through information:			
	No of communities helped to undertake Neighbourhood Planning	3 (Caddington, Slip End, Barton-le-Clay)		
	No of communities helped to undertake other forms of community led planning	3 (Fairfield, Steppingley, Haynes)		

No of Organisations included in the Voluntaryworks CRM by service categories –

<p>Advice and Support</p> <ul style="list-style-type: none"> • Advice (8) • Advocacy (6) • Befriending/Mentoring (16) • Carers support (8) • Counselling/Bereavement (13) • Family support (12) • Information, Advice, and guidance (22) • Self-help (7) 	<p>Health and Care Services</p> <ul style="list-style-type: none"> • Alcohol and substance misuse (2) • End of life care (5) • Learning disability (6) • Life Limiting conditions (8) • Mental health (8) • Older people (13) • Physical / sensory disability (18) • Sexual health (1) • Learning, Skills and Economy
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<p>Children and Young People</p> <ul style="list-style-type: none"> • Before/after school clubs (1) • Children 5 - 12 (12) • Early Years 0 - 4 (4) • Play (1) • Special Educational Needs (2) • Uniformed organisations (3) • Youth work 13 - 18 (15) • Youth work 19 - 25 (8) <p>Community Development</p> <ul style="list-style-type: none"> • Black and Minority Ethnic Communities (5) • Charity fundraising and grant-making (3) • Community engagement (5) • Faith or religious communities (3) • Rural communities (4) • Support for voluntary and community groups (7) • Urban communities (1) • Volunteering / community service (10) • Women only (1) 	<ul style="list-style-type: none"> • Adult & Community Learning (7) • Economic Development (2) • Employment Support (6) • Not in Employment, Education or Training (NEET) (3) • Training & skills (11) <p>Leisure and Environment</p> <ul style="list-style-type: none"> • Arts, music and drama (9) • Community Buildings (23) • Environment and conservation (8) • Heritage (3) • Sport, leisure and recreation (16) <p>Social Welfare</p> <ul style="list-style-type: none"> • Community Transport (6) • Crime and community safety (1) • Domestic abuse (1) • Emergency / humanitarian aid (1) • Housing/Homelessness (3) • Poverty (3) • Prisoners/ex offenders (1) • Refugees and Asylum (4) • Veterans and Armed Services (1)
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Title of the Assessment:	Children’s Services Decommissioning	Date of Assessment:	25.1.16
Responsible Officer	Name:	Ben Pearson	
	Title:	Head of Children’s Services Commissioning and Performance	
	Email:	Ben.pearson@centralbedfordshire.gov.uk	
		Extension Number:	75679

Stage 1 - Setting out the nature of the proposal and potential outcomes.

Stage 1 – Aims and Objectives	
1.1	What are the objectives of the proposal under consideration?
<p>The objective of this assessment is to consider the current demand for a variety of commissioned services and to understand the impact of a decision to not extend these services.</p> <p>The main contract included in this assessment is the contract for a children and family support service managed by The Children’s Society (TCS). This service is due to end on 31 March 2016 and costs £325k per year</p> <p>In addition, this assessment considers the impact of a decision not to re-commission a range of non-statutory Early Help contracts beyond their current end dates – whether this work can be reassigned to in-house teams or other commissioned services or universal provision, and what impact this will have on service users.</p> <p>The TCS contract for providing a children and family support service provides high level, intensive support to vulnerable children and parents in cases where:</p> <ul style="list-style-type: none"> ➤ A child is assessed as a Child in Need ➤ There are concerns about the care given by the parent/carer, such as the presence of neglect, emotional, physical, sexual or domestic abuse, or concerns regarding their ability to protect the child ➤ There are concerns that the parent/carer is not meeting the needs of the child ➤ A child is assessed as in need of an intervention to help them understand their life experiences / family circumstances ➤ A child needs to learn protective behaviours ➤ A child has very poor self esteem and other interventions have not proved successful ➤ Parents have an accommodated child, to enable them to potentially return to parental care <p>The other contracts under consideration for de-commissioning are:</p> <ul style="list-style-type: none"> • Healthy Relationships, provided by CSUK , is a 14-week programme delivered in schools which focuses on domestic abuse – this contract has an annual value of £50,000 and was due to end 31/07/15. • Independent Living Skills, provided by YMCA, is targeted at vulnerable young adults (e.g. NEET and care leavers) – this contract has an annual value of £37,000 and is due to end 31/12/15. • Pyramid Clubs, provided by CHUMS, deliver 8-week therapeutic group programmes in schools to socially excluded 7-10 year olds. This contract has an annual value of £50,000 and is also due to end 31/12/15. • Support for children affected by parental substance misuse is provided by CAN. This service delivers 1-1 and family sessions and partnership working with the Access and Referral Hub. Families may be subject to Child in Need or Child Protection Plans. The 	

annual contract value is £50,000 and this is due to end 31/12/15.

- The Citizen's Advice Bureau provides awareness training and telephone support for CBC staff working with families affected by welfare reforms. This contract has an annual value of £10,000 and is due to end 31/12/15.
- Homestart contract to provide Post natal depression support. This contract has an annual value of £25K and is due to end 31/3/2015
- Homestart contract to provide support to families in their home. This contract has an annual value of £135K and is due to end 31/3/2015
- Speech and Language Contract for Early Intervention Work in Children's Centres and Early Years settings of high need. This has an annual value of £199K and is due to end on 31/3/2015
- Dental Contract provided by Community Dental Services. The contract is mostly paid for by Public health and is valued at £88K. (£75K of which is provided by PH) The balance of £13K will be removed. This is due end on 31/3/2015
- Carers in Bedfordshire for providing group work and a help-line for Young Carers. This is part of a much larger contract commissioned by Adult Social Care and Health, although the Children's part is clearly separable. The value that is being considered to be de-commissioned is £72K, and it is scheduled to end on 31/3/2016. The Council are continuing to fund Carers in Bedfordshire to provide support to sibling carers.

Within the Children with Disabilities service there is also a need to make £158k efficiencies in 2016/17. These efficiencies will be developed and implemented through co-production with partners and parents of the children who access the services. This is in line with the Council's commitment to co-produce services for children with Special Educational Needs and Disabilities (SEND).

1.2 Why is this being done?

The Council is required to ensure that resources are targeted to areas of most need, and that all services deliver value for money. The drive for efficiencies and different ways of working is informed by national drivers that will see Councils' financial settlement reduce by approximately 15% over the next four years.

This is being done as part of the need to make efficiencies and identify areas where potential savings could be made. Potential duplication in some areas of service provision has been identified with other commissioned services through partners and in addition, there is potential for some aspects of this service to be delivered by internal teams.

1.3 What will be the impact on staff or customers?

There is no evidence that there will be any disproportionate impact on staff or customers through the proposed changes outlined in this document. Meetings with the providers affected have taken place to consider how the impact of de-commissioning on staff or customers.

1.4 How does this proposal contribute or relate to other Council initiatives?

The proposals included in this assessment support Children's Services Transformation Programme – to identify new ways of working with partners and children and families that will improve outcomes for the most vulnerable in Central Bedfordshire. This proposal will also contribute to the understanding of need in different localities which will support new delivery models in future.

1.5 In which ways does the proposal support Central Bedfordshire’s legal duty to:

- Eliminate unlawful discrimination harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and people who do not share it
- Foster good relations between people who share a protected characteristic and people who do not share it

The proposals included within this assessment take due regard to consider any disproportionate impact on any groups of people. There is evidence that changing the way services are commissioned and delivered will reduce the amount of services available to children and families; but steps will be taken, with partners and service users to address any adverse impact as far as possible

All providers who will be affected have been consulted and asked to consider the impact of de-commissioning.

1.6 Is it possible that this proposal could damage relations amongst groups of people with different protected characteristics or contribute to inequality by treating some members of the community less favourably such as people of different ages, men or women, people from black and minority ethnic communities, disabled people, carers, people with different religions or beliefs, new and expectant mothers, lesbian, gay, bisexual and transgender communities?

There is no evidence to suggest that the proposals will damage relations.

Stage 2 - Consideration of national and local research, data and consultation findings in order to understand the potential impacts of the proposal.

Stage 2 - Consideration of Relevant Data and Consultation

In completing this section it will be helpful to consider:

- **Publicity** – Do people know that the service exists?
- **Access** – Who is using the service? / Who should be using the service? Why aren't they?
- **Appropriateness** – Does the service meet people’s needs and improve outcomes?
- **Service support needs** – Is further training and development required for employees?
- **Partnership working** – Are partners aware of and implementing equality requirements?
- **Contracts & monitoring** – Is equality built into the contract and are outcomes monitored?

2.1. Examples of relevant evidence sources are listed below. Please tick which evidence sources are being used in this assessment and provide a summary for each protected characteristic in sections 2.2 and 2.3.

Internal desktop research

	Place survey / Customer satisfaction data	X	Demographic Profiles – Census & ONS
X	Local Needs Analysis	X	Service Monitoring / Performance Information
	Other local research		

Third party guidance and examples			
X	National / Regional Research	X	Analysis of service outcomes for different groups
X	Best Practice / Guidance		Benchmarking with other organisations
	Inspection Reports		
Public consultation related activities			
X	Consultation with Service Users		Consultation with Community / Voluntary Sector
X	Consultation with Staff	X	Customer Feedback / Complaints
	Data about the physical environment e.g. housing market, employment, education and training provision, transport, spatial planning and public spaces		
Consulting Members, stakeholders and specialists			
X	Elected Members	X	Expert views of stakeholders representing diverse groups
X	Specialist staff / service expertise		
<p><i>Please bear in mind that whilst sections of the community will have common interests and concerns, views and issues vary within groups. E.g. women have differing needs and concerns depending on age, ethnic origin, disability etc</i></p> <p>Lack of local knowledge or data is not a justification for assuming there is not a negative impact on some groups of people. Further research may be required.</p> <p>The Council's public consultation is used to consider the feedback from services users and staff. The information referenced in this assessments is included as part of the Council's consultation about future budgets that was launched in January 2016. The findings of the consultation will be reported to the Council Executive on 9 February 2016. In relation to the support for carers, further more detailed consultation with services users and stakeholders will take place in February 2016 regarding proposals for a new service.</p>			
2.2. Summary of Existing Data and Consultation Findings: - Service Delivery Considering the impact on Customers/Residents			
<p>- Age: e.g. Under 16 yrs / 16-19 yrs / 20-29 yrs / 30-44 yrs / 45-59 yrs / 60-64 yrs / 65-74 yrs / 75+</p> <p><u>The Children's Society</u></p> <p>The Children's Society have worked with 200 children and young people and 79 parents, between 1st April 2014 and 30th September 2015, and have delivered 4296 face-to-face service hours with families . In the same period, 177 cases have been closed, of which 94% were discharged having successfully completed the programme. To date there has been a 98% successful engagement rate.</p> <p>During September 2015 there were 91 open cases, 12 new referrals and 33 cases on a waiting list. The Children's Society delivered 310 face-to-face service hours with families during this month.</p> <p>Table 1 indicates the ages of the 200 children and young people who used this service between 1st April 2014 and 30th September 2015. A majority of children are aged 10 and under (126</p>			

children) in comparison to those aged 11years or older (74 children).

Table 1: Age of CYP who have used The Children’s Society service

Age of CYP	Frequency	Percentage
Four	7	3.5%
Five	19	9.5%
Six	16	8%
Seven	18	9%
Eight	13	6.5%
Nine	23	11.5%
Ten	30	15%
Eleven	15	7.5%
Twelve	12	6%
Thirteen	12	6%
Fourteen	15	7.5%
Fifteen	17	8.5%
Sixteen	3	1.5%
Seventeen	0	0%

The age of the parents who have used this service is not recorded.

Early Intervention Contracts

In the same period, CSUK have delivered 3.5 of a target of 10 schools programmes, engaging 9 CBC young people in Q1. No data is available YP numbers for Q2 or on age, but the programme is directed at Upper School pupils (age 12 to 16).

YMCA have engaged 56 young people – 33 in 2014/15 and 18 in the current financial year. The exact ages of young people are not reported; however, all these service users are post-16. A further 53 pre-16’s completed a separate budgeting workshop in this financial year.

CHUMS have worked with 222 children – 146 (above the target of 60) in 2014 and 76 in the first two quarters of 2015/16, operating in around 4 schools per quarter. Data for the current financial year is given in the following table and indicate that the majority of service users are aged 8 years old:

Table 2: Age of children who have used the CHUMS service

Age	Frequency	Percentage
7	16	21%
8	43	56.6%
9	15	19.7%
10	1	1.3%
Unknown	1	1.3%

CAN worked with 40 (performance on target) families in 2014/15, and engaged a further 15 in the first two quarters of 2015/16. There is no data for the ages of children and young people who this service supports.

The CAB received contacts in respect of 65 cases in 2014/15 and a further 8 in Q1-2 14/15. There is no data on the age of these service users.

Early Intervention Speech and Language Therapy – whole-year data is not available for 2014/15; however, in the first quarter of 2015/16, 112 families accessed targeted SLT advice; 296 parents and 207 children used the universal SLT information, advice and guidance service; 44 families attended ‘Chattertots’ groups and 74 attended speech and language focused groups; and 14 parents and 13 children were signed up to the ‘Talk Together at Home’ 4-week course. The service is delivered through Children’s Centres, so the children who access it are aged under-five.

Homestart provided post-natal depression support and home-visiting family support to 235 families in 2014/15. By September 2015, home-visiting had been delivered to a further 107 families and post-natal depression support to 40 mothers by 86 trained volunteers. The age of service users is not reported; however, it is likely that these are families of young children. Decommissioning the post-natal depression contract will particularly affect mothers of new-born and infant children.

The Community Dental contract delivered oral health observations to 188 families in 2014/15 and dietetic support to 95 families from Central Bedfordshire Children’s Centres. By September 2015, a further 27 families had received oral health observations and dietetic support had been delivered to 81. In addition, 954 families accessed drop-in support for both areas of the programme and 60 used dietetic clinics. Children accessing this programme are aged under-five.

The target for Carers in Bedfordshire (CiB) in 2015-2016 is to identify, register and respond to 65 young carers. At the end of quarter 2 the total number achieved was 37. The total target for numbers of new attendees at group based support was 15 and at the end of quarter 2 the total number achieved was 20.

The target for groups held was 52 this is a shared target with Bedford Borough - the total for CBC was 25.

CiB are also on target for numbers attending residential breaks.

CiB also have supported 29 young carer peer mentors in quarter one and two.

The number of young carers registered with Carers in Beds as of October 2015 was 282 this is up to and including 17 year olds. This figure does not include sibling carers.

Locality

The Children’s Society

From 1st April 2014 – 30th September 2015, a majority of referrals came from Leighton Buzzard, Dunstable South and Biggleswade.

Table 3: Locality of TCS service users

Locality	Frequency	Percentage
Biggleswade	44	15.9%
Dunstable North	26	9.4%
Dunstable South	45	16.2%
Flitwick	28	10.1%
Houghton Regis	36	13%
Leighton Buzzard	45	16.2%
Sandy	21	7.6%
Shefford	19	6.9%
Stotfold	12	4.3%

Out of area	1	0.4%
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Of the Early Intervention contracts, this data is only collected by CHUMS and localities are as follows for Q1 and 2 of 2015/16, with the largest proportion of families who access this service living in Houghton Regis:

Table 4: Locality of Early Help service users, Apr-Sep 2015

Locality	CHUMS Frequency	CHUMS Percentage
Houghton Regis (LU4 & LU5)	29	38.2%
Dunstable (LU6)	15	19.7%
Leighton Buzzard (LU7)	9	11.8%
Potton (Sandy SG19)	16	21%
Milton Keynes	1	1.3%
Other	12	15.8%
Information not received	1	1.3%

- **Disability:** e.g. Physical impairment / Sensory impairment / Mental health condition / Learning disability or difficulty / Long-standing illness or health condition / Severe disfigurement

The Children’s Society

- 4 children who have used this service have a physical disability and 27 have a learning disability.
- 10 parents who have used this service have a learning disability

This represents 15.5% of the total children and 12.6% of parents who have used this service. Parents and children with a learning disability are considerably over-represented within this service, as The British Institute of Learning Disabilities estimates that 2% of the population in England have a learning disability. A decision to not continue this contract may therefore have an adverse impact on service users with a learning disability.

It is important to highlight that these figures may not be a true reflection of the number of service users who have a disability. These figures only represent the children and parents who have been assessed by a professional and those who The Children’s Society staff feel confident to assess as having a disability. A number of children and parents who have a disability may therefore go undetected in these figures.

Early Intervention Contracts

For the majority of Early Help contracts under consideration, providers do not submit data on service user disability. The exception is the CAB (Welfare Reform advice) contract, which between January 2014 and July 2015 dealt with cases in respect of 3 disabled service users – 8.6% of the user group.

Parental substance misuse is known to affect the mental health of both primary users and affected others. Dual diagnosis or ‘comorbidity’ affects between 30-70% of adults presenting to health and social care settings (SCIE 2009); while parental substance misuse is also known to have a negative impact on children’s mental, emotional and behavioural development (*Hidden Harm* 2011). It is therefore likely that a decision not to re-commission the ‘Affected Others’ service provided by CAN will have an impact on the mental health of children and their parents. Service users engaged under the other Early Help contracts may also face a negative impact on mental health, as the CHUMS and YMCA programmes especially deal with vulnerable children and

young people who may be at risk of developing mental health issues.

37 young people undertaking the YMCA Independent Living Skills course have had identified additional learning needs over the life of the contract (75.5% of service users), so the decommissioning of this service will impact on those with learning difficulties.

Speech, language and communication needs often co-occur with physical or learning disabilities. Although SEPT do not report on the numbers of children with disabilities accessing the SLT service, it is reasonable to assume decommissioning this contract will negatively impact on those with additional communication needs.

References:

Advisory Council on the Misuse of Drugs (2011) *Hidden Harm: Responding to the needs of children of problem drug users*, Crown Copyright.
Crome, I. et al. (2009) *The relationship between dual diagnosis: substance misuse and dealing with mental health issues*, London: SCIE.

- **Carers:** *A person of any age who provides unpaid support to family or friends who could not manage without this help due to illness, disability, mental ill-health or a substance misuse problem*

Carers in Beds – The Council does not have data on the number of young carers who have disability. All our carers are caring for someone with a illness, disability, mental ill- health or a substance misuse problem.

- **Gender Reassignment:** *People who are proposing to undergo, are undergoing or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex*

Unknown; this information is not recorded.

- **Pregnancy and Maternity:** *e.g. pregnant women / women who have given birth & women who are breastfeeding (26 week time limit then protected by sex discrimination provisions)*

Homestart's post-natal depression support contract is targeted at women who have given birth, and the loss of this provision will disproportionately affect this cohort (40 so far in 2015/16 financial year).

- **Race:** *e.g. Asian or Asian British / Black or Black British / Chinese / Gypsies and Travellers / Mixed Heritage / White British / White Irish / White Other*

The Children's Society

A majority of children (88%) and parents (86%) who have used this service are White British. This is reflective of the general population in Central Bedfordshire where 89.7% of the population are White British (Census, 2011). As ethnic minorities are not over represented within the service user population, a decision to not re-new the children and family support contract would not have an adverse impact on ethnic minorities.

Table 5: Ethnicity of the CYP and Parents who use this service

Ethnicity	CYP frequency	CYP percentage	Parent frequency	Parent percentage
White: White British	176	88%	68	86%
White: White Irish	0	0.0%	0	0.0%
White: Irish Traveller	0	0.0%	0	0.0%
White: Gypsy/Roma	0	0.0%	0	0.0%
White: Other	2	1%	1	1.2%
Mixed: White/Asian	5	2.5%	0	0.0%
Mixed: White/Black African	4	2%	2	2.5%
Mixed: White/Black Caribbean	0	0.0%	0	0.0%
Mixed: Other	6	3%	2	2.5%
Asian/Asian British: Indian	0	0.0%	3	3.8%
Asian/Asian British: Bangladeshi	0	0.0%	0	0.0%
Asian/Asian British: Pakistani	0	0.0%	0	0.0%
Asian/Asian British: Other	0	0.0%	0	0.0%
Black/Black British: African	4	2%	1	1.2%
Black/Black British: Caribbean	1	0.5%	0	0.0%
Black/Black British: Other	0	0.0%	2	2.5%
Chinese	0	0.0%	0	0.0%
Chinese: Other	1	0.5%	0	0.0%
Other	0	0.0%	0	0.0%
Not Stated	1	0.5%	0	0.0%

Early Intervention Contracts

Slightly higher percentages of service users from Black and Minority Ethnic backgrounds use the Early Help services under consideration than either The Children's Society clients or the population of Central Bedfordshire as a whole, but for the most part these are not significantly greater.

81.6% of CHUMS service users were from White British backgrounds in the first 2 quarters of this financial year and 5.3% were from other White backgrounds. This suggests a small adverse effect may be felt by children from Black backgrounds and Asian/Asian mixed heritage (3.9% each).

Table 6: Ethnicity of Early Help service users, Apr-Sep 2015

Ethnicity	CHUMS Frequency	CHUMS Percentage
White British	62	81.6%
White Other	4	5.3%
White & Asian	1	1.3%
Black Caribbean	1	1.3%
Black African	1	1.3%
Black Other	1	1.3%
Asian - Pakistani	2	2.6%
Other	1	1.3%

Not Given	3	3.9%
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Data from the YMCA programme does not break down ethnic backgrounds in the same way: 61.2% of service users over the length of the contract have been reported as 'white' (30), and a large minority are 'mixed' (19, or 38.8%). A number of these are likely to be unaccompanied asylum-seeking minors placed in semi-independent accommodation (12 young people in this year's cohort are also on ESOL courses).

- **Religion or Belief:** e.g. *Buddhist / Christian / Hindu / Jewish / Muslim / Sikh / No religion / Other*

Unknown; this information is not recorded.

- **Sex:** e.g. *Women / Girls / Men / Boys*

The Children's Society

54% of CYP who have used this service are female and 46% are male. This is reflective of the general population in Central Bedfordshire, where 50.8% are female and 49.2% are male (Census, 2011). Figures for the gender of parents however indicate that females would experience an adverse impact if this service was not continued, as they represent 68.4% of parent service users. This is an over-representation of approximately 20% in comparison to the general population in Central Bedfordshire.

Table 7: Gender of TCS Service Users

Gender	Frequency	Percentage
CYP		
Male	93	46.0%
Female	107	54.0%
Parents		
Male	25	31.6%
Female	54	68.4%

Early Intervention Contracts

With regard to the Early Help contracts, data on gender is not reported for the CAN 'Affected Others' service, either Homestart service, Speech and Language Therapy, CiB or Healthy Under 5's. However, the post-natal depression contract by Homestart is targeted at women.

Among the other services proposed for decommissioning, where data is recorded girls account for 100% of participants on the CSUK Healthy Relationships programme so would bear the main impact of its removal. Boys account for slightly more than half the participants in the CHUMS Pyramid Club programme (51.3%), a slightly greater proportion than males among the general Central Bedfordshire population, but not significantly so. The majority of CAB cases relate to female service users (94.3%), so women would be disproportionately affected by the decommissioning of this service. YMCA service users tend to be male in this financial year (81.3%); however, in the previous year the course was female-dominated (60.6%, or 20 of 33), so it is not possible to say if either gender would be particularly affected by the decommissioning of this service.

NB: the Early Help figures are for the first two quarters of the 2015/16 financial year only, so should be used with caution.

Table 8: Gender of Early Help service users, Apr-Sep 2015

	Frequency CSUK	Percentage CSUK	Frequency CHUMS	Percentage CHUMS	Frequency YMCA
Male	0	0.0%	39	51.3%	13
Female	6	100.0%	37	48.6%	3

- **Sexual Orientation:** e.g. Lesbians / Gay men / Bisexuals / Heterosexuals

Unknown; this information is not recorded.

- **Other:** e.g. Human Rights, Poverty / Social Class / Deprivation, Looked After Children, Offenders, Cohesion, Marriage and Civil Partnership

The Children’s Society

Social Care Status

97% of children were recorded as a Child in Need (194) and 39.5% were recorded as having a Child Protection Plan (79). Three children were Looked After and five children were recorded as a Step-down. Discontinuing this service would therefore have an adverse impact on our most vulnerable children and young people; unless suitable alternative provision is identified to manage this work.

Presenting Needs

The majority of referrals related to the child’s behaviour (n=89) and domestic abuse (n=85). There were also 25 referrals for sexual abuse. A decision to discontinue this service will have a negative impact upon service users who have been a victim of domestic and/or sexual abuse, unless these referrals can be picked up by another commissioned service, or in-house staff, who have the capacity and skills to deliver an appropriate intervention. Central Bedfordshire Council currently commission Sorted Counselling Services to provide interventions for children who have witnessed or experienced domestic or sexual abuse. It is important to highlight that the annual target is 40 service users, which raises questions regarding their capacity to take on referrals that would have been made to the Children’s Society, if the service is discontinued.

Table 9: Primary Reason for Referral

Reason	Freq.
Child’s behaviour	89
Domestic abuse	85
Drug/Alcohol misuse	10
Mental health issues	10
Sexual abuse	25
Bereavement	1
Sexualised behaviour	0
“Toxic Trio” (DV/DAM/MH)	3
Parental Separation	38
Parenting Support	15

Interventions Delivered

The most common intervention delivered by The Children’s Society was for Wishes and Feelings work (37%), followed by Protective Behaviours work (33%) and Parenting Support (29%)

Table 10: Type of Interventions Children and Parents Have Engaged In

Intervention	Freq.
Protective Behaviours	97
Wishes and Feelings	107
Parenting Support	86
Bereavement	2

Outcomes: Q2 2015

At the end of Quarter Two:

- 57% of children and 83% parents achieved the outcomes identified at the beginning of the intervention
- 31.8% of children demonstrated an improvement in education, employment and skills, and their hopes and dreams
- 53% of children demonstrated an improvement in their safety
- 47% of children demonstrated an improvement in their emotional, physical and mental health
- 42.4% of children demonstrated an improvement in their family/carer relationships

Early Help contracts

All these commissions deal with families experiencing high levels of deprivation and disadvantage, with the intention of reducing child poverty and promoting social cohesion. The effect of decommissioning will impact at various levels against specific areas of this remit:

- Decommissioning the CSUK Healthy Relationships programme could have a knock-on effect on community safety, as this intervention focuses on preventing, and promoting resilience for young people exposed to, domestic abuse. The effect size is likely to be small because of the numbers of young people recruited onto the programme, however the impact for individuals may be significant
- Presenting issues are measured for YMCA participants at referral rather than engagement so the total is slightly higher than the numbers of young people undertaking the Independent Living Skills course (56 rather than 49). The majority of these young people are Looked After/care leavers, accounting for 55.4% (31) of service users over the length of the contract. 26.8% (15) were referred from Signposts temporary accommodation or the CBC Homelessness and Mediation service, suggesting that these service users are vulnerable to housing instability. 8.9% (5) were referred from Children’s Centres and a further 1.8% (1) from a mother & baby unit, suggesting that young parents may also be detrimentally affected by the loss of this service. Another 7.1% (4) were open to Bedfordshire YOS. A decision to decommission this service will therefore affect some of our most vulnerable young people. 32.7% of service users have progressed to Independent Living, 42.9% to college, 8.2% to training and 6.1% to employment.
- The loss of the CHUMS Pyramid Club programme may impact on community cohesion in the areas where it operates, as this intervention deals specifically with children experiencing social exclusion. While it is open to Looked after Children, none accessed the

programme between April and September 2015. In the first 2 quarters of this financial year, the programme worked with schools some of the most deprived wards in Central Bedfordshire (Manshead, Parkside and Tithe Farm, Dunstable Northfields and Sandy), so it is anticipated that the loss of this programme will have a negative effect on vulnerable children in areas of high disadvantage. In the first year of operations, the following outcomes were achieved against the pro-social domains of the Strengths and Difficulties Questionnaire (SDQ): 44% of children had an improved score in emotional distress, 36% in difficulties getting along with other children and 42% in kind and helpful behaviour.

- Between cases carried over from previous quarters and new referrals, CAN were working with 23 families affected by parental substance misuse in Q1, which had risen to 28 in Q2. Fourteen of these (50%) were subject to Child in Need or Child Protection Plans (extrapolated from the number of families where a CIN/CP/Core Group meeting was attended by the CAN worker). This means that half of all families accessing this service meet statutory social care thresholds and have high levels of vulnerability/risk – the loss of this service could exacerbate that risk and lead to a need for costlier statutory interventions (e.g. children becoming Looked After) if families’ needs cannot be met through alternative services.
- A decision to decommission the CAB Welfare Reform advice service may impact on service users who are already experiencing disadvantage and receiving benefits, and will be more at risk of vulnerability and material disadvantage due to welfare reforms. However, as this service consists of training delivered to existing professionals rather than directly to residents, it is not clear what the effects of removing this service would be.
- The Homestart services promote family and community cohesion by training volunteers and working directly with families in need of support. 96% of families accessing this service in April-September 2015 said they felt more confident, and decommissioning this contract could potentially undermine this cohesion.
- As Speech and Language Therapy and Healthy Under-5’s are accessed through Children’s Centres, many of the families who use them live in the lowest 40% LSOAs in Central Bedfordshire and are vulnerable to deprivation and disadvantage, as well as social care involvement. While exact numbers of each are not known, 2.7% of parents and 3.2% of children accessing SLT services in Q1 were supported by an Early Help Assessment (EHA), and anecdotal feedback from performance reports for this contract indicates that some families have involvement with statutory safeguarding services.
- Carers in Bedfordshire offer group based support in localities across Central Bedfordshire including Dunstable, Leighton Buzzard and Biggleswade. The children and young people that have attended the groups have built relationships with other young carers that may be lost without the group. Young carers may not be able to identify other young carers who have a shared experience of caring and receive support from their relationship. The groups offer support within a group setting to children with various levels of need. Without the groups support this may exacerbate the risks and needs and lead to more intensive support.

**2.3. Summary of Existing Data and Consultation Findings – Employment
Considering the impact on Employees**

Central Bedfordshire Council staff are not affected by the proposals included in this assessment

- **Age:** e.g. 16-19 / 20-29 / 30-39 / 40-49 / 50-59 / 60+ **N/A**

- **Disability:** e.g. *Physical impairment / Sensory impairment / Mental health condition / Learning*

disability or difficulty / Long-standing illness or health condition / Severe disfigurement N/A

- **Carers:** *e.g. parent / guardian / foster carer / person caring for an adult who is a spouse, partner, civil partner, relative or person who lives at the same address N/A*

- **Gender Reassignment:** *People who are proposing to undergo, are undergoing or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex N/A*

- **Pregnancy and Maternity:** *e.g. Pregnancy / Compulsory maternity leave / Ordinary maternity leave / Additional maternity leave N/A*

- **Race:** *e.g. Asian or Asian British / Black or Black British / Chinese / Gypsies and Travellers / Mixed Heritage / White British / White Irish / White Other N/A*

- **Religion or Belief:** *e.g. Buddhist / Christian / Hindu / Jewish / Muslim / Sikh / No religion / Other N/A*

- **Sex:** *Women / Men N/A*

- **Sexual Orientation:** *e.g. Lesbians / Gay men / Bisexuals / Heterosexuals N/A*

- **Other:** *e.g. Human Rights, Poverty / Social Class / Deprivation, Looked After Children, Offenders, Cohesion, Marriage and Civil Partnership N/A*

2.4. To what extent are vulnerable groups more affected by this proposal compared to the population or workforce as a whole?

Details are provided in section 3.

2.5. To what extent do current procedures and working practices address the above issues and help to promote equality of opportunity?

The proposal to de-commission these services is part of a broad Transformation Plan that will enable the Council and partners to focus resources on the most vulnerable children and families. The Aims of the Transformation Programme are:

- Reduce levels of child abuse/family breakdown, managing demand effectively
- Deliver more for less, managing our resources effectively
- Ensure consistent high quality services which demonstrate positive impact on children

The Objectives of the Transformation Programme are:

- Remodel and develop the way we work
- Improve team integration and skill mix
- Co-production and multi-agency working with staff, internal and external partners
- Outstanding and consistent practice from Early Help through to Fostering and Adoption

2.6. Are there any gaps in data or consultation findings

There are inconsistencies in the quality and quantity of data that is collected and analysed from different commissioned services. This makes the analysis of some of the characteristics impossible.

The Council will conduct a more detailed consultation regarding the proposed changes included in this assessment for support for carers. This consultation will be launched in February 2016.

2.7. What action will be taken to obtain this information?

It is recommended that the current independent performance management process adopted by the Commissioning and Performance service continues regardless of where services are delivered from (i.e. internal or external teams). This will support a consistent approach to understanding the demand for services and the outcomes from different provision. Efforts will be made to address the inconsistencies which have been identified in relation to data collection and analysis.

Stage 3 - Providing an overview of impacts and potential discrimination.

Stage 3 – Assessing Positive & Negative Impacts

Analysis of Impacts	Impact?		Discrimination?		Summary of impacts and reasons
	(+ve)	(- ve)	YES	NO	
3.1 Age		Yes			<p>The decommissioning of the Children’s Society contract would adversely impact children aged 10 and under, who represent 63% of CYP service users (n=126 children).</p> <p>The decommissioning of early intervention services will affect different age cohorts – 0-5’s for health provision, lower-school children for the CHUMS contract, teenagers/young adults for the CSUK and YMCA programmes and parents of very young children for the Homestart contracts and children and young people over 4 for CIBs</p>
3.2 Disability		Yes			<p>The decommissioning of the Children’s Society contract would have a disproportionately negative impact on service users with a disability, who are significantly over represented within this group. 15.5% of CYP service users and 12.6% of parents have a disability, in comparison to 2% of the general population. In total, 41 children and parents with a disability have accessed this</p>

Central Bedfordshire Council Equality Impact Assessment

					<p>service.</p> <p>The decommissioning of the YMCA contract is likely to disproportionately affect this cohort of young people, 76% of whom had additional learning needs.</p> <p>There is also likely to be a mental health impact from the loss of the CAN contract, as rates of co-morbidity among adult service users are known to be high, and parental substance misuse is known to affect child mental health, although the exact extent is unclear.</p> <p>The decommissioning of the SLT contract will affect children with communication needs, particularly if these are the result of a disability.</p> <p>The decommissioning of the CIB contract for young carers could have a disproportionate impact on those caring for others with a disability or illness.</p>
3.3 Carers					<p>Potential changes in contract may impact on young carers. The proposal to provide more resource for delivering one to one support will however benefit those in receipt and need of more intensive support.</p>
3.4 Gender	None identified				
Reassignment					
3.5 Pregnancy & Maternity		Yes			<p>Mothers will be the key group affected by the loss of the Homestart post-natal depression contract.</p>
3.6 Race		Yes			<p>The ethnicity of Children's Society Service users generally reflects that of the general population in Central Bedfordshire. A decision to end this contract is therefore unlikely to have a disproportionate impact on</p>

Central Bedfordshire Council Equality Impact Assessment

					<p>ethnic minority service users.</p> <p>Nearly 40% of YMCA participants are non-white, and are particularly asylum-seekers. Decommissioning this service will therefore adversely impact upon these minority groups.</p>
3.7 Religion / Belief	None identified				
3.8 Sex		Yes			<p>A decision to end the Children's Society contract would have a disproportionately negative impact on female parent service users, who represent 68.4% of parent service users (n=54). Female parents are therefore over represented by 20% within this service user cohort.</p> <p>100% of CSUK participants are female, as are 94% of CAB service users. Girls/women are therefore likely to be disproportionately affected by decommissioning these services. Women would also be disproportionately impacted by decommissioning the Homestart post-natal depression contract.</p>
3.9 Sexual Orientation	None identified				
3.10 Other e.g. Human Rights, Poverty / Social Class / Deprivation, Looked After Children, Offenders, Cohesion Marriage and Civil Partnership		Yes			<p>Decommissioning the Children's Society Contract would have a disproportionate negative impact on Children in Need and children on a Child Protection Plan. Children in Need represent 97% of service users (n=194) and children on a Child Protection Plan represent 39.5% of service users (n=79).</p> <p>A majority of referrals to the Children's Society related to the child's behaviour (n=89) and domestic abuse (n=85).</p>

				<p>There were also 25 referrals for sexual abuse. A decision to discontinue this service will have a negative impact upon service users who have been a victim of domestic and/or sexual abuse, unless these referrals can be picked up by another commissioned service, or in-house staff, who have the capacity and skills to deliver an appropriate intervention. Central Bedfordshire Council currently commission Sorted Counselling Services to provide interventions for children who have witnessed or experienced domestic or sexual abuse. It is important to highlight that the annual target for this contract is 40 service users, which raises questions regarding their capacity to take on referrals that would have been made to the Children's Society, if the service is discontinued.</p> <p>Looked after Children/care leavers, young people experiencing housing vulnerability and young offenders will be affected by decommissioning YMCA, as these cohorts make up a significant proportion of service users.</p> <p>Decommissioning the CAN programme will impact on Children in Need and those under Child Protection Plans, which make up 48% of service users.</p> <p>There will be an impact on deprivation from the loss of the CHUMS and CAB services, as these are targeted towards poorer wards and those on benefits respectively.</p> <p>Cohesion will be affected by</p>
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					<p>the loss of the CSUK programme, which contributes to community safety. Family cohesion would also be affected by the loss of the Homestart contracts. Families in deprived areas would be affected by the loss of contracts delivered from Children’s Centres, particularly speech and language services, which would leave some families with social care involvement without early-stage help to support children’s development and communication needs.</p>
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Stage 4 - Identifying mitigating actions that can be taken to address adverse impacts.

Stage 4 – Conclusions, Recommendations and Action Planning

4.1 What are the main conclusions and recommendations from the assessment?

Based on a calculation of the average total open caseload per month held by the Children’s Society between July – September 2015, it is expected that on 1st April 2016 there will be 87 open cases that will be referred elsewhere, if this contract is not continued.

The proposal to de-commission these services and deliver them in a different way is part of a Board Transformation Plan that will enable the Council and partners to focus resources on the most vulnerable children and families. Some services offered by Council teams and by partners will be able to provide alternative services.

It is recommended that the current independent performance management process adopted by the Commissioning and Performance service continues regardless of where services are delivered from (i.e. internal or external teams). This will support a consistent approach to understanding the demand for services and the outcomes from different provision.

Without the access to early intervention services, the needs of children and families could escalate which could increase numbers of children needing more high-level support/intervention, including being taken into care. The Council is aware of the benefits of early intervention¹ and through the Transformation Plan will ensure that the services that offer value for money and with the best evidence of success are protected

The Council are continuing detailed negotiations with The Children’s Society and other

¹

Early Intervention: The Next Steps. An Independent Report to Her Majesty’s Government Graham Allen MP, 2011

commissioned providers to develop proposals that could continue some of the services currently offered during the transition phase to redesigned service delivery models These negotiations will conclude in early 2016 and influence services from April 2016.

4.2 What changes will be made to address or mitigate any adverse impacts that have been identified?

Discussions about the level of de-commissioning with three providers (SEPT, Homestart and the Children’s Society) are ongoing. These discussions are designed to mitigate the impact on the core elements of these services for 2016/17 and will be influenced by any budget consultation feedback. The information below refers to the impact of de-commissioning all of the services but will be updated to reflect the final re-commissioning decisions taken.

Since first considering the impact of de-commissioning the services outlined in this assessment, the Council has agreed to invest significant funding to secure the core elements of some of the services for the immediate future. The medium/longer term design of all services will be informed by the Transformation Plan outlined in section 2.5.

Children’s Society:

Parenting work and protective behaviours work could be delivered by existing teams for example the Parenting team. They are experienced in delivering a range of evidenced based parenting programmes and 1:1 work. Currently the Parenting Team is delivering 72 interventions which includes protective behaviours and parenting. There is also potential for social work teams to pick up this work with the families they support.

If families meet the appropriate criteria they would be enrolled on the Supporting (Troubled) Families programme.

Homestart:

Some work would be undertaken by Supporting Families.

Homestart Post Natal Depression Work

The Healthy Child Programme places an expectation on Health Visitors to assess mental mood and they will be expected to work with or refer mothers who are assessed with a problem to specialist health services

Speech and Language The CCG are presently recommissioning for SALT, and the method of delivery of the EI contract is seen as best practice and it is expected that some of the work be picked up. This has not yet been discussed with the CCG and will present a pressure for the current reconfiguring of services.

Young Carers

It is proposed that there is a change in approach which moves away from providing peer support and group work to focus on delivering more intensive 1:1 work with the most vulnerable young carers, including those with parents suffering from mental ill health.

Other Contracts

Dental Contract - Public Health colleagues are in the process of re-commissioning parts of the Dental Health contract and some aspects of this work may be picked up. However the aspects of the contract covering Healthy Eating for the under fives will not covered, although Children’s Centres will be able to discuss healthy eating in general terms with parents.

4.3 Are there any budgetary implications?			
The decommissioning of the services within this proposal will support achieving efficiencies captured within CSE1612, CSE1614 and CSE1618 which total £676k over the next four years.			
4.4 Actions to be taken to mitigate against any adverse impacts:			
Action	Lead Officer	Date	Priority
<i>This section will detail the teams/staff that will offer support to the children/families currently receiving support – service managers/HoS to complete once the final detail of the efficiencies has been agreed.</i>		Jan – March 16	H
Parenting Team	Julia Overton	Jan – March 16	H
Supporting Families	Vicky Marlin	Jan – March 16	H
For Homestart Supporting Families	Vicky Marlin	Jan – March 16	H

Stage 5 - Checking that all the relevant issues and mitigating actions have been identified

Stage 5 – Quality Assurance & Scrutiny:
Checking that all the relevant issues have been identified
5.1 What methods have been used to gain feedback on the main issues raised in the assessment?
Step 1: Public consultation (as part of the Council's budget consultation) in January 2016. There have also been meetings with affected providers to agree which elements of services can be protected and delivered in different ways. These discussions will continue to influence which services are available to children and families from April 2016.
Has the Corporate Policy Advisor (Equality & Diversity) reviewed this assessment and provided feedback? Yes
Summary of CPA's comments: CPA has provided advice and guidance about the completion of the EIA and the ongoing process.
Step 2:
5.2 Feedback from Central Bedfordshire Equality Forum
This draft Equality Impact Assessment was presented to the Equality Forum on 14 January 2016. A summary of the feedback from the group is outlined below: The members of the Equality Forum were very concerned to see that such significant amounts of money had been identified as efficiencies, particularly in areas such as Children's Services and reductions in funding to the voluntary sector. Particular concern was expressed in relation to proposed reductions in support for post natal depression. Research was highlighted which identified how post natal depression and attachment problems can lead to serious life long problems for children and so it is

important to tackle the issue as soon as possible.

Whilst members of the Forum agreed that there was probably more scope to reduce duplication by joining up voluntary sector activities across Children and Adult Services it was noted that significant efficiency savings had also been identified in Adult Services related to the voluntary sector and that this would impact on overall capacity levels.

Concern was expressed that overall budget levels were being drawn up, predicated on certain savings being achieved, for example recruiting more local authority foster carers, which might not be achievable.

The size of the efficiencies were felt to be very significant and Forum Members expressed concern about the extent to which there was capacity within teams to take on new cases and the ability of the voluntary sector to attract more volunteers of the required calibre.

It was suggested that the EIA should highlight research assessing the long term impact of early help and family support and the significant personal and financial costs that are created further down the line if such help is withdrawn.

Concern was expressed that the proposals were potentially creating a snowball effect which could be cataclysmic and bite the Council further in 10 years time, as damaged children become damaged adults that local services are unable to help.

Stage 6 - Ensuring that the actual impact of proposals are monitored over time.

Stage 6 – Monitoring Future Impact	
6.1	How will implementation of the actions be monitored? Monitoring of the performance and outcomes of any successor services will be monitored by the Children’s Services Commissioning and Performance service. This will be reported to CSMT regularly.
6.2	What sort of data will be collected and how often will it be analysed? The level of data that is currently collected for the Children and Family Support service is proposed to continue for all services, whether commissioned or in-house.
6.3	How often will the proposal be reviewed? Quarterly
6.4	Who will be responsible for this? Members of Children’s Services Management Team
6.5	How have the actions from this assessment been incorporated into the proposal? The actions arising from this assessment will be built into the Children’s Services Transformation Plan

Stage 7 - Finalising the assessment.

Stage 7 – Accountability / Signing Off	
7.1	Has the lead Assistant Director/Head of Service been notified of the outcome of the assessment Name: Ben Pearson _____ Date: 25.1.16
7.2	Has the Corporate Policy Adviser Equality & Diversity provided confirmation that the Assessment is complete? Date: 25.1.16

Central Bedfordshire Council

EXECUTIVE

9 February 2016

CAPITAL PROGRAMME 2016/17 TO 2019/20

Report of Cllr Richard Wenham, Executive Member for Corporate Resources
(richard.wenham@centralbedfordshire.gov.uk)

Advising Officer: Charles Warboys, Chief Finance Officer and Section 151
Officer
(charles.warboys@centralbedfordshire.gov.uk)

Contact Officer: Ralph Gould, Head of Financial Control
(ralph.gould@centralbedfordshire.gov.uk)

This report relates to a non-Key Decision

Purpose of this report

1. The report proposes the Capital Programme for the four years from April 2016. It excludes the Housing Revenue Account (HRA) which is subject to a separate report.

RECOMMENDATION

The Executive is asked to:

1. **recommend to Council the Capital Programme for 2016/17 to 2019/20 for approval.**

Overview and Scrutiny Comments/Recommendations

2. Overview and Scrutiny Committees considered the budget proposals in their January 2016 cycle of meetings. Comments are included in Appendix K of the Revenue MTFP paper.

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 schemes including the requirement to provide New School Places, M1/A421 Junction 13 – Magna Park, Highways Structural Maintenance, New Depots and Household Waste Recycling Centres, the Woodside Link road and Dunstable Leisure Centre and Library.
5. A driving principle underlying Capital Programme development has always been to minimise the revenue impact in future years arising from interest payments and the Minimum Revenue Provision (MRP) or alternatively, to identify future revenue resources to facilitate borrowing for capital purposes in a sustainable and prudent manner.
6. The Capital Budget proposed in this report reduces revenue liabilities against those previously identified in the Medium Term Financial Plan (MTFP) for 2015/16 to 2018/19. The reduction is partly due to revised cost of borrowing assumptions discussed within the Interest Rates section of this report. Risks of revenue budget pressures remain, largely those associated with the realisation of capital receipts (delays would increase the overall borrowing requirement), the timing of movements in interest rates (if increases occur earlier than assumed then interest liabilities will be greater than estimated). There can be additional capital expenditure pressures in respect of the Capital Programme and where mitigating actions cannot offset all or any pressures there would be an increase in the overall borrowing requirement with a pressure on the associated revenue costs of debt financing.
7. A summary of the proposed Capital Programme has been included in Appendix A and Appendix B which shows a breakdown by 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 liabilities.
8. Capital receipts projections for the 2016/17 to 2019/20 period have been reviewed. 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 Capital Programme 2016/17 to 2019/20

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 available for other services over the longer term by incurring additional capital financing costs.

11. Table 1 below shows a summary of the Capital Programme reflecting revisions in year and a planning assumption of varied slippage in programme spend across the years. Expenditure and income in each year has been adjusted by an overall estimate of slippage in the Capital Programme for the purposes of calculating the revenue implications. An annual slippage assumption of 20% has been applied in previous MTFPs. Based on current monitoring of the 2015/16 Capital Programme an overall slippage to 2016/17 of 25% has been assumed followed by 15% from 2016/17 and 10% per annum thereafter. The assumed slippage profile reflects the fact that a number of high value schemes are expected to complete in 2016/17 and the proposed programmes for later years are reducing in overall value. A reconciliation to the MTFP, excluding slippage, is provided in Appendix C. The detailed programme is presented in Appendices A and B.

Table 1 – 2016/17 to 2019/20 Medium Term Financial Plan Capital Programme (assuming annual programme slippage)

	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000
Gross Expenditure	105,354	92,239	68,751	47,973
Funded by:				
Grants/Contributions	(55,438)	(58,491)	(34,394)	(28,046)
Capital Receipts	(10,500)	(9,500)	(7,500)	(6,000)
Borrowing	(39,416)	(24,248)	(26,857)	(13,927)
Total Funding	(105,354)	(92,239)	(68,751)	(47,973)

12. By including an overall slippage assumption for the capital schemes there is recognition that dependencies within the Capital Programme exist (for example on third parties, including external funders) and often, as a result, capital schemes are deferred from one year to the next as delivery is delayed.

Financing of the Capital Programme

13. The revenue financing costs of the proposed Capital Programme, including what has been previously built into the previous MTFP are:

Table 2 – 2016/17 to 2019/20 Annual Revenue Implications of proposed Capital Programme compared to Previous MTFP

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Previous MTFP	15,506	17,360	19,146	-
Additional Charge / (Reduction) to original MTFP	(1,623)	(1,210)	(1,410)	-
Revised MTFP	13,883	16,150	17,736	19,103
Year on Year Increase in the revenue consequences of the proposed programme		2,267	1,586	1,367

Estimated revenue costs are lower than the previous base budget for 2016/17 to 2018/19 reflecting updated assumptions in respect of the timing of interest rate movements and amendments to the Capital Programme.

14. Table 2 sets out the position over the medium term. Although there is less certainty in determining future spend and financing, the table shows that the Capital Programme will continue to produce cost pressures without further generation of new capital receipts and external grants and contributions.

Interest Rates

15. Since inception the Council, (excluding 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 31st March 2015, the Council had borrowed £118.0M from its own balances to fund capital expenditure. Where required by the actual cash flow position, the Council obtains short term borrowing from other public authorities.

16. Revenue implications of the Capital Programme have been calculated on the assumption that any borrowing, required by actual cash flows, will be obtained 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, public authorities are lending to each other at rates below the PWLB rate for short term periods and the inclusion of these rates coupled with revised assumptions in respect of future increases in UK base rates has lowered the projected revenue implications of the Capital Programme over the previous MTFP 2015/16 to 2018/19 period.
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. Table 3 below demonstrates the impact on the MTFP of interest rates above those assumed in the Plan.

Table 3 – 2016/17 to 2019/20 Additional costs over the MTFP period of an unexpected increase in the Interest Rate

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
1% point higher	1,411	1,608	1,652	1,663
2% points higher	2,821	3,217	3,304	3,327

18. There is a risk that interest rates may 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 Capital Programme over the longer term, within and beyond the current MTFP period.
19. The Council's treasury management adviser, Arlingclose Ltd, forecasts the first rise in official interest rates in September 2016 and a gradual pace of increases thereafter, with the average for 2016/17 being around 0.63% compared to 0.50% in 2015/16.
20. The Council's MTFP assumes variable interest rate forecasts as follows:

	2016/17	2017/18	2018/19	2019/20
Rate %	0.78%	1.28%	1.78%	2.03%

This forecast includes a 0.1% prudent allowance for uncertainty above the assumptions provided by Arlingclose Ltd.

21. Taking into account our assumptions on borrowing over the MTFP period, and the mix of fixed and variable rate borrowing, the weighted average interest rates for the MTFP period are as follows:

	2016/17	2017/18	2018/19	2019/20
Weighted average interest rate on borrowing %	2.62%	2.70%	2.93%	3.05%

22. The Council reviews and approves annually its Treasury Management Strategy 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. However, fixed interest rates are higher than variable rates and any decision to fix debt in the short term would adversely impact revenue implications within the MTFP period.

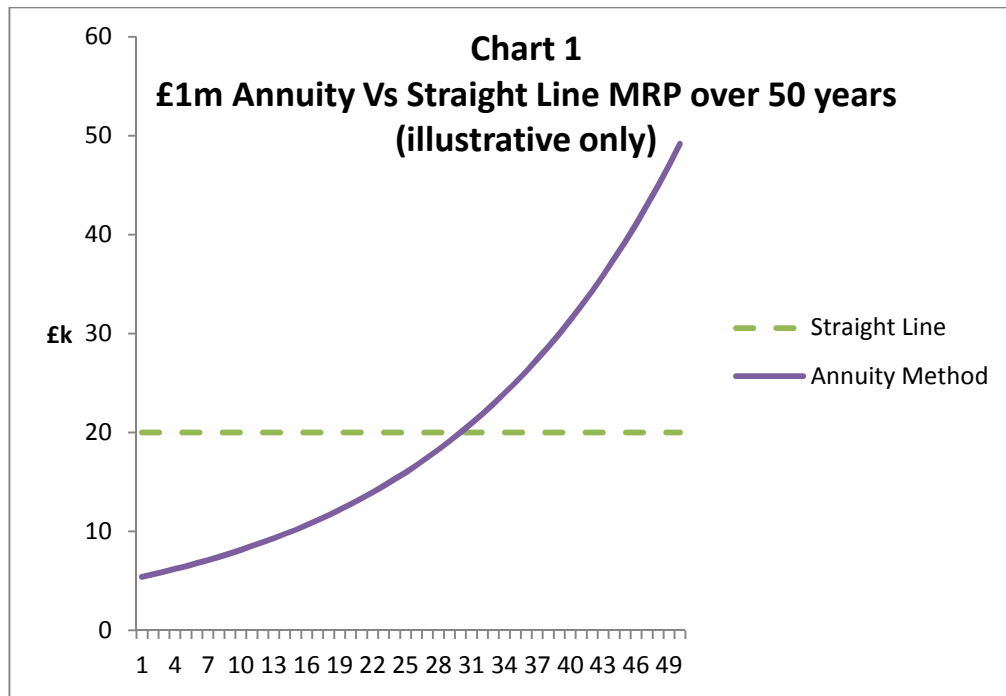
Minimum Revenue Provision (MRP)

23. 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).
24. DCLG guidance outlines different options that local authorities can use to calculate a prudent provision. The method used by the Council for the MTFP 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 (years)
Land and buildings	50
Highways, roads, bridges	30
IT systems/equipment, fleet	10

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

25. 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 overleaf, in a similar manner to which principal is repaid on a repayment mortgage. This method 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 Capital Programme to be minimised over the medium term, but with significantly higher MRP costs in future years beyond the current MTFP period. The Council will need to ensure that these costs are sustainable in the long term.



Capital Receipts

26. 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.
27. The Council has historically not achieved approved estimates for capital receipts within the MTFP. Currently £3.0M of capital receipts are forecast for 2015/16 compared to an approved estimate of £13.1M. The current forecast for 2015/16 reflects delays in two major anticipated receipts, specifically Stratton Park and specific receipts under the terms of the disaggregation agreement with Bedford Borough Council in respect of Bell Farm and County Hall.
28. Any shortfalls in capital receipts over the MTFP period will lead to increased revenue costs from the Capital Programme where the borrowing requirement increases as a result of any shortfall in receipts, unless capital projects are themselves delayed or re-phased.

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

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Previous MTFP Capital Receipts	10,186	9,606	1,500	-	21,292
Revised MTFP Capital Receipts	10,500	9,500	7,500	6,000	33,500
Total Change Increase/ (Decrease) in Capital Receipts	314	(106)	6,000	6,000	12,208

Reserve List

29. Appendix B includes a list of reserve schemes, which the Council may progress if the revenue impacts can be accommodated within the revenue budget.
30. 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.
31. The total capital costs of schemes on the Reserve List are set out in Table 5. 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 MTFP period.

Table 5 – Net Capital Cost of Total Reserve List Schemes 2016/17 to 2019/20

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Net Capital Cost of Reserve List Schemes	7,970	13,670	6,989	7,081	35,710

Major Capital Schemes

New School Places - £75M gross (£4M net) expenditure over the MTFP period

32. The New Schools Places programme provides the capital investment to deliver new school places required by population growth in areas of limited surplus capacity within our schools. The Council's School Organisation Plan is the evidence base that supports the commissioning of these new school places over a rolling five year period. The programme is funded by a combination of sources including Department for Education basic need grant, developer contributions and Council borrowings and capital receipts.

M1/A421 Junction 13 - Milton Keynes Magna Park - £18M gross (£60K net) expenditure over the MTFP period

33. We are improving the A421 between Junction 13 of the M1 and Magna Park in Milton Keynes. This involves dualling the remaining section of single carriageway road in order to remove this bottleneck in an important east –west route. It is anticipated that this scheme will be largely funded through Department of Transport grants.

New Depots and Household Waste Recycling Centres - £11M gross expenditure (£11M net) over the MTFP period

34. In order to deliver effective services we are investing in the infrastructure required to provide these, as previously these were operated from old County Council facilities based in Bedford Borough that are no longer suitable or available. This includes highways depots and salt storage that give us the bases from which to maintain the highway network and a waste transfer station that will allow us to manage the disposal of our residents' waste in the most efficient way.
35. We are also currently rebuilding all four of our Household Waste recycling centres. This will allow us to provide a better and safer customer experience with reduced queueing, same level tipping and more options for recycling. It will also allow us to address a number of potential environmental problems at the existing sites.

Woodside Link - £18M gross expenditure (£4M net) over the MTFP period

36. This is the gross cost of building the Woodside Link Road from the M1 to the Woodside industrial area of Dunstable. This road will help unlock significant investment in the area, both in terms of housing but also employment and will allow HGVs to avoid Dunstable town centre. Much of the cost will be recovered through Government funding and from developer contributions.

Highways Structural Maintenance - £24M gross (£7M net) expenditure over the MTFP period

37. This is the expenditure on repairs to the highway: mainly resurfacing works but also rebuilding, surface dressing and reconstruction. We receive a government grant to cover the majority these costs and the level of this grant is dependant on using an asset management approach to maintenance.

Dunstable Leisure Centre and Library - £20M gross (£18M net) expenditure over the MTFP period

38. The current Dunstable Leisure Centre and Library buildings are reaching the end of their lives and are becoming increasingly expensive and difficult to maintain. We are taking the opportunity to invest in a new building that combines these services, provides a leisure and library offer that is fit for the future and acts as a catalyst for future investment in the centre of Dunstable. This work will trigger the release and redevelopment of further sites in Dunstable which will, in turn, add further to the creation of a more vibrant town centre.

Reason for Decision

39. To recommend to Council the Capital Programme for the MTFP period 2016/17 to 2019/20 to facilitate effective financial management and planning.

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 individual proposals.

Next Steps

45. A period of public consultation commenced from January 2016.
46. Overview and Scrutiny Committees considered the budget proposals in their January/February 2016 cycle of meetings. Comments are included in Appendix K of the Revenue MTFP paper.

Appendices

Appendix A – Summary of changes against previous MTFP
Appendix B – Full Capital Programme 2016/17 to 2019/20 and Reserve List
Appendix C – Reconciliation of Capital MTFP to MTFP with slippage included

Background papers

None.

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Appendix A - Revised Programme

Movement between 2015/16 Capital MTFP and Draft 2016/17 Capital MTFP

Existing (2015/16 Capital MTFP)

Directorate Name	2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			Total Budget 2016/17 - 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	28,109	(20,511)	7,598	38,033	(19,448)	18,585	20,275	(8,187)	12,088	0	0	0	86,417	(48,146)	38,271
Community Services	69,165	(27,310)	41,855	24,436	(12,111)	12,325	20,038	(6,111)	13,927	0	0	0	113,639	(45,532)	68,107
ICS	5,890	0	5,890	5,441	0	5,441	5,550	0	5,550	0	0	0	16,881	0	16,881
Regeneration & Business Support	10,608	(7,051)	3,557	5,898	(2,210)	3,688	100	0	100	0	0	0	16,606	(9,261)	7,345
Social Care, Health & Housing	4,425	(1,618)	2,807	2,900	(718)	2,182	2,900	(718)	2,182	0	0	0	10,225	(3,054)	7,171
Total	118,197	(56,490)	61,707	76,708	(34,487)	42,221	48,863	(15,016)	33,847	0	0	0	243,768	(105,993)	137,775

Revised (2016/17 Capital MTFP)

Directorate Name	2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			Total Budget 2016/17 - 2019/20		
	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	21,251	(19,997)	1,254	28,032	(27,432)	600	20,213	(19,613)	600	18,022	(14,034)	3,988	87,518	(81,076)	6,442
Community Services	47,047	(22,067)	24,980	38,079	(22,739)	15,340	36,205	(8,987)	27,218	20,226	(12,087)	8,139	141,557	(65,880)	75,677
ICS	3,500	0	3,500	4,500	0	4,500	3,500	0	3,500	3,000	0	3,000	14,500	0	14,500
Regeneration & Business Support	4,528	(2,059)	2,469	12,678	(6,407)	6,271	3,668	(2,465)	1,203	1,762	(725)	1,037	22,636	(11,656)	10,980
Social Care, Health & Housing	6,465	(1,678)	4,787	5,400	(778)	4,622	2,950	(778)	2,172	2,900	(778)	2,122	17,715	(4,012)	13,703
Total	82,791	(45,801)	36,990	88,689	(57,356)	31,333	66,536	(31,843)	34,693	45,910	(27,624)	18,286	283,926	(162,624)	121,302

Change

Directorate Name	2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			Total Budget 2016/17 - 2019/20		
	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	(6,858)	514	(6,344)	(10,001)	(7,984)	(17,985)	(62)	(11,426)	(11,488)	18,022	(14,034)	3,988	1,101	(32,930)	(31,829)
Community Services	(22,118)	5,243	(16,875)	13,643	(10,628)	3,015	16,167	(2,876)	13,291	20,226	(12,087)	8,139	27,918	(20,348)	7,570
ICS	(2,390)	0	(2,390)	(941)	0	(941)	(2,050)	0	(2,050)	3,000	0	3,000	(2,381)	0	(2,381)
Regeneration & Business Support	(6,080)	4,992	(1,088)	6,780	(4,197)	2,583	3,568	(2,465)	1,103	1,762	(725)	1,037	6,030	(2,395)	3,635
Social Care, Health & Housing	2,040	(60)	1,980	2,500	(60)	2,440	50	(60)	(10)	2,900	(778)	2,122	7,490	(958)	6,532
Total	(35,406)	10,689	(24,717)	11,981	(22,869)	(10,888)	17,673	(16,827)	846	45,910	(27,624)	18,286	40,158	(56,631)	(16,473)

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Appendix B - Revised Programme

Directorate	Scheme Title	2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			Total Budget 2016/17 - 2019/20		
		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	18,201	(17,547)	654	24,982	(24,982)	0	17,163	(17,163)	0	14,972	(11,584)	3,388	75,318	(71,276)	4,042
Children's Services	Schools Capital Maintenance	2,000	(2,000)	0	2,000	(2,000)	0	2,000	(2,000)	0	2,000	(2,000)	0	8,000	(8,000)	0
Children's Services	Schools Devolved Formula Capital	450	(450)	0	450	(450)	0	450	(450)	0	450	(450)	0	1,800	(1,800)	0
Children's Services	Temporary Accommodation	400	0	400	400	0	400	400	0	400	400	0	400	1,600	0	1,600
Children's Services	Schools Access Initiative	200	0	200	200	0	200	200	0	200	200	0	200	800	0	800
Community Services	Highways Structural Maintenance Block	6,020	(4,333)	1,687	6,020	(4,296)	1,724	6,020	(4,109)	1,911	6,020	(3,959)	2,061	24,080	(16,697)	7,383
Community Services	Highways Fixed Cost Services (Lump Sums)	800	0	800	800	0	800	800	0	800	800	0	800	3,200	0	3,200
Community Services	Additional Local Highways Maintenance Funding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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	800	0	800	800	0	800	800	0	800	800	0	800	3,200	0	3,200
Community Services	Highways Street Lighting - maintenance	500	0	500	500	0	500	500	0	500	500	0	500	2,000	0	2,000
Community Services	Highways Bridge Assessment and Maintenance	750	0	750	600	0	600	600	0	600	600	0	600	2,550	0	2,550
Community Services	Fleet replacement programme	250	0	250	250	0	250	250	0	250	0	0	0	750	0	750
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.	290	(10)	280	304	(10)	294	318	(10)	308	335	(10)	325	1,247	(40)	1,207
Community Services	Sundon / Bluewater Landfill Sites	350	(300)	50	254	(65)	189	50	0	50	50	0	50	704	(365)	339
Community Services	HWRC Redevelopment	1,400	0	1,400	0	0	0	0	0	0	0	0	0	1,400	0	1,400
Community Services	Thorn Turn Waste Park	7,100	0	7,100	0	0	0	0	0	0	0	0	0	7,100	0	7,100
Community Services	Leisure Strategy - delivery with stakeholders	150	0	150	100	0	100	50	0	50	0	0	0	300	0	300
Community Services	Library and Leisure Centre renewal in Dunstable	896	0	896	4,824	0	4,824	13,094	0	13,094	964	(2,000)	(1,036)	19,778	(2,000)	17,778
Community Services	Flitwick Leisure Centre redevelopment	0	(2,530)	(2,530)	0	0	0	0	0	0	0	0	0	(2,530)	(2,530)	0
Community Services	Leisure Centre Stock Condition/Asset Management Plan	350	0	350	250	0	250	150	0	150	100	0	100	850	0	850
Community Services	CCTV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community Services	New Car Parks	0	0	0	650	0	650	650	0	650	0	0	0	1,300	0	1,300
Community Services	Parking Equipment	200	0	200	0	0	0	0	0	0	0	0	0	200	0	200
Community Services	East West Rail (Western Section)	40	0	40	0	0	0	0	0	0	0	0	0	40	0	40
Community Services	Luton Dunstable Busway	1,000	0	1,000	0	0	0	0	0	0	0	0	0	1,000	0	1,000
Community Services	Rights of Way Network - Structural Renewal and Improvement Works	155	0	155	155	0	155	155	0	155	155	0	155	620	0	620
Community Services	Outdoor Access and Countryside Works	245	0	245	245	0	245	245	0	245	245	0	245	980	0	980
Community Services	Houghton Hall Urban County Park	780	(605)	175	21	(3)	18	3	(3)	0	2	(3)	(1)	806	(614)	192
Community Services	Woodside Link	11,000	(11,000)	0	3,000	(3,000)	0	4,000	0	4,000	0	0	0	18,000	(14,000)	4,000
Community Services	Dunstable A5/M1 Link Road Strategic Infrastructure	20	0	20	20	0	20	10	0	10	0	0	0	50	0	50
Community Services	Swiss Garden Heritage Lottery Fund Project	58	0	58	0	0	0	0	0	0	0	0	0	58	0	58
Community Services	M1-A6 Phase 1 and 2	0	0	0	0	0	0	0	0	0	4,750	(4,750)	0	4,750	(4,750)	0
Community Services	Farm Compliance Work	300	0	300	300	0	300	0	0	0	0	0	0	600	0	600
Community Services	Depot - South	1,700	0	1,700	0	0	0	0	0	0	0	0	0	1,700	0	1,700
Community Services	Depot and salt barn - North	1,625	0	1,625	0	0	0	0	0	0	0	0	0	1,625	0	1,625
Community Services	Tree backlog	250	0	250	0	0	0	0	0	0	0	0	0	250	0	250
Community Services	Westbury Phase 2 Industrial units (income generation)	175	0	175	0	0	0	0	0	0	0	0	0	175	0	175
Community Services	Stratton Park Phase 5 & 6 Additional Infrastructure works - [second phase of delivery]	1,568	(924)	644	0	0	0	0	0	0	0	0	0	1,568	(924)	644

Appendix B - Revised Programme

Directorate	Scheme Title	2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			Total Budget 2016/17 - 2019/20		
		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	Strategic infrastructure schemes	160	0	160	170	0	170	1,085	(1,000)	85	0	0	0	1,415	(1,000)	415
Community Services	A421-M1 Junction 13- Milton Keynes Magna Park	1,020	(1,000)	20	14,020	(14,000)	20	2,520	(2,500)	20	0	0	0	17,560	(17,500)	60
Community Services	Thorn Turn infrastructure	2,000	0	2,000	0	0	0	0	0	0	0	0	0	2,000	0	2,000
Community Services	CBC Corporate Property Rolling Programme (inc. Health & Safety)	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
Community Services	Stratton Park Phase 5 Infrastructure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community Services	Energy Efficiency Measures / Carbon Reduction Improvements	300	0	300	300	0	300	300	0	300	300	0	300	1,200	0	1,200
Community Services	Enhancement work to prepare for disposals	940	0	940	641	0	641	750	0	750	750	0	750	3,081	0	3,081
Community Services	Stratton Ph4 Access	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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	0	0	0	1,500	0	1,500
ICS	SAN Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ICS	Digital Transformation	2,000	0	2,000	3,000	0	3,000	2,000	0	2,000	2,000	0	2,000	9,000	0	9,000
Regeneration	F10 BDUK2	12	0	12	2,593	(2,580)	13	3,423	(2,465)	958	1,592	(725)	867	7,620	(5,770)	1,850
Regeneration	Local Broadband Infrastructure	668	(469)	199	0	0	0	0	0	0	0	0	0	668	(469)	199
Regeneration	Market Towns	650	0	650	3,400	0	3,400	0	0	0	0	0	0	4,050	0	4,050
Regeneration	Land Drainage Flood defence	120	0	120	120	0	120	120	0	120	120	0	120	480	0	480
Regeneration	Development Site Promotion (Strategic Infrastructure Investment)	65	0	65	75	0	75	75	0	75	0	0	0	215	0	215
Regeneration	Dunstable Highway De-Trunking and Redevelopment	250	(250)	0	2,750	(1,250)	1,500	0	0	0	0	0	0	3,000	(1,500)	1,500
Regeneration	SEMLEP BDUK Extension	1,290	(1,240)	50	2,290	(2,240)	50	50	0	50	50	0	50	3,680	(3,480)	200
Regeneration	Digitising Aerial Photographs	123	0	123	0	0	0	0	0	0	0	0	0	123	0	123
Regeneration	Fitwick Transport Interchange	300	(100)	200	1,450	(337)	1,113	0	0	0	0	0	0	1,750	(437)	1,313
Regeneration	Fitwick Station Area Car Park Development	1,050	0	1,050	0	0	0	0	0	0	0	0	0	1,050	0	1,050
SCH & H	Disabled Facilities Grants Scheme	2,380	(668)	1,712	2,390	(668)	1,722	2,390	(668)	1,722	2,390	(668)	1,722	9,550	(2,672)	6,878
SCH & H	Empty Homes	210	(10)	200	210	(10)	200	210	(10)	200	210	(10)	200	840	(40)	800
SCH & H	Renewal Assistance	250	(100)	150	300	(100)	200	300	(100)	200	300	(100)	200	1,150	(400)	750
SCH & H	Additional Gypsy and Traveller Sites	1,575	(900)	675	0	0	0	0	0	0	0	0	0	1,575	(900)	675
SCH & H	MANOP: Care Home Reprovision	2,000	0	2,000	0	0	0	0	0	0	0	0	0	2,000	0	2,000
SCH & H	MANOP: Non-HRA Extra Care Schemes	50	0	50	2,500	0	2,500	50	0	50	0	0	0	2,600	0	2,600
	Total	82,791	(45,801)	36,990	88,689	(57,356)	31,333	66,536	(31,843)	34,693	45,910	(27,624)	18,286	283,926	(162,624)	121,302

Appendix B - Revised Programme

SUMMARY

Directorate	Scheme Title	2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			Total Budget 2016/17 - 2019/20		
		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		21,251	(19,997)	1,254	28,032	(27,432)	600	20,213	(19,613)	600	18,022	(14,034)	3,988	87,518	(81,076)	6,442
Community Services		47,047	(22,067)	24,980	38,079	(22,739)	15,340	36,205	(8,987)	27,218	20,226	(12,087)	8,139	141,557	(65,880)	75,677
ICS		3,500	0	3,500	4,500	0	4,500	3,500	0	3,500	3,000	0	3,000	14,500	0	14,500
Regeneration		4,528	(2,059)	2,469	12,678	(6,407)	6,271	3,668	(2,465)	1,203	1,762	(725)	1,037	22,636	(11,656)	10,980
SCH & H		6,465	(1,678)	4,787	5,400	(778)	4,622	2,950	(778)	2,172	2,900	(778)	2,122	17,715	(4,012)	13,703
Total		82,791	(45,801)	36,990	88,689	(57,358)	31,333	66,536	(31,843)	34,693	45,910	(27,624)	18,286	283,926	(162,624)	121,302

Detailed Reserve List

Directorate	Scheme Title	2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			Total Budget 2016/17 - 2019/20		
		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	Stratton Phase 5 CBC Industrial Park/Units (Income Generation)	200	0	200	3,200	0	3,200	0	0	0	0	0	0	3,400	0	3,400
Community Services	Thorn Turn CBC Industrial Park/units (capital return and income generation)	0	0	0	3,200	0	3,200	3,200	0	3,200	3,200	0	3,200	9,600	0	9,600
ICS	CBC Corporate Property Rolling Programme	2,000	0	2,000	0	0	0	0	0	0	0	0	0	2,000	0	2,000
Children's Services	New School Places	2,000	0	2,000	0	0	0	1,879	0	1,879	2,121	0	2,121	6,000	0	6,000
Community Services	Additional Local Highways Maintenance Funding	500	0	500	500	0	500	500	0	500	500	0	500	2,000	0	2,000
Community Services	Leisure Strategy - delivery with stakeholders	150	0	150	100	0	100	50	0	50	0	0	0	300	0	300
Community Services	Fitwick Station Area Car Park Development	500	0	500	0	0	0	0	0	0	0	0	0	500	0	500
Community Services	East West Rail (Western Section)	0	0	0	2,560	0	2,560	0	0	0	0	0	0	2,560	0	2,560
Community Services	Luton Dunstable Busway	1,000	0	1,000	0	0	0	0	0	0	0	0	0	1,000	0	1,000
Community Services	Outdoor Access and Countryside Works	100	0	100	100	0	100	100	0	100	100	0	100	400	0	400
Community Services	Safety Camera upgrades - replacement of wet film to digital	250	0	250	250	0	250	0	0	0	0	0	0	500	0	500
Community Services	Estate parking improvements - match funded by HRA	100	0	100	100	0	100	100	0	100	0	0	0	300	0	300
Community Services	CBC Corporate Property Rolling Programme (inc. Health & Safety)	400	0	400	400	0	400	400	0	400	400	0	400	1,600	0	1,600
Community Services	Strategic Acquisitions	500	0	500	500	0	500	500	0	500	500	0	500	2,000	0	2,000
Regeneration	Dunstable De-Trunking	0	0	0	2,500	0	2,500	0	0	0	0	0	0	2,500	0	2,500
SCH & H	Empty Homes	200	0	200	200	0	200	200	0	200	200	0	200	800	1	801
SCH & H	Disabled Facilities Grants Scheme	70	0	70	60	0	60	60	0	60	60	0	60	250	0	250
Total		7,970	0	7,970	13,670	0	13,670	6,989	0	6,989	7,081	0	7,081	35,710	1	35,711

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Central Bedfordshire Council

EXECUTIVE

9 February 2016

Budget for the Housing Revenue Account (Landlord Business Plan)

Report of Cllr Richard Wenham, Executive Member for Corporate Resources (richard.wenham@centralbedfordshire.gov.uk); and Cllr Carole Hegley, Executive Member for Social Care and Housing (carole.hegley@centralbedfordshire.gov.uk)

Advising Officers: Julie Ogley, Director of Social Care, Health and Housing (julie.ogley@centralbedfordshire.gov.uk); and 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 sets out the financial position of the Housing Revenue Account (HRA) and the Budget for 2016/17. There are proposals relating to recent legislative changes, the debt strategy, investment potential and rent reduction.

RECOMMENDATIONS

The Executive is asked to recommend to Council to approve the HRA budget proposals for 2016/17, as follows:

1. **note the recent legislative changes relating to Housing Finance and their impact on the Landlord Business Plan;**
2. **note the HRA's debt portfolio and interest payments due in 2015/16;**
3. **note the intention to commence principal debt repayments from 2017/18, as approved previously by Council in February 2015;**
4. **approve the Landlord Business Investment Plan, which proposes HRA investment throughout the Council area;**
5. **approve the HRA Revenue Budget for 2016/17 and the Landlord Business Plan summary at Appendix A and B;**

- 6. approve the 2016/17 to 2019/20 HRA Capital Programme at Appendix C; and**
- 7. approve the average rent decrease of 1% for 2016/17 in line with the national rental decrease as per Government legislation.**

Overview and Scrutiny Comments/Recommendations

2. Overview and Scrutiny Committees considered the budget proposals in their January/February 2016 cycle of meetings. Comments are included in Appendix A of the General Fund Revenue Medium Term Financial Plan.

Executive Summary

3. For the first time since Self Financing was introduced the Government has intervened radically in the financing of stock retained Authorities' HRAs. Previous guidance, published in 2014, stipulated increases to rents of inflation, measured by the Consumer Prices Index (CPI), plus 1% for a 10 year period. In order to reduce the spend on welfare (Housing Benefits), there are proposals in the Welfare Reform and Work Bill for social rents to reduce by 1% for each of the next 4 years.
4. It has been estimated that the rent reductions will result in a reduction of income of £12.7M over 4 years, and £219M over the 30 year Business Plan, compared to the previously approved Landlord Business Plan. Under separate proposals within the Housing and Planning Bill, from next year Local Authorities will also be required to transfer funds to Government, calculated on the basis that they will sell their high value void properties as they become vacant.
5. These challenges have led to a fundamental review of the Landlord Business Plan. Assumptions from the previous Medium Term Financial Plan (MTFP), concerning debt interest rates and inflation on revenue expenditure, have been refreshed to better reflect current economic indicators. Revenue efficiencies of £0.853M for 2016/17 have been identified to mitigate the effect of reduced rental income, and Reserves have been maintained to address potential demands from Central Government in relation to the sale of high value voids.
6. The Council is using the HRA to build and manage homes. It has a programme for new build homes that will address demographic pressures by significant investment in Independent Living schemes. As part of a strategic and balanced approach, there is also a commitment to repayment of the Self Financing debt of £165M. To date there have been no principal repayments, but since 2014 it has been envisaged that debt repayment would commence from 2017/18.

7. It is proposed to maintain this approach by repaying £9.73M over the 4 years between 2017/18 and 2020/21, with the entire debt being repaid within the 30 year Business Plan period. In adopting this strategy the Council would reduce the risk from refinancing at a potentially higher rate of interest than it is currently benefiting from.
8. The Landlord Business Investment Plan has been revised, to take account of the reduced funding available, in partnership with the Tenant Investment Panel. Central to the Investment Plan is a commitment to stock protection as a first priority, to ensure that the existing stock continues to be maintained and modernised so that it remains fit for purpose, delivering safe, good quality accommodation.
9. The recent Sheltered Housing Review has identified a number of schemes that need to be modernised, or entirely renewed, and tenants are committed to delivering the outcomes from the review. Following consultation with tenants a number of capital programmes have been identified to enhance the existing stock and estates, with a value of £16.6M over 6 years. This represents additional funding above that required to maintain the stock in good condition, estimated at £37.1M.
10. Many regeneration schemes, including the garage site redevelopment strategy, have been identified. Against the background of the reduced surpluses available, innovative delivery approaches are being considered, for example bringing forward garage schemes to a point of planning consent and generating income from sale to a developer. It is proposed to focus surpluses and existing Reserves on providing fit for purpose, Independent Living solutions for older people, to address demographic pressures and enable efficiencies to Social Care budgets.
11. Assumptions concerning the tenure of new build developments have been reviewed. By significantly increasing the number of units for shared ownership and outright sale the Council can recycle capital investment and deliver more new build. If this approach is adopted it will enable the Houghton Regis Central project (estimated at £32M), incorporating circa 170 apartments for older people, retail facilities, a Community Hub and Heritage Centre. It will also be possible to regenerate the Crescent Court Sheltered Housing scheme.

Budget Objectives

12. The primary objectives of the 2016/17 Budget have been:
 - i. reflect the financial implications of the rent reduction and make provision through Reserve balances for the impact of a prospective void sale levy from Government;

- ii. review long term assumptions concerning inflation on rental income and revenue expenditures, setting these at the estimated CPI+1% from year 5 of the Business Plan, and debt interest rates, setting these at 3.5% from year 6 (based on the latest longer term forecasts);
 - iii. taking into account the items above, produce a sustainable plan which enables the Housing Service to achieve the objectives within the Housing Asset Management Strategy (HAMS), maintaining investment in the existing stock, yet expanding the new build programme and promoting regeneration;
 - iv. maintain a realistic level of expenditure on management services including tenancy support to vulnerable people within our community;
 - v. maintain HRA Balances at £2.0M, with a further contingency of £0.2M in the Major Repairs Reserve (MRR), this additional contingency being immediately available to address one off emergencies such as the provision of temporary accommodation and repairs required in the event of fire or other major incident; and
 - vi. a continuing commitment to a value for money approach, underpinned by strong performance, delivered by reduced unit costs, increased income and enhanced business efficiency.
13. The Budget is based upon a range of economic, financial, operational and external assumptions that are presented separately in Appendix D.

Introduction

14. The HRA Budget balances priorities to maintain the existing assets with opportunities for new investment. A similar balance is sought between the Council's strategic priorities, as well as tenant aspirations for improvement. In developing a HRA Budget, the aim is to achieve "win, win" (benefits optimisation) solutions that have tenant support and are aligned to the Council's strategic priorities.
15. The HRA Budget for 2016/17 sits within the context of the thirty year Business Plan and so strikes a balance between current and future expenditure and income. The Business Plan includes annual budgets for the HRA Capital and Revenue programmes, incorporating management and maintenance costs and sums set aside for capital investment, both in the existing stock and new build. The capital programme is financed from revenue contributions, Reserves, and capital receipts retained after housing pooling. An explanation of the pooling system is given under External Assumptions in Appendix D.

16. The brought forward balance of unapplied Capital Receipts was £3.451M as at 1 April 2015. The brought forward balances for other HRA reserves was £20.556M as at 1 April 2015, split between contingencies of £2.2M, an Independent Living Development Reserve of £11.962M and a Strategic Reserve of £6.394M.
17. By not repaying principal debt in the first 4 years following the self-financing settlement (2012), the Council has been able to use annual surpluses to build substantial reserves, which leave it in a better position to address challenges posed by the recent legislative changes. It has also been able to embark upon a major investment strategy that addresses the aspirations of existing tenants whilst expanding our offer to other residents across the whole of Central Bedfordshire.

Self Financing Loan Portfolio and Debt Strategy

18. **Table 1** below shows the constituent loans and interest rates applicable in 2015/16:

Loan Type	Amount £M	Maturity Date	Rate %	Annual interest payment £M
Fixed	20.000	2024	2.70	0.540
Fixed	20.000	2026	2.92	0.584
Fixed	20.000	2028	3.08	0.616
Fixed	20.000	2030	3.21	0.642
Fixed	20.000	2032	3.30	0.660
Fixed	20.000	2034	3.37	0.674
Variable	44.995	2022	0.71 (variable)	0.318
TOTAL	164.995		2.44 (average)	4.034

19. All loans have been taken on a maturity (interest only) basis. This approach enables money to be released, for investment purposes, in the early years of the Plan, without the need for principal debt repayments. The Council has saved a significant sum in the current financial year by taking 27% of its debt portfolio on a variable basis, as that rate has been confirmed at an average of 0.71% for the year. This is considerably lower than any of the fixed rate debt.
20. The current expectation in financial markets is for rates to remain very low in the short to medium term (1 to 3 years), and for longer term debt (30 years) to be available for the Council to borrow at a rate of 3.5%. However, interest rates are difficult to predict. Due to the size of the variable proportion of the debt, relatively minor increases in rates could have a significant impact, for example a 1% increase in the variable interest rate would incur an additional £0.450M cost per year.

21. It is worth considering the risk of interest rate increases when the Council comes to refinance some or all of the £120M of fixed rate debt that matures from 2024. It is unlikely that the Council will achieve the preferential interest rates available at the time of the Self Financing settlement. The Business Plan anticipates a gradual increase in the average interest rate so that by 2021/22 the average rate is 3.5%, and that this rate continues throughout the rest of the 30 year period.
22. As a means to reinforce the longer term viability of the Landlord Business Plan, it is proposed to commence principal debt repayment in 2017/18, with an intention to make annual repayments such that by 2021 £9.73M of the self financing debt is repaid. The current prediction is for full debt repayment after 30 years, which is the year 2045/46.
23. In order to avoid early redemption penalties, debt repayments that occur in the period to 2022 would be made from the variable rate proportion (£44.995M).

Landlord Business Investment Plan

24. The Business Plan allows the Council to have flexibility as to whether it repays debt in the early years of the plan or chooses to invest its surpluses, in the existing stock or new build. The debt strategy proposed above is designed to enable full debt repayment within the 30 year horizon of the Plan, taking into account prudent estimations of interest rates, inflation on expenditure and income, and Right to Buy (RtB) sales, whilst also delivering annual surpluses for investment.
25. In taking this approach, the HRA is forecast to have sufficient funds available to undertake approximately £48M of additional investment, over and above that required to maintain the stock in good condition (circa £37M), in the next 6 years. The situation prior to the rent reduction, as reviewed in last year's Budget report, was for £65M of additional investment, so there has been a considerable scaling back of the programme due to the reduction in funds available.
26. During 2015/16 the Tenant Investment Panel (TIP) has established formal terms of reference and is gaining in confidence, engaging with tenants on the future investment potential so that their priorities are taken into account and reflected in the Investment Plan.
27. Whilst the latest stock condition survey confirmed that our stock is generally in good condition, there are areas where the stock would benefit from additional investment, modernisation, or improvement. The Sheltered Housing Review, undertaken in partnership with tenants, has revealed that several schemes are in need of modernisation. There are opportunities to improve car parking on many estates and to enhance the communal green spaces surrounding blocks. Lighting in communal areas requires updating, including the installation of Passive Infra Red (PIR) sensors to save energy.

28. The Investment Plan is a 6 year budget projection for the HRA Capital programme, formed following consultation with the TIP. It was established as part of the budget build process last year to support a co-ordinated and balanced approach to capital investment. This has led to an increase in the number of individual projects within the HRA Capital programme so that a full spectrum of objectives can be addressed, to enhance and expand existing stock.
29. Additional investment in the existing stock has been taking place during 2015/16. It is forecast that £0.7M will be spent on communal/PIR lighting, £0.2M on Sheltered Housing refurbishment, £0.1M on design and planning at Croft Green, £0.125M on parking schemes, £0.060M on green space improvements, and £0.070M on projects identified by the TIP. A further £0.105M is forecast to be spent on targeted door replacements: where doors are nearing the end of their useful life a new door is fitted for the safety and security of vulnerable tenants.
30. Construction work at Croft Green, Dunstable, is due to commence in the summer of 2016, with completion due at the end of 2017. The project will involve demolishing an outdated block of bedsit flats and replacing it with a high quality facility built to modern accommodation standards with adaptable communal spaces. 9 units will be replaced with 23 and the scheme will provide a central facility for the use of tenants of other schemes. The proposed budget is £4.015M.
31. The Sheltered Housing Review has identified a number of schemes that are in need of major regeneration. Whilst the overall resources available to the Council have reduced due to changes in Government policy, the current cash flows within the Business Plan could release an additional £10M, available in years 5 and 6 of the Investment Plan.
32. Crescent Court is a 21 unit Sheltered scheme, built in the 1960s/1970s, that is no longer fit for purpose but is based on a large plot in an excellent location in Toddington, close to local amenities and services. Initial design work suggests that a modern, well designed facility with excellent communal space and facilities could increase capacity to 46 units. It is proposed to enable the financing of the scheme by offering a proportion of units (circa 26) for sale, with 20 units for affordable rent.
33. Over the 4 years of the MTFP the proposed additional investment in existing stock amounts to £5.6M, and over 6 years it totals £16.592M. The Plan seeks to balance improvements and regeneration of existing stock with other Council objectives, in particular enhancing Central Bedfordshire by providing new homes, especially homes that will help to protect and improve the lives of more vulnerable people in the community and meet the challenges posed by demographic changes.

34. The Priory View Independent Living development in Dunstable, which is due to complete in early 2016, demonstrates the potential for HRA investment to extend the Council's portfolio of housing, mitigate the effect of Right to Buy (RtB) sales, and address the under provision of Independent Living accommodation for older people, which is both a local and national issue as a result of demographic change.
35. Proposals for a new Independent Living scheme at Houghton Regis were outlined in the HRA Budget report from last year. At the time the Investment Plan made provision for a net spend (after potential Government grant funding) of £26.050M. Given the scale of the scheme, and recent increases in construction industry costs, it is proposed to increase this allocation to £29.476M net spend.
36. Whilst the scheme was always envisaged as mixed tenure, the reduction to HRA income has meant that to realise the full extent of the development potential of circa 170 units, together with an improved retail, community hub and heritage offer, the Council will need to consider offering a high proportion of units for sale. It is proposed that approximately 50% of units at this development are offered for sale, so that a large proportion of the initial cost of the scheme can be recycled.
37. 2015/16 has been a landmark year for the Council, as it has seen the first new Council homes being built for a generation. As well as the 83 units at Priory View, the development of 4 new homes at the former garage site at Creasey Park in Dunstable is due to complete in February 2016. In addition to the £0.6M invested at Creasey Park the Council forecasts expenditure of £0.625M on the purchase of homes and development sites in the northern part of the Council area.
38. The Investment Plan formulated last year made significant provision for redevelopment of the garage blocks, and for other renewal schemes that would enable the remodelling of stock that no longer meets the needs of prospective tenants, such as bedsits, or improvements to HRA shops with flats above them. Schemes will be analysed with a view to bringing forward those that are most viable, or deliver the greatest community benefit, to a design and planning stage, with an open minded approach to delivery which could involve onward sale.
39. An amount of £2.307M has been made available for new homes over the next 4 years (£2.409M over 6 years). The majority is currently set aside for the purchase of properties in the northern part of the Council area, to mitigate the effect of increasing demand for temporary accommodation and to provide a model of accommodation based support for vulnerable people. These units could in time provide family or multiple occupancy accommodation for Council tenants. In the short term they will help to ease pressure on General Fund budgets.

Landlord Business Plan & Reserves

40. **Table 2** below shows a summary of the Plan for the period of the Council's MTFP.

£M	2016/17	2017/18	2018/19	2019/20
Income	(28.9)	(28.7)	(28.5)	(28.4)
Spending on Revenue	15.3	14.8	14.7	14.9
Direct Revenue Financing*	5.1	2.4	2.0	0.0
Debt costs (interest)	4.1	4.3	4.5	4.6
Debt repayment (principal)	0	1.4	1.6	2.9
Efficiency Savings	(0.9)	(0.3)	(0.2)	(0.1)
Contribution to ILDR**	5.2	6.0	5.8	6.0
Contribution to SR***	0.1	0.1	0.1	0.1
Net Balance	0.0	0.0	0.0	0.0

* Financing of Capital programme by Revenue

** Independent Living Development Reserve

*** Strategic Reserve

41. **Table 3** below shows a summary of the balances predicted to be available in Reserves as at 1 April 2016, together with transfers to and from Reserves over the period of the MTFP.

£M	2016/17	2017/18	2018/19	2019/20
<i>Independent Living Development</i>				
Balance b/fwd	6.5	11.4	8.2	4.0
Contributions to Reserve	5.2	6.0	5.8	6.0
Allocations from Reserve	(0.3)	(9.2)	(10.0)	(10.0)
Balance c/fwd	11.4	8.2	4.0	0.0
<i>Strategic</i>				
Balance b/fwd	7.1	5.4	3.2	3.2
Contributions to Reserve	0.2	0.1	0.1	0.1
Allocations from Reserve	(1.9)	(2.3)	(0.1)	(0.3)
Balance c/fwd	5.4	3.2	3.2	3.0
<i>Major Repairs</i>				
Balance c/fwd	0.2	0.2	0.2	0.2
<i>HRA Balances</i>				
Balance c/fwd	2.0	2.0	2.0	2.0
TOTAL c/fwd	19.0	13.6	9.4	5.2

Efficiency and Value for Money

42. The Landlord Business turnover, or annual rent debit (before void loss), was £29.370M in 2014/15. Total current and former tenant arrears were £0.926M at the year end, with current arrears at £0.5M or 1.70% of the annual rent debit. The figure of 1.70% is a 0.3% positive variance against a target of 2.0%. Former tenant arrears were £0.426M, or 1.45% of the annual rent debit, against a target of 1.0%.
43. A significant proportion of the current tenant arrears (£0.290M or 58%) was less than 8 weeks old, and generally related to minor timing issues between rents becoming due and payments being made. An increased focus has been given to former tenant arrears during 2015/16, with dedicated officer resource applied to maximise recovery of this debt.
44. Importantly, arrears will only become a cost to the HRA when they are written off, or when additional provision is made to allow for the possibility of bad debts being written off. The provision has been increased steadily since 2013/14 to allow for the potential threats posed by Welfare Reform, increasing from £0.380M to £0.514M. This provision has only been partially utilised during the last 2 years, with £0.064M written off in 2013/14 and £0.051M written off in 2014/15.
45. Housing Management teams have implemented a pro-active approach to managing rent arrears. This includes early intervention, downsizing where necessary, increased contact with residents, supporting tenants in making the right decisions regarding payment of rent and strong enforcement action when all other options have been exhausted. The position for arrears represents a significant achievement when considered in the context of the Welfare Reform measures which took effect from 1 April 2013. This reflects both the strategic approach to debt recovery described above and the commitment of staff.
46. Benchmarking analysis, undertaken on an annual basis since 2010, has provided activity-based comparisons with other providers on cost, quality and performance. This exercise has produced options for efficiency savings across the service, leading to reduced revenue cost.
47. The analysis provided by benchmarking has assisted the Service to identify the areas where budgets are higher relative to other authorities. The benchmarking work has been a tool to point to areas where the Service can look to improve. This has enabled efficiencies in staffing, reduced re-let periods, increased income and reduced repair costs.
48. The 2015/16 HRA efficiency programme is on target to deliver £0.160m of savings. A more extensive efficiency programme has been created to address reductions in rental income, incorporating £0.853M of savings in 2016/17, and further savings throughout the Plan period.

49. The majority of efficiency savings for 2016/17 (£0.598M) have been identified within the maintenance budgets, where a more proactive approach to repairs management has been instituted to enable the Council to get best value from contractors. Void repairs have been targeted for efficiencies, by ensuring the void standard is not exceeded.
50. Various projects are underway to maximise the functionality of the Housing (QL) system, delivering better tenancy sustainment and knowledge of our stock. A major element of the efficiency programme will be the modernisation programme, involving the movement towards a digital working environment, with less reliance on paper records and more capability to update systems while out of the office and on estates or with customers. In the meantime self service will be promoted to those customers who choose to interact in that way.

Rent reduction

51. Rental and service charge income are the main funding sources for the HRA. Prior to the changes announced by Government in July 2015, the Business Plan assumed that rents would rise in accordance with the previous guidance issued in 2014. That guidance sought to give Councils assurance of their future rental income by setting the rent increase at Consumer Prices Index (CPI) + 1% for a 10 year period commencing in 2015/16.
52. **Table 4** illustrates the yearly effect of a 1% reduction on rents, when compared to the previous assumption.

Rent (net of void loss)	2016-17	2017-18	2018-19	2019-20	TOTAL
	£M	£M	£M	£M	£M
3.5% increase	28.2	29.1	30.2	31.2	118.7
1% reduction	26.9	26.6	26.4	26.1	106.0
Reduction in Revenue	1.3	2.5	3.8	5.1	12.7
% Reduction in Revenue	4.5%	8.7%	12.5%	16.3%	10.7%

53. The Plan has been adapted to accommodate the 1% reduction in rent for each year of the MTFP. The Chancellor has announced that after the 4 years of rent reductions, the guidance will return to CPI + 1%. However, the rent reduction has led to increased caution surrounding the longer term future of rent setting so the Business Plan has taken a prudent view of future increases and assumed 2% from year 5 to 30, equivalent to CPI at 1% plus 1%.
54. The new policy continues with the concept of a “formula rent”, determined by the number of bedrooms in the property, local manual earnings, and property values, but the formula rent for 2016/17 will be 1% less than the formula rent in 2015/16, and properties currently on the lower, transitional rent will only move to the formula at relet. This approach to rent setting had already been instituted in 2015/16 as all rents increased by CPI+1%, regardless of whether a tenant was on the formula or the lower, transitional rent, and rents only change to formula at relet.

55. Approximately 37% of all the Council's tenancies are funded entirely by Housing Benefit, so this group will gain no benefit from the rent reduction. Whilst other tenants will benefit, this will lead to a widening of the gap between Council rents and those in privately rented homes, where supply has not kept pace with demand and rent increases over the next 4 years are likely. Council rents are currently approximately 55% of private sector rents, but by 2020 it is likely that the gap between private sector and Council rents will have increased further.
56. Since 2013 a provision, referred to as "Financial Inclusion", has been made in the budget to support tenants who experience hardship. This resource has been used to provide financial advice and tackle debt and money management problems. It is also used to enable individual solutions to be achieved, for example to facilitate moves that enable tenants to downsize to smaller sized accommodation. It is proposed to increase this provision by £0.396M for 2016/17.
57. Part of this increase (£0.326M) will be used to address potential pressures from the roll out of Universal Credit, which will affect a proportion of tenancies from February 2016 and involve the payment of all benefits directly to tenants. By providing extra resources, to assist tenants who are not used to budgeting, and to assist tenants with the cost of moving to more appropriate accommodation, Housing Management teams can reduce the risk of increased arrears resulting from direct payments and the removal of the spare room subsidy, thereby sustaining tenancies and freeing up homes for families.
58. The Authority has entered into an agreement with the Secretary of State to use HRA resources to make Discretionary Housing Payments (DHP) to Council tenants, where formerly these were funded from the Government Grant allocation. This assists tenants who are under occupying, but where it may not be appropriate to downsize. It is estimated that this will cost an additional £0.07M.
59. It is proposed that rents are set in line with Government legislation, a reduction of 1% for Central Bedfordshire Council tenants, for 2016/17. The proposed rent reduction will result in an average decrease per week of £1.11 from the 2015/16 average weekly rent of £110.59 to £109.48. At a time of significant investment in the Housing stock, amounting to £62M over the MTFP, the current level of rent and the proposed reduction represent excellent value for money for tenants.

Sale of High Value Void Properties

60. Government has announced the extension of RtB to Housing Association tenants. This would involve offering qualifying Housing Associations tenants a discount, which will be funded via the sale of high value void properties by stock retained Authorities. The proposal has been reaffirmed in the Housing and Planning Bill.

61. Government are currently gathering data on property values and vacancy rates from all stock retained Authorities. The legislation proposed will not force Authorities to sell their high value voids, but does make provision for Government to calculate “the market value of the authority’s interest in any high value housing that is likely to become vacant during the year” and collect this payment less allowable costs, the nature of which will be set out once a determination is made.
62. The determination must be made before the financial year to which it relates, but at this point it is impossible to know the formula that will be used or the amount that will be due from Central Bedfordshire. As with any estimation of future activity, the actual void rate and financial value of voids will differ from the calculation made by Government.
63. The Council will need to consider its strategy in relation to this legislation. Even if sufficient high value voids materialise, to enable sales income to cover the amounts that will be due, it may not necessarily be the best option to sell some or all of the properties concerned, as they may provide a better longer term return to the Business Plan than the value of the capital receipt.
64. Given this uncertain context, the Business Plan has been constructed to ensure that sufficient funds are available in Reserves to offset the risk that income from void sales will not equal or exceed the amount determined by Government as due from Central Bedfordshire Council.

Pay to Stay Proposals

65. The Government has decided that social housing tenants with household incomes above £30K (£40k in London) will be required to pay an increased level of rent for their accommodation, either up to a full market rent or at some level between their existing level of rent and the full market rent. Money raised by local authorities through increased rents will need to be returned to the Exchequer.
66. The proposals have recently formed part of a consultation process and will not be implemented before April 2017, however they are worthy of attention as the implementation will involve considerable additional administration. Whilst approximately 70% of tenancies receive an element of Housing Benefit, and therefore would be very unlikely to exceed the £30K limit, that would still leave approximately 1,500 tenancies where the Council would need to apply this policy.
67. Consideration will be needed as to the best approach to take to implement this policy. The consultation states that although local authorities will be permitted to “recover any reasonable administrative cost...we expect that the type and level of costs that can be retained will be prescribed...[and]...the additional administrative resource that is likely to be required is staff time in operating the scheme”.

68. Further guidance will follow from Government concerning implementation and the amount of administrative costs that can be claimed. It is hoped that the net financial effect would be neutral to the Council, but implementation of the policy will pose challenges.

HRA Capital Programme

69. The 2016/17 – 2019/20 HRA detailed Capital programme is attached at Appendix C. The programme is financed by capital receipts from Right to Buy (RtB) and land sales, contributions from retained rentals (revenue contributions), and contributions from Reserves. A breakdown of financing is shown in Appendix A.

Engagement with Overview & Scrutiny Committees and Tenants

70. The draft HRA budget report was presented to the Social Care, Health & Housing and Corporate Resources Overview & Scrutiny Committees during January 2016. Comments from these meetings are reported in an appendix to the General Fund budget reports. Consultation with the Tenant Investment Panel (TIP) over the Investment Plan occurred during the autumn of 2015, resulting in a number of minor alterations that reflected tenant priorities, for example increased provision for stock remodelling schemes, garage site assembly and new windows.
71. Tenant involvement in the budget process has been greater than in previous years. Tenants were keen to be informed of the legislative changes and the impact on the Investment Plan, and then to have an influence over the revisions required. The Budget and Investment Plan were presented to the Way Forward Panel, Sheltered Tenants Action Group (STAG) and TIP on 14 January 2016. Engagement feedback from these tenant groups is shown at Appendix A to the Budget 2016/17 and Medium Term Financial Plan.

Council Priorities

72. The proposed actions support the Council's priority to enhance Central Bedfordshire by managing growth effectively and balancing regeneration aims with growth, through investment to promote economic benefit, employment and renewal. At the same time, improvements are focused on enhancing the living conditions of the more vulnerable members of the community.

Corporate Implications

Legal Implications

73. The Budget sets out the resources that are required to enable the authority to discharge its statutory obligations as a Landlord Business.

Financial Implications

74. These are set out within the report. The Business Plan shows that rental income will exceed the anticipated costs of managing the stock over 30 years, which will provide annual surpluses that will create opportunities for new investment, whilst repaying debt (£165M).

Equalities Implications

75. There are no Human rights or equality implications arising directly from this report, although the re-provision and re-modelling of sheltered and general needs housing would be subject to Equalities Assessment.

Risk Management

76. In considering the budget proposals, it is necessary to take account of the associated risks and in particular the budget planning assumptions contained within Appendix D attached. Any changes to these could impact on the financial position of the HRA Business Plan.
77. Given the sudden and unexpected change in rent policy announced in the Emergency Budget of July 2015, there can be little long term certainty in terms of Government rent policy. Whilst latest guidance indicates that rent setting may return to CPI+1% from 2020, rental income in the Business Plan has been assumed to rise at 2% per year from year 5 to year 30, equivalent to CPI at 1% + 1%. Whilst this has the potential to be understated over the longer term, this cautious approach reflects current uncertainty, and will be reviewed on an annual basis along with all the assumptions in Appendix D.
78. The opening balances on Reserves, over and above the contingency of £2.2M, are predicted to be £13.6M as at 1 April 2016, with contributions from Reserves amounting to only £2.2M to fund investment in the year 2016/17. The estimated balance in Reserves, excluding contingency, as at 31 March 2017, is £16.8M. Whilst most of this amount is provisionally earmarked for the schemes proposed in the Investment Plan, it could if required be diverted to address shortfalls in amounts due to Government in relation to the sale of high value voids.
79. Another key risk is in relation to the HRA Debt Strategy. The current average rate of interest on HRA debt is 2.44%. Increases to interest rates would have an immediate effect on the variable rate loans, and could have an impact on refinancing costs for the fixed rate loans that mature from 2024. Close monitoring of financial market conditions, allied to a consideration of principal debt repayment, is required to deliver a debt strategy that will support the Landlord Business Plan.

80. There are risks that relate to income collection, arising from Welfare Reform, in particular the spare room subsidy and introduction of Universal Credit. The mitigation of the spare room subsidy is a proactive approach being taken to enable tenants to move. In the year to December, 10 new tenancies have been created through enabling Mutual Exchanges and Transfers, so that people are able to secure accommodation that they can afford to occupy in the long term. The Council is committed to being customer focussed, supporting community self reliance and providing a high quality housing management service that mitigates risk in this area.
81. The Housing Service is informing tenants of Benefit changes and allocating additional staff resources to monitoring and controlling arrears and supporting tenants to manage their income. The Landlord Business has improved performance on collection and re-letting properties. The Service is getting closer to customers, having established an approach known as “tenancy sustainment”.
82. There is a further risk that future Right to Buy (RtB) sales will reach levels that adversely affect the Business Plan, by significantly reducing income streams. The government is committed to helping those tenants with an aspiration to own their own home and, to further this aim, the discounts available under RtB were increased in April 2012.
83. The current maximum discount is £77,900, and this rises each year in line with inflation. From July 2014 the maximum percentage discount for tenants living in houses increased from 60% to 70%, to provide parity with those purchasing their own flats, and from May 2015 the qualifying period for the RtB was dropped from 5 to 3 years.
84. Whilst there has been an increase in RtB sales since April 2012, with 28 sales in 2014/15 and 31 in the financial year up to the end of December 2015, this represents a small percentage of the stock of approximately 5,100 homes. For further information, see Appendix D.

Community Safety

85. The options set out in the report provide opportunities to work with community safety partners to ensure the best outcomes.

Sustainability

86. Investment in the housing stock and specifically the proposed mixed tenure, mixed use Independent Living scheme in Houghton Regis will contribute to regeneration across Central Bedfordshire and provide wider economic benefits and employment.

Conclusion

87. It is forecast that the HRA will have a total of £15.805M in its Reserves as at 31 March 2016, comprising £6.472m in the Independent Living Development Reserve, £7.133M in the Strategic Reserve, and £2.200M of contingencies. In addition it is forecast that £3.351M will be available for capital investment from unapplied Capital Receipts.
88. The Priory View Independent Living development is due to be completed in February 2016, offering 83 affordable, modern and aspirational homes to some of the more vulnerable members of the community. Along with the development at Creasey Park, these properties represent the first Council new build in over 30 years, and a great achievement. The Council is also developing a Home Ownership offer to those interested in becoming shared owners, and will expand this to those who wish to buy outright the home built by the Council.
89. There are lessons to be learned from the building of new Council stock and it will take 3-5 years to establish a track record of delivery and, importantly, to establish a development and delivery infrastructure. This process is already well under way with a small Development Team within the Asset Management service. That team will deliver new build schemes, and also will bring forward brownfield sites potentially for sale, or development working closely with partners. The material point is that development is not constrained to what can be delivered with HRA resources. The team will bring forward schemes and seek to innovate in terms of funding and delivery on site.
90. Government legislation has been designed to facilitate a reduction in the Housing Benefits bill and extend the RtB to Housing Association tenants, the latter being funded mainly from the sale of high value void local authority properties. This has had both a quantifiable impact (in terms of the rent reduction), and an impact that is harder to assess (pending the determination related to the sale of high value voids).
91. This has been addressed by a thorough examination of both the Revenue Account and the Investment Plan. The resulting strategy balances a prudent approach to risk against the opportunities that continue to exist, thanks in part to the careful management of resources both before and after the introduction of Self Financing.
92. Careful monitoring of the impact of the legislative changes will be required and a strategy will be considered to address the challenges posed, in particular by the potential sale of high value voids. In the meantime, until more is known, it is proposed to maintain significant Reserves that could be used to develop life changing facilities and properties, such as those proposed at Houghton Regis Central. In the short term they are available to address unknown financial liabilities.

93. A balance is always to be struck between maintaining the stock in good condition, delivering new homes, regeneration projects, and making progress towards repayment of the self financing debt, so that future generations are not constrained by debt servicing costs. The current Business Plan continues the commitment to debt repayment, commencing in 2017/18 with a view to full debt repayment by 2046.
94. Consultation with tenants, in particular the TIP, has helped to shape a balanced approach, and engagement will continue to evolve, in the hope that greater numbers will wish to be aware of and influence the investment decisions. The commitment to operate as a Landlord Business across Central Bedfordshire has been reaffirmed by tenants.
95. As a modern Landlord Business, operating in the self financing era, the Council has good reason to be confident, to manage risk and deal with uncertainty. The Landlord Business is providing customers with a contemporary offer known as Independent Living. The teams are ambitious. They perform well and deliver excellent customer service. The Landlord Business will continue to pursue its central purpose, to build and manage homes, whilst seeking to innovate and to develop new areas of business opportunity, so as to mitigate the impact of rent reductions and other changes to Government Policy.

Next Steps

96. A period of public consultation commenced from January 2016.

Appendices

97. The following Appendices are attached:
 - i. Appendix A: 30 year forecast of Housing Service capital and revenue expenditure; and also income, which is the summary of the Landlord Business Plan
 - ii. Appendix B: Summary of the Business Plan for the period 2016-2022
 - iii. Appendix C: 2016/17 – 2019/20 Housing Revenue Account (HRA) detailed Capital programme
 - iv. Appendix D: HRA Budget Assumptions

Background Papers

98. The following background papers, not previously available to the public, were taken into account and are available on the Council's website:
None

LANDLORD BUSINESS PLAN - Appendix A

Revenue Account	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026-46	TOTAL
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Income	(28,924)	(28,729)	(28,480)	(28,357)	(28,923)	(29,500)	(30,089)	(30,690)	(31,303)	(31,928)	(791,040)	(1,087,962)
Expenditure												
Housing Management	5,761	5,752	5,689	5,657	5,733	5,747	5,759	5,767	5,771	5,772	107,529	
Financial Inclusion	596	601	637	673	687	700	714	729	743	758	18,785	
Asset Management	1,197	1,221	1,235	1,250	1,275	1,301	1,327	1,353	1,380	1,408	34,897	
Corporate Services	2,047	2,047	2,047	2,047	2,088	2,130	2,172	2,216	2,260	2,305	57,132	
Maintenance	5,506	4,971	5,039	5,109	5,165	5,170	5,174	5,176	5,176	5,175	99,792	
Debt Related Costs	119	119	119	119	121	124	126	129	131	134	3,319	
Direct Revenue Financing	5,121	2,445	1,986	0	0	1,513	5,641	5,878	6,123	6,375	196,719	
Landlord Service Efficiency Programme	(853)	(265)	(235)	(75)	(200)	(207)	(214)	(222)	(230)	(238)	(6,953)	
Total Expenditure	19,494	16,891	16,518	14,781	14,869	16,478	20,699	21,025	21,356	21,690	511,219	695,020
Net Operating Expenditure	(9,430)	(11,838)	(11,961)	(13,576)	(14,054)	(13,022)	(9,390)	(9,665)	(9,947)	(10,238)	(279,821)	(392,942)
Interest payments	4,067	4,292	4,491	4,568	5,250	5,434	5,381	5,322	5,254	5,175	63,486	112,720
Debt Repayment	0	1,460	1,580	2,850	3,840	1,508	1,709	1,943	2,243	2,313	145,549	164,995
Net surplus	(5,363)	(6,086)	(5,890)	(6,158)	(4,964)	(6,080)	(2,300)	(2,400)	(2,450)	(2,750)	(70,785)	(115,226)
Memorandum												
Debt Repayment Profile												
Capital Financing Requirement (CFR) b/fwd	164,995	164,995	163,535	161,955	159,105	155,265	153,757	152,048	150,105	147,862	145,549	
Increase in CFR (int/ext borrowing)	0	0	0	0	0	0	0	0	0	0	0	
Reduction in CFR (principal repayment)	0	(1,460)	(1,580)	(2,850)	(3,840)	(1,508)	(1,709)	(1,943)	(2,243)	(2,313)	(145,549)	
CFR c/fwd	164,995	163,535	161,955	159,105	155,265	153,757	152,048	150,105	147,862	145,549	0	
Independent Living Development Reserve												
Balance Brought Forward	(6,472)	(11,377)	(8,148)	(3,944)	0	0	0	0	0	0	0	
Contribution to Reserve (from Net Surplus)	(5,200)	(5,957)	(5,791)	(6,056)	0	0	0	0	0	0	0	(23,004)
Contribution from Reserve (to fund expenditure)	295	9,186	9,995	10,000	0	0	0	0	0	0	0	
Balance Carried Forward	(11,377)	(8,148)	(3,944)	0	0	0	0	0	0	0	0	
Strategic Reserve												
Balance Brought Forward	(7,133)	(5,403)	(3,255)	(3,242)	(3,048)	(2,697)	(3,451)	(3,913)	(3,963)	(3,981)	(4,214)	
Contribution to Reserve (from Net Surplus)	(163)	(129)	(99)	(102)	(4,964)	(6,080)	(2,300)	(2,400)	(2,450)	(2,750)	(60,099)	(81,536)
Contribution from Reserve (to fund expenditure)	1,893	2,277	112	296	5,315	5,326	1,838	2,350	2,432	2,517	64,109	
Balance Carried Forward	(5,403)	(3,255)	(3,242)	(3,048)	(2,697)	(3,451)	(3,913)	(3,963)	(3,981)	(4,214)	(204)	
Major Repairs Reserve												
Balance Brought Forward	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	
Contribution to Reserve (from Net Surplus)	0	0	0	0	0	0	0	0	0	0	0	0
Contribution from Reserve (to fund expenditure)	0	0	0	0	0	0	0	0	0	0	0	0
Balance Carried Forward	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	
HRA Balances												
Balance Brought Forward	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	
Contribution (to)/from Reserve	0	0	0	0	0	0	0	0	0	0	(10,685)	(10,685)
Balanced Carried Forward	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(12,685)	
Unapplied HRA Capital Receipts												
Unapplied Capital Receipts b/fwd	(3,351)	(2,751)	(251)	(191)	(2,054)	(1,186)	(2,486)	(2,486)	(2,486)	(2,486)	(2,486)	
Contribution (to) Capital Receipts	(3,400)	(1,500)	(4,140)	(8,140)	(5,500)	(6,300)	(1,100)	(1,100)	(1,100)	(1,100)	(22,000)	
Use of Capital Receipts	4,000	4,000	4,200	6,277	6,368	5,000	1,100	1,100	1,100	1,100	22,000	
Unapplied Capital Receipts c/fwd	(2,751)	(251)	(191)	(2,054)	(1,186)	(2,486)	(2,486)	(2,486)	(2,486)	(2,486)	(2,486)	
Capital Programme												
Independent Living Development	295	9,186	9,995	10,000	0	0	0	0	0	0	0	29,476
Stock Protection & Other New Build/Regeneration	11,014	8,722	6,298	6,573	11,683	11,839	8,579	9,328	9,655	9,992	282,828	376,511
Total Capital programme	11,309	17,908	16,293	16,573	11,683	11,839	8,579	9,328	9,655	9,992	282,828	405,987
Financed by:												
Capital Receipts	4,000	4,000	4,200	6,277	6,368	5,000	1,100	1,100	1,100	1,100	22,000	56,245
Revenue Contributions	5,121	2,445	1,986	0	0	1,513	5,641	5,878	6,123	6,375	196,719	231,801
Contributions from Reserves	2,188	11,463	10,107	10,296	5,315	5,326	1,838	2,350	2,432	2,517	64,109	117,941
Total Capital programme	11,309	17,908	16,293	16,573	11,683	11,839	8,579	9,328	9,655	9,992	282,828	405,987

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LANDLORD BUSINESS PLAN - Appendix B

<u>Revenue Account</u>	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	TOTAL
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Income	(28,924)	(28,729)	(28,480)	(28,357)	(28,923)	(29,500)	(172,912)
Expenditure	19,494	16,891	16,518	14,781	14,869	16,478	99,030
Net Operating Expenditure	(9,430)	(11,838)	(11,961)	(13,576)	(14,054)	(13,022)	(73,881)
Interest payments	4,067	4,292	4,491	4,568	5,250	5,434	28,102
Debt Repayment	0	1,460	1,580	2,850	3,840	1,508	11,238
Net surplus	(5,363)	(6,086)	(5,890)	(6,158)	(4,964)	(6,080)	(34,541)
Memorandum							
Independent Living Development Reserve							
Balance Brought Forward	(6,472)	(11,377)	(8,148)	(3,944)	0	0	
Contribution to Reserve (from Net Surplus)	(5,200)	(5,957)	(5,791)	(6,056)	0	0	(23,004)
Contribution from Reserve (to fund expenditure)	295	9,186	9,995	10,000	0	0	
Balance Carried Forward	(11,377)	(8,148)	(3,944)	0	0	0	
Strategic Reserve							
Balance Brought Forward	(7,133)	(5,403)	(3,255)	(3,242)	(3,048)	(2,697)	
Contribution to Reserve (from Net Surplus)	(163)	(129)	(99)	(102)	(4,964)	(6,080)	(11,537)
Contribution from Reserve (to fund expenditure)	1,893	2,277	112	296	5,315	5,326	
Balance Carried Forward	(5,403)	(3,255)	(3,242)	(3,048)	(2,697)	(3,451)	
Major Repairs Reserve							
Balance Carried Forward	(200)	(200)	(200)	(200)	(200)	(200)	
HRA Balances							
Balanced Carried Forward	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	
							(34,541)
Unapplied HRA Capital Receipts							
Unapplied Capital Receipts b/fwd	(3,351)	(2,751)	(251)	(191)	(2,054)	(1,186)	
Contribution (to) Capital Receipts	(3,400)	(1,500)	(4,140)	(8,140)	(5,500)	(6,300)	(28,980)
Use of Capital Receipts	4,000	4,000	4,200	6,277	6,368	5,000	
Unapplied Capital Receipts c/fwd	(2,751)	(251)	(191)	(2,054)	(1,186)	(2,486)	
Capital Programme							
Independent Living Development	295	9,186	9,995	10,000	0	0	29,476
Stock Protection & Other New Build/Regeneration	11,014	8,722	6,298	6,573	11,683	11,839	56,129
Total Capital programme	11,309	17,908	16,293	16,573	11,683	11,839	85,605
Financed by:							
Capital Receipts	4,000	4,000	4,200	6,277	6,368	5,000	29,845
Revenue Contributions	5,121	2,445	1,986	0	0	1,513	11,065
Contributions from Reserves	2,188	11,463	10,107	10,296	5,315	5,326	44,695
Total Capital programme	11,309	17,908	16,293	16,573	11,683	11,839	85,605

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Housing Revenue Account (HRA) Capital Schemes

Stock Protection

Directorate	Scheme Title	2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			Total Budget 2016/17 - 2019/20		
		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
HRA	General Enhancements	100		100	105		105	110		110	115		115	430	0	430
HRA	Garage Refurbishment	109		109	111		111	113		113	115		115	448	0	448
HRA	Paths & Fences Siteworks	110		110	110		110	110		110	146		146	476	0	476
HRA	Estate & Green Space Improvements	200		200	205		205	210		210	215		215	830	0	830
HRA	Energy Conservation	450		450	450		450	450		450	480		480	1830	0	1830
HRA	Roof Replacement	550		550	560		560	570		570	580		580	2260	0	2260
HRA	Central Heating Installation	710		710	738		738	748		748	753		753	2949	0	2949
HRA	Rewiring	565		565	580		580	600		600	617		617	2362	0	2362
HRA	Kitchens and Bathrooms	900		900	797		797	876		876	1000		1000	3573	0	3573
HRA	Central Heating communal	25		25	26		26	27		27	28		28	106	0	106
HRA	Door Replacement	292		292	290		290	290		290	290		290	1162	0	1162
HRA	Lift Replacement	100		100	55		55	56		56	58		58	269	0	269
HRA	Structural Repairs	250		250	230		230	220		220	180		180	880	0	880
HRA	Aids and Adaptations	450		450	425		425	425		425	430		430	1730	0	1730
HRA	Capitalised Salaries	500		500	510		510	520		520	530		530	2060	0	2060
HRA	Asbestos Management	360		360	320		320	330		330	340		340	1350	0	1350
HRA	Drainage and Water Supply	35		35	36		36	37		37	38		38	146	0	146
HRA	Fire Safety & Alarm Systems	102		102	104		104	106		106	0		0	312	0	312
HRA	Assisted Living Technology	65		65	65		65	0		0	0		0	130	0	130
HRA	Communal/PIR Lighting	660		660	40		40	0		0	0		0	700	0	700
HRA	New Windows	138		138	138		138	138		138	203		203	617		617
HRA	Targeted Door Replacement	20		20	20		20	20		20	20		20	80	0	80
Subtotal - Stock Protection		6691	0	6691	5915	0	5915	5956	0	5956	6138	0	6138	24700	0	24700

Future Investment

Directorate	Scheme Title	2016/17 Capital Budget			2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			Total Budget 2016/17 - 2019/20		
		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
HRA	Stock Remodelling	130		130	130		130	130		130	30		30	420	0	420
HRA	Parking Schemes	50		50	50		50	50		50	50		50	200	0	200
HRA	Investment Panel Programme	50		50	50		50	50		50	59		59	209	0	209
HRA	Houghton Regis Central	295		295	10547	-1361	9186	9995		9995	11361	-1361	10000	32198	-2722	29476
HRA	Garage Site Assembly	69		69	86		86	112		112	40		40	307	0	307
HRA	Croft Green	1824		1824	2191		2191	0		0	0		0	4015	0	4015
HRA	Sheltered Housing Refurbishment	200		200	300		300	0		0	256		256	756	0	756
HRA	New Homes, North Central Bedfordshire	2000		2000	0		0	0		0	0		0	2000	0	2000
Subtotal - Future Investment		4618	0	4618	13354	-1361	11993	10337	0	10337	11796	-1361	10435	40105	-2722	37383
Subtotal - Stock Protection		6691	0	6691	5915	0	5915	5956	0	5956	6138	0	6138	24700	0	24700
Grand Total		11309	0	11309	19269	-1361	17908	16293	0	16293	17934	-1361	16573	64805	-2722	62083

APPENDIX D

BUDGET ASSUMPTIONS: HRA BUDGET

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

Economic

- i. For 2016/17, inflation of 1% on pay, inflation on supplies and services where contractually agreed, -1% on rental income in line with the latest Government guidance, and 1% on other (services) income;
- ii. Inflation of 1% on pay, inflation on supplies and services where contractually agreed, -1% on rental income and 1% on other (services) income, up until 2019/20, with 2% increase in rental income and expenditure in the following years;
- iii. An average interest rate on debt of 2.46% in 2016/17, 2.60% in 2017/18, 2.75% in 2018/19 and 2.82% for 2019/20. This reflects the known average interest on fixed rate loans and forecasts for variable interest rates used in the Council's Treasury Management Strategy.

Financial

- i. HRA Balances to remain at approximately £2M until such time as the debt is repaid, thereby reducing debt related costs rather than building up unnecessary levels of reserves;
- ii. Surpluses that remain after revenue expenditure, capital expenditure, principal debt repayment and debt interest costs are to be allocated to the earmarked reserve for Independent Living Development (ILDR) and the Strategic Reserve (SR). The SR is then available to support the Business Plan, e.g. for further investment;
- iii. 1% allowance for voids in the calculation of rental income over the Plan period. Voids performance is upper quartile, demonstrating the financial value of tenancy sustainment and reduction in re-let periods.
- iv. An Efficiency Programme that is set out within the Landlord Business Plan Summary, which identifies a saving of £0.853M against the cost of the Housing Service in 2016/17, and projects year on year savings over the life of the plan; and
- v. A prudent approach to treasury management with a debt profile balanced between an element of variable rate loans and fixed rate loans in accordance with the Council's Treasury Management Strategy.

Operational

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

External – Changes to Right to Buy

- i. Potential loss of income arising from an increased number of Right to Buy (RtB) sales will not adversely affect the Landlord Service Business Plan.
- ii. New RtB discounts and proposals for re-investing the capital receipts came into effect from April 2012, with revisions in July 2014, which increase the maximum discount available to tenants from £0.034M to their current level of £0.078M. Further changes in May 2015 mean that tenants can execute their RtB after 3 years, as opposed to 5 years.
- iii. Central Government have increased the discounts in order to incentivise tenants to exercise their Right to Buy, as it is the intention to replace each property sold in this way with a new build property.
- iv. The self-financing settlement was based on the average level of RtB sales in the 4 preceding financial years, and therefore did not take into account the changes to discounts.
- v. Government have altered the Housing Pooling regulations to compensate Local Authorities for this change, so that the proportion of debt attributable to those extra properties sold by RtB, as a result of the increased discount, is deducted from the sale receipt prior to the calculation of the amount to be transferred (or "pooled").
- vi. The calculation of pooling also takes into account the receipts for the Council and Government as modelled into the self-financing calculations. The residual (or "surplus") receipt, after the allowance for debt attributable and receipts modelled in the self-financing settlement, is retained by the Council, under the strict condition that the Council facilitates new social housing on a one for one basis for each property sold.

- vii. For the additional properties sold as a result of increased discounts there is a resultant loss of rental income, which affects the 30 year cash flows in the Business Plan. However there will also be a reduction in expenditure on each of these properties, which will vary depending upon the archetype and condition of each property.
- viii. In the majority of cases, each property will add a financial value to the Business Plan so there is a loss experienced as a result of the extra RtB sales. The compensation for debt attributable to each property mitigates this loss, providing funds that can either be used for debt repayment or capital investment (with no requirement to fund one for one replacements).
- ix. As at the second quarter of 2015/16 the Council has useable HRA capital receipts of £4.291M, of which £2.361M is reserved for investment in one for one replacements
- x. Careful monitoring of RtB sales will be required. Current projections suggest that these will not have a material impact on the Business Plan, particularly if the number of new build properties exceeds the properties sold. However if annual RtB sales were to make up a significant percentage of the Housing Stock , such that it diminished by 10% or more over the period to 31 March 2020, then this would pose a threat to the surpluses predicted both in the medium and longer term.
- xi. If a high rate of sales continued into the medium term the viability of the Council's HRA Business Plan could be called into question as unit costs would be likely to increase.

Other

- i. Future governments will not re-open the debt settlement and increase the amount payable. The Government retained the power to re-open the settlement, and in many respects the legislative changes referred to in the main report amount to a re-opening of the settlement, as they impact significantly on the basis of the self financing calculation (e.g. assumptions for rent increases).

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Central Bedfordshire Council

EXECUTIVE

9 February 2016

Treasury Management Strategy and Treasury Policy

Report of Richard Wenham, Executive Member for Corporate Resources
(richard.wenham@centralbedfordshire.gov.uk)

Advising Officer: Charles Warboys, Chief Finance Officer and Section 151
Officer
(charles.warboys@centralbedfordshire.gov.uk)

Contact Officer: Ralph Gould, Head of Financial Control
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This report relates to a non-Key Decision

Purpose of this report

1. This report outlines the Treasury Policy and Treasury Management Strategy for 2016/17. Central Bedfordshire Council agrees its Treasury Management Strategy annually and, as a minimum every three years, the Treasury Management Policy. This is in line with the CIPFA *Treasury Management in the Public Services: Code of Practice (2011 Edition)* and the CIPFA *Prudential Code for Capital Finance in Local Authorities (2011 Edition)*.

RECOMMENDATIONS

The Executive is asked to:

1. **recommend to Council that the Treasury Management Policy, Treasury Management Strategy Statement and Prudential Indicators for 2016/17 be approved.**

Overview and Scrutiny Comments/Recommendations

2. This report was considered by the Corporate Resources Overview & Scrutiny Committee on 2 February 2016 and the Executive will be advised at the meeting of the Overview and Scrutiny Committee's recommendations in respect of the proposed Treasury Management Policy, Strategy and Prudential Indicators.

Issues

3. The Council's TMSS is underpinned by the adoption of CIPFA's Code of Practice, which includes the requirement for determining a treasury strategy covering the likely financing and investment activity for the forthcoming financial year.
4. The Council's Treasury Management Policy Statement is attached at Appendix A; this was revised in February 2015 and is subject to review every three years. A revised Treasury Management Strategy Statement (TMSS) is attached at Appendix B with the updated Prudential Indicators (PIs) at Appendix C.
5. The Code requires the TMSS for the year to be approved by Council, and it will be submitted for approval on 25 February 2016. Local arrangements require the Corporate Resources Overview & Scrutiny Committee to scrutinise the proposed revised strategy on an annual basis. Both the Policy and the Strategy documents are presented to the Executive for recommendation to Council.

Treasury Management Policy Statement

6. It is the Council's responsibility to approve a Treasury Management Policy Statement on a periodic basis. This Policy will be reviewed every three years or whenever legislative, regulatory or best practice changes materially impact the effectiveness of the current Policy. The current Treasury Management Policy Statement (see Appendix A) was adopted by Council in February 2015. In the absence of changes, the next scheduled date for review is February 2018.
7. The Treasury Management Policy Statement sets out the objectives and the regulatory requirements of the Council's treasury management function.
8. The principal objectives of this Policy Statement are to provide a framework within which:
 - i) risks which might affect the Council's ability to fulfil its responsibilities or which might jeopardise its financial security, can be identified;
 - ii) borrowing costs can be minimised whilst ensuring the long term security and stability of the Council's financial position; and
 - iii) investment returns can be safely maximised and capital values maintained.

Treasury Management Strategy Statement

9. CIPFA's *Treasury Management in the Public Services: Code of Practice (2011 Edition)* and their *Prudential Code for Capital Finance in Local Authorities (2011 Edition)* require local authorities to determine the TMSS on an annual basis.
10. The TMSS is included in Appendix B, and comprises three main components:
 - i) the 'External Context', drafted by the Council's external treasury advisers, Arlingclose Ltd. This is important as the rate at which the Council can borrow and the return it will obtain on cash balances are linked to the performance of the wider UK and global economy.
 - ii) a Borrowing Strategy, including the approved sources of long term and short term borrowing.
 - iii) an Investment Strategy, including the type of institutions the Council is able to place its cash with and the limits with each type of institution.
11. The TMSS also includes other items that the Council is required by CIPFA and the Department for Communities and Local Government (CLG) to include as part of its strategy, including the Council's policy on the use of financial derivatives, interest charges between the HRA and the General Fund and borrowing in advance of need.

Prudential Indicators

12. The CIPFA *Prudential Code for Capital Finance in Local Authorities (2011 Edition)* requires performance against specified key indicators to be measured and reported on a regular basis. The purpose of these indicators is to demonstrate prudence, affordability and sustainability.
13. An explanation of the PIs is included in Appendix C. Key objectives of the indicators are to:
 - ensure borrowing is less than the Council's Capital Financing Requirement (CFR), demonstrating that all long term borrowing has been undertaken for capital purposes in line with the Prudential Code;
 - set the Council's authorised and operational limits for borrowing;
 - show the percentage of the revenue budget required to be spent on financing borrowing; and
 - show the incremental impact of new capital investment decisions on Council Tax and housing rent levels

14. In line with the best practice requirements outlined in the CIPFA Treasury Management Code of Practice, all PIs are monitored throughout the year and reported to Council at mid-year and at the end of the financial year.
15. Appendix C also includes a statement of the Council's Minimum Revenue Provision (MRP) policy, used to calculate the amount the Council is annually required to set aside towards repaying its CFR.

Reason for decision

16. The reason for the decision is to put an effective treasury management framework in place for the Council.

Council Priorities

17. Effective management of the Council's financial resources and the associated risks is a cornerstone to the delivery of the Council's priorities.

Corporate Implications

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

Legal Implications

19. The Council's treasury management activities are regulated by statute, professional codes and official guidance. The Local Government Act 2003 (the Act) provides the powers to borrow and invest as well as providing controls and limits. Under the Act, Communities and Local Government has issued Guidance on Local Government Investments (revised March 2010) to structure and regulate the Council's investment activities. The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 – Statutory Instrument (SI) 3146 (plus subsequent amendments), develops the controls and powers within the Act. The SI requires the Council to undertake any borrowing activity with regard to the CIPFA *Prudential Code for Capital Finance in Local Authorities (2011 Edition)*. The SI also requires the Council to operate the overall treasury function with regard to the CIPFA *Treasury Management in the Public Services: Code of Practice (2011 Edition)* (the Code of Practice).

Financial Implications

20. The Council's Treasury Management Strategy Statement (TMSS) and Prudential Indicators (PIs) are derived from the Medium Term Financial Plan (MTFP). The TMSS and PIs are explained within the body of this report.

21. Treasury management is defined by the Chartered Institute of Public Finance and Accountancy's (CIPFA) *Treasury Management in the Public Services: Code of Practice (2011 Edition)* as: 'The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.'

Equalities Implications

22. There are no equalities implications arising from this report.

Conclusion and next Steps

23. Overall responsibility for treasury management remains with the Council.
24. The purpose of the proposed TMSS is to ensure that an effective treasury management framework is in place for 2016/17. The strategy proposed is prudent in relation to the Council's borrowing activities, based on market interest rate forecasts, and its investment activities. Investment and cash balances will be managed with priority being given to security and liquidity before yield. The borrowing strategy for the Council's debt portfolio will see increasing use of temporary (short term) debt which currently offers low financing costs with the risk that unexpected increases in interest rates would create financial pressures. The recommended Draft Capital Programme that was considered by Executive on 12th January 2016 sets out more information on the revenue implications of interest rates in excess of current assumptions.
25. The Treasury Management Policy, Treasury Management Strategy Statement and Prudential Indicators for 2016/17 as outlined in this report will be reported to Council for approval in line with statutory requirements.

Appendices

26. Appendix A – Treasury Management Policy
Appendix B – Treasury Management Strategy Statement
Appendix C – Prudential Indicators and MRP Statement

Background Papers

27. None.

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Appendix A

Treasury Management Policy Statement for 2015/16, 2016/17 and 2017/18

1. Introduction

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

- 1.1 Treasury management is:
'The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.'
- 1.2 This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council, and any financial instruments entered into to manage these risks.
- 1.3 This Council acknowledges that effective treasury management will provide support towards the achievement of its Medium Term Financial Plan (MTFP). It is committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.
- 1.4 The Chief Finance Officer will maintain suitable Treasury Management Practices (TMPs), setting out the manner in which this Council will seek to achieve its treasury management policies and objectives and how it will manage and control those activities.
- 1.5 The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt.
- 1.6 The Council's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Council's investments followed by the yield earned on investments remain important but are secondary considerations.

2. Objectives

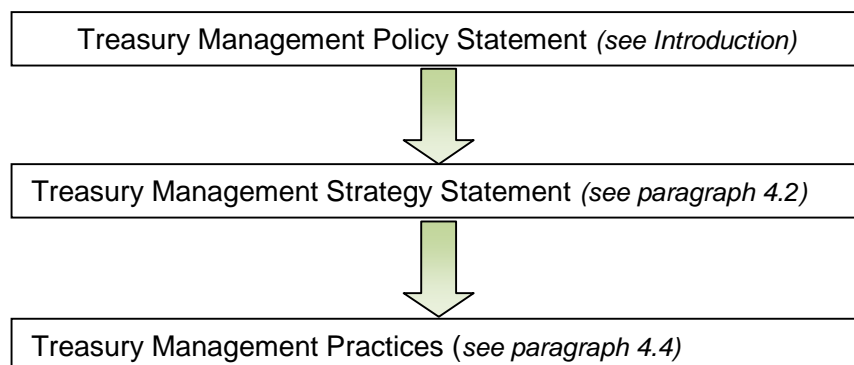
- 2.1 The principal objectives of this Treasury Management Policy Statement are to provide a framework within which:
- i) risks which might affect the Council's ability to fulfil its responsibilities or which might jeopardise its financial security, can be identified and managed
 - ii) borrowing costs can be minimised whilst ensuring the long term security and stability of the Council's financial position
 - iii) investment returns can be safely maximised and capital values maintained.

3. Review Period

- 3.1 It is the Council's responsibility to approve a Treasury Management Policy Statement on a periodic basis. This Policy will be reviewed every three years or whenever legislative, regulatory or best practice changes materially impact the effectiveness of the current Policy. In the absence of changes, the next scheduled date for review is therefore January 2018.

4. Documentation

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



- 4.2 The annual Treasury Management Strategy Statement integrates with the Prudential Indicators set and will include the following:
- links to capital financing and treasury management Prudential Indicators for the current and forthcoming financial year
 - a strategy for financing new borrowing requirements (if any) and refinancing maturing borrowing (if any) over the next year and for the restructuring of debt
 - an Investment Strategy for the forthcoming year (*see paragraph 4.3*)
 - the interest rate outlook against which the treasury activities are likely to be undertaken
 - a policy on the use of financial derivatives
 - a policy on apportioning interest to the Housing Revenue Account (HRA).
- 4.3 Based on the Department for Communities and Local Government (DCLG) Guidance on Investments, the Council will produce as part of its annual Treasury Management Strategy Statement (TMSS), an Investment Strategy that sets out:
- the objectives, policies and strategy for managing its investments
 - the determination of which Specified and Non Specified Investments the Council will utilise during the forthcoming financial year based on the Council's economic and investment outlook and the expected level of investment balances
 - the limits for the use of Non-Specified Investments.
- 4.4 The Treasury Management Practices set out the detailed procedures behind the Treasury Management Policy including the manner in which the Council will seek to achieve the policy objectives, describing how it will manage and control the activities listed below:
- risk management
 - performance measurement
 - decision-making and analysis
 - approved instruments, methods and techniques

- organisation, clarity and segregation of responsibilities, and dealing arrangements
- reporting requirements and management information arrangements
- budgeting, accounting and audit arrangements
- cash and cash flow management
- anti money laundering procedures
- staff training and qualifications
- use of external service providers
- corporate governance.

5. Basis of Policy

- 5.1 The Council will adhere to the regulatory framework set out in the following documents:
- a) CIPFA - Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes (2011 Edition)
 - b) CIPFA - The Prudential Code for Capital Finance in Local Authorities (2011 Edition)
 - c) the Council's Constitution, Code of Financial Governance and the Scheme of Officer Delegations.
- 5.2 Copies of the documents listed above are available from the Chief Finance Officer, if required. The Council will be bound by the requirements of any successor documents to those listed above unless a subsequent review of this Policy deems them no longer to be appropriate.
- 5.3 In arriving at treasury management decisions, due cognisance will be taken of written and verbal advice provided by the Council's treasury advisers, Arlingclose Ltd, but neither the Council nor its officers will be bound by such advice.
- 5.4 The Chief Finance Officer will only transact with brokers, funders and counterparties who have accepted the principles set out in the current Bank of England's 'Non Investment Products Code (NIPS Code)' (<http://www.bankofengland.co.uk/markets/forex/fxjsc/nipscode.pdf>).

6. Reporting of Treasury Management Activities

6.1 The CIPFA Code of Practice requires the Chief Finance Officer to produce for adoption by Council:

- an annual TMSS which will set out the borrowing and investment strategy to be pursued in the coming year, along with the associated Prudential Indicators in compliance with the CIPFA *Prudential Code for Capital Finance in Local Authorities (2011 Edition)*
- a mid-year review
- an annual report on the performance of the treasury management function. This will cover the effects of the decisions taken and the transactions executed in the past year, and any circumstances of non-compliance with the Council's Treasury Management Policy Statement and Treasury Management Practices (TMPs).

6.2 Annually, the Corporate Resources Overview & Scrutiny Committee considers the proposed TMSS and receives quarterly treasury management performance information as part of the budget monitoring process.

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Appendix B

Treasury Management Strategy Statement (TMSS) 2016/17

Introduction

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

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

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

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

External Context

Economic background: Domestic demand has grown robustly, supported by sustained real income growth and a gradual decline in private sector savings. Low oil and commodity prices were a notable feature of 2015, and contributed to an annual CPI inflation of 0.2% in December. Wages are growing at 2.0% a year, and the unemployment rate has dropped to 5.1%. Mortgage approvals have risen to over 70,000 a month and annual house price growth is around 3.5%. These factors have boosted consumer confidence, helping to underpin retail spending and hence GDP growth, which was an encouraging 2.1% a year in the third quarter of 2015.

The Monetary Policy Committee (MPC) meets on a monthly basis to set the Bank of England's Base Rate, which is used to control the level of inflation. The MPC aims for a target Consumer Price Index (CPI) inflation rate of 2.0%, within a range of plus or minus 1.0%, i.e., between 1.0% and 3.0%. Although speeches by MPC members sent signals that some were willing to countenance higher interest rates, the MPC held policy rates at 0.5% for the 82nd consecutive month at its meeting in December 2015. Quantitative easing (QE) has been maintained at £375bn since July 2012.

Credit outlook: The varying fortunes of different parts of the global economy are reflected in market indicators of credit risk. UK banks operating in the Far East and parts of mainland Europe have seen their perceived risk increase, while those with a more domestic focus continue to show improvement. The sale of most of the Government's stake in Lloyds and the first sale of its shares in RBS have generally been seen as credit positive.

Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the UK, USA and Germany. The rest of the European Union will follow suit in January 2016, while Australia, Canada and Switzerland are well advanced with their own plans. Meanwhile, changes to the UK Financial Services Compensation Scheme and similar European schemes in July 2015 mean that most private sector investors are now partially or fully exempt from contributing to a bail-in. The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Council; returns from cash deposits however remain stubbornly low.

Interest rate forecast: The Council's treasury management adviser, Arlingclose Ltd, projects the first 0.25% increase in official interest rates in the third quarter of 2016, rising by 0.5% a year thereafter, finally settling between 2% and 3% in several years' time. Persistently low inflation, subdued global growth and potential concerns over the UK's position in Europe mean that the risks to this forecast are weighted towards the downside.

A shallow upward path for medium term gilt yields is forecast, as continuing concerns about the Eurozone, emerging markets and other geo-political events weigh on risk appetite, while inflation expectations remain subdued. Arlingclose projects the 10 year gilt yield to rise from its current 2.0% level by around 0.3% a year. The uncertainties surrounding the timing of UK and US interest rate rises are likely to prompt short-term volatility in gilt yields.

A more detailed economic and interest rate forecast provided by Arlingclose Ltd is attached at Schedule 1.

For the purpose of setting the 2016/17 budget, it has been assumed that new investments will be made at an average rate of 0.5%, and that new long-term loans will be borrowed on an average variable interest rate of 0.8% based on the forecast prevailing Base Rate plus a prudent allowance for uncertainty and brokerage fees.

Local Context

At 30th November 2015, the Council held £297.5m of borrowing and £14.8m of investments. This is set out in further detail at *Schedule 2*. Forecast changes in these sums are shown in the balance sheet analysis in Table 1 below.

Table 1: Balance Sheet Summary and Forecast

	31/3/15 Actual £m	31/3/16 Estimate £m	31/3/17 Estimate £m	31/3/18 Estimate £m	31/3/19 Estimate £m
General Fund CFR	282.6	324.8	355.9	370.1	385.9
HRA CFR	164.3	165.0	165.0	163.5	162.0
Total CFR	446.9	489.8	520.9	533.6	547.9
Less: Other long-term liabilities *	(16.3)	(15.7)	(15.3)	(14.6)	(13.6)
Borrowing CFR	430.6	474.1	505.6	519.0	534.3
Less: External borrowing **	312.6	282.2	275.6	275.6	275.6
Internal borrowing	118.0	191.9	230.0	243.4	258.7
Less: Usable reserves	96.0	93.0	85.2	85.4	77.1
Less: Working capital	25.5	25.0	25.0	25.0	25.0
Investments / (new borrowing) ***	3.5	(73.9)	(119.8)	(133.0)	(156.6)

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

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

*** Forecast borrowing is based on the full Capital Programme being achieved.

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves are the underlying resources available for investment. However, usable reserves include schools balances, those specific to the Housing Revenue Account (HRA) and other earmarked reserves. The usable General Fund reserves balance as at 31st March 2015 was £15.2m.

The Council has an increasing CFR due to the Capital Programme and continues to adhere to its long-standing strategy of holding low cash balances to reduce investment counterparty risk and contain its borrowing costs by utilising cash balances in lieu of borrowing externally. The Balance Sheet summary in Table 1 shows that the Council's extent of internal borrowing was £118.0m as at 31 March 2015. The Council uses internal resources in lieu of borrowing to the full extent as this has continued to be the most cost effective means of funding capital expenditure.

CIPFA's *Prudential Code for Capital Finance in Local Authorities (2011 Edition)* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Council expects to comply with this recommendation during 2016/17.

Borrowing Strategy

At 30th November 2015, the Council held external borrowing of £297.5m. However, the Balance Sheet forecast in Table 1 shows that it is estimated that net borrowing will increase by £43.5m in 2015/16 (new gross borrowing of £73.9m less £30.4m refinancing of maturing existing borrowing) to finance its Capital Programme.

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

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

By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal borrowing and short-term fixed rate loan finance will be monitored regularly against the potential for incurring additional costs when long-term borrowing rates are forecast to rise. Arlingclose Ltd will assist with this 'cost of carry' calculation and breakeven analysis. The output may determine whether the Council considers borrowing additional sums at long-term fixed rates in 2016/17 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

In addition, the Council may take out short-term fixed rate loans (normally for up to one to six months) to cover unexpected cash flow shortages.

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

- the PWLB
- UK local authorities, police and fire authorities
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds
- special purpose companies created to enable joint local authority bond issues
- capital market bond investors.

The Council and its predecessors raised the majority of the long-term borrowing from the PWLB. The Council plans to maintain minimum cash levels for operational purposes and source its borrowing needs from other UK local authorities, police and fire authorities on a short-term fixed rate rolling basis at around the prevailing Base Rate in order to achieve significant revenue cost savings in the short term, over the more traditional route of borrowing long term from the PWLB.

The revenue implications of the Capital Programme over 2016/17 to 2019/20 have been calculated on the assumption that most new borrowing will be taken on a short-term fixed rate basis taking advantage of current low levels of interest rates. This borrowing strategy assumes that interest rates will continue to remain low for longer than previously envisaged, in line with advice from Arlingclose Ltd who forecast the first rise in official interest rates in September 2016 and a series of gradual increases thereafter, with the average Base Rate for 2016/17 being around 0.6%. The average forecast Base Rates for 2017/18, 2018/19 and 2019/20 are 1.1%, 1.6% and 1.9% respectively.

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 (MTFP) period. However, interest rate risk is preferable to credit risk which is minimised through the use of short-term fixed rate borrowing to enable the Council to maintain minimum operational cash balances.

The Council holds £13.5m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. All of these LOBOS have options during 2016/17, and although the Council understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. The Council will take the option to repay LOBO loans at low cost if it has the opportunity to do so.

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

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

Investment Strategy

At 30th November 2015, the Council held £9.7m of invested funds, (excludes an external investment in the Aviva Investors’ Lime Property Fund Unit Trust valued at £5.1m as at 30th September 2015) representing income received in advance of expenditure plus balances and reserves held. Over the past 12 months, the investment balance which is determined by reference to the Council’s day-to-day cash flow requirements has ranged between £4m and £42m. The Council plans to maintain minimum cash levels for operational purposes in the forthcoming year.

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

Given the increasing risk and continued low returns from short-term unsecured bank deposits, the Council aims to effectively manage this risk by maintaining minimum cash levels for operational purposes and diversifying investments between several counterparties to mitigate the impact of any bail-in of unsecured investments. Local authority investments in bank call/notice accounts, deposits and Money Market Funds (MMFs) are unsecured investments.

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

Table 2: Approved Investment Counterparties

Counterparty	
Banks and other organisations and securities whose lowest published long-term credit rating from Fitch, Moody’s and Standard & Poor’s is:	AAA
	AA+
	AA
	AA-
	A+
	A
	A-
	BBB+
UK Central Government (irrespective of credit rating)	
UK Local Authorities, Police and Fire Authorities (irrespective of credit rating)	
Money market funds and other pooled funds	

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

Current Account Bank: The Council's current accounts are held with NatWest which is currently rated at the minimum BBB+ (or Moody's equivalent of Baa1) rating in Table 2. Should the credit ratings fall below BBB+, the Council may continue to deposit surplus operational cash with NatWest providing that the cash can be withdrawn on the next working day, and that the bank maintains a credit rating no lower than BBB- (or Moody's equivalent of Baa3) which is the lowest investment grade rating.

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

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

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

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

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

- no new investments will be made; and
- consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

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

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

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

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

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

The Council defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher.

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

Table 3: Non-Specified Investment Limits

	Cash limit
Total long term investments	£10m
Total investments without credit ratings or rated below A-	£30m
Total investments in foreign countries rated below AA+ by individual country	£10m

Investment Limits: The Council’s general revenue reserves available to cover investment losses are forecast to be £15.2m on 31st March 2016. In order that no more than £7m of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £7m. A group of banks under the same ownership will be treated as a single organisation for limit purposes.

Table 4: Investment Limits

	Cash limit
Any single organisation, except the UK Central Government	£7m each
UK Central Government	unlimited
UK Local Authorities	unlimited
Any group of organisations under the same ownership	£7m per group
Any group of pooled funds under the same management	£10m per manger
Negotiable instruments held in a broker's nominee account	£10m per broker
Foreign countries	£10m per country
Registered Providers	£10m in total
Unsecured investments with Building Societies	£10m in total
Loans to small businesses	£10m in total
Money Market Funds	70% in total

Liquidity management: Cash flow forecasting is used to determine the maximum period for which funds may prudently be committed. Limits on long term investments are set by reference to the Council's Medium Term Financial Plan and cash flow forecast.

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable interest rate exposures, expressed as the proportion of net principal borrowed will be:

Table 5: Limits on Fixed and Variable Rate Exposures

	Actual fixed and variable rate borrowing as at 30/11/2015	2015/16	2016/17	2017/18	2018/19
	%	%	%	%	%
Upper limit on fixed rate exposure	78	100	100	100	100
Upper limit for variable rate exposure	22	40	50	50	50

The Council is exposed to risk in terms of its exposure to 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 50% of its borrowings in variable rate loans from 2016/17.

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

	Actual Fixed Rate Borrowing as at 30/11/2015 %	Upper Limit %	Lower Limit %
Under 12 months	6	20	0
12 months - 24 months	0	20	0
24 months - 5 years	0	60	0
5 years - 10 years	13	100	0
10 years - 20 years	54	100	0
20 years - 30 years	0	100	0
30 years - 40 years	20	100	0
40 years - 50 years	7	100	0
50 years and above	0	100	0

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment, e.g., LOBO option dates (on which the lender can require payment) are treated as potential repayment dates.

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

	2016/17	2017/18	2018/19
Limit on principal invested beyond year end	£10m	£10m	£10m

Other Items

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

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

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

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

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

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

Staff regularly attend training courses, seminars and conferences provided by Arlingclose Ltd and CIPFA. Relevant staff are also encouraged to study professional qualifications from CIPFA, the Association of Corporate Treasurers and other appropriate organisations.

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

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

The total amount borrowed will not exceed the authorised borrowing limit for 2016/17 of £567.1m. The maximum period between borrowing and expenditure is expected to be two years, although the Council is not required to link particular loans with particular items of expenditure.

Other Options Considered

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

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower risk of losses from credit related defaults, but any such losses will be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses will be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs will be more certain

<p>Borrow short-term or variable loans instead of long-term fixed rates</p>	<p>Debt interest costs will initially be lower</p>	<p>Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long term costs will be less certain</p>
<p>Reduce level of borrowing</p>	<p>Saving on debt interest is likely to exceed lost investment income. Unable to deliver the full Capital Programme.</p>	<p>Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs will be less certain</p>

Schedule 1 – Arlingclose Economic & Interest Rate Forecast November 2015

Underlying assumptions:

- UK economic growth softened in Q3 2015 but remained reasonably robust; the first estimate for the quarter was 0.5% and year-on-year growth fell slightly to 2.3%. Negative construction output growth offset fairly strong services output, however survey estimates suggest upwards revisions to construction may be in the pipeline.
- Household spending has been the main driver of GDP growth through 2014 and 2015 and remains key to growth. Consumption will continue to be supported by real wage and disposable income growth.
- Annual average earnings growth was 3.0% (including bonuses) in the three months to August. Given low inflation, real earnings and income growth continue to run at relatively strong levels and could feed directly into unit labour costs and households' disposable income. Improving productivity growth should support pay growth in the medium term. The development of wage growth is one of the factors being closely monitored by the MPC.
- Business investment indicators continue to signal strong growth. However the outlook for business investment may be tempered by the looming EU referendum and increasing uncertainties surrounding global growth.
- Inflation is currently very low and, with a further fall in commodity prices, will likely remain so over the next 12 months. The CPI rate is likely to rise towards the end of 2016.
- China's growth has slowed and its economy is performing below expectations, which in turn will dampen activity in countries with which it has close economic ties; its slowdown and emerging market weakness will reduce demand for commodities. Other possible currency interventions following China's recent devaluation will keep sterling strong against many global currencies and depress imported inflation.
- Strong US labour market data and other economic indicators suggest recent global turbulence has not knocked the American recovery off course. Although the timing of the first rise in official interest rates remains uncertain, a rate rise by the Federal Reserve seems significantly more likely in December given recent data and rhetoric by committee members.
- Longer term rates will be tempered by international uncertainties and weaker global inflation pressure.

Forecast:

- Arlingclose forecasts the first rise in UK Base Rate in Q3 2016. Further weakness in inflation, and the MPC's expectations for its path, suggest policy tightening will be pushed back into the second half of the year. Risks remain weighted to the downside. Arlingclose projects a slow rise in Base Rate, the appropriate level of which will be lower than the previous normalised level and will be between 2% and 3%.
- The projection is for a shallow upward path for medium term gilt yields, with continuing concerns about the Eurozone, emerging markets and other geopolitical events, weighing on risk appetite, while inflation expectations remain subdued.
- The uncertainties surrounding the timing of UK and US monetary policy tightening, and global growth weakness, are likely to prompt short term volatility in gilt yields.

	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18
Official Bank Rate													
Upside risk		0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50
Arlingclose Central Case	0.50	0.50	0.50	0.75	0.75	1.00	1.00	1.25	1.25	1.50	1.50	1.75	1.75
Downside risk				-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-1.00	-1.00	-1.25	-1.25
3-month LIBID rate													
Upside risk	0.20	0.30	0.30	0.30	0.35	0.35	0.35	0.35	0.40	0.40	0.40	0.40	0.40
Arlingclose Central Case	0.55	0.60	0.70	0.80	0.95	1.05	1.15	1.30	1.40	1.55	1.65	1.80	1.85
Downside risk		-0.20	-0.30	-0.45	-0.55	-0.65	-0.80	-0.90	-1.05	-1.10	-1.20	-1.20	-1.20
1-yr LIBID rate													
Upside risk	0.25	0.35	0.35	0.35	0.40	0.40	0.40	0.40	0.45	0.45	0.45	0.45	0.45
Arlingclose Central Case	1.10	1.20	1.35	1.45	1.55	1.70	1.80	1.95	2.00	2.10	2.15	2.15	2.15
Downside risk	-0.15	-0.25	-0.35	-0.50	-0.60	-0.70	-0.85	-0.95	-1.10	-1.15	-1.25	-1.25	-1.25
5-yr gilt yield													
Upside risk	0.40	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60
Arlingclose Central Case	1.50	1.55	1.60	1.70	1.80	1.90	2.00	2.10	2.20	2.25	2.30	2.35	2.35
Downside risk	-0.35	-0.45	-0.55	-0.60	-0.70	-0.80	-0.90	-1.00	-1.10	-1.15	-1.20	-1.25	-1.25
10-yr gilt yield													
Upside risk	0.40	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60
Arlingclose Central Case	2.00	2.05	2.10	2.20	2.30	2.40	2.50	2.60	2.65	2.70	2.75	2.80	2.80
Downside risk	-0.35	-0.45	-0.55	-0.60	-0.70	-0.80	-0.90	-1.00	-1.10	-1.15	-1.20	-1.25	-1.25
20-yr gilt yield													
Upside risk	0.40	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60
Arlingclose Central Case	2.45	2.50	2.55	2.55	2.60	2.65	2.70	2.75	2.80	2.85	2.90	2.95	2.95
Downside risk	-0.30	-0.40	-0.50	-0.55	-0.65	-0.75	-0.85	-0.95	-1.05	-1.10	-1.15	-1.20	-1.20
50-yr gilt yield													
Upside risk	0.40	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60
Arlingclose Central Case	2.45	2.50	2.55	2.60	2.65	2.70	2.75	2.80	2.85	2.90	2.95	3.00	3.00
Downside risk	-0.25	-0.35	-0.45	-0.50	-0.60	-0.70	-0.80	-0.90	-1.00	-1.05	-1.10	-1.15	-1.15

Schedule 2 – Existing Investment & Debt Portfolio Position

	30/11/15 Actual Portfolio £m
External Borrowing:	
PWLB – Fixed Rate	217.1
PWLB – Variable Rate	57.9
LOBO Loans	13.5
Local Government Loans	9.0
Total External Borrowing	297.5
Other Long Term Liabilities:	
PFI	16.3
Total Gross External Debt	313.8
Investments:	
<i>Managed in-house</i>	
Short-term investments	9.7
Pooled Funds (<i>Lime Fund</i>)	5.1
Total Investments	14.8
Net Debt	299.0

Appendix C

Prudential Indicators and MRP Statement 2016/17

The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities (2011 Edition)* (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure

The Council's planned capital expenditure and financing can be summarised as follows.

Capital Expenditure and Financing	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
General Fund	104.9	105.4	92.2	68.8
HRA	20.6	11.3	19.3	16.3
Total Expenditure	125.5	116.7	111.5	85.1
Capital Receipts	(3.0)	(10.5)	(9.5)	(7.5)
Grants and Contributions	(49.5)	(55.4)	(58.5)	(34.4)
Revenue	(1.4)	-	-	-
Borrowing	(51.0)	(39.5)	(24.2)	(26.9)
General Fund sub-total	(104.9)	(105.4)	(92.2)	(68.8)
Capital Receipts	(3.6)	(4.0)	(4.0)	(4.2)
Grants and Contributions	-	-	(1.4)	-
Reserves	(11.7)	(2.2)	(11.5)	(10.1)
Revenue	(5.3)	(5.1)	(2.4)	(2.0)
HRA sub-total	(20.6)	(11.3)	(19.3)	(16.3)
Total Financing	(125.5)	(116.7)	(111.5)	(85.1)

Estimates of Capital Financing Requirement

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

Capital Financing Requirement	31/03/16 Estimate £m	31/03/17 Estimate £m	31/03/18 Estimate £m	31/03/19 Estimate £m
General Fund	324.8	355.9	370.1	385.9
HRA	165.0	165.0	163.5	162.0
Total CFR	489.8	520.9	533.6	547.9

The CFR is forecast to rise by £58.1m over the next three years as capital expenditure financed by debt outweighs resources put aside for debt repayment.

Gross Debt and the Capital Financing Requirement

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

Debt	31/03/16 Estimate £m	31/03/17 Estimate £m	31/03/18 Estimate £m	31/03/19 Estimate £m
Borrowing	363.7	403.1	427.3	454.2
PFI liabilities	15.7	15.3	14.6	13.6
Total Debt	379.4	418.4	441.9	467.8

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

Operational Boundary for External Debt

The Operational Boundary is based on a prudent estimate for external debt. It links directly to the Council's estimates of capital expenditure, the CFR and cash flow requirements, and is a management tool for in-year monitoring. Other long-term liabilities comprise finance leases, Private Finance Initiative (PFI) and other liabilities that are not borrowing but form part of the Council's debt.

Operational Boundary	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Borrowing	502.2	530.7	544.5	560.2
Other long-term liabilities	18.7	15.8	15.1	14.1
Total Debt	520.9	546.5	559.6	574.3

Authorised Limit for External Debt

The Authorised Limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Council can legally owe at any given point during each financial year. The Authorised Limit provides headroom over and above the Operational Boundary for unusual cash movements. More specifically, the Authorised Limit for External Debt is a total of £10.5m higher in each financial year from 2016/17 when compared to the Operational Boundary figure, being £10.0m higher on the 'Borrowing' line and £0.5m higher on the 'Other long-term liabilities' line.

Authorised Limit	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Borrowing	512.2	540.7	554.5	570.2
Other long-term liabilities	21.2	16.3	15.6	14.6
Total Debt	533.4	557.0	570.1	584.8

Ratio of Financing Costs to Net Revenue Stream

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

Ratio of Financing Costs to Net Revenue Stream	2015/16 Estimate %	2016/17 Estimate %	2017/18 Estimate %	2018/19 Estimate %
General Fund	7.5	7.5	7.5	9.0
HRA	13.8	13.8	13.8	14.5

It measures the proportion of the net revenue budget that is required to meet the ongoing financing costs of past capital expenditure which was funded from borrowing. Future year estimates incorporate the additional financing costs of planned capital expenditure to be funded from borrowing. It is important that the total capital investment of the Council remains within sustainable limits. However, the level of capital investment that can be supported will be a matter for local decision.

The prudential indicators are designed to support and record local decision making in a manner that is publicly accountable. They are not designed to be comparable performance indicators. Nonetheless, it is interesting to note that Central Bedfordshire's Ratio of Financing Costs to Net Revenue Stream (General Fund) is currently broadly consistent with its nearest local authority neighbours:

	2015/16
Milton Keynes	11.2%
Cambridgeshire	10.2%
Luton	9.9%
Northamptonshire	9.2%
Central Bedfordshire	7.5%
Bedford Borough	5.6%
Buckinghamshire	5.5%
Hertfordshire	1.3%

Central Bedfordshire's ratio is expected to increase relative to its peers given the Council's significant commitment to capital investment over the next few years.

Incremental Impact of Capital Investment Decisions

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

Incremental Impact of Capital Investment Decisions	2016/17 Estimate £	2017/18 Estimate £	2018/19 Estimate £
General Fund - increase in annual band D Council Tax	14.91	30.87	50.12
HRA - increase in average weekly rents	0.11	0.17	0.15

Adoption of the CIPFA Treasury Management Code

The Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice (2011 Edition)* at its Council meeting on 29th November 2012.

Housing Revenue Account (HRA) Debt

The purpose of this limit is to report the level of debt imposed on the Council at the time of the implementation of self-financing by the Department for Communities and Local Government (CLG).

	2015/16 Estimate £	2016/17 Estimate £	2017/18 Estimate £	2018/19 Estimate £
HRA Debt Cap (as prescribed by the DCLG)	165.0	165.0	165.0	165.0
HRA CFR	165.0	165.0	163.5	162.0
Difference	0.0	0.0	1.5	3.0

Annual Minimum Revenue Provision Statement 2016/17

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

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

The CLG Guidance requires the Council to approve an Annual MRP Statement each year, and recommends four options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance.

The method used by the Council for the Medium Term Financial Plan (MTFP) 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. MRP is spread over the useful economic life on an annuity basis. The annuity method 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 MTFP period.

At a more detailed level, for capital expenditure incurred before 1st April 2008 MRP will be based on 4% of the CFR in accordance with the former regulations that applied on 31st March 2008 incorporating an 'Adjustment A' as defined in the former regulations. For capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure on an annuity basis and spreading the provision across the approximate useful economic life of the asset, starting in the year after the asset becomes operational. For example, capital expenditure incurred during 2016/17 will not be subject to an MRP charge until 2017/18.

For assets acquired by finance leases or the Private Finance Initiative, the MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability. No MRP will be charged in respect of assets held within the Housing Revenue Account.

The calculation is reviewed annually by the Council's external auditors as part of the audit of the Statement of Accounts.

Central Bedfordshire Council

EXECUTIVE

9 February 2016

Schools Budget 2016/17

Report of Cllr Mark Versallion, Executive Member for Education and Skills,
(mark.versallion@centralbedfordshire.gov.uk)

Advising Officers: Sue Harrison, Director of Children's Services,
(sue.harrison@centralbedfordshire.gov.uk); and Helen Redding, Assistant
Director School Improvement, (helen.redding@centralbedfordshire.gov.uk,
Tel: 0300 300 6057)

This report relates to a non Key Decision

Purpose of this report

1. This report sets out the proposed distribution of the Dedicated Schools Grant (DSG) Schools Block for 2016/2017. Executive ratification is required by the 29 February with regard to the submission of the Authority Proforma Tool (APT) to the Education Funding Agency on 21 January 2016.

RECOMMENDATIONS

The Executive is asked to:

1. **note the distribution of the DSG (Schools Block) for 2016/17;**
2. **ratify the final proforma submitted to the Education Funding Agency (EFA); and**
3. **to delegate authority to the Director of Children's Services and the Chief Finance Officer, in consultation with the Executive Member for Education and Skills and the Executive Member for Corporate Resources, the responsibility for ratification of the final proforma in future years.**

Overview and Scrutiny Comments/Recommendations

2. This report is due to be considered at Overview and Scrutiny on 28 January.

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. This does not include Post 16 Education which is calculated separately by the EFA and passported to schools.
4. Department for Education (DfE) consultations have taken place since 2013/14 to address the inconsistencies in the allocation of DSG to local authorities.
5. This led to Central Bedfordshire receiving a **one off** additional allocation of £5.3m in 2015/2016, which is now in the base budget.
6. The DfE has made it clear that local authorities would not be obliged to use all Minimum Funding Levels (MFL) used to calculate the additional base funding in their local formula. It remains for the local authority, working with its Schools Forum, to decide how best to design its local formula. There have been no changes proposed for 2016/17 and so there was no further requirement for consultation in 2015.
7. Local Authorities have the same freedom to set a local formula for their schools in 2016/2017 as they did in 2015/2016. Individual schools should not expect that their funding will necessarily be at or above the MFL.
8. The timetable for issuing budgets to schools has been brought forward from previous years and may continue to be brought forward in future years. The timetable is therefore getting tighter each year.

Funding Arrangements for 2016/17

9. The DSG for 2016/17 continues to be split into 3 notional blocks: Schools Block; Early Years Block; and High Needs Block. Authorities 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.
10. The Schools Block is calculated based on a per pupil unit of funding multiplied by the number of pupils as reported on the Schools October 2015 census. This is in line with what was agreed by Schools Forum in 2014 for 2015/16 following consultation with schools.
11. The DfE have updated the 2016/17 dataset to use the October 2015 census data. The most significant change is the use of the recently published 2015 Income Deprivation Affecting Children Index (IDACI) values.

As it is 5 years since the dataset was last updated, there will be a significant degree of movement of pupils between bands at an individual school level. Using the updated IDACI data indicates that there will be winners and losers resulting in a reduction of total Social Deprivation allocated to all schools by £303k. The £303k will be redistributed partly to fund any increase on MFG and the remaining balance will be allocated through an increase in the Age Weighted Pupil Unit (AWPU).

12. The final settlement of DSG from the Department for Education was received on 17 December 2015.
13. The Schools Block is calculated based on the schools block unit of funding (SBUF) as published in July 2015. The 2016/17 SBUF have been adjusted to incorporate the funding added for the former Non-Recoupment Academies (NRAs). It means that in 2016/17 the LAs will receive funding for NRAs within their schools block allocation on the same basis as other mainstreamed maintained schools and academies, i.e. by multiplying their SBUF by the schools block pupil count.
14. For Central Bedfordshire the 2016/17 SBUF is £4,294.39, an increase of £5.30 for the former NRA (UTC). Central Bedfordshire's pupil numbers based on October 2015 census data has increased by 777 pupils to 36,643.
15. The table below provides a summary of the implementation timetable for the 2016/17 Funding Arrangements.

When	Activity
30 September 2015	Deadline for applications exclusion/variations to pupil numbers
30 October 2015	Councils submit provisional pro-forma to Education Funding Agency.
17 December 2015	DfE confirms DSG Schools Block for 2016/17
31 December 2015	Deadline for submitting final applications for exclusion/variations to pupil numbers
21 January 2016	Deadline for submitting final pro-forma to Education Funding Agency (Appendix A)
9 February 2016	Seek approval from Executive for the 2016/17 funding distribution (required by 29 February 2016)
29 February 2016	Regulation deadline for confirmation of schools budget share to maintained schools
February 2016	LA issues Individual School Budgets in line with regulations.

Protections and limits to gains

16. The pre-16 Minimum Funding Guarantee (MFG) for mainstream schools will continue to be set at minus 1.5% per pupil in 2016/17. This applies to pupils in age ranges 5-16 and therefore excludes funding for early years children and pupils over 16.
17. The only factors which are automatically excluded from the MFG are:
 - Post 16 funding (sixth form factor)
 - The lump sum
 - Sparsity factor
 - Rates
18. 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.

Reason for decision:

19. To enable schools budgets to be issued by the required date of 29 February 2016

Reason for urgency

20. The Authority Pro-forma Tool is being completed following receipt of final DSG settlement on 17 December 2015, and must be submitted by 21 January 2016, with political ratification by 29 February 2016.

Council Priorities

21. This report supports the Council Priority of 'Improving Education and Skills' by ensuring that schools receive appropriate distribution of budget to support improving educational outcomes.

Corporate Implications

22. None.

Legal Implications

23. As an authority we want to ensure compliance with all timescales laid down in this area. A delegation would assist with this.

24. The Council may however be at greater risk of challenge due to the perception of reduced transparency. This can be mitigated by ensuring that all the checks and balances within the constitution for exercising such a delegation are adhered to, including those relating to key decisions if relevant.

Financial and Risk Implications

25. 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

26. Public Authorities must ensure that decisions are made in a way which minimises unfairness, and without a disproportionately negative effect on people in relation to 9 protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
27. It is important that Councillors are aware of this duty before they take a decision.
28. 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

29. There are no significant changes from the distribution of schools budgets in 2015/16. Subject to Executive approval, schools' budgets will be calculated accordingly and budgets issued by the deadline of 29 February 2016.
30. Given that the DSG Allocation is not received by the Local Authority until late in December, it is recommended that in future years ratification of the final proforma is agreed by the Executive to be delegated to the Director of Children's Services and the Chief Finance Officer in consultation with the Executive Member for Education and Skills and the Executive Member for Resources. A report can be provided to the Executive for noting if required in future years.

Appendices

31. The following Appendix is attached:

Appendix A: Draft Authority Proforma Tool (APT)

Local Authority Funding Reform Proforma

LA Name:	Central Bedfordshire
LA Number:	823

Pupil Led Factors

Reception uplift		No	Pupil Units		0.00						
1) Basic Entitlement Age Weighted Pupil Unit (AWPU)	Description	Amount per pupil		Pupil Units		Sub Total	Total	Proportion of total pre MFG funding (%)		Notional SEN (%)	
	Primary (Years R-6)	£3,095.00		23,221.50		£71,870,543	£133,772,434	46.37%		5.00%	
	Key Stage 3 (Years 7-9)	£4,357.00		8,120.58		£35,381,382		22.83%		5.00%	
	Key Stage 4 (Years 10-11)	£5,066.00		5,235.00		£26,520,510		17.11%		5.00%	
2) Deprivation	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 (%)
	N/A					£0	£3,326,888	2.15%		5.00%	5.00%
	N/A					£0				5.00%	5.00%
	IDACI Band 1	£0.00	£0.00	1,626.17	960.19	£0				5.00%	5.00%
	IDACI Band 2	£554.00	£554.00	1,870.27	932.31	£1,552,630				5.00%	5.00%
	IDACI Band 3	£554.00	£554.00	2,003.20	1,017.51	£1,673,474				5.00%	5.00%
	IDACI Band 4	£1,108.00	£1,108.00	55.03	28.92	£93,021				5.00%	5.00%
	IDACI Band 5	£1,662.00	£1,662.00	2.00	0.00	£3,324				5.00%	5.00%
IDACI Band 6	£2,216.00	£2,216.00	0.00	2.00	£4,438	5.00%				5.00%	
3) Looked After Children (LAC)	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 (%)
	LAC X March 14	£468.00		146.91		£68,753	£68,753	0.04%		5.00%	
	N/A					£0		0.00%		5.00%	5.00%
N/A					£0	0.00%		5.00%	5.00%		
4) English as an Additional Language (EAL)	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 (%)
	Pupils starting school outside of normal entry			275.55	201.83	£0		0.00%		5.00%	5.00%
5) Mobility	Description	Weighting	Amount per pupil	Percentage of eligible Y1-3 and Y4-6 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 (%)
	N/A	100.00%			0.00	£0	£0	0.00%		5.00%	5.00%
N/A											
6) Prior attainment	Description	Weighting	Amount per pupil	Percentage of eligible Y1-3 and Y4-6 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 (%)
	Secondary pupils not achieving (KS2 level 4 English or Maths)				3,144.84	£0		0.00%		5.00%	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			£15,150,000	9.78%	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									
Primary distance threshold (miles)		Primary pupil number average year group			Fixed or tapered sparsity primary lump sum	Fixed			
Secondary distance threshold (miles)		Secondary pupil number average year group			Fixed or tapered sparsity secondary lump sum	Fixed			
Middle schools distance threshold (miles)		Middle school pupil number average year group			Fixed or tapered sparsity middle school lump sum	Fixed			
All-through schools distance threshold (miles)		All-through pupil number average year group			Fixed or tapered sparsity all-through lump sum	Fixed			
9) Fringe Payments					£0	0.00%			
10) Split Sites					£430,000	0.28%	5.00%		
11) Rates					£1,943,583	1.25%	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 FY15-16					£0	0.00%	5.00%	5.00%	
Additional sparsity lump sum for small schools					£0	0.00%	5.00%		
Rent					£36,950	0.02%	5.00%		
Joint Use					£98,330	0.06%	5.00%		
Age Range change - 2015/16 AWPU adj					£153,832	0.10%	5.00%		
Exceptional Circumstance6					£0	0.00%	5.00%		
Total Funding for Schools Block Formula (excluding MFG Funding Total) (£)					£154,980,771	100.00%	£7,749,039		

15) Minimum Funding Guarantee (MFG is set at -1.5%)					£1,011,185			
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)					Yes			
Capping Factor (%)	2.15%	Scaling Factor (%)	100.00%					
Total deduction if capping and scaling factors are applied					-£995,604			
					Total (£)	Proportion of Total funding(%)		
MFG Net Total Funding (MFG + deduction from capping and scaling)					£15,581	0.01%		
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					£154,996,352			
% Distributed through Basic Entitlement					86.32%			
% Pupil Led Funding					88.51%			
Primary: Secondary Ratio					1 :		1.31	

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Central Bedfordshire Council

EXECUTIVE

9 February 2016

Traded Services to Schools & Academies – Proposed Charges for 2016/17

Report of Cllr Richard Wenham, Executive Member for Corporate Resources (richard.wenham@centralbedfordshire.gov.uk); and Cllr. Mark Versallion, Executive Member for Education & Skills (mark.versallion@centralbedfordshire.gov.uk)

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

This report relates to a non-Key Decision

1. The report proposes the revised 2016/17 charges for Traded Services to Schools & Academies for non statutory services.

RECOMMENDATIONS

Subject to any recommendations from Overview & Scrutiny, the Executive is asked to recommend to Council to:

1. **agree the charges for 2016/17 for non statutory services to Schools & Academies.**

Overview and Scrutiny Comments/Recommendations

2. The proposed 2016/17 charges for Traded Services to Schools & Academies for non statutory services were taken at the Children's Services Overview & Scrutiny Committee (OSC) on the 28 January 2016 and the Corporate Resources OSC on the 2 February 2016 for comment.
3. The comments made by the Overview & Scrutiny Committees are attached at Appendix A (to follow).

Background

4. The Council's Charging Policy states that 'All Fees and Charges will be reviewed annually and adjusted as necessary in line with the Council's charging policy.'

5. The Fees & Charges Policy was approved by Council in November 2014. It states that 'All fees and charges should be reviewed on a more fundamental basis at least every 3 years, where it will be necessary to examine all the factors set out in accordance with good practice guidance i.e. the CIPFA Practical Guide for Local Authorities on Income Generation (Fully revised 2008).' This is currently being undertaken on a rolling basis.
6. Whilst not specifically mentioned in the Policy, traded services to Schools/Academies for non statutory services are the equivalent of Fees & Charges to the public and non Schools organisations, but to a restricted audience.
7. As such, for 2016/17, it is considered appropriate to take the charges for traded services to Schools/Academies for non statutory services to the Executive for recommendation to full Council.
8. The Chief Finance Officer has advised that the inflation rate to be applied in line with the Corporate Budget Strategy is 1%.

Pricing for 2016

9. For the majority of services there will either be a 1% increase for 2016/17, or prices will be held at the 2015/16 price where charges are in line with the current cost of provision.
10. Some charges have been rounded to the nearest £5 or £10 so the percentage increase might be higher.
11. Where a charge is shown as a N/A increase, this is because it is a new service introduced in 2016/17.
12. Insurance service charges reflect a legislative increase from 6% to 9.5% for Insurance Premium Tax.
13. See Appendix C for a schedule of changes.

Approach to Reviewing Charges.

14. As mentioned above at paragraph 5, all Fees and Charges should be reviewed on a fundamental basis at least every 3 years.
15. For Schools Trading this was undertaken for 2014/15. The next review of these charges will be due in 2017/18.

Reason/s for decision

16. To agree the charges for 2016/17 as part of delivering a balanced budget for 2016/17 and identify resource requirements for the medium term.
17. To support Schools & Academies to improve education in line with Council Priorities.

Council Priorities

18. The Council Priorities are:
 - Enhancing Central Bedfordshire.
 - Great Resident Services.
 - Improving education and skills.
 - Protecting the vulnerable; improving wellbeing.
 - Creating stronger communities.
 - A more efficient and responsive Council.

Corporate Implications

Legal Implications

19. The Council has various powers to charge for aspects of the services it provides. The general rule is that when it is carrying out a statutory duty the Council can only make a charge where there is specific power to do so. Section 93 of the Local government Act 2003 provides that when the Council is providing a discretionary service, it may charge for the service, provided the person receiving the service has agreed to its provision. Overall the income from such charges must not exceed the current full economic cost to the Council of the provision.
20. Charges to Schools are at direct cost only as the Council can take a share of the Education Support Grant (ESG) funding to cover the corporate overhead costs for statutory services.
21. For Academies, there is a charge of 10% management fee to cover corporate overheads as we do not receive funding from the ESG.

Financial Implications

22. These are contained in the report.

Equalities Implications

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

Conclusion and next Steps

24. If recommended by the Executive, the proposed charges for 2016/17 will be presented to Council at its meeting on 25 February 2016 for approval.

Appendices

Appendix A – Overview & Scrutiny Comments (to follow)

Appendix B - Statutory and Traded Services to Schools & Academies booklet.

Appendix C – Year on Year Changes to charges.



Services to Schools & Academies 2016/17

Statutory and Traded Services to Schools & Academies

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Value Added Tax (VAT)

A number of services provided to Academies will be subject to VAT. The prices shown in this booklet exclude VAT.

Academies are able to reclaim VAT so the overall impact of applying VAT should not impact financially.

Any queries relating to VAT should be addressed to the Council’s VAT Officer:

Connie Bentley

Telephone Number: 0300 300 4554

E-mail: connie.bentley@centralbedfordshire.gov.uk

LTA / Maternity Pool – (New contract period 2014 to 2017).

What is it?

The Bedfordshire Schools' Scheme governed by a Management Forum is self-funding, which means that it relies upon the premiums collected from schools to pay for the claims made against the scheme for sickness and maternity leave.

Who can join?

The scheme is open to all Bedfordshire Lower and Nursery schools and those agreeing to participate will be required to remain in the pool for the full three-year contract period, (2014 – 2017). Premiums will be set annually and will be based on recent overall scheme claims history.

For full details of the terms and conditions of the scheme, please contact:

LTA Administration on 0300 300 6148

The Management Forum members have agreed that there will be a charge per pupil based on the Full Time Equivalent (FTE) pupils on October Census plus an administration charge.

What does it cost?

The initial cost for 2016/17 is estimated to be £28.00 per pupil plus an administration fee of 3.2%. The actual cost for 2016/17 will be set by the LTA Forum and will be advised to schools when agreed, (approximately February 2016).

Insurance Scheme for CBC Schools

Please Note Academies cannot participate in the insurance scheme for CBC schools but can choose to access a separate insurance framework arrangement provided by Zurich Municipal. Details are available from the CBC Insurance Team – e-mail: insurance@centralbedfordshire.gov.uk

2016/17

The Council arranges insurance for a wide range of risks and Schools may participate in or make alternative arrangements that are acceptable to the Council.

This document, replacing the existing 'Safehands' scheme, outlines the insurance cover and the costs being made available to Schools for the year ending 31 March 2017.

Ralph Gould
Head of Financial Control

Responsibilities for Insurance

Schools funding includes delegated money for insurance and Governing Bodies are required to formally review on an annual basis the adequacy of the insurance arrangements.

Where the Council's insurance is not bought back then schools must demonstrate cover relevant to the Council's insurable interests, under a policy arranged by the Governing Body, that is at least as good as the relevant minimum cover arranged by the Council.

Schools opting to purchase insurance cover other than that offered by the Council must, prior to 1 April 2016 provide evidence to the Council that the appropriate level of cover has been arranged.

The Council can charge a school with expenditure incurred by the Council in insuring its own interests in that school. This will occur when funding has been delegated but the school has failed to demonstrate that it has arranged cover at least as good as that which would have been arranged by the Council.

For schools that have not elected to arrange their own cover, Head Teachers must provide prompt notification to the Chief Finance Officer of all risks, properties or vehicles which are required to be insured by the authority and of any alteration affecting existing insurance.

The Chief Finance Officer will supply Head Teachers from time to time with information as to risks and levels of insurance cover put in place by the Central Bedfordshire Council to enable them to advise him/her of any variations in the level of cover that should be provided. Head Teachers must promptly notify the school's insurers or Chief Finance Officer as appropriate in the form specified of any loss, liability, damage or other event likely to lead to an insurance claim.

Insurance Scheme for Schools – What is included?

- **Employers Liability**

Covering legal liability in the event of death, injury or disease sustained by staff, volunteers or governors in the course of school duties.

- **Public Liability**

Including Governors liability - covering legal liability in the event of accidental death or injury to third parties and loss or damage to their property i.e. failure to educate, bullying and dyslexia claims.

- **Officials Indemnity**

Including Governors liability - covering legal liability for financial loss in the event of a wrongful act committed by staff, volunteers or governors in the course of providing school services.

- **Libel and Slander**

Covering legal liability for libel and slander committed by staff, volunteers or governors in the course of official duties.

- **Fidelity Guarantee**

Covering loss of school money as a direct result of fraud or dishonesty by a member of staff.

- **Material Damage**
Providing full reinstatement cover following loss or damage to school buildings and contents against the perils of Fire, Lightning, Explosion, Aircraft impact, Riot, Civil Commotion, Earthquake, Subterranean Fire, Storm, Flood, Escape of Water, Sprinkler Leakage. The cover extends to damage caused by acts of terrorism.
- **Business Interruption**
Providing up to 36 months cover for increased cost of working when damage to premises interrupts normal school activities.
- **Money Insurance**
Covers loss of official and unofficial money subject to policy conditions.
- **Personal Accident**
Benefits policy for staff, volunteers and governors who are injured in the course of official duties. Claims are met on a “no fault” basis.
- **Engineering Inspections/Insurance**
Covering statutory inspection of boilers and lifts.

The Optional Insurance

Cover available includes:

- **Annual off-site activities cover**
An annual policy which provides cover whilst undertaking the supervision of pupils enrolled at a participating school, when they are walking, or travelling by other means, in an organised group, directly to and from their home addresses and the participating school.
- **Ad hoc off-site activities cover**
Covers offsite activities for those not in the annual scheme. Requires completed proposal form for each activity or journey.
- **Public Liability - Parent/Teachers Association, (PTA)**
Covers the liabilities of the PTA/Friends of the School for any activities which they arrange independently of the school both onsite and offsite.
- **Hire of Premises**
Covers the liabilities of non-profit making individuals and groups who do not have their own appropriate level of public liability cover.
- **Motor Insurance**
Provides comprehensive cover for school-owned vehicles insured through Central Bedfordshire.
- **Works in Progress**
Provides cover for contract works on school premises where the contractor’s public liability indemnity is less than £10m.

Legal Expenses – Insurance and Helpline

Sometimes schools become involved in legal issues which result in significant expenditure. School governing bodies are now responsible for responding to most employment claims that may arise, (e.g. unfair dismissal or discrimination). They may become involved in contractual disputes which result in litigation. To provide cover against such incidents, the Council has negotiated a policy of legal expenses insurance and advice to which schools can subscribe.

What will the CBC Schools Insurance Scheme cost?

The Council sources a large insurance programme and benefits from competitive rates which are reflected in this scheme. To participate in the Schools Insurance scheme for 2016/17 you must complete and return the application form attached, (Appendix A1).

We do ask that you give a commitment to positively work towards reducing your risks.

All schools will be invoiced and the costs are detailed in Appendix A – Application for CBC Insurance for Schools.

Please send your application form to us by 18 March 2016.

How to contact us

If you have any further questions about the scheme please contact:

Insurance Team

Telephone Number: 0300 300 6200

E-mail: insurance@centralbedfordshire.gov.uk

Fax Number: 0300 300 8215

Inspiring Music, (Central Bedfordshire's Music Service) – Continuing Service

Inspiring Music is the Music Service of Central Bedfordshire, offering tuition and music making opportunities in schools and in the community.

Inspiring Music's vision is to help people at all stages of life to participate in and enjoy music, supporting individuals in reaching their full potential in developing musical skills.

The Inspiring Music website provides information on some of the musical opportunities available to families and schools, and provides a forum for community and other groups to publicise what they do.

To find out more, visit: www.inspiringmusic.co.uk

The following termly charges for lessons will apply from 1st April 2016:

School Type		Payments Made by Direct Debit	All Other Payment Methods
		Price per term from April 2016 £	Price per term from April 2016 £
Lower/Primary, Middle & Upper / Secondary schools and community lessons, (including Academy Schools).	Group	92.00	95.00
	Individual 20 minute	138.00	143.00
	Individual 30 minute	206.00	214.00
	Individual 40 minute	274.00	285.00
Non Local Authority schools	Group	98.00	101.00
	Individual 20 minute	152.00	158.00
	Individual 30 minute	228.00	237.00
Music Centres	Full membership	81.00	83.00
	Part membership	54.00	56.00
South Beds Sinfonia	Membership	36.00	37.00
South Beds Youth Voices	Membership	54.00	56.00

Direct Debit is our preferred payment method.

If you do not currently pay for your invoices by Direct Debit and wish to set up this arrangement a mandate can be downloaded from our website: www.inspiringmusic.co.uk, (under the Sign up for Lessons, Payment Method tabs.)

Alternatively, a direct debit mandate can be sent to you by calling Inspiring Music on 0300 300 6604 or emailing us at: inspiring.music@centralbedfordshire.gov.uk.

Schools Network Service – Services available until 31st March 2017

The Schools Network Service provides internet and related services to all schools, academies and UTC's in Central Bedfordshire. Our first year of the current two year contract to 31st March 2017 brought performance improvements. During our second year we will continue to work with your school to meet and exceed your internet requirements.

The service includes:

Wide Area Network Services

- Uncontented, (non-shared), dedicated internet connection to your school.
- Network monitoring and issue resolution.
- Schools network advice and guidance for developing and enhancing your wide area network and services using this facility.
- Central Bedfordshire is part of the National Education Network, (NEN), and e-Safety issues can be dealt with efficiently and quickly.

Access to online curriculum resources

(Sourced by Central Bedfordshire Council on behalf of schools and academies.)

- Learning packages including Myths and Legends, CookIt and Risks & Rewards.
- Copyright-free photo banks.

Access to IT tools and utilities

(Sourced by Central Bedfordshire Council on behalf of schools and academies.)

- Admin e-mail.
- Firewall.
- Filtering to current approved standards.
- Anti virus for all computers in school.
- Anycomms Plus, (Secure Data Transfer).
- XPorter, (Automatic extract of data from schools' management information system to Central Bedfordshire Council).

What does it cost?

Schools Secure Network	2016/17 Charges £
We provide a full range of internet connection speeds, to discuss your needs, please contact us.	
Our standard annual charges are as follows:	
Lower/Primary, Nursery, & Special Schools up to 100 pupils < 10mb	2,800.00
Lower/Primary, Nursery, & Special Schools up to 100 pupils 10mb	3,100.00
Lower/Primary, & Special Schools 100-150 pupils < 10mb	3,100.00
Lower/Primary, & Special Schools 100-150 pupils 10mb	3,600.00
Lower/Primary, & Special Schools 150-249 pupils <10mb	3,300.00
Lower/Primary, & Special Schools 150-249 pupils 10mb	3,900.00
Lower/Primary Schools 250+ pupils <10mb	3,500.00
Lower/Primary Schools 250+ pupils 10mb	4,200.00
Middle Schools up to 500 pupils 20mb	7,500.00
Middle Schools 500+ pupils 20mb	7,700.00
Upper/Secondary Schools up to 1000 pupils 100mb	10,900.00
Upper/Secondary Schools 1000+ pupils	11,900.00
We also provide a range of non standard bandwidths – please contact for pricing and availability	

For more information or any queries regarding the Schools Network contact:

Jeremy Wood, Network Services Manager

Telephone Number: 0300 300 5661

E-Mail: jeremy.wood@centralbedfordshire.gov.uk

Educational Psychology, Special Educational Needs (SEN) and Disability (SEND) – Continuing Service

Educational Psychology, Special Educational Needs, (SEN) and Disability, (SEND), provide a core statutory service at no additional cost for children and young people:

- With complex needs requiring ongoing multiagency involvement, who currently meet Central Bedfordshire’s guidance for SEN at Stage 2 and who are highly likely to meet indicators for statutory assessment.
- Who are in the process of undergoing statutory assessment.
- Who have existing statements of SEN or Education, Health and Care Plans and where there is a continued concern, or a significant change in need or circumstances.

The following activities can be provided by the service at an additional cost to individual schools and partnerships requiring support that does not fit core service indicators:

- Consultation with staff, parents and young people around specific concerns/ issues.
- Formal assessment of individual pupil needs.
- Staff training on all aspects of SEND including social and emotional development, mental health/ wellbeing and inclusion.
- Staff support, e.g. Solution Circles, Circle of Adults, group supervision, staff mentoring.
- Group and individual support for young people where there are concerns around their emotional and social development e.g. social skills, emotional intelligence, Circle of Friends and/or their learning.
- Support for project work, research and evaluation.

What does it cost?

<i>Educational Psychology, Special Educational and Disability</i>	2016/17 Charge School £	2016/17 Charge Academy £
Educational Psychologist daily rate	531.00	582.00
Hourly rate	88.00	97.00
Individual Pupil Assessment	265.00	291.00
Advisory Teacher daily training rate	531.00	582.00
Hourly training rate	88.00	97.00

For more information, please contact your allocated Educational Psychologist or Foundation Stage Advisory Teacher.

Governor Services – Continuing Service

A core programme for governor training will include face to face courses via

Subscription A:

- Taking the Chair
- Induction modules
- Health and Safety in a school/academy setting
- Ofsted updates
- Understanding Performance data –Early Years Foundation Stage, (EYFS), lower and primary phase specific courses
- Governors' Visits
- Support and challenge; developing your role
- Safeguarding/Child Protection
- Special Educational Needs, (SEN)/vulnerable learners
- How do we support vulnerable learners in our schools?
- Appraisal of the Head Teacher's Performance
- Finance Induction, (maintained schools only)
- Understanding the roles and responsibilities of an academy governor
- Promoting British Values through Spiritual, Moral, Social and Cultural, (SMSC) development.
- Pupil Premium and other funding
- Recruiting and appointing a new school leader
- School organisation

The subscription will also include access to:

- E-learning opportunities through Governors' E-Learning, (GEL).

Subscription B:

Offers access to e-learning opportunities through GEL.

Training courses can also be booked on an ad hoc basis; details will be published online and 2 hard copies of a summary booklet will be sent to schools.

- Advice on a range of governance issues or signposting to specialist advice will be provided also by telephone and e-mail.
- Seminars for clerks and access to Clerkwise offered **free of charge** to clerks working in maintained schools and academies in Central Bedfordshire.

Contact: Joanna Brown
Telephone Number: 0300 300 8105
Email: gov.training@centralbedfordshire.gov.uk

What does it cost?

Governor Services	2016/17 Charge Maintained School £	2016/17 Charge Academy/ Free School £
<u>Subscription A:</u>		
Subscription rates based on number of pupils on roll		
Schools/academies with up to 50 pupils	374.00	412.00
Schools/academies with 51 to 200 pupils	483.00	532.00
Schools/academies with 201 to 500 pupils	606.00	666.00
Schools/academies with 501 to 1200 pupils	726.00	799.00
Schools/academies with 1201+ pupils	849.00	934.00
<u>Subscription B:</u>		
Per governing body	78.00	86.00
Ad hoc face to face courses		
Per 2 hour session	104.00	114.00
Per half day session	156.00	171.00
Per whole day course	312.00	342.00
Academies, free schools and maintained schools within Central Bedfordshire will be charged at the above specified rates.		
NB: Please note the subscription is for the academic year 2016-17.		
Subscription for others, e.g., maintained schools, academies and free schools outside of Central Bedfordshire and independent schools, (Subscription B is not available).	1,207.00	

Determining Free School Meals – Continuing Service

The Contact Centre will answer the customer contact and process the application. Charges for eligibility checking will be applied. Call 0300 300 8306 for this service or e-mail: customers@centralbedfordshire.gov.uk.

What does it cost?

Determining Free School Meals Eligibility	2016/17 Charge £
Per determination per year	10.00

Children's Workforce Development

Central Bedfordshire Academy of Social Work and Early Intervention, (The Academy), provide a range of learning opportunities available across the children's workforce sectors. The Academy is renowned for its high quality and impactful delivery programmes including qualifications.

Continuing Professional Development

There is a range of Continued Professional Development, (CPD), training, including e-learning, that can be accessed through the online booking system, CPD Online, www.centralbedscpd.co.uk.

All E-Learning is free of charge, however, there is a charge applied for non completion. All courses will detail any applicable charges

"Bespoke" and "In House" delivery

The team are able to provide training to meet the particular needs of your workforce and are also able to tailor any available courses in the course programme to meet your needs. The Academy also offers the 3 hour, 2 year Safeguarding Awareness training and can deliver this as an after school or inset day activity.

Qualifications

There are a range of qualifications to meet the needs of the schools workforce.

- L2 Award in Support Work in Schools
- L2 and L3 Certificate and Diploma in Supporting Teaching and Learning
- L3 and L4 Information Advice and Guidance
- L2 and L3 Youth Work
- L2 and L3 Business Administration
- L2 and L3 Children's Workforce Certificate and Diploma

We have a large range of social care and early years qualifications also available

Apprenticeships

Contact us for information on our apprenticeship programmes. We provide complete support from the point of advert through to appointment and then deliver all elements of the apprenticeship, providing ongoing support to both the mentor and the learner.

Traineeships

We provide a range of traineeship programmes tailored to meet the needs of the individual learners. Contact us for more information about the programme or possible placement opportunities.

Direct delivery to pupils

We offer the Cache Babysitting Award to 14 –18 year olds. This is a great introduction to childcare and can be delivered as an "in school" or "after school" activity

Support at Careers Events, pop up events, and pupil Information, Advice and Guidance, (IAG), sessions.

Contact Details:

E-mail: Academy@centralbedfordshire.gov.uk

Telephone Number: 0300 300 8131

Advertising of Schools Vacancies

From April 2016 there will be a small charge made to cover the administrative costs of processing schools vacancies.

	£
Schools in Central Bedfordshire	30.00 per advert
Academies in Central Bedfordshire	40.00 per advert
All Schools and Academies outside of Central Bedfordshire	60.00 per advert

Contact Details:

Email Academy@centralbedfordshire.gov.uk

Telephone Number: 0300 300 8131

Education Visits and Journeys – Continuing Service

Central Bedfordshire Council provides, at no additional cost, the following package of services to Community Schools in relation to Educational Visits and Journeys:

- Provision of a school's user account for, EVOLVE, the on-line system for planning and approving.
- Technical and administrative support for schools to enable management of their own EVOLVE account.
- Advice and support to individual schools to ensure compliance with Local Authority policy and national legislation.
- Updated information to schools with regard to local and national developments to legislation and products affecting Educational Visits and Journeys.
- An approval process for visits that are either residential, adventurous or overseas.
- Support for basic training needs.

Training Courses

The following courses are run twice per year:

EVC, (Educational Visits Co-ordinator) Training

This course provides members of school staff with the knowledge and expertise required to co-ordinate visits organised by their own school and ensure that visits are compliant with CBC Policy.

Group Leader Training

This course is aimed at individual teachers wishing to organise their own visits. It covers risk assessment and management, considerations for planning, understanding of relevant legislation and EVOLVE familiarisation. Delegates will also have the opportunity to plan a visit as a result of a field work exercise.

EVC, (Educational Visits Co-ordinator) Training

This course provides members of school staff with the knowledge and expertise required to co-ordinate visits organised by their own school and ensure that visits are compliant with CBC Policy.

Contact: Pete Hardy, Compliance and Risk Adviser

Telephone Number: 0300 300 4955

E-mail: pete.hardy@centralbedfordshire.gov.uk

What does it cost?

<i>Educational Visits and Journeys</i>	2016/17 Charge School £	2016/17 Charge Academy £
Bought Back Services		
Academies are able to buy back the Educational Visits and Journeys support package at the following rates based on number on roll:		
Lower/Primary Schools		
0 - 100		134.00
100 - 200	N/A	212.00
200 - 300		292.00
300+		371.00
Middle Schools		
0 - 200		292.00
200 - 400	N/A	424.00
400 - 750		583.00
750+		743.00
Upper/Secondary Schools		
0 - 750		583.00
750 - 1000	N/A	796.00
1000 - 1400		849.00
1400+		1,008.00
EVC, (Educational Visits Coordinator), Training - Duration: Whole Day		
Maintained Schools and Academies buying back Educational Visits and Journeys Support Package.	75.00	75.00
Academies that have not bought back the Educational Visits and Journeys Support Package.	N/A	126.00
Group Leader Training - Duration: Whole Day		
Maintained Schools and Academies buying back Education Visits and Journeys Support Package.	75.00	75.00
Academies that have not bought back the Educational Visits and Journeys Support Package.	N/A	126.00
EVC Revalidation - Duration: Half Day		
Maintained Schools and Academies buying back Education Visits and Journeys Support Package.	28.00	28.00
Academies that have not bought back the Educational Visits and Journeys Support Package.	N/A	49.00
In-House Training for Educational Visits: Per Hour		
If a school requires bespoke training delivered on school site this is now chargeable at an hourly rate to include travel and preparation.	35.00	35.00

School Admissions Service

Point of entry admissions service to process the new intake applications received for the academic year of 2016/17 for:

- Starting School
- Transfer to Middle
- Transfer to Secondary
- Transfer to Upper
- Transfer to University Technical College, (UTC).

As part of its statutory duty, the School Admissions Team co-ordinates the admission of pupils to schools at the normal point of entry, i.e. at the start of the reception year and for children transferring to their next phase of education, i.e., middle, secondary and upper schools.

Academies and own admission authority schools can buy back this service for the School Admissions Team to process their point of entry admission applications received for their new intake.

If an academy or own admission authority school wishes to buy back this service, then the School Admissions Team will process all applications for the school in accordance with their admissions criteria, including:

- Assessing which admission criteria the application meets and checking which catchment area the address is in.
- Carrying out sibling checks using information held on the Tribal database.
- Carrying out feeder school checks using information held on the Tribal database.
- Chasing for medical evidence where medical reasons have been stated.
- Verifying pupil premium eligibility if this is part of the criteria.

Where the academy/school has children of staff criteria, the School Admissions Team will provide a list of children to the academy/school where this has been stated for verification.

Where the academy/school has faith criteria, the School Admissions Team will collate all the relevant information supplied by the parent/carer(s) and send this to the academy/school to verify if the child meets any of the faith criteria.

The School Admissions Team will ensure that all applications will be correctly ranked against the academy or schools admissions criteria reducing the risk of incorrectly ranked applications which could result in a child entitled to a place being turned down or appeals being upheld on grounds of maladministration.

Where the school is oversubscribed we will also hold the waiting list until the start of the academic year and offer places on the academy/school's behalf if vacancies arise, liaising with the academy/school before places are offered.

The charge for processing Point of Entry Admissions is detailed below:

Service Description	2016/17 Charge £
School Admissions Team:	
Point of Entry Admissions – charge based on Published Admissions Number for school	
PAN of 30 and under	245.00
PAN of 60 and under	490.00
PAN of 90 and under	735.00
PAN of 120 and under	980.00
PAN of 180 and under	1,469.00
PAN of 240 and under	1,959.00
PAN of 300 and under	2,448.00
PAN of 360 and under	2,938.00
PAN of 420 and under	3,101.00
PAN of over 420	3,428.00

There is no charge to community and voluntary controlled schools. The Local Authority is the Admission Authority and is, therefore, responsible for admissions to the school.

For further information about this service, please contact:

Lydia Braisher, Admissions Manager
Telephone Number: 0300 300 4769

School Admissions Team

Admission Appeals

As part of its statutory duties, the School Admissions Team co-ordinates the admission of pupils to schools at the normal point of entry, i.e., at the start of the reception year for Lower/Primary schools, the transfer to Middle, Secondary and Upper schools and transfer to the University Technical College, (UTC), as well as in-year admissions.

In addition to its statutory duties, the School Admissions Team can offer academies and own admission authority schools a buy back service relating to admission appeals, where it has not been possible to offer a child a place at the academy/school due to oversubscription. This service will include:

- Liaison with the academy/school to collect the necessary information to be included in the appeals case.
- Preparation of the written appeal case and submission to the clerk within the required timescales.

- Reading the appellants submission and ensuring that any relevant information submitted as part of their case is verified.
- Ensuring that up to date information on waiting lists is available.
- Ensuring that information on the alternative school offered is available.
- Carrying out walking route distance measurements to alternative schools.
- Presentation of the case at the appeal hearing, answering any questions from the appeals panel and parents.
- Informing the academy/school of the outcome of the appeal.

Please note that this service **excludes** the organisation and clerking of appeal hearings, which is a separate chargeable service for academies via the Committee Services Team, (see Administration of Education Appeals on page 17).

Service Description	2016/17 Charge £
School Admissions Team: Preparation and presentation of admission appeals	
Per appeal	255.00
Second or subsequent appeal	178.50
<p>If there is more than one appeal for the same year group or grouped appeals, the charge for the second or subsequent appeal is reduced to £178.50</p> <p>There is no charge if an appeal is withdrawn or settled prior to the case being written. There is a reduction of 50% if an appeal is withdrawn or settled after the case has been written and sent to the panel and appellants.</p>	

There is no charge to community and voluntary controlled schools. The Local Authority is the admission authority and is, therefore, responsible for the preparation and presentation of appeals for these schools.

For further information about this service, please contact:

Lydia Braisher, Admissions Manager

Telephone Number: 0300 300 4769

Administration of Education Appeals

Fees payable by Academies are applied on a case by case basis. For details, please contact Mel Peaston, Committee Services Manager

E-mail: mel.peaston@centralbedfordshire.gov.uk

or refer to your contract in which the sliding scale is set out.

Fischer Family Trust Online Subscription Renewal 2016/17

The Council has purchased the Local Authority Fischer Family Trust, (FFT), package which provides high quality performance data to support target setting and self evaluation. This means that Schools that wish to access this service through the Local Authority can do so at a reduced rate for the period April 2016 to March 2017.

FFT Aspire is an extremely useful resource which helps schools in target setting and comparing value added progress of pupils to the progress of similar pupils nationally. The FFT Governor Dashboard and Self Evaluation booklets are also available via FFT Aspire.

What does it cost?

Fischer Family Trust Online Subscription	2016/17 Charge School £	2016/17 Charge Academy £	2016/17 If Schools subscribe direct to FFT £
Infant (Lower School)	63	69	250
Primary <= 100	63	69	300
Primary >100 (Middle School)	105	116	300
Secondary (Upper School)	525	578	1,250

For further information please contact:

Learning Performance Team

Telephone Number: 0300 300 4542

E-Mail: danyel.islam@centralbedfordshire.gov.uk

Access and Inclusion - Academies

The Access and Inclusion Service carries out the Local Authority's legal duties in relation to school attendance and access to education. The service works with schools and parents to ensure that children attend school regularly. It will issue Penalty Notices when necessary, instigate legal proceedings against parents and serve School Attendance Orders.

The service is also responsible for monitoring Elective Home Education and Children Missing Education and for ensuring that the local authority's legal duties with regard to exclusion from school are discharged, (in relation to both schools and parents). The service is able to offer support to schools with regard to Traveller children who may be experiencing difficulty in accessing their education. The service is also responsible for carrying out the Local Authority's legal duties in relation to child employment and children in entertainment.

What does it cost?

(These will be introduced at the start of the school year 2016/17 (September 2016)).

<i>Access and Inclusion Services for Academies, (no charge for maintained schools)</i>	2016/17 Charge £
School Attendance Officer Service	
Per hour	28.00
6 hours per school year	164.00
12 hours per school year	328.00
18 hours per school year	491.00
24 hours per school year	655.00
30 hours per school year	818.00
36 hours per school year	982.00
42 hours per school year	1,146.00
1 day a fortnight (19 days) (7.5 hours @ £27 an hour x 19)	3,886.00
1 day a week (38 days) per school year (7.5 hours @ £27 an hour x 38)	7,772.00
Inclusion Support Officer services	
Upper/Secondary Schools	
One-off annual cost	1,061.00
Middle Schools	
One-off annual cost	637.00
Primary Schools	
One off annual cost	425.00
Lower Schools	
One-off annual cost	212.00
Or an hourly rate as required	56.00

For full details of what both of these services can offer please contact:

The Access and Inclusion Service on:

Telephone Number: 0300 300 6826

E-mail: beverley.carey@centralbedfordshire.gov.uk

The Jigsaw Centre

The Jigsaw Centre, (based at Hawthorn Park Lower School), has been commissioned by Central Bedfordshire as an alternative provision to provide early intervention and support for primary aged children, (up to the end of Year 6).

As a core service for our most vulnerable pupils it provides:

- **Early intervention and outreach support** for those pupils who are at risk of exclusion and at Stage 2 of the SEMH Central Bedfordshire Code of Practice. (See CBC Graduated Response document.)
- Short stay provision for those children **who are permanently excluded**, with an emphasis on their successful reintegration back into mainstream school;

Jigsaw intervention can include support for pupils and families as well as training for school staff. The focus is on preventative work and on helping schools to support pupils within their existing community and to increase their capacity to hold on to vulnerable pupils.

For pupils who are **not at risk of exclusion** and who do not meet Jigsaw’s referral criteria, Intervention Support can be commissioned through the Jigsaw Centre and schools can use Pupil Premium funding to meet these costs.

What does it cost?

Jigsaw Extended Education Support Service	2016/17 Charge School £	2016/17 Charge Academy £
Jigsaw Advisory Staff daily rate	450	490
Jigsaw Advisory Staff hourly rate	75	82
Individual Pupil Assessment	250	280

Jigsaw also offers a limited, (charged for), counselling service with a fully qualified Education psychotherapist.

For further information please access the Jigsaw Website www.jigsawcentre.co.uk or contact:

The Jigsaw Centre,
C/O Hawthorn Park Lower,
Parkside Drive,
Houghton Regis,
Bedfordshire,
LU5 5QN.

Telephone Number: 01582 861995

E-mail: jigsawcentre@cbc.beds.sch.uk

Income Services

Central Bedfordshire Receipt Books can be obtained by contacting Income Services on 0300 300 5126 / 0300 300 4332 or e-mail: Income@centralbedfordshire.gov.uk

Schools will be invoiced 6 monthly intervals at £3.00 Per Book.

Central Bedfordshire Council as the Appropriate Body for Newly Qualified Teacher, (NQT), Induction Support

- Registration of NQT’s and administration of induction paperwork.
- Review of all Assessment Forms as part of the quality assurance role of the Appropriate Body, and providing feedback to the school/academy as required.
- Correspondence with National College for Teaching and Leadership/DfE on induction related matters.
- One place per NQT at NQT training and an invitation to the NQT Conference, (places allocated on a first come, first served basis).
- One place per Induction Tutor on the training on how to be effective and meet the statutory requirements of the role.
- Central Bedfordshire Council’s Essential Guide to Induction Handbook for each individual NQT and each Induction Tutor.
- NQTs will have access to a wide range of twilight enrichment opportunities offered across Central Bedfordshire by the Teaching Schools.
- Telephone and e-mail support for Induction Tutors and NQT’s on induction related issues.
- Support and guidance for Induction Tutors of NQT’s who are not performing satisfactorily against the Standards.
- Inclusion in the LA’s monitoring of NQT provision to fulfil the statutory role for quality assurance; criteria for selection specified in the Induction Handbook, page 20, which is a summary of the Council’s Intervention Strategy.

What does it cost?

<i>Central Bedfordshire Council as the Appropriate Body for Newly Qualified Teacher Induction Support</i>	2016/17 Charge Maintained School (Excl. VAT) £	2016/17 Charge Academy/ Free School (Excl. VAT) £
Cost for each NQT per term	300.00	420.00
Academies, free schools and maintained schools within Central Bedfordshire will be charged at the above specified rates. NB: Please note this is for the Academic Year 2016-17		

Schools and academies wishing to use Central Bedfordshire Council as their Appropriate Body for NQT induction support should contact: nqtadministrator@centralbedfordshire.gov.uk for a Registration Form.

Property Support – Services

CBC has a legal responsibility as Landlord for all community schools; we are required to ensure that you are managing your statutory compliance correctly. You can do this in one of two ways. Firstly by arranging the inspections yourselves and then providing CBC with copies of all certifications; or by buying into our service provision. For Academies, Voluntary Aided, Voluntary Community and foundation schools the legal responsibility is yours alone, but we can provide this service and ensure compliance is provided for you if you wish.

Core and Optional Services – Our Offer

We have consulted schools and decided to offer property support options in 2 ways, a ‘Core’ Service and a range of Optional Call-off Services.

Core Service

The Core Service has been developed after consultation with schools to make available a high quality, affordable and professional service which will enable schools to meet statutory requirements and get advice when they need it. Schools will be allocated a dedicated Assets colleague and we will be available at the end of a 24 hour phone line for your maintenance requests.

The cost of this service is a fixed fee per annum and details can be found on page 23.

Optional Services

The Optional Services outside the Core Agreement provide a wide range of additional services available for when schools need them, from specific property or premises management issues through to the project management and design of new facilities.

The cost of these services is either on a time charge or % fee basis and will be determined by the level of services required.

Property Support

Your statutory compliance certificates will be placed on a web portal and you shall have free access to your data.

CORE SERVICE CONTRACT	OPTIONAL SERVICES
<ol style="list-style-type: none"> 1. Emergency 24-hour helpline. 2. Reactive repair and planned maintenance service. 3. Organisation of Statutory Maintenance Testing and Inspection Service including: Air Conditioning Maintenance, (including F Gas Inspection). Energy reporting remains the responsibility of the school. Management of asbestos in relation to the remedial works to building fabric and M&E Services – where Central Bedfordshire Council, (CBC), are managing the work. Gas/Oil Heating System Servicing. Periodic Electrical Fixed Wiring Testing . Emergency Lighting Discharge Testing. Extract fan/canopy & duct cleaning. Fire Alarm Panel Maintenance and Detector Testing. Fire Fighting Equipment Testing (extinguishers and blankets) Fume cupboard and dust extraction testing gas installation integrity check. Oil line and oil tank/bund integrity inspection Portable electrical equipment testing and inspection. Water temperature monitoring where requested. 4. Organisation of other planned preventative Maintenance, including: Alarms Maintenance, (access, burglar, Alarms and CCTV). Automatic doors. Electrical UPS, (uninterrupted power supply), Maintenance. Generator Servicing. Lift Maintenance. Lightning protection and inspection. 5. Site Agent Training: Advice and regular training sessions with CBC Surveyors/Engineers or specialist Contractors as appropriate. Telephone access to advice 6. A twice termly visit from an allocated assets Colleague. 	<ol style="list-style-type: none"> 1. Annual Audit of premises risk management. 2. Project Design and Estates Service. 3. Asset Management Plan Advice. 4. Carbon reduction management advice, including organising a carbon survey and Advice and assistance on procuring energy solutions. 5. Energy Management. 6. Arranging Display Energy Certificates, (DEC). 7. Procurement Advice. 8. Advice on how to make your building accessible for all and ensure compliance with the Disability Discrimination Act 1995. 9. Construction Health and Safety Advice including the co-ordination of CDM, (Construction Design and Management Regulations), for project work. 10. Fire Risk Assessments. 11. Project Management. 12. Planning and Building Control Advice. 13. Sewage Pump annual Service and Call-Out Maintenance. <p>All above service can be arranged, but Additional charges will apply.</p>

What does it cost?

Property Support	2016/17 Charge School £	2016/17 Charge Academy £
<p>Core Service Organise and oversee Planned Preventative Maintenance; twice termly visits; 24 hour helpline; reactive maintenance: FIXED FEE per annum.</p> <p>Lower/Primary</p> <p>Middle</p> <p>Upper/Secondary</p> <p>NB: Core services lump sum includes the organisation of the PPM, but not contractor's charges for carrying out the service/works.</p> <p>Design Service Time charge or % fee based on value of project. Specialist advice, e.g., structural may incur an additional fee.</p>	<p>550.00</p> <p>1,100.00</p> <p>2,200.00</p>	<p>605.00</p> <p>1,210.00</p> <p>2,420.00</p>
<p>Projects up to £5,000</p>	By negotiation	By negotiation
Projects £5,001 - £10,000	12.50%	12.50%
Projects £10,001 - £30,000	11%	11%
Projects £30,001 - £75,000	10%	10%
Projects £75,001 plus	9%	9%
<p>Optional Services Lump Sums or hourly rates as appropriate</p> <p>Project Management Hourly Rate</p> <p>General and Technical Advice Hourly Rate</p>		
Assistant surveyor/engineer	41.00	45.00
Senior Surveyor/Engineer	51.00	56.00
Managing surveyor/engineer	61.50	67.50

Contacts: E-mail: marion.collinson@centralbedfordshire.gov.uk
Bernard.carter@centralbedfordshire.gov.uk

Appendix A - Order Forms

A1 - Application for Schools Insurance

Please note Insurance Premium Tax has increased from 6% to 9.5% from November 2015. The rates below reflect that increase for 2016/17.

School details

Name of School:

Contact Name: Telephone Number:

Number of Pupils: Number of Governors:

Number of Teaching Staff: Number of other Staff:

If you have a pre-school on the same site – please complete the pupil numbers separately.

Safe Information:

Make/Model:

Serial Number:

Dimensions:

Value (if known):

Key or Combination Lock:

Buy Back Cover (Property and Liability) includes:

Property

Full reinstatement cover for buildings and contents damage by Fire, Lightning, Explosion, Aircraft, Riot, Civil Commotion, Earthquake, Subterranean Fire, Storm, Flood, Escape of Water, Impact, Sprinkler Leakage.

Excess: £1,000 per claim.

Business interruption

Additional expenses: In the event of a major incident the policy would provide cover for cost of hiring huts/cabins or the hire of temporary premises as well as the cost of transportation of pupils to another site in order to carry on the work of the school.

Combined Liability

- Public liability - £20m
- Employer liability - £20m
- Libel & slander - £ 1m
- Officials indemnity - £ 5m

Engineering

Statutory inspection of all engineering plant. A charge will be made if it is necessary for any Written Schemes of Examination to be prepared.

Money Cover

In unspecified safe to £2,000.

Excess of £250, (excess of £50 on school fund monies).

Also cover for money in transit and cheques, stamps, postal order, etc.

Fidelity Guarantee

Cover up to a limit of indemnity of £10m for loss of money or goods through the fraudulent acts of staff.

Buy Back cover

Funding for Buy Back is provided in the formula based on two elements below:

- A lump sum per sector

School Type	2016/17 £
Nursery	3,410
Lower/Primary	3,410
Middle	3,720
Upper/Secondary	4,030
Special	3,720

- An amount allocated per pupil

School Type	2016/17 £
Nursery	£15.90
Lower/Primary	£16.85
Middle	£19.37
Upper/Secondary	£24.65
Special	£22.21

Optional Cover

All schools

The given rate is multiplied by number of pupils on Spring Term Roll to calculate your premium.

School Offsite Activity

An annual policy covering travel and personal injury insurance for offsite standard and hazardous activities/trips.

N.B. Teachers rate is multiplied by the number of teaching staff and the pupil's rate is multiplied by number of pupils.

School Type	Teachers 2016/17 £	Pupils 2016/17 £
Nursery/Lower/Primary	0.83	1.03
Middle/Special	1.08	1.24
Upper/Secondary	1.31	1.49

Public Liability- Parent/Teacher Association

Provides liability cover in the event of any damage/injury caused to a third party due to the negligence of the PTA.

Annual Premium per PTA = £68.00

Legal Expense Insurance/Helpline

The legal insurance and advice helpline is provided by Abbey Legal Protection.

Purchase of both services is now compulsory.

Should you have any queries regarding this cover please contact the Insurance Team, (see page 27 for contact details).

The charges for 2016/17 will be:

School type	Advice helpline £	Insurance premium per pupil £
Nursery	142.00	0.88
Lower/Primary	198.00	0.88
Middle/Special	300.00	0.88
Upper/Secondary	418.00	0.88

Hire of Premises – Public Liability

This insurance is only available for non-profit making individuals and groups only. Profit-making organisations and individuals MUST have their own liability cover.

Cover is renewed annually on 1st April and provides liability cover of up to £10m for private hirers of school premises who have insufficient or no liability cover of their own.

There is an excess of £60.00 per claim.

The charge for the cover should be added to the fee charged to the hirer, and should be calculated as follows:

15% of hire fee plus insurance premium tax @ 9.5%

e.g., £100 x 15% = £15.00 + 9.5% IPT = £16.43

Please complete the following details if cover is required:

Total private hire income for the year ending 31 March 2016

Estimated private hire income for the year ending 31 March 2017

Motor Insurance

The annual premium for each school-owned minibus will be £725.00.

Excess of £1,000 per claim.

Please specify the number of vehicles you wish to insure and the relevant vehicle details.

.....

Please indicate the insurance cover your school requires (type **Yes** or **No**):

Liability & Property (Buy Back)	
School Offsite Activity	
Public Liability- Parent/Teacher Association	
Legal Expenses Insurance (includes Helpline)	
Hire of Premises	
Motor Insurance	

Name:

Position:

Signature: Date:

Please return completed forms to:

**The Insurance Team,
Central Bedfordshire Council,
Priory House, Monks Walk, Chicksands, Shefford, Bedfordshire, SG17 5TQ**

If you have any queries please contact the Insurance Team:

Telephone Number: 0300 300 6200

E-mail: insurance@centralbedfordshire.gov.uk

Fax Number: 0300 300 8215

A2 – Other Traded Services Buyback Return

Name of School:.....

Telephone Number:

Service	Purchase Requested Yes/No
Determining Free School Meals Eligibility	

Contact Name	
Name of Head Teacher:	
Signature of Head Teacher:	
Name of Chair of Governors:	
Signature of Chair of Governors:	
Date:	

Please return this completed Form to:

Central Bedfordshire Council,
 Watling House,
 High Street North, Dunstable,
 Bedfordshire, LU6 1LF.

E-mail: customers@centralbedfordshire.gov.uk

A2 – Other Traded Services Buyback Return

Name of School:

Telephone Number:

Service	Purchase Requested Yes/No (If yes, please state the service required)
Schools Network Services	

(If you are already taking our service, you do not need to reply.)

Contact Name	
Name of Head Teacher:	
Signature of Head Teacher:	
Name of Chair of Governors:	
Signature of Chair of Governors:	
Date:	

Please return this completed Form to:

ICT Admin Team,
 Central Bedfordshire Council,
 Priors House, Monks Walk,
 Chicksands, Shefford,
 Bedfordshire, SG17 5TQ.

E-Mail: ictadmin@centralbedfordshire.gov.uk

A2 – Other Traded Services Buyback Return

Name of School:

Telephone Number:

Service	Purchase Requested Yes/No (If yes, please state the service required)
Property Services	

Contact Name	
Name of Head Teacher:	
Signature of Head Teacher:	
Name of Chair of Governors:	
Signature of Chair of Governors:	
Date:	

Please return this completed Form to:

Ms. Marion Collinson – FM Operations Manager

Mr. Bernard Carter – Head of Facilities Management & Maintenance

Community Services Directorate,
Central Bedfordshire Council,
Priory House, Monks Walk,
Chicksands, Shefford,
Bedfordshire, SG17 5TQ.

E-mail: marion.collinson@centralbedfordshire.gov.uk

Bernard.carter@centralbedfordshire.gov.uk

A2 – Other Traded Services Buyback Return

Name of School:

Telephone Number:

Service	Purchase Requested Yes/No (If yes, please state the service required)
Educational Psychology and Advisory Support Team	

Contact Name	
Name of Head Teacher:	
Signature of Head Teacher:	
Name of Chair of Governors:	
Signature of Chair of Governors:	
Date:	

Please return this completed Form to:

SEND Support Team,
 Central Bedfordshire Council,
 Watling House,
 High Street North, Dunstable,
 Bedfordshire, LU6 1LF.

E-mail: STATASS@centralbedfordshire.gov.uk

Telephone Number: 0300 300 4768

Services to Schools & Academies 2016/17

A2 – Other Traded Services Buyback Return

Name of School:

Telephone Number:

Service	Purchase Requested Yes/No
Governor Services: Subscription A	
Governor Services: Subscription B	

Contact Name	
Name of Head Teacher:	
Signature of Head Teacher:	
Name of Chair of Governors:	
Signature of Chair of Governors:	
Date:	

Please return this completed Form to:

Joanna Brown - Commissioning and Partnerships Officer

Children's Services/School Improvement,
Central Bedfordshire Council,
Watling House,
High Street North,
Dunstable,
Bedfordshire, LU6 1LF.

E-mail: gov.training@centralbedfordshire.gov.uk

A2 – Other Traded Services Buyback Return

Name of School:

Telephone Number:

Service	Purchase Requested Yes/No (If yes, please state the service required)
Inspiring Music	

Contact Name	
Name of Head Teacher:	
Signature of Head Teacher:	
Name of Chair of Governors:	
Signature of Chair of Governors:	
Date:	

Please return this completed Form to:

E-mail: inspiring.music@centralbedfordshire.gov.uk

A2 – Other Traded Services Buyback Return

Name of School:

Telephone Number:

Service	Purchase Requested Yes/No
Income Services – Receipt Books	

Contact Name	
Name of Head Teacher:	
Signature of Head Teacher:	
Name of Chair of Governors:	
Signature of Chair of Governors:	
Date:	

Please return this completed Form to:

The Transaction Team Income,
 Central Bedfordshire Council,
 Ground Central,
 Priory House, Monks Walk,
 Chicksands, Shefford,
 Bedfordshire, SG17 5TQ.

E-mail: Income@centralbedfordshire.gov.uk

A2 – Other Traded Services Buyback Return

Name of School:

Telephone Number:

Service	Purchase Requested Yes/No (If yes, please state the service required)
Educational Visits and Journeys	

Contact Name	
Name of Head Teacher:	
Signature of Head Teacher:	
Name of Chair of Governors:	
Signature of Chair of Governors:	
Date:	

Please return this completed Form to:

Pete Hardy - Compliance and Risk Adviser,
 Central Bedfordshire Council,
 Watling House (DB2R),
 High Street North,
 Dunstable,
 Bedfordshire, LU6 1LF.

Please note that CBC maintained schools **do not** need to complete this form as they automatically receive this service.

A2 – Other Traded Services Buyback Return

Name of School:

Telephone Number:

Service	Purchase Requested Yes/No (If yes, please state the service required)
Admissions and Appeals	

Contact Name	
Name of Head Teacher:	
Signature of Head Teacher:	
Name of Chair of Governors:	
Signature of Chair of Governors:	
Date:	

Please return this completed Form to:

Lydia Braisher, Admissions Manager,
 School Admissions Team,
 Central Bedfordshire Council,
 Watling House,
 High Street North,
 Dunstable,
 Bedfordshire, LU6 1LF.

A2 – Other Traded Services Buyback Return

Name of School:

Telephone Number:

Service	Purchase Requested Yes/No (If yes, please state the service required)
Fischer Family Trust Online Subscription	

Contact Name	
Name of Head Teacher:	
Signature of Head Teacher:	
Name of Chair of Governors:	
Signature of Chair of Governors:	
Date:	

Please return this completed Form to:

Learning Performance Team
 Children’s Services,
 Central Bedfordshire Council,
 Watling House,
 High Street North,
 Dunstable,
 Bedfordshire, LU6 1LF

E-Mail: Danyel.Islam@centralbedfordshire.gov.uk

Appendix B - Statutory Services and Services Provided Free of Charge

Children's Services Finance, Schools Team

The Schools Finance Team carry out statutory finance service to schools. Statutory functions include:

- No later than 27th February each year make an initial determination of schools budgets for the funding periods and give notice of such determinations to the governing bodies of the maintained schools.
- After consultation with Schools Forum decide upon the formulae which they will use to determine school's budget shares.
- Ensure an amount equal to the guaranteed funding level is included (MFG)
- Ensure the 'Scheme for Financing Schools' deals with matters connected with the financing of schools maintained by the authority set out in Schedule 5 of The School and Early Years Financial Regulations.
- Ensure the Local Authority publishes a statement of out-turn after each financial year at both central level and for each school.

School Financial Advisers are also able to provide advice on areas that were previously covered on training courses offered by the Bursary Service:

Fully Funded Accounting

This course was offered to any schools managing a fully funded bank account and any other finance personnel who wished to further their own financial development.

The course was designed to teach delegates basic accounting principles and produce the main financial reports. Although the course is no longer available please contact your School Financial Adviser for advice on Fully Funded Accounting, this is a non-chargeable service.

Capital Accounting / Formula Capital

This course was intended for any staff involved in formula capital projects, setting capital budgets and accounting for capital. It was designed to teach delegates the accounting principles of capital and procedures involved with projects. Although this course is no longer available, please contact your School Financial Adviser for advice on accounting for capital. This is a non-chargeable service.

Youth Support Service: Special Needs Support

The Council funds Special Needs Personal Advisers to support young people with Statements of Educational Needs, Education, Health and Care Plans and Learning Difficulty Assessments within schools and colleges and will complete Preparing for Adulthood Plans for this cohort. From 2016/17 this minimum statutory service will be maintained.

Contact for Special Needs Support:

Angela Perry: Telephone Number: 0300 300 4484

E-mail: angela.perry@centralbedfordshire.gov.uk

Youth Support Service: Youth Workers in Schools

The Council have commissioned Groundwork to deliver youth work provision. This consists of a range of informal learning opportunities and provision in local communities and schools that will develop the social and emotional capabilities of young people.

Contact for Groundwork:

Diana Hedley: Telephone Number: 07736132295

E-mail: Diana.Hedley@groundwork.org.uk

Youth Support Service: Volunteering

The Council have commissioned CVS to provide volunteering opportunities for young people with a view to supporting their access to education, employment and training.

Contact for CVS:

Adam Payn: Telephone Number: 01234 213 100

Email: adam@youthactioncentral.org

Educational Psychology

Core service delivery is based around our statutory role which continues to be provided without charge to all maintained schools and Academies within the Local Authority:

- Provide advice and support for pupils with complex and severe Special Education Needs, (SEN), at early years+ / school action +, who are highly likely to meet local authority indicators for statutory assessment.
- Contribute to Statutory Assessment under the 1996 Education Act for pupils with complex Special Educational Needs and Disability, (SEND), through the provision of psychological advice.
- Provide advice and support for pupils with statements where there is a continuing concern or change in circumstances.
- Advise the Local Authority on need and provision for pupils with SEN and disability. This includes providing expert witness assessment and testimony as part of the SEN and disability tribunal process, (SENDIST).

For more information, please contact your allocated Educational Psychologist or Foundation Stage Advisory Teacher.

The Jigsaw Centre

The Jigsaw Centre has been commissioned by Central Bedfordshire Council to provide early intervention and support for primary aged children.

- A non statutory preventative role to ensure that a wide range of support strategies are available to all schools for pupils with emotional and behavioural difficulties to prevent social exclusion.

Hearing Impairment Service

This service has been commissioned by Central Bedfordshire to be managed and run through the Harlington Area Schools Trust, (HAST). The service consists of the specialist provision for hearing impaired pupils at Toddington St George Lower School, Parkfields Middle School and Harlington Upper School as well as a Peripatetic Service for hearing impaired children and young people aged 0-18 throughout Central Bedfordshire.

For further information, please contact:

Ken Ward

Telephone Number: 01525 863910

Visual Impairment Service

This service has been commissioned by Central Bedfordshire to be managed and run through the Harlington Area Schools Trust, (HAST). This service supports children and young people who are blind or who have severe visual impairments from birth or identification to 18.

Please contact:

Sarah Wright, Commissioned Services Manager

Telephone Number: 01525 863910

Medical Needs Teaching Service

This service has been commissioned by Central Bedfordshire to be managed and run through the Harlington Area Schools Trust (HAST). The service provides teaching for children who are unable to attend school on the advice of a medical practitioner for reason of their medical condition/illness.

For further information, please contact:

Cliona Devereux

Telephone Number: 01525 863910 or

E-Mail: medicalneeds@harlington.org

Payment Services

The Financial Systems Team are responsible for setting up new local bank accounts, liaising with the school, bank and Finance Team to ensure that accounts are set up according to the Financial Regulations. This includes the maintenance of the account once it is set up e.g. change of signatories, arranging open credit facilities.

Contact details:

Financial Systems Team

Telephone Number: 0300 300 4631

E-mail: masterdatateam@centralbedfordshire.gov.uk

School Admissions & Appeals

The School Admissions Team has a statutory duty to co-ordinate admissions for all academies and schools in the local authority area for their point of entry intake which is part of the annual admission rounds, (e.g., children starting school or transferring to the next phase of education at a Middle, Secondary or Upper school). As the Council is the Admissions Authority for Community and Voluntary Controlled schools, the Council is also responsible for processing applications with regards to assessing which criteria the applicant meets.

If a Community or Voluntary Controlled school is oversubscribed the Council as the Admitting Authority will prepare and present the school admissions appeal case if an appeal is lodged by the parent/carer. Academies and own admission authority schools can buy back the point of entry service for the School Admissions Team to assess applications received for their new intake into their point of entry and buy back the admission appeal services for a senior member of the team to prepare and present the academy or school's case at appeal.

The team also processes in-year applications for community and voluntary controlled schools and offers this as a free of charge service to academies and own admission authority schools who wish to opt in to this service.

Therapies & Other Health Related Services

This service is provided by the Clinical Commissioning Group. If Central Bedfordshire Council does get involved, it is as a result of statutory Special Education Needs provision.

Monitoring National Curriculum Assessment

This service is provided free for Local Authority maintained schools. Academies, (including Free Schools), are required to comply with assessment arrangements as set out in their funding agreement.

School Improvement

Each School has the primary responsibility for improvement and ensuring high educational standards. The School Improvement Service provides appropriate challenge and support to schools designated as causing concern, as set out in the "School Intervention Strategy" 2014.

Access and Inclusion Service – Maintained Schools

The Access and Inclusion Service carries out the Local Authority's legal duties in relation to school attendance and access to education. The service works with schools and parents to ensure that children attend school regularly. It will issue Penalty Notices when necessary, instigate legal proceedings against parents and serve School Attendance Orders. The service is also responsible for monitoring Elective Home Education and Children Missing Education and for ensuring that the local authority's legal duties with regard to exclusion from school are discharged (in relation to both schools and parents). The service is able to offer support to schools with regard to Traveller children who may be experiencing difficulty in accessing their education. The service is also responsible for carrying out the Local Authority's legal duties in relation to child employment and children in entertainment

Health and Safety

The Corporate Health, Safety and Wellbeing Team provides statutory Health and Safety advisory services for community and voluntary controlled schools, to support them with fulfilment of their legal duties. This includes:

- Access to policies and procedures via the schools portal.
- Access to AssessNET online, accident/incident reporting system, which community and voluntary controlled schools are required to use.
- General advice on health and safety matters.
- Assistance with investigation and reporting of serious incidents.
- Monitoring/compliance audits in line with risk-based schedule.

For support enquiries, please contact the Health, Safety and Wellbeing Team

Email: healthsafetyandwellbeing@centralbedfordshire.gov.uk

Telephone Number: 0300 300 6793.

Contact us...

Për Informacion Per Informazione Za Informacije नगरवारी लसी | برای اطلاع
المعلومات للمعلومات کے لئی তথ্যের জন্য Za Informacja

by Telephone: 0300 300 8304

by E-mail: customer.services@centralbedfordshire.gov.uk

on the Web: www.centralbedfordshire.gov.uk

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

Traded Services to Schools & Academies – Year on year Change to Charges

Service Area	Description of Charge		Payments Made by Direct Debit				All Other Payment Methods				
			2015/16	2016/17	Amount Difference 2015/16 V 2016/17	% Increase	2015/16	2016/17	Amount Difference 2015/16 V 2016/17	% Increase	
			£	£	£		£	£	£		
LTA/Maternity Pool	LTA/Maternity Pool							26.00	28.00	2.00	7.7%
Inspiring Music	Lower/Primary, Middle & Upper / Secondary schools and community lessons, (including Academy Schools).	Group	90.40	92.00	1.60	1.7%	94.10	95.00	0.90	1.0%	
	Non Local Authority Schools	Individual 20 minute	135.80	138.00	2.20	1.6%	141.20	143.00	1.80	1.3%	
		Individual 30 minute	203.50	206.00	2.50	1.2%	211.60	214.00	2.40	1.1%	
	Music Centres	Individual 40 minute	271.30	274.00	2.70	1.0%	282.20	285.00	2.80	1.0%	
		Group	96.20	98.00	1.80	1.8%	100.10	101.00	0.90	0.9%	
	South Beds Sinfonia	Individual 20 minute	149.90	152.00	2.10	1.4%	156.10	158.00	1.90	1.2%	
		Individual 30 minute	225.00	228.00	3.00	1.3%	234.00	237.00	3.00	1.3%	
	South Beds Youth Voices	Full membership	79.60	81.00	1.40	1.7%	82.20	83.00	0.80	1.0%	
		Part membership	53.00	54.00	1.00	1.9%	55.10	56.00	0.90	1.6%	
			Membership	35.60	36.00	0.40	1.1%	36.60	37.00	0.40	1.1%
		Membership	53.00	54.00	1.00	1.9%	55.10	56.00	0.90	1.6%	
Schools Secure Network	Lower/Primary, Nursery, & Special Schools up to 100 pupils < 10mb						2,800.00	2,800.00	0.00	0.0%	
	Lower/Primary, Nursery, & Special Schools up to 100 pupils 10mb						3,100.00	3,100.00	0.00	0.0%	
	Lower/Primary, & Special Schools 100-150 pupils < 10mb						3,100.00	3,100.00	0.00	0.0%	
	Lower/Primary, & Special Schools 100-150 pupils 10mb						3,600.00	3,600.00	0.00	0.0%	
	Lower/Primary, & Special Schools 150-249 pupils <10mb						3,300.00	3,300.00	0.00	0.0%	
	Lower/Primary, & Special Schools 150-249 pupils 10mb						3,900.00	3,900.00	0.00	0.0%	
	Lower/Primary Schools 250+ pupils <10mb						3,500.00	3,500.00	0.00	0.0%	
	Lower/Primary Schools 250+ pupils 10mb						3,900.00	3,900.00	0.00	0.0%	
	Middle Schools up to 500 pupils 20mb						4,200.00	4,200.00	0.00	0.0%	
	Middle Schools 500+ pupils 20mb						7,500.00	7,500.00	0.00	0.0%	
	Upper/Secondary Schools up to 1000 pupils 100mb						7,700.00	7,700.00	0.00	0.0%	
Upper/Secondary Schools 1000+ pupils						10,900.00	10,900.00	0.00	0.0%		
							11,900.00	11,900.00	0.00	0.0%	
Educational Psychology, Special Educational Needs and Disability	Educational Psychologist daily rate - School Charge						525.00	531.00	6.00	1.1%	
	Hourly rate - School Charge						87.00	88.00	1.00	1.1%	
	Individual Pupil Assessment - School Charge						262.00	265.00	3.00	1.1%	
	Advisory Teacher daily training rate - School Charge						525.00	531.00	6.00	1.1%	
	Hourly training rate - School Charge						87.00	88.00	1.00	1.1%	
	Educational Psychologist daily rate - Academy Charge						576.00	582.00	6.00	1.0%	
	Hourly rate - Academy Charge						96.00	97.00	1.00	1.0%	
	Individual Pupil Assessment - Academy Charge						288.00	291.00	3.00	1.0%	
	Advisory Teacher daily training rate - Academy Charge						576.00	582.00	6.00	1.0%	
	Hourly training rate - Academy Charge						96.00	97.00	1.00	1.0%	

Service Area	Description of Charge		Payments Made by Direct Debit				All Other Payment Methods				
			2015/16	2016/17	Amount Difference 2015/16 V 2016/17	% Increase	2015/16	2016/17	Amount Difference 2015/16 V 2016/17	% Increase	
			£	£	£		£	£	£		
Governor Services	Subscription A: Maintained Schools with up to 50 pupils							367.00	374.00	7.00	1.9%
	Maintained Schools with 51 to 200 pupils							474.00	483.00	9.00	1.9%
	Maintained Schools with 201 to 500 pupils							594.00	606.00	12.00	2.0%
	Maintained Schools with 501 to 1200 pupils							712.00	726.00	14.00	2.0%
	Maintained Schools with 1201+ pupils							832.00	849.00	17.00	2.0%
	Subscription B: Maintained Schools - Per governing body							76.50	78.00	1.50	2.0%
	Maintained Schools - Ad hoc face to face courses Per 2 hour session							102.00	104.00	2.00	2.0%
	Per half day session							153.00	156.00	3.00	2.0%
	Per whole day course							306.00	312.00	6.00	2.0%
	Subscription A: Academies/ Free School - with up to 50 pupils							404.00	412.00	8.00	2.0%
	Academies/ Free School - with 51 to 200 pupils							522.00	532.00	10.00	1.9%
	Academies/ Free School - with 201 to 500 pupils							653.00	666.00	13.00	2.0%
	Academies/ Free School - with 501 to 1200 pupils							783.00	799.00	16.00	2.0%
	Academies/ Free School - with 1201+ pupils							916.00	934.00	18.00	2.0%
Subscription B: Academies/ Free School - Per governing body							84.00	86.00	2.00	2.4%	
Academies/ Free School - Ad hoc face to face courses Per 2 hour session							112.00	114.00	2.00	1.8%	
Per half day session							168.00	171.00	3.00	1.8%	
Per whole day course							336.00	342.00	6.00	1.8%	
Subscription for others, e.g., maintained schools, academies and free schools outside of Central Bedfordshire and independent schools, (Subscription B is not available).							1,183.00	1,207.00	24.00	2.0%	
Children's Workforce Development	Advertising of Schools Vacancies Schools in Central Bedfordshire - Per Advert							-	30.00	30.00	N/A
	Academies in Central Bedfordshire - Per Advert							-	40.00	40.00	N/A
	All Schools and Academies outside of Central Bedfordshire - Per Advert							-	60.00	60.00	N/A
Determining Free School Meals	Determining Free School Meals - Continuing Service							10.00	10.00	0.00	0.0%

Central Bedfordshire Council

EXECUTIVE

9 February 2016

Commissioning of New Lower School Places in Fairfield Parish

Report of Cllr Mark Versallion, Executive Member for Education and Skills
(mark.versallion@centralbedfordshire.gov.uk)

Advising Officer: Sue Harrison, Director of Children's Services
(sue.harrison@centralbedfordshire.gov.uk)

This report relates to a non Key Decision

Purpose of this report

1. To seek Executive support for a proposed consultation to provide new Lower School places in Stotfold from September 2017. The school referred to within the report serves the Ward of Stotfold and is located within the Parish of Fairfield.

RECOMMENDATION

The Executive is asked to:

1. **support the proposed commencement of consultation by the Governing Body of Fairfield Park Lower School to permanently expand onto a second site from a 2 form of entry (300 place) lower school for pupils aged 3 to 9, to a 4 form of entry (600 place) lower school for pupils aged 3 to 9 also providing a 60 place nursery, increasing the school's published admission number from 60 to 120 with effect from 1 September 2017.**

Children's Services Overview and Scrutiny

2. This report was presented to Children's Services Overview and Scrutiny Committee at its meeting on the 28 January 2016 and the Committee was asked to indicate its support for the recommendation set out within the report. The views of the Committee will be reported to Executive at its meeting.

Pupil Place Planning for Lower School Places in Stotfold, including the Parish of Fairfield

3. Since 2011 the Council has commissioned an increase of 525 new lower school places to serve the Stotfold and Fairfield area through the expansion of St Marys Academy from 225 to 300 places, the expansion of Fairfield Park Lower School from 150 to 300 places and the expansion and relocation of Roecroft Lower School from 150 to 450 places on a new site.
4. These new school places have been required as a result of the Council's forecasts of demographic growth in the area, driven largely by new housing development. These school sites are now at their capacity as defined by Department for Education guidelines and cannot be expanded further.
5. The Council's School Organisation Plan 2015-20 sets out its current five year forecast. This indicates that despite the new school places commissioned previously by the Council the existing schools in the Stotfold and Arlesey pupil place planning area, which includes the Parish of Fairfield, will remain very close to capacity and unable to accommodate significant additional pupil yield from further housing.
6. A minimum of 176 dwellings are planned to be completed within the Stotfold area alone over the Council's current five year forecast period. These are developments within the Council's current housing trajectory published in May 2015, which had received planning consent and were already in construction or are expected to commence within the next 5 years, or are sites allocated for housing that are expected to come forward with planning applications within this period.
7. In addition to the forecast level of completed dwellings on planned developments indicated in the housing trajectory in May 2015, a number of planning applications have since been made. Some of these applications relate to sites not previously allocated for housing and in total they represent the potential eventually for a further 450 additional dwellings in Stotfold and the Parish of Fairfield.
8. These planning applications will also be reflected in the Council's housing trajectory if planning permissions are granted and as build rates are known. They will also then be reflected in the Council's pupil forecasts as they have the potential to impact further on the supply and demand for local school places in the area. Families moving into new housing will create further pressure on places as a result with many potentially requiring admission to a local school in year, outside of the normal admissions cycle.

9. Included within the figure given above in Section 7 of this report is one such development proposal for approximately 130 dwellings. This application was received by the Council and subsequently approved in August 2015 for new housing on the site of the former pig testing unit on Hitchin Road, within the Parish of Fairfield. In approving the application the Council also secured capital contributions for new education provision in the area in a Section 106 agreement with the developer.
10. In parallel with the housing development and following discussions between Council Officers and the developers, an outline planning application for a new school site on adjacent land was also submitted and approved by the Council in August 2015.
11. The Council's requirement for a school site reflected the scale of housing expected on the Hitchin Road site and also allowed for further demographic growth in the local area. The school site area is sufficient to accommodate a two form entry (300 place) lower school with a 60 place nursery for pre school provision.
12. It is anticipated that this new housing development will commence during 2016/17 and as a result, the Council is now working to bring the new school site forward as soon as possible with a target date of September 2017 for opening the new provision.

Commissioning of a provider for the new school site

13. The new school site is located within the Parish of Fairfield as is one other school, Fairfield Park Lower School, a Community School rated at its last inspection in 2012 by Ofsted as Outstanding across all inspection judgements. The school has been oversubscribed each year since 2009.
14. A map indicating the location of the new school site and Fairfield Park Lower School is attached at Appendix A to this report.
15. The school's headteacher is a National Leader of Education (NLE), designated by the National College for Teaching and Leadership and Department for Education (DfE). NLEs are high performing school leaders who use their success and professionalism, along with the staff in their school which is designated a National Support School to increase the leadership capacity of other schools and help raise standards.
16. The school's Chair of Governors is a National Leader of Governance (NLG), also designated by the National College for Teaching and Leadership and Department for Education. NLGs are experienced governors with track records of success in school improvement who use their experience to support excellence in governance and leadership in schools that are in need of support.

17. Both roles are part of the Council's and of the government's plan to ensure schools have a central role in developing a self-improving and sustainable school led system. The school has recent significant experience of managing growth successfully with the support of the Council through the expansion of the school on its current site which was completed in 2014.
18. The Governing Body of the school has indicated its desire to provide for the new, or satellite school site which will serve the same local community. It proposes to do so through the expansion of its governance, leadership and management. The new school site would be integrated within the admission arrangements of the existing school.
19. The school has also indicated its willingness to accommodate a new Reception Class from September 2016, utilising a temporary building that is located on the existing school site, ahead of the availability of the new school buildings in September 2017 to which the additional reception class would then transfer as Year 1.
20. The proposal would enable the gradual increase in pupil numbers from completed housing in the area to be accommodated within an existing local popular and successful school which can grow at an equivalent rate on its new site while remaining financially efficient.
21. Governing bodies of all categories of maintained mainstream school can propose an enlargement of premises without following a formal statutory process and the school has indicated an intention, subject to the support of the Council's Executive, to consult with the support of Council officers with its local community and other stakeholders throughout February and March 2016.
22. The school's consultation document is attached to this report at Appendix B. The consultees will include parents and carers of pupils at Fairfield Park Lower School, the head teachers and governing bodies of all other Central Bedfordshire schools, all members of Central Bedfordshire Council and local town and parish councils.
23. The outcome of the consultation along with a business case submitted by the school to illustrate the alignment of the school's proposal with the Council's Policy Principles for Pupil Place Planning in Schools will be reported to the Council's Executive in April 2016 for final approval.
24. Executive approval of the school's proposal will enable the Governing Body to work in partnership with Council officers to influence the design and delivery of the new provision, funded through developer contributions and Department for Education basic need grant, within the Council's New School Places Programme.

Reasons for Decision

25. The recommended consultation on the proposal to expand Fairfield Park Lower School is to ensure the Council continues to meet its statutory obligations to provide sufficient school places and also to ensure the school meets the requirements set out in DfE guidance regarding proposals by Governing Bodies to expand maintained schools.
26. Commitment to capital expenditure and therefore final approval of the proposal will be determined by the Council's Executive in April 2016, informed by the outcome of the consultation exercise undertaken by the Governing Body and the business case which it will also prepare.
27. Ward Councillors have received a briefing on the Council's forecasts of demographic growth and the need to plan for additional school places in this area and are supportive of the school's proposal.

Council Priorities

28. The report supports Central Bedfordshire's Five Year Plan 2015- 2020 and the specific priority of Improving Education and Skills.

Legal Implications

29. Section 14 of the Education Act 1996 places a duty on Councils to secure sufficient primary and secondary school places to provide appropriate education for pupils in its area. S14A of the Education Act 1996 imposes a duty to consider representations about the exercise by local authorities of their functions from the parents of qualifying children in relation to the provision of primary and secondary education. Qualifying children include all those of compulsory school age or under.
30. The Education and Inspections Act 2006 gives Councils a strategic role as commissioners, of school places and includes duties to consider parental representation, diversity and choice, duties in relation to high standards and the fulfilment of every child's educational potential and fair access to educational opportunity.
31. The main legislation governing school organisation is found in sections 6A-32 of the Education and Inspections Act 2006, The School Organisation (Establishment and Discontinuance of Schools) (England) Regulations 2013 and the School Organisation (Prescribed Alterations to Mainstream Schools) (England) Regulations 2013.
32. Department for Education Guidance for proposers and decision makers regarding school organisation in maintained schools was published in January 2014 to support the School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013.

33. This guidance can be viewed at:
<https://www.gov.uk/government/publications/school-organisation-maintained-schools>
34. As a consequence of changes introduced by these 2013 Regulations (at Schedule 2, paragraph 12) and Statutory Guidance, Governing Bodies are now able to propose to make a range of changes to their schools without following a formal statutory process. These include significant expansion such as that proposed to Fairfield Park Lower School.
35. Governing Bodies are required to adhere to the usual principles of public law: they must act rationally; they must take into account all relevant considerations; and they must follow a fair procedure.
36. The Governing Body of Fairfield Park Lower School will also be expected to liaise closely with the Local Authority to ensure that, where possible, a proposal is aligned with wider place planning/organisational arrangements and that any necessary consents have been gained.
37. The Governing Body is also expected to ensure that there is effective consultation with parents and other interested parties and will be supported throughout the consultation, to gauge demand for the proposed change and provide consultees with sufficient opportunity to give their views.
38. The Governing Body will need to work with the Council to ensure that the new school site has suitable accommodation and any necessary capital funding and planning permission has been secured before the expansion can be implemented. Once the change has been implemented, the Governing Body must inform the Secretary of State.
39. DfE guidance is clear that where proposers seek to expand onto an additional site they will need to ensure that the new provision is genuinely a change to an existing school and not in affect a new school. Where proposers seek an expansion which is in fact a new school the Council would be required to set up a new free school through a prescribed DfE process.
40. The DfE guidance requires that the Council will need to consider whether the proposal is an expansion of an existing school through a number of factors that must be set out within the school's proposal.

These include,

- The reasons for the expansion
 - what is the rational for this approach and this particular site.?

- Admission and curriculum arrangements
 - How will the new site be used (eg which age groups/pupils will it serve)?
 - What will the admission arrangements be?
 - Will there be movement of pupils between sites?
 - Governance and administration
 - How will whole school activities be managed?
 - Will staff be employed on contracts to work on both sites? How frequently will they do so?
 - What governance, leadership and management arrangements will be put in place to oversee the new site (eg will the new site be governed by the same governing body and the same school leadership team)?
 - Physical characteristics of the school
 - How will facilities across the two sites be used (eg sharing of the facilities and resources available at the two sites, such as playing fields)?
 - Is the new site in an area that is easily accessible to the community that the current school serves?
41. The purpose of considering these factors is to determine the level of integration between the two sites; the more integration, the more likely the change can be considered as an expansion.

Financial Implications

42. The New School Places Programme is funded by developer contributions and Basic Need grant income from the Department for Education (DfE) and on current planning assumptions the programme 2016/17 to 2020/21 is now forecast with gross expenditure of £20.2M in 2016/17, £25M in 2017/18, £19M in 2018/19, £17M in 2019/20 and £7.7M in 2020/21.
43. The Council will continue to ensure that all opportunities are taken to increase income and to seek alternative funding sources for new build and expansions of existing school buildings.
44. The day to day running costs of school provision is met through revenue funding which is made available to each school as part of the Dedicated Schools Grant (DSG) and is based primarily on the numbers of pupils attending and will increase accordingly in an expanded school.
45. Where necessary and where Schools and Academies are undertaking significant expansion on commission from the Council additional revenue support for relevant costs can be accessed on application through the DSG funded Growth Fund established by the Schools Forum.

46. Capital expenditure within the New School Places Programme is subject to the Council's Code of Financial Governance. Expenditure to commission feasibility studies and design work required for projects within this rolling programme has been approved by the Executive Member for Children's Services, in consultation with the Director of Children's Services as required by the Council's Constitution.

Equalities Implications

47. The consultation and decision making process set out in regulation for proposals to expand Academies and Council maintained schools requires an evaluation on a project by project basis of any equalities and human rights issues that might arise.
48. Public authorities have a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and to foster good relations in respect of the following protected characteristics: age, disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
49. This statutory duty includes requirements to:
- i. Remove or minimise disadvantages suffered by people due to their protected characteristics.
 - ii. Take steps to meet the needs of people from protected groups where these are different from the needs of other people.
 - iii. Encourage people from protected groups to participate in public life or in other activities where their participation is disproportionately low.
50. As commissioner of the new school places that will be provided through the proposal of Fairfield Park Lower School the Council has considered that there are no race or disability discrimination issues that arise from the change being proposed.

Risk Management

51. The proposal to commission new lower school places and to allocate related capital investment outlined in this report implements the identified need to manage demographic growth in the previously published School Organisation Plan and mitigates the risk on the Council of failing in its statutory duty to provide sufficient school places.

Key risks include:

- Failure to discharge legal and statutory duties/guidance.
- Failure to deliver the Council's strategic priorities
- Reputational risks associated with the non delivery of required school places.
- Inability of schools to recruit suitable additional staff
- Failure to secure planning consents
- Financial risks, including;
 - Non realisation of anticipated Section 106 monies and anticipated levels of government grant.
 - Potential for overspend on any project within the programme.

Appendices

The following appendices are attached:

Appendix A – Map showing location of new lower school site in Stotfold

Appendix B – Fairfield Lower School's expansion consultation documents

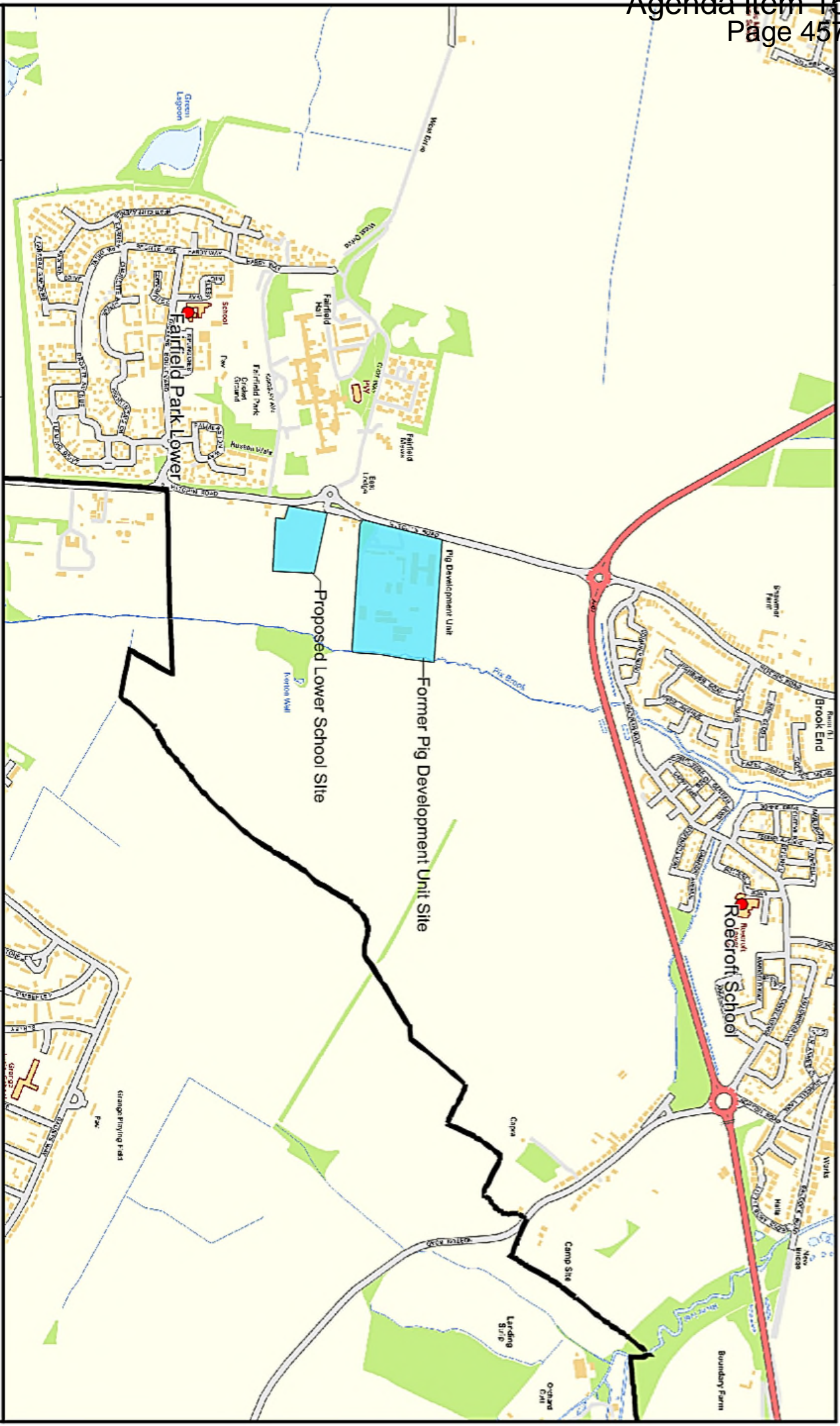
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Date: 09 December 2015

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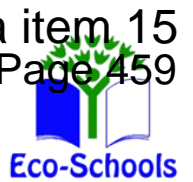
Former Pig Development Unit and Proposed Lower School Site, Fairfield



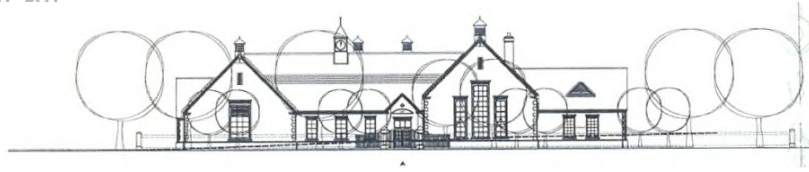
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Fairfield Park Lower School
Dickens Boulevard, Stotfold, Hitchin, Herts, SG5 4FD



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Email: Fairfield@cbc.beds.sch.uk
Website: <http://www.fairfield.beds.sch.uk/>

Telephone: 01462 830000
Fax: 01462 830009

Wednesday 10 February 2016

Dear parents, carers and other stakeholders

Proposed Permanent Expansion of Fairfield Park Lower School

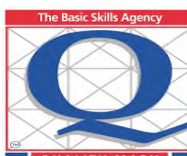
As you may be aware, Central Bedfordshire Council has given planning permission for a development of approximately 130 dwellings on the site of the former pig testing unit on Hitchin Road, within the Parish of Fairfield, along with outline planning permission for a new school site on land adjacent to the development.

This new school would serve the same area as Fairfield Park Lower and therefore, with the support of Central Bedfordshire Council's Executive, the governing body propose to expand Fairfield Park Lower via a second campus onto the new site. This would double the size of the school, increasing it from two form of entry to four form of entry, and from 300 places to 600 places.

It is proposed that building works on the new campus would be due for completion to allow the first extra class to be available from September 2017. In preparation for this, the Governing Body would be willing to admit additional children into a third reception class on the current school site in September 2016. This would help to meet the Council's forecast need for additional school places at that time and it is proposed that those additional pupils would be moved on to the new campus from September 2017.

For a proposed permanent school expansion the Department for Education requires the school's governing body to consult with all interested parties and provide sufficient opportunity for them to give their views. The attached consultation document details the proposal and gives you the opportunity to respond. It also lists some 'frequently asked questions' which we hope will answer many of the concerns that you may have regarding the proposal.

Please respond to this consultation using the response form provided and return this to the school **by 3.00 pm on 9 March 2016**. All of the responses received by the close of the consultation will be considered by the Governing Body when deciding whether to pursue the proposed expansion.





If you have any queries regarding the proposed expansion please contact us via the School Office or the school email: Fairfield@cbc.beds.sch.uk

Yours sincerely

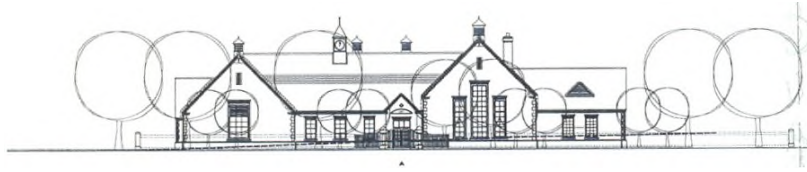
Jenny Stone
Head Teacher

Sue Howley MBE
Chair of Governors





Fairfield Park Lower School
Dickens Boulevard, Stotfold, Hitchin, Herts, SG5 4FD



Head teacher: Mrs J Stone

Email: Fairfield@cbc.beds.sch.uk

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Purpose of this consultation document

The purpose of this document is to provide information relating to the Governing Body's proposal to expand Fairfield Park Lower School from a 2 form of entry (300 place) for children aged 3 – 9, to a 4 form of entry (600 place) for children aged 3 – 9 via a new campus on the Lower Wilbury Farm site, with a phased intake from September 2017.

This would eventually increase the school's published admission number from 60 to 120.

The proposal also includes an additional 30 full time equivalent (FTE) nursery provision on the new campus.

Background

Fairfield Park Lower School was opened in 2007 in order to serve the new Fairfield Park community, which was being established on the former site of the Three Counties Psychiatric and Fairfield Hospitals that closed in 1999. Following an Ofsted inspection in May 2012 the school was judged to be 'outstanding' and as such is a popular school, attracting pupils from beyond the Fairfield Park development.

The school's Headteacher is a National Leader of Education (NLE), designated by the National College for Teaching and Leadership and Department for Education (DfE). NLEs are high performing school leaders who use their success and professionalism, along with the staff in their school which is designated a National Support School to increase the leadership capacity of other schools and help raise standards.

The school's Chair of Governors is a National Leader of Governance (NLG), also designated by the National College for Teaching and Leadership and Department for Education. NLGs are experienced governors with track records of success in school improvement who use their experience to support excellence in governance and leadership in schools that are in need of support.



Both roles are part of the Council's and of the government's plan to ensure schools have a central role in developing a self-improving and sustainable school led system. The school has recent significant experience of managing growth successfully with the support of the Council through the expansion of the school on its current site which was completed in 2014 and doubled the school's capacity in order to meet the growing demand for places

Other Stotfold lower schools have also been expanded, via Central Bedfordshire Council's New School Places Programme: St Marys Church of England Academy reopened in September 2015 with a new two-storey building in order to accommodate an additional 75 pupils, taking its capacity to 300 places and Roecroft Lower School has expanded from 300 to 450 places with a new extension to the school. The Council has also commissioned 420 extra places at Etonbury Academy, which are due for completion later this year, again to cater for the growth in local population.

The demand for lower school places is forecast to exceed the number of school places available locally and, if the proposal to expand Fairfield Park Lower School is approved by Central Bedfordshire Council, the Governing Body has indicated its willingness to accommodate a new reception class from September 2016, utilising a temporary building that is located on the existing school site, ahead of the availability of the new school buildings in September 2017, to which the additional reception class would then transfer as Year 1.

Proposal

A planning application has been approved for 131 dwellings on the site of the former pig testing unit on Hitchin Road, Stotfold which includes approved outline planning permission for the provision of a new school site on Lower Wilbury Farm to accommodate the children from the development. The land that is required for the new school is owned by Central Bedfordshire Council and is immediately adjacent to the existing Fairfield Park estate.

Following discussions with Central Bedfordshire Council, the Governing Body of Fairfield Park Lower School has agreed to consult on a proposed expansion of the school by the provision of an additional 300 lower school places from September 2017, phased over a five year period. The Lower Wilbury Farm school site would become a second campus to Fairfield Park Lower School.

This proposal would retain the school's existing site and capacity ensuring that the needs of the existing local community would continue to be met on that site, but would also ensure that more local provision is made to meet the needs of the growing Fairfield Park community on the Lower Wilbury Farm development, on the other side of the Stotfold/Hitchin Road.

It is planned that the new permanent school accommodation at the Lower Wilbury Farm site should be ready for occupation for the 2017/18 school year.

School capacity

The current capacity of Fairfield Park Lower School is 300 children from Reception Year to Year 4.

The proposed second campus would provide additional accommodation for up to 300 pupils aged 3- 9 and the relevant space required for a 30 FTE nursery provision.

The proposed total capacity for Fairfield Park Lower School, across both campuses, is 600 children from Year Reception to Year 4, with 60 FTE nursery places

Objectives of proposal

- To meet local demographic demand for school places in the future
- To meet parental demand for Fairfield Park Lower School, evident in sustained levels of over subscription
- To expand an already highly regarded, Ofsted 'outstanding' school

Timeline

Following approval by Central Bedfordshire Council’s Executive Committee on 9 February 2016 for the Governing Body’s consultation on the proposed expansion to commence, the timetable for the consultation process is as follows-

Action	Date –
Consultation starts	10 February 2016
Consultation ends	9 March 2016
Outcome of consultation considered by the Governing Body and decision regarding whether to proceed advised to Council	By 16 March 2016
Council Executive consider consultation outcome and determine funding for proposed expansion	5 April 2016
Proposed implementation	1 September 2017

Attached to this proposal is a Consultation Response Form (pages 7 to 10). Please complete the form and return it to the address provided. Alternatively, responses to the consultation can be made by e-mail to Fairfield@cbc.beds.sch.uk:

.....

Below is a list of ‘Frequently Asked Questions’ which may help to address some immediate concerns that you have.

Frequently asked questions –

Q – What are you proposing to build at the new Lower Wilbury Farm site and what facilities would be available?

A – Although the proposal is to expand Fairfield Park Lower School, the new site would be a fully functioning and completely self sufficient physical campus in terms of the facilities that would be available. Proposals are being developed which would provide for up to 300 pupils (aged 3 - 9), including nursery provision, to the recognised standards for this size and type of school.

There will be a town planning application process for the new school site and therefore there will be a separate opportunity to comment on the plans as part of that process.

Q – How would the new site be used, e.g. what age groups/pupils would it serve?

A – The use of the new site would mirror that of the current Fairfield Park Lower School site. It would serve the same age group (3-9 yrs) although it is anticipated that when the new site opens it would only initially be fully operational across Key Stage 1. There would be smaller numbers in the older Key Stage 2 age groups allowing mostly for siblings of younger pupils plus providing some capacity for some other and potentially new local pupils. The school leadership team would work closely with the Council to plan for the growth of the school in more detail as and when admission numbers and parental preferences are known.

Q – When would the new school site open?

A - Subject to obtaining all the necessary consents it is likely that the new school site would be operational from September 2017. The school would open with 1 form of entry, 30 places per year group, and expand to accommodate 2 forms of entry, 60 places per year group, as further dwellings are occupied on the Lower Wilbury Farm development and the demand for school places increases.

Q – Does the Council have the land and the funds to provide this new school site?

A – Yes, the land is owned by the council. The costs for building the school and fitting it out would be paid for by developer's contributions and the Department for Education's basic need grant via the Council's New School Places Programme.

Q - Would Fairfield Park Lower School be able to provide a full and varied curriculum on the new site?

A – The curriculum of Fairfield Park Lower School is well designed and matched to the needs, abilities, interests and aspirations of all children. Staff regularly review the current curriculum and would plan the curriculum for the new school site to meet the requirements of the national curriculum and the needs of the community. The school would also work with the local community to develop relevant extra curricular and extended school activities.

Q – How would admissions to the new school site be managed? Would there be an intake from across the age range?

A –. The admissions arrangements would remain as they are for the existing Fairfield Park Lower School site, with the same admissions criteria in place for the two sites. The catchment area for the dual-site school would remain unchanged and a total of 120 places would eventually be available per year group across the two sites. The admission to each school site would be based on distance; therefore children from the new development would get priority for admission to the new school site, whilst children from the existing development would get priority for admission to the existing school site. Depending on subscription, the admission to each school site in future years is likely to be variable.

The Council and Fairfield Park Lower School would work very closely together to plan for specific numbers and year groups in more detail as parental preferences are known and admission numbers are confirmed.

Q – What provision would be made for early years and 'wrap around' care?

A – The current consultation is specifically related to provision for statutory aged pupils. The provision of extended school activities would be the subject of further discussions between the school and community to establish the type of provision and/or activities which are to be sought or needed and could be provided within the available accommodation. In terms of pre school provision, this is not currently part of the consultation and is not subject to the same legal process, however nursery provision is proposed on the new site.

Q – What governance, leadership and management arrangements would be put in place to oversee the new site (e.g. would the new site be governed by the same governing body and the same school leadership team?)

A – The new site would be governed by the Governing Body and leadership team of Fairfield Park Lower School, both of which would be expanded. It is anticipated that there would be a Deputy Head Teacher / Head of School based at each site with the Head Teacher operating across the two sites.

Q – Would this expansion impact upon the existing staff at the school and would staff be employed on contracts to work on both sites?

A – The school would need to recruit new teaching and support staff to enable the larger school to operate effectively across both sites in the long term. Current Fairfield Park Lower School staff may be redeployed but a number of new staff would also need to be recruited. The exact deployment and mix of new and existing staff across the sites would be decided by the Governing body and would be subject to the actual numbers of pupils on roll at each site and across the two sites as a whole.

Q – How would the children on the new site be made to feel part of the expanded school?

A – The children at the new school site would follow the same curriculum and have access to the same level of facilities as those at the current school site. They would also wear the same uniform as their fellow pupils. The Head teacher would divide her time between the two sites along with other members of staff.

Q – How would whole school activities be managed? How would facilities across the two sites be used?

A – Pupils of Fairfield Park Lower School would be based at one of the two sites and may not be expected to need to move between the two sites to receive their education. Separate arrangements would be put in place for children to move from one site to the other to enable them to take part in extra events such as sporting fixtures and musical activities or whole school events. Once the new housing development is completed, there would also be a short walking route between the two sites.

Q – Are there any interim proposals in advance of the new accommodation being ready?

A - The Executive of Central Bedfordshire Council will consider the proposal to expand Fairfield Park Lower School at their meeting on 5 April 2016. If the Executive give their approval for the proposal, the Governing Body has indicated its willingness to accommodate a new reception class from September 2016, on the existing school site, ahead of the availability of the new school buildings in September 2017.

Q – My child currently attends Fairfield Park Lower School, how can I be assured that standards and provision would be maintained if resources are to be shared?

A – The Governors and staff of Fairfield Park Lower School are proud of their ‘outstanding’ Ofsted rating and are committed to continuing to provide a curriculum that is well designed and matched to the needs, abilities, interests and aspirations of all of their children, on whichever school site they are based.

Q – If I move onto the Lower Wilbury Farm development and have 1 child already at Fairfield Park Lower School at the current site and a younger child due to start school in September 2017, would I be able to move my older child to join their sibling at the new site?

A – Yes, as long as there are sufficient children to enable a class to be created for a particular age group, or possibly a mixed age class. If there are insufficient children, siblings would be expected to remain at the original school site until the numbers increase sufficiently.

Q – Have any alternative solutions been considered, other than the expansion of Fairfield Park Lower School?

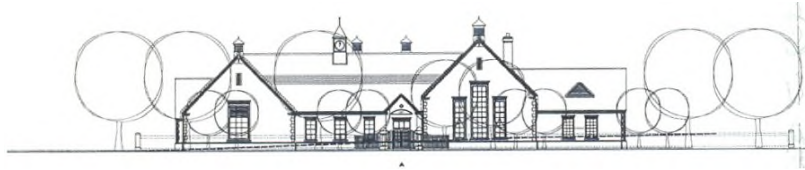
A – Yes. A number of options were considered by the Council including the possible creation of a completely new school. However, by asking Fairfield Park Lower School to expand, the Council is following its Policy Principles for Pupil Place Planning, which underpin all council decisions regarding new school places. These policy principles include -

1. the need to provide local schools for local children, ensuring a sense of community belonging and also promoting sustainable modes of travel
2. the need to create schools that are of sufficient size to be financially and educationally viable
3. the ability to support the expansion of local popular and successful schools or to link expanding schools with popular and successful schools
4. the potential to further promote and support robust partnerships and learning communities

The proposed expansion also offers a shorter time-scale for implementation and the ability for the Council to work with the school to provide an interim solution ahead of full implementation in recognition of the significant shortage of lower school places across the area.



Fairfield Park Lower School
Dickens Boulevard, Stotfold, Hitchin, Herts, SG5 4FD



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Website: <http://www.fairfield.beds.sch.uk/>

Fairfield Park Lower School - Consultation Response Form

Please read the consultation document and tell us what your views are.
If you prefer not to use this form, you can put your views in a letter or email.

Letters or completed forms should be returned to -
Fairfield Park Lower School, Dickens Boulevard, Stotfold, Herts SG5 4FD
or responses can be sent by e-mail to Fairfield@cbc.beds.sch.uk

All responses must be received by 3.30 pm on Wednesday 9th March 2016

How much do you agree with the following statement? Please tick as appropriate.

- I support the proposed expansion of Fairfield Park Lower School.

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know



Do you have any comments/concerns regarding the proposed expansion? If so, please list them here -

Are you responding as an individual or on behalf of an organisation?

	Please tick
Individual	
Organisation – please specify	

Optional information -

Name	
Address	
Postcode	

If you are responding as an individual, please tell us a little bit about yourself.

The following information will help us when considering your opinions and to make sure that we are getting views from all sections of the community. All the questions are optional, and you can give as little or as much information as you wish.

Please tell us if you fall into any of the following categories (please select all that apply)

Please tick all categories that apply	√	Additional information
Pupil - please state which school and which year group		
Parent/ carer of child / children - please state which school/s		
Parent/ carer of preschool child / children		
School Governor - please state which school		
School Staff - please state which school		
Other please specify		

Gender

Male	Female	Transgender	Prefer not to say

Age

Under 18	18 - 24	25- 34	35- 44	45- 54	55- 64	65 and over

	Yes	No
Do you consider yourself a disabled person		

Ethnic Group	Please tick as appropriate
White British	
White Irish	
White other – please specify	
Black or Black British Caribbean	
Black or Black British African	
Black or Black British other – please specify	
Mixed White and Black Caribbean	
Mixed White and Black African	
Mixed White and Asian	
Mixed other – please specify	
Asian Indian	
Asian Pakistani	
Asian Bangladeshi	
Asian other – please specify	
Chinese	
Other – please specify	

Data Protection Act 1998 - please note that your personal details supplied on this form will be held and/or computerised by Fairfield Park Lower School for the purpose of the consultation. Summarised information from the forms will be shared with Central Bedfordshire Council and may be published, but no individual details will be disclosed under these circumstances. Your personal details will be safeguarded and will not be divulged to any other individuals or organisations for any other purposes.

Central Bedfordshire Council

EXECUTIVE

9 February 2016

European Structural Investment Funds (ESIF)

Report of Cllr Nigel Young, Executive Member for Regeneration
(nigel.young@centralbedfordshire.gov.uk)

Advising Officer: Jason Longhurst, Director of Regeneration and Business
Jason.longhurst@centralbedfordshire.gov.uk

Drafting Officer: Jodie Yandall, Head of Investment and Employment
jodie.yandall@centralbedfordshire.gov.uk

This report relates to a Key Decision

Purpose of this report

1. To provide further detail regarding the outcome of the Innovation Bridge European Regional Development (ERDF) funding bid, as a follow on from the European Structural Investment Fund paper which was approved by Executive on 6 October 2015. This is to satisfy a recommendation that each project proposed under this fund is brought back to executive to gain approval to enter into the funding agreement for the project to commence.

RECOMMENDATIONS

That the Executive:

1. **notes the further detail provided about the Innovation Bridge ERDF funding bid including the budget, outcomes and any associated impacts and risks to the council; and**
2. **based on this information, provides approval to enter into the funding agreement with DCLG for this project, to enable the project to commence and give delegated authority to the Director of Regeneration and Business and the Section 151 Officer to approve any minor amendments to this funding agreement, in consultation with the Executive Member for Regeneration and the Executive Member for Education and Skills.**

Overview and Scrutiny Comments/Recommendations

1. The overall recommendations relating to this funding bid were approved by the Sustainable Communities Overview and Scrutiny Committee on 20 August 2015 and Executive on 6 October 2015. Both meetings resolved to support the approach to bid for ESIF funds.

Background

2. In the context of shrinking budgets and meeting the needs of our residents and businesses in Central Bedfordshire, it is important to maximise wider opportunities such as tapping into external funding.
3. A new European Structural Investment Fund (ESIF) programme has been announced by central Government, covering the period of 2014 to 2020. These funds aim to increase social and economic prosperity and to reduce disparity, creating a more competitive, prosperous and inclusive economy.
4. The funds offer the opportunity for Central Bedfordshire Council (CBC) to provide additional support for:
 - residents to move into employment or to progress up the career ladder by developing their skills;
 - businesses to tap into well skilled local residents, meeting business skills gaps; and
 - economic growth through promoting business innovation and development.
5. The South East Midlands LEP (SEMLEP) has been given an ESIF allocation of c£79 million (this will vary due to regular exchange rate reviews) for delivery over the 6 year period, comprising three ESIF funding streams:
 - **European Regional Development Fund (ERDF)** £37.6m managed by the Department for Communities and Local Government (DCLG);
 - **European Agricultural Fund for Rural Development (EAFRD)** has an indicative budget of up to £4.3m managed by the Department for Environment, Food and Rural Affairs (DEFRA).
 - **European Social Fund (ESF)** £37.6m managed by the Department for Work and Pensions (DWP).

European Regional Development Fund (ERDF)

6. CBC submitted a £3.9m ERDF application (including 50% match funding from the ERDF fund) under the first round of the new programme which successfully passed through the outline application stage and the full application stage.

This builds on our previous successful Innovation Bridge project which ended in August 2015. This was an ERDF funded partnership with the University of Bedfordshire which delivered innovation and research support to help local medium and small sized (SME) businesses to grow. A key driver for the project was to increase the levels of university engagement and support for business growth and innovation.

7. In order to provide the wider support offer that businesses are seeking and to maximise the funding opportunity, this bid expands the Innovation Bridge project to deliver across a broader geographic area including SEMLEP, the Greater Cambridge Greater Peterborough LEP and the New Anglian LEP. It proposes to deliver support to 350 SME businesses, including over 60 new start ups. The previous programme supported over 50 SME businesses and helped to create 20 jobs. The SEMLEP target for the new Innovation Bridge programme is to support 133 businesses and being the lead partner for the project puts us in a good position to market the project locally.
8. The Innovation Bridge project will consist of two main parts. The first part offers an SME business at least 12 hours of consultancy time with one of the participating universities. This will be used to assess their innovation needs and link them with an appropriate university academic to undertake a small research project to help scope out their innovation needs and provide them with an innovation action plan. The business will then have a chance to apply for an innovation grant to further their innovation requirements and implement some of the innovation activity scoped out during the first phase of the project. Grants will be provided for innovation related revenue or capital projects and based on a 30% intervention rate (i.e. a business can receive a grant to cover up to 30% of the costs proposed) up to certain maximum limits on grant size and other eligibility criteria.
9. The bid is a partnership between Central Bedfordshire Council (as the lead partner) and the University of Bedfordshire, Anglia Ruskin University and University Campus Suffolk. ERDF requires 50% match funding which will be delivered through a small amount of CBC staff time, university staff time, a 15% overhead match on salaries and through a grant element of the project where a business who requires the grant must provide match themselves. The total project value including match funding is £3.9m. CBC will administer the project, the majority cost of which will be covered by the ERDF funds and grant match (minus c. £9,000 of staff time match).
10. This project will form a key tool in our Business Support Package for Central Bedfordshire businesses to grow and prosper. It is planned that the project will commence on the 1 April 2016 and last for three years. To commence the project, the Department for Communities and Local Government (DCLG) will require CBC to enter into a funding agreement (draft example in Appendix B).

We are currently awaiting final approval from DCLG, having dealt with appraisal feedback following submission of the full application.

11. As the lead applicant for the project, CBC will take on the responsibility for the project – to manage the relationship with the managing authority (DCLG) and to ensure that the project is compliant and the money is spent and evidenced in a compliant way. CBC must also ensure all the outputs for the project are delivered through the partnership. CBC will programme manage the project and provide administrative support to ensure the project is run in accordance with ERDF rules. CBC will also manage the grant panel and application process for the innovation grant. All the money for the project will pass through CBC and any issues with the partners, the match funding and any risks for the project will be our responsibility. There will be 2.5 new recruits working on the project as well as three existing members of staff, spending part of their time on the project (see paragraph 41). The three university delivery partners will be involved in the delivery of the actual client activity – providing the research and business support activities to the businesses and ensuring the associated staff time spent on the project is evidenced correctly for DCLG. Through a service level agreement, they will share in the responsibility for the delivery of the overall outputs for the project.

Reasons for decision

12. This provides an excellent opportunity to build on the success of the previous Innovation Bridge programme. It will embed innovation support for businesses at the core of the CBC business support offer and provide CBC with strategic influence as it covers a wider geography - including SEMLEP, the Greater Cambridge Greater Peterborough LEP and the New Anglian LEP.
13. Including match funding, the bid is valued at £3.9m. The programme will commit CBC to the ESIF funding criteria and have implications on the Council which are described further in paragraphs 14 to 44. A summary of the cash flow forecast and the associated risk can be found in Appendix A.

Council Priorities

14. The proposed funding bid focusses on business innovation – a key growth generator. This supports the Council's priority to enhance the local community as it will enable businesses to grow and help create additional jobs by providing support for businesses to grow and expand. This was demonstrated through the previous programme through the numbers of jobs created (20) and the positive feedback from businesses (95% rated the support as good or excellent and 55% reported an increase in business confidence).

Corporate Implications

15. CBC is committing to be the lead body to deliver the programme which has a total value of £3.9M over 3 years. This will include funding for additional resource requirements such as additional fixed term staffing. The whole programme should have a positive impact on CBC resources as it enables the authority to meet some important needs including business growth and provides part funding for existing staff and full funding for the additional posts to be created. The following paragraphs provide more detail.

Legal Implications

16. The Council's Executive Arrangements and Regulation 8 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 confirm that key decisions must be taken by the Council's Executive.
17. Service level agreements with University delivery partners will be approved by legal services and such agreement will be consistent with the content of the Council's bid and terms of the grant funding agreement. This will help the Council mitigate the risk of clawback of grant funding and state aid.
18. In the event that the Council, or delivery partners, engage private partners for the delivery of services, the terms of such engagement must comply with the requirements of the grant funding agreement and a procurement process must be followed in accordance with EU regulations, the Council's contract standing orders and Public Contracts Regulations 2015 if applicable. All contracts will be approved by legal services with particular focus on ensuring that expenditure and activity is sufficiently auditable to manage risk and compliance.
19. The Council is subject to the requirement to obtain best value in any procurement process because it is a best value authority for the purposes of the Local Government Act 1999. The Act requires the Council to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. To this end, the Council must be satisfied that its procurement processes achieve best value in terms of price and quality.
20. The Council is required under the Public Services (Social Value) Act 2012 to consider the following in respect of procurements that are subject to the EU procurement regime:
 - a) How what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area; and

- b) How, in conducting the process of procurement, it might act with a view to securing that improvement.

These criteria will be given due consideration in any EU procurement process.

Financial Implications

21. The team managing the ERDF programme from the previous funding round have worked closely with the Finance Team to establish systems and protocols to ensure match funding can be properly evidenced and claimed, and that expenditure is ERDF eligible. These systems will be reviewed and worked upon in readiness for a new programme across the SEMLEP, GCGP and NALEP areas. Without the proper systems in place, it will put the ESIF programme at risk and therefore these systems will be in place before the project commences.
22. In order to embed the ERDF financial requirements within the Council, funding is included to cover the costs of a part time External Funding Finance Manager which is proposed to sit within the corporate finance team within the overall delegation of the Section 151 Officer and play a pivotal role in the overall management of the ERDF programme. Depending on timing, this could be a post which is shared with the ESF programme (yet to be announced), but for now will be a part time post dedicated to the ERDF programme. This role will play an integral part in mitigating and controlling financial risk to the council.
23. A small element of match funding for the programme (c. £9,000) has been identified within existing budgets in the Business Investment service area of CBC – provided through staff time rather than cash. There is no commitment to provide funds in excess of this.
24. As the lead applicant for the programme, CBC must ensure adequate cash flow as there may be a delay in receiving funding from DCLG for payment of claims. This cash flow also takes into account the forecast delay in grant match funding from the businesses participating in the programme. A summary of this cash flow forecast and the associated risk can be found in Appendix A. To mitigate risk, the grant programme has been conservatively estimated and forecast to ensure that there is confidence in the grant funding element of the project and sufficient mitigations are in place to minimise risk to the Council.
25. If a funding clawback situation arises due to a failure of a partner to provide sufficient evidence in meeting the criteria, we will ensure it is passed to the correct deviating delivery partner through a formal Service Level Agreement. We are working with Legal and Finance on ensuring correct agreements, systems and processes are in place.

26. ESIF allocations to SEMLEP, GCGP, NALEP (and the wider UK) have been made in Euros at a fixed Exchange Rate and it is noted the overall allocations may vary over time in line with exchange rate fluctuations. This is being managed by the LEPs committing to funds at an early stage of the programme in sterling and they will take account of any exchange rate fluctuations by varying uncommitted funding.

Procurement Implications

27. All procurement will be undertaken by Central Bedfordshire Council in accordance with the Council's Procurement Rules and the guidance contained in the Council's Procurement Toolkit. Where there is a conflict between these rules and procedures and the ESIF Procurement Guidance CBC will ensure that the ESIF rules are followed.
28. The ESIF regulations have greater requirements to adhere to, than our corporate process. For example, ESIF regulations require additional levels of publication.
29. Experience from the previous European Funded projects delivered by CBC has provided several guiding principles for this as follows:
- all contracts are advertised openly on the Central Bedfordshire Council procurement web pages, using the Intend procurement system where the value of the contract indicates that this is appropriate;
 - all bid submissions are evaluated in an open and transparent manner by a team of evaluators using the Central Bedfordshire Council procurement toolkit and seeking guidance on EU principles where required; and
 - contract management and initiation takes place in accordance with the Council's procurement team and legal team who have experience of EU procurement standards and requirements.

Equalities Implications

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

31. To follow ESIF requirements all projects must adhere to European Equalities and Diversity requirements which mean:
- no beneficiaries are excluded from participation in the ESIF programmes on the grounds of their protected characteristics;
 - the needs of all potential beneficiaries are considered at project design stage in order that the service is appropriately delivered;
 - services are responsive to the needs of all communities where relevant; and
 - support is targeted towards under-represented communities where relevant.

Risk

32. The programme requires us to enforce robust approaches in order to maximise the funding opportunities offered through this ERDF call. Minimising risks of poor performance, lack of delivery and potential claw back. A full risk analysis has been completed as part of the bid development. CBC as the lead body will need systems and contracts in place to ensure risks are mitigated and possibilities of claw back by DCLG are closely managed, ensuring failure to deliver or incorrect claims are identified quickly and project managed effectively. An outline of the risks and mitigating actions can be found in Appendix A.
33. A risk register will be maintained and have a supporting risk strategy. These will be reviewed at the regular steering group meetings, risks clearly identified with the appropriate ownership agreed for effective management. The documents will be live and updated regularly.
34. Any potential risks in the project will be managed through the project management approach – including the steering group, project sponsor, programme manager and regular reviews of the risk register. In addition to this gateways have been built into the project to review particular risks, including gateways to review the performance of the grants to ensure the private sector match that the project requires is received and to implement mitigating actions if not.

Sustainability Implications

35. The ERDF programme will meet the key objectives of CBC's Sustainable Development Policy:
- Social progress that recognises the needs of everyone;
 - Effective protection of the environment;
 - Prudent use of natural resources; and
 - The maintenance of high and stable levels of economic growth and employment.

- 36. The ERDF programme encourages innovative approaches to growth and development which consider environmental impact.
- 37. As the lead authority, CBC's Sustainable Development Policy will apply to all partners and ensure that sustainable development covers the three areas of economy, society and the environment, across the whole of the bid area (SEMLEP, GCGP and NALEP).

ICT

- 38. Due to the scale of the project, there is a need to procure a Management Information System to manage the programme. The system needs to be accessed by all external delivery partners across a wide geographical area. This system and access will need to be stable, comply with data protection and allow for meaningful data to be analysed ensuring the smooth monitoring of delivery and performance. A budget has been established in the project to support this delivery and discussions will take place with ICT to ensure the system is fully compliant with our security and other requirements.

Human Resources

- 39. The programme requires the recruitment of 2.5 fixed term staff to assist with the operation of the project. All other staff involved are existing staff from the Business Investment service area and their time dedicated to the project will be in the main covered by the project budget (apart from the c. £9K of staff match time). The costs of the new recruits (apart from the cost of staff recruitment) will be met from the ERDF programme funding. A summary of the CBC staffing for the project is provided below:

Title and role in the project	Time commitment to project	Existing staff or new recruit
Head of Investment and Employment – Project Sponsor	6% of FTE – approximately 2 hours a week	Existing
Business Growth Manager – Programme Manager	2 days a week	Existing
Business Support Officer – Project Coordinator	1.5 days a week	Existing
2 x Contract Management Officers – Project compliance and grant management	FTE	New recruit – fixed term for the life of the project
1 x European Finance Manager	2.5 days a week	New recruit – fixed term for the life of the project

40. There is also a financial risk associated with redundancy payments for staff contracted wholly to deliver the ERDF programme, should the programme have to be terminated early. This has been assessed by the programme management team and adequate provision has been made in the Business Investment reserves budget to cover this eventuality.

Conclusion and next Steps

41. Delivering an ERDF programme offers CBC both additional funding for its own business support activities, an enhancement to the CBC business support offer and strategic positioning, particularly in the context of devolution and future EU funding opportunities. It provides an in-depth opportunity to look at economic growth across Central Bedfordshire and beyond into the three LEP areas covered and to work with key influential partners.
42. Working in partnership within and outside of CBC itself has encouraged synergy and the development of shared approaches to maximise efficiency and effectiveness of the delivery of business support. It has also created closer working with the Universities, important partners in future innovation and growth and the associated programmes being delivered across the region.
43. If the approach is agreed, CBC will seek to enter into the funding agreement (example attached in Appendix B) with the Managing Authority – DCLG, with the steer and approval of legal services and the delegated powers of the Director of Regeneration and Business and the Section 151 Officer to approve any minor amendments to this funding agreement, in consultation with the Executive Member for Regeneration and Executive Member for Education and Skills.

Appendices

44. Appendix A - Summary of financial information and any associated impact on the council.
45. Appendix B - Example funding agreement – provided by DCLG

Background Papers

46. None

ERDF Innovation Bridge Financial Risks and Mitigation

Summary of key financial information and the impact on CBC

Key financial information

		Financial Year			TOTAL
		2016/2017	2017/2018	2018/2019	
Total Expenditure	This is the total expenditure across the project and includes the match as detailed below.	£920,448.60	£1,425,739.76	£1,549,877.41	£3,896,065.77
ERDF grant at 50%	ERDF will provide 50% of all eligible expenditure which is claimed back on evidence of the expenditure per period (normally per quarter).	£460,224.30	£712,869.88	£774,938.71	£1,948,032.88
CBC Match (as staff time)	We are providing a small amount of staff time as match for the project - the evidence of this is provided to DCLG in the form of timesheets and associated costs	£2,693.07	£2,693.07	£2,693.07	£8,079.21
University Match (as staff time)	The universities are providing the main delivery of activity to businesses - including a diagnostic to understand needs and the research time with academics to provide the innovation support. A proportion of the time spent on the project by the universities will be provided as match - in terms of staff time spent on the project.	£90,372.28	£107,473.96	£101,844.19	£299,690.43
Overheads match (based on 15% of salaries)	ERDF allows a standard 15% (of the total salaries figure) to be used as an overheads match. This is a standard simplified rate.	£65,443.61	£75,378.66	£74,440.98	£215,263.24
Private Match (Provided by participating businesses as part of the grant)	This is the 70% match provided to the innovation grant by the businesses taking on a grant and contributes to our overall match figure.	£228,000.00	£557,785.71	£639,214.29	£1,425,000.00
Total Match	This works out across the lifetime of the project to cover the 50% of the project expenditure which is not covered by the 50% contribution from ERDF.	£386,508.95	£743,331.40	£818,192.52	£1,948,032.87

CBC Cash Flow (required per year to cash flow the project))	This is the annual figure which is required by the project from CBC to cash flow the project - due to the fact that the private match from the grants won't align exactly with other expenditure. Therefore, in year 1, CBC will be required to provide £73,715 cash flow to the project which will be recovered in year 2 and year 3.				
		£73,715.35	-£30,461.52	-£43,253.81	£0.01

		Financial Year			
Income	-	2016/2017	2017/2018	2018/2019	Total
ERDF Income Grants (provided at 50% of eligible expenditure)	ERDF will provide 50% of all eligible expenditure which is claimed back on evidence of the expenditure per period (normally per quarter).				
		£460,224.30	£712,869.88	£774,938.71	£1,948,032.88
Total Income		£460,224.30	£712,869.88	£774,938.71	£1,948,032.88
Expenditure	-				
CBC Staff Costs	The amount of project cash actually spent on staff salaries excluding the time match provided by CBC as listed above.	£132,356.71	£141,584.76	£154,099.48	£428,040.94
Other Revenue	All other items of expenditure - including marketing, travel costs, project evaluation	£93,000.00	£51,000.00	£66,000.00	£210,000.00
University Staff Costs	The amount of project cash actually spent on university staff salaries excluding the time match provided by the universities as listed above.	£210,868.65	£250,772.58	£237,636.44	£699,277.67
SME Grants	The amount of project cash actually spent on the business grants - excluding the 70% private sector match provided by the businesses themselves as listed above.	£97,714.29	£239,051.02	£273,948.98	£610,714.29
Total Spend in cash		£533,939.64	£682,408.35	£731,684.89	£1,948,032.89
Cash flow implication for CBC	As described above	-£73,715.35	£30,461.52	£43,253.81	-£0.01

Identified risks for the Council and proposed mitigation (this forms part of the full risk assessment carried out as part of the application process)

Risks Description	Owner	Probability	Impact	Mitigation
Project slippage due to delay in start date/funding or project failure due to programme underperformance leading to reduced funding or termination of funding.	Project Sponsor	Medium	High	<p>Close liaison with DCLG to ensure realisation of start date. Re-profiling to reflect any project slippage.</p> <p>Close monitoring of the project with gateway reviews of the project against forecasts to ensure action is taken should the project slip.</p> <p>This will be monitored through the steering group of the project and an action plan will be followed at various gateways should the programme not be performing. Actions to include mitigation, remedial or ultimately termination if all options exhausted.</p>
Private sector leverage via grant programme does not generate enough match funding (forecast at £1.4M of match funding over the three years).	Project Sponsor	Medium	High	<p>In the cash flow forecast, grants are not predicted to start until Q3 of the project. This is to recognise that there will be a lag time from project start, to clients completing the initial phase of the project, to the first clients taking up the grant.</p> <p>Close monitoring will track the progress of the grant element of the project against forecasts. Gateways will be established in the project – for example at the end of Quarter 3 to assess progress and ensure action is taken should the grant programme slip behind progress.</p> <p>This will be monitored through the steering group of the project and an action plan will be followed at various gateways should the grant programme not be performing.</p> <p>Mitigating actions in this case include promotion of larger capital grants or many smaller grants to respond to market conditions and</p>

				<p>levels of match provided.</p> <p>Grants have been conservatively estimated based on research through the previous programme.</p>
<p>High levels of grant interest not translating into applications; other grant offers are more attractive; or grant applications slow to develop – longer than the forecast three month turn around time.</p>	<p>Programme Manager</p>	<p>Medium</p>	<p>High</p>	<p>Additional support to assist in application process and refine marketing to ensure business with greater application rates are targeted.</p> <p>Ensure that the mapping of other products is understood and the Innovation Bridge product as a USP that is relevant to the market.</p> <p>Ensure engagement in grant offer and communication plan for all staff and businesses. Review the progress with grant applications quarterly to ensure early intervention if this is the case to address why the delay is happening and change the process if necessary.</p>
<p>Outputs not achieved leading to a reduction in funding</p>	<p>Programme Sponsor</p>	<p>Low</p>	<p>High</p>	<p>Marketing and engagement plan with associated ERDF budget to ensure programme is widely marketed and businesses engaged. Close relationships with LEPs and local business providers to support referrals and marketing. Gateway reviews will be undertaken of performance against outputs with mitigating actions agreed at Steering Group.</p>
<p>Lack of robust financial and claim systems would put CBC at risk of not being able to properly monitor or evidence claims leading to incorrect claims, clawback or failure to deliver.</p>	<p>Programme Manager</p>	<p>Medium</p>	<p>High</p>	<p>As the lead body CBC will put in place systems and contracts to ensure this risk is mitigated. The programme will be closely managed, ensuring failure to deliver or incorrect claims are identified quickly and project managed effectively.</p> <p>Systems and protocols from the previous ERDF project are being further developed with the Finance Team to ensure match funding can be properly evidenced and claimed, and that expenditure is ERDF</p>

				eligible. In addition, an External Funding Finance Manager (funded by ERDF) within the corporate finance team will ensure financial implications are monitored and embedded within the council.
ERDF claims are in arrears and DCLG withhold a final payment at the end (usually 10%) until the final claim has been verified.	Programme Manager	High	Low	A full cash flow forecast for the programme has been completed which highlights any financial pressures on the Council. Any ERDF claims which are awaiting payment would be treated as an accrual rather than a pressure. The European finance manager will be responsible for the management of the budget.
Lack of robust protocols and contracts would put CBC at risk of not meeting funding requirements or the risk of partners underperforming leading to clawback.	Programme Manager	Low	High	Service level agreements with University delivery partners will be approved by legal services and such agreement will be consistent with the content of the Council's bid and terms of the grant funding agreement, If a clawback situation arises due to a failure of a partner, we will ensure it is passed to the correct deviating delivery partner through a formal Service Level Agreement.
Risk of non-compliance with State Aid rules.	Programme Manager	Low	High	Protocols for state aid criteria will be developed in consultation with legal services. Each beneficiary will sign a declaration form to confirm that receipt of funding does not exceed the de minimus threshold for state aid.
Risk of IT systems not being robust leading to difficulties in monitoring performance and evidence.	Programme Manager	Medium	Low	A Management Information System accessed by all external delivery partners will be procured to manage the programme. This system and access will need to be stable, comply with data protection and allow for meaningful data to be analysed ensuring the smooth monitoring of delivery and performance. A budget has been established in the project to support this delivery and discussions will take place with ICT

				to ensure the system is fully compliant with our security and other requirements.
Risk of data protection and information security if not robustly dealt with.	Programme Manager	Low	High	Management Information System must comply with data protection. Protocols and forms to be developed in line with data protection and information security requirements. Staff training on all aspects.
Risk of clawback if we cannot demonstrate compliance to the ERDF auditors.	Programme Manager	Medium	High	Work closely with DCLG to establish monitoring requirements. Implement Management Information System to provide monitoring of delivery and performance. Robust performance monitoring and evidence checks will be undertaken by the Programme Manager, Contract Management Officers and External Funding Finance Manager. Issues will be discussed at Steering Group meetings to ensure criteria is met. CBC internal Audit Team will provide guidance and peer review/audits. Procurement guidance to ensure ERDF procurement requirements are complied with. Provision has been made in the Business Investment reserves budget to cover potential clawback.
Failure in timely recruitment or issues in finding appropriate skills set for new roles	Programme Manager	Medium	Medium	Early development of Job Descriptions, close working with HR to undertake early recruitment. Targeted marketing to partners, networks and other HR channels. Internal staff resources to be provided as intermediate solution if delay occurs. Key core skills essential but internal training if skills set cannot be found.
Funding for the fixed term new posts for CBC would be at risk or would be withdrawn completely if the grant funding doesn't come	Project Sponsor	Medium	High	As highlighted above, the grant element of the project has been conservatively estimated. The other funding for the project comes from ERDF itself and match funding provided by the university partners. The partners are sharing in the risk through a service level

<p>forward or the programme terminates early.</p>				<p>agreement and the project is based on a successful pilot which has overachieved on targets. There is confidence that the project will deliver its outputs. However, the quarterly gateways will ensure that this progress is monitored closely and that mitigation is put in place if the grant is not performing.</p> <p>Adequate provision has been made in the Business Investment reserves budget to cover any redundancy payments for staff contracted wholly to deliver the ERDF programme.</p>
<p>There is reputational risk to CBC if the programmes fail to deliver and we fail to claim the fully allocated amounts of ESIF.</p>	<p>Project Sponsor</p>	<p>Low</p>	<p>Medium</p>	<p>The risks of underspend and clawback can be successfully mitigated through robust monitoring of funding claims and ensuring compliance with the ESIF regulations. Any possible reputational risks will be monitored and highlighted to the Director of Regeneration and Business.</p>
<p>ESIF allocations to SEMLEP, GCGP, NALEP (and the wider UK) have been made in Euros at a fixed Exchange Rate. There is a risk that the overall allocations may vary over time in line with exchange rate fluctuations.</p>	<p>Project Sponsor</p>	<p>High</p>	<p>Low</p>	<p>This is being managed by the LEPs committing to funds at an early stage of the programme in sterling and they will take account of any exchange rate fluctuations by varying uncommitted funding.</p>

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Department for
Communities and
Local Government



European Union
European Regional
Development Fund

DRAFT: THIS IS NOT AN OFFER

Example European Regional Development Fund Revenue Funding Agreement

November 2015

This document is a draft of the standard European Regional Development Fund funding agreement used for Revenue projects. This document is provided for illustrative purposes only. The terms on which a Grant Recipient is offered funding may be subject to change and will include additional project specific conditions.

**[Deed of Grant]
Funding Agreement**

between

The Secretary of State for Communities and Local Government

and

[insert Grant Recipient]

Project Name: [Insert Project Name]

Project Number: [insert Project Number]

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SCHEDULE 1 THE PROJECT SPECIFIC CONDITIONS

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SCHEDULE 5 APPLICATION

THIS Agreement is dated

20[]

PARTIES

1. **THE SECRETARY OF STATE FOR COMMUNITIES AND LOCAL GOVERNMENT** whose principal address is 2 Marsham Street, London SW1P 4DF (**the Secretary of State**); and
2. **[INSERT GRANT RECIPIENT DETAILS]** [(INSERT REGISTERED NUMBER IF APPLICABLE)]of **[INSERT ADDRESS]** (**Grant Recipient**).

BACKGROUND

- A The Commission of the European Union ('European Commission') has adopted the Operational Programme for England, setting out its contribution to the Union strategy for smart, sustainable and inclusive growth and the achievement of economic, social and territorial cohesion;
- B The Secretary of State as the managing authority for the Operational Programme pursuant to Article 123(1) of Regulation 1303 wishes to offer the Grant and the Grant Recipient agrees to accept the Grant on the terms and conditions of this Funding Agreement;
- C This Funding Agreement serves as the document described in Article 125(3)(c) of Regulation 1303, setting out the conditions for support for the operation concerned and the specific requirements concerning the products or services to be delivered under the operation, the financing plan and the time-limit for execution.

IT IS AGREED THAT:

1 DEFINITIONS

In this Funding Agreement the following words and phrases shall have the following meanings:

"Agreed Activity End Date" means the date specified as such in the Project Specific Conditions and being the date that all of the Project Activities shall be finished and complete.

"Agreed Financial Completion Date" means the date specified as such in the Project Specific Conditions and being the date that all of the expenditure eligible for grant will have been defrayed.

"Agreed Project Practical Completion Date" means the date specified as such in the Project Specific Conditions and being the date by which the Targets shall be achieved.

"Application" means the application for Grant (and any annexures thereto) which is contained in Schedule 5.

“Approved Use” means use of an Asset as set out in the Project Specific Conditions.

“Asset” means an asset which may be either a Fixed Asset or a Major Asset as appropriate in the relevant context and **“Assets”** shall be construed accordingly.

“Asset Register Template” means the asset register template notified to the Grant Recipient.

“Audit” means an audit/monitoring verification carried out pursuant to Articles 125 and 127 of Regulation 1303 by the Secretary of State in its role as ‘managing authority’ or the Government Internal Audit Agency in its role as ‘audit authority’, or any audit by the European Commission, European Court of Auditors or, where relevant, the National Audit Office.

“Capital Contribution Rate” means the percentage rate in respect of Eligible Capital Expenditure and is specified in the Project Specific Conditions.

“Capital Maximum Sum” means the maximum amount of Grant payable in respect of Eligible Capital Expenditure and is specified in the Project Specific Conditions.

[**“Capital Maximum Sum for the Less Developed Region”** means the maximum amount of Grant payable in respect of Eligible Capital Expenditure for the Less Developed Category of Region and is specified in the Project Specific Conditions.]

[**“Capital Maximum Sum for the More Developed Region”** means the maximum amount of Grant payable in respect of Eligible Capital Expenditure for the More Developed Category of Region and is specified in the Project Specific Conditions.]

[**“Capital Maximum Sum for the Transition Region”** means the maximum amount of Grant payable in respect of Eligible Capital Expenditure for the Transition Category of Region and is specified in the Project Specific Conditions.]

“Change” means in relation to the Project as defined in the Application any of the following changes (in accordance with clause 9):-

- (a) a change in the Ownership, Control and Nature of Business of the Grant Recipient;
- (b) a change in the nature or purpose of the Project;
- (c) any change to the Eligible Expenditure;
- (d) any change to the Expenditure Profile;
- (e) any change to any of the Key Milestone Dates;
- (f) any change to any of the Targets.

“Committed” means, in relation to any Match Funding, either:-

- (a) funding (which shall constitute all or any part of the Match Funding requirement contained in this Funding Agreement) which has been committed to the Grant Recipient in writing pursuant to which a third party makes available an amount to the Grant Recipient and which shall not be subject to any conditions precedent or conditions subsequent which are (in the opinion of the Secretary of State acting reasonably) unacceptable; or
- (b) funding which shall constitute all or any part of the Match Funding requirement contained in this Funding Agreement which shall be provided from the Grant Recipient's own resources the availability of which shall be evidenced to the Secretary of State.

“Completion” means completion of the Project Activities to the satisfaction of the Secretary of State.

“Conditions” means the terms and conditions upon which the Grant is payable as contained in clauses 1 to 27 of the main body of this Funding Agreement and the Project Specific Conditions at Schedule 1.

“Completed Project” means a Project that has been physically completed or fully implemented and in respect of which all related payments have been made by the Grant Recipient and the corresponding public contribution has been paid to the Grant Recipient.

“Confidential Information” means all Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, know-how, personnel, and suppliers of the owner of the Confidential Information, including all intellectual property rights, together with all information derived from any of the above, and any other information clearly designated as being confidential (whether or not it is marked "confidential") or which ought reasonably be considered to be confidential.

“Contracting Authority” means any contracting authority as defined in Regulation 3 of the Public Contracts Regulations 2006 or Regulation 2 of the Public Contracts Regulations 2015 (as amended) other than the Secretary of State.

“Contribution Rate” means the percentage rate of Eligible Expenditure at which Grant is paid as contained in the Project Specific Conditions and may be the Capital Contribution Rate and/or the Revenue Contribution Rate.

“Correction” means an amount to be repaid or withheld from the Grant payable as determined following the finding of an Irregularity and calculated by reference to the Guidelines for Determining Financial Corrections.

“Crown Body” means any Secretary of State, office or agency of the Crown.

“Data” means:-

- (a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are: (i) supplied to the Grant Recipient by or on behalf of the Secretary of State; or (ii) which the Grant

Recipient is required to generate, process, store or transmit pursuant to this Funding Agreement; or

(b) any Personal Data for which the Secretary of State is the Data Controller.

“Data Controller” shall have the same meaning as set out in the Data Protection Act 1998, as amended.

“Data Processor” shall have the same meaning as set out in the Data Protection Act 1998, as amended.

“Data Protection Legislation” means the Data Protection Act 1998, as amended, the EU Data Protection Directive 95/46/EC, the Regulation of Investigatory Powers Act 2000, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 (SI 2000/2699), the Electronic Communications Data Protection Directive 2002/58/EC, the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all applicable laws and regulations relating to processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner.

“Data Subject” shall have the same meaning as set out in the Data Protection Act 1998, as amended.

“Delivery Partner” means a third party that (in collaboration with the Grant Recipient) shall deliver the Project, itself defray expenditure to be claimed and carry out the Project Activities in accordance with clause 4 and which third party is not intended by either party to be providing services or works under a contract for services or works.

“Disposal” means the disposal, sale, transfer or the grant of any estate or interest in any Asset and includes any contract for a disposal and **“Dispose”** shall be construed accordingly.

“Eligibility Rules” means the rules governing eligibility of expenditure for payment of European Regional Development Fund contained in:

- (a) Regulation 1301;
- (b) Regulation 1303; and
- (c) The National European Regional Development Fund Eligibility Rules.

“Eligible Capital Expenditure” means the expenditure set out in the profile at Schedule 2.

“Eligible Expenditure” means expenditure in relation to this Project that complies in all respects with the Eligibility Rules.

“Eligible Revenue Expenditure” means the expenditure set out in the profile at Schedule 2.

“Environmental Information Regulations” means the Environmental Information Regulations 2004 (SI No 2004/3391) together with any guidance and/or codes of practice issued by the ‘Information Commissioner’ (as referred to therein) or relevant Government Department in relation to these regulations.

“European Union Procurement Law” includes, but is not restricted to EC Directives 2004/18/EC, 2004/17/EC and 2007/66/EC as implemented by the Public Contracts Regulations 2006 (SI No 5/2006), as amended, Directive 2014/24/EU as implemented by the Public Contracts Regulations 2015 and the Utilities Contracts Regulations 2006 (SI No 6/2006), as amended, and includes the EU Commission Interpretative Communication (2006/C 179/02), the Consolidated Versions of the Treaty on European Union and the Treaty on the Functioning of the European Union’.

“Event of Default” means an event or circumstance as defined by clause 12.1.

“Expenditure” means either capital expenditure or revenue Expenditure (as appropriate in the context).

“Expenditure Profile” means the information provided by the Grant Recipient detailing the spend forecast for the carrying out of the Project Activities and defrayal of expenditure including the Start Date and the Agreed Financial Completion Date and which is contained in Schedule 2.

“Financial Year” means the calendar year.

“Final Payment Date” means the date of the final payment of Grant to the Grant Recipient.

“Fixed Asset” means any Asset which consists of land and/or buildings, plant, machinery or other thing that is, or is to be, fixed to any land and which is to be acquired, developed, enhanced, constructed and/or installed as part of the Project.

“Funding Agreement” means this agreement including the Schedules.

“Grant” means the grant of European Regional Development Fund payable pursuant to this Funding Agreement up to the Maximum Sum as set out in the Project Specific Conditions.

“Grant Claim” means a claim for Grant using the Secretary of State’s System on line facility.

“Grant Recipient Equipment” means the hardware, computer and telecoms devices and equipment made available by the Grant Recipient or its sub-contractors (but not hired, leased or loaned from the Secretary of State) for the provision of the Project Activities.

“Grant Recipient Personnel” means all employees, agents, consultants and contractors of the Grant Recipient and/or of any sub-contractor.

“Grant Recipient Software” means software which is owned by or licensed to the Grant Recipient, including software which is or will be used by the Grant Recipient for the purposes of complying with its obligations pursuant to this Funding Agreement.

“Grant Recipient System” means the information and communications technology system used by the Grant Recipient in performing its obligations under this Funding Agreement including the Grant Recipient Software, Grant Recipient Equipment and related cabling (but excluding the Secretary of State System).

“Guidance Note on Revenue Generating Projects” means the guidance published from time to time by the Secretary of State and contained on the Website, the version subsisting at the date of this Funding Agreement being *[England Regional Development Fund Operational Programme 2014-20, Guidance on Revenue Generating Projects, September 2015]*.

“Guidelines for Determining Financial Corrections” means the Guidelines for determining financial corrections to be made to expenditure co financed by the Structural and Investment Funds from time to time in force and notified to the Grant Recipient by the Secretary of State and which (those subsisting on the date of this Funding Agreement) are:-

- Commission Decision C(2013) 9527 19.12.2013 on the setting out and approval of the guidelines for determining financial corrections to be made by the Commission to expenditure financed by the Union under shared management for non-compliance with the rules on public procurement.

“Information Communications and Technology Environment” means the Secretary of State System and the Grant Recipient System.

“Information” has the meaning given in the Freedom of Information Act 2000.

“Information Commissioner” has the meaning given in the Freedom of Information Act 2000.

“Instalment Period” means the period referred to in the Project Specific Conditions.

“Intellectual Property Right” means all patents, know-how, registered trade marks, registered designs, utility models, applications and rights to apply for any of the foregoing unregistered design rights, unregistered trade marks, rights to prevent passing off for unfair competition and copyright, database rights, topography rights and any other rights in any invention discovery or process in each case in the United Kingdom and all other countries in the world and together with all renewals and extensions.

“Irregularity” means any breach of Union law, or of national law relating to its application (including, but not limited to, the Structural and Investment Funds Regulations, State Aid Law and European Union Procurement Law) resulting from an act or omission by a Grant Recipient or a Delivery Partner (and/or its agents and subcontractors), which has, or would have, the effect of prejudicing the budget of the Union by charging an unjustified item of expenditure to the budget of the Union.

“Key Milestone Dates” means those milestones to achieve the Project which are contained in the Project Specific Conditions.

“Law” means any applicable law, statute, bye-law, regulation, order, regulatory policy, guidance or industry code, rule of court or directives or requirements of any

Regulatory Body, delegated or subordinate legislation or notice of any Regulatory Body.

“**Losses**” means all costs, charges, fees, expenses, fines and losses (including, loss of profit, loss of reputation) and all interest penalties and legal and other professional costs and expenses.

“**Major Asset**” means an Asset being used for the Project which is not a Fixed Asset but has a value as at the date of this Funding Agreement (or date of acquisition if the acquisition is funded (in whole or in part) by this Grant) of at least £5,000.00 (five thousand pounds).

“**Malicious Software**” means any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence.

“**Match Funding**” means the contribution to the Project to meet the balance of Eligible Expenditure not supported by Grant and the Match Funding details are contained in the Project Specific Conditions.

[“**Match Funding Longstop Date**” means the last date by which the Grant Recipient is to provide evidence to the Secretary of State that any Match Funding listed as indicative is fully Committed.]

“**Material Breach**” means a breach of this Funding Agreement (including an anticipatory breach) which is not minimal or trivial in its consequences as further set out in clause 12.

“**Maximum Sum**” means the maximum amount of Grant to be provided by the Secretary of State for the support of the Project and includes the Capital Maximum Sum and the Revenue Maximum Sum.

“**National European Regional Development Fund Document Retention Guidance**” means the guidance published from time to time by the Secretary of State and contained on the Website, the version subsisting at the date of this Funding Agreement being [*Document Retention Including Electronic Data Exchange for 2014-20 European Regional Development Fund Projects*].

“**National European Regional Development Fund Eligibility Rules**” means the National Eligibility Rules published from time to time by the Secretary of State and contained on the Website, the version subsisting at the date of this Funding Agreement being [*European Regional Development Fund Operational Programme for England 2014-20, National Eligibility Rules, March 2015*]

“**National European Regional Development Fund Publicity Guidance**” means the guidance on publicity and the branding guidelines for European Regional Development Fund published from time to time by the Secretary of State on the Website, the version subsisting at the date of this Funding Agreement being [*England 2014 to 2020 European Structural and Investment Funds Growth Programme*,

European Regional Development Fund and European Social Fund Branding and Publicity Requirements, October 2015].

“National European Regional Development Fund State Aid Law Guidance” means the guidance published from time to time by the Secretary of State and contained on the Website, the version subsisting at the date of this Funding Agreement being [*State Aid Law, European Regional Development Fund Guidance Note for Grant Recipients, March 2015*].

“National European Regional Development Fund Guidance on Procurement” means the guidance published from time to time by the Secretary of State and contained on the Website, the version subsisting at the date of this Funding Agreement being [*Procurement Law, ESIF Compliance Guidance Note (ESIF-GN-1-001 version 1 (16 July 2015))*].

“Not Eligible” means expenditure that is not Eligible Expenditure.

“Ownership, Control and Nature of Business” shall be construed in accordance with section 840 of the Income and Corporation Taxes Act 1988 and section 1162 of the Companies Act 2006 and for the avoidance of doubt shall include an evaluation of dominant influence and shadow directorships in the Grant Recipient from time to time.

“Parties” means the Secretary of State and the Grant Recipient.

“Personal Data” shall have the same meaning as set out in the Data Protection Act 1998, as amended.

“Process” has the meaning given to it under the Data Protection Act 1998, as amended but, for the purposes of this Funding Agreement, it shall include both manual and automatic processing.

“Project” means the project fully described in the Application.

“Project Activities” means all the activities to be carried out and implemented in the Project and described in the Application and this Funding Agreement and anything incidental thereto.

“Project Specific Conditions” means those conditions which are specific to the Project and are contained in Schedule 1.

“Project Specific Eligible Expenditure” means Eligible Expenditure which is specific to this Project and is contained in Schedule 2.

“Project Change Request Form” means the prescribed form for the purpose of requesting consent to a Change determined from time to time by the Secretary of State.

“Public Sector Financial Assistance” includes all funding received or receivable by the Grant Recipient from public sector bodies including for this purpose funding from the European Commission, government bodies (whether national or local) or bodies

in receipt of lottery funds from the National Lottery Distribution Fund pursuant to the National Lotteries Acts 1993 and 1998.

“Regulation 480” means Commission Delegated Regulation (EU) No 480/2014 of 3 March 2014 supplementing Regulation 1303.

“Regulation 821” means Commission Implementing Regulation (EU) No 821/2014 of 28 July 2014 supplementing Regulation 1303.

“Regulation 1301” means Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013, on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal, as amended.

“Regulation 1303” means Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 which sets out common provisions on the Structural and Investment Funds, as amended.

“Regulatory Bodies” means those government departments and regulatory, statutory and other entities, committees and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate, or influence the matters dealt with in this Funding Agreement or any other affairs of the Secretary of State and "Regulatory Body" shall be construed accordingly.

“Revenue Contribution Rate” means the percentage rate in respect of Eligible Revenue Expenditure as is specified the Project Specific Conditions at Schedule 1.

“Revenue Maximum Sum” means the maximum amount of Grant payable in respect of Eligible Revenue Expenditure as is specified in the Project Specific Conditions.

["Revenue Maximum Sum for the Less Developed Region” means the maximum amount of Grant payable in respect of Eligible Revenue Expenditure for the Less Developed Category of Region and is specified in the Project Specific Conditions.]

["Revenue Maximum Sum for the More Developed Region” means the maximum amount of Grant payable in respect of Eligible Revenue Expenditure for the More Developed Category of Region and is specified in the Project Specific Conditions.]

["Revenue Maximum Sum for the Transition Region” means the maximum amount of Grant payable in respect of Eligible Revenue Expenditure for the Transition Category of Region and is specified in the Project Specific Conditions.]

“Secretary of State System” means the Secretary of State’s computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Secretary of State or the Grant Recipient in connection with this Funding Agreement which is owned by or licensed to the Secretary of State by a third party and which interfaces with the Grant Recipient System or which is necessary for the Secretary of State to comply with the terms of this Funding Agreement.

“Security” means any mortgage, charge, guarantee or other security interest securing an obligation of the Grant Recipient (or a relevant guarantor) required by the Secretary of State as specified (if required) in the Project Specific Conditions.

“Small to Medium Sized Enterprise” or “SME” means a small to medium sized enterprise as set out in the ‘General Block Exemption Regulation’ (Commission Regulation (EU) No 651/2014).

“Start Date” is the date specified as such in the Project Specific Conditions being the earliest date that the expenditure incurred by the Grant Recipient in relation to the Project can be Eligible Expenditure.

“State Aid Law” means the law embodied in Articles 107 -109 of Section 2, Title VII, of the Common Rules on Competition, Taxation and Approximation of Laws-Consolidated Versions of the Treaty on European Union and the Treaty on the Functioning of the European Union.

“Structural and Investment Funds” means together the European Regional Development Fund (ERDF) and the European Social Fund (ESF).

“Structural and Investment Funds Regulations” means Regulation 1301, Regulation 1303 and any delegated acts or implementing acts adopted under those Regulations.

“Targets” means the outputs and results identified and detailed in the milestone table contained in the Project Specific Conditions and Schedule 3.

“Third Party Software” means software which is owned or licensed by any third party which is or will be used by the Grant Recipient for the purposes of this Funding Agreement.

“Transaction List” means the transaction checklist relevant to a particular Grant Claim as determined by the Secretary of State.

“Useful Economic Life” means the period of years following the Final Payment Date that any Asset shall be used for the Approved Use as set out in Schedule 1.

“Website” means the national website for European Regional Development Fund Programme in England: <https://www.gov.uk/european-growth-funding>.

“Working Day” means any day from Monday to Friday (inclusive) which is not Christmas Day, Good Friday or a statutory bank holiday in England.

2 INTERPRETATION

In this Funding Agreement:

- 2.1 reference to any statute or legislation shall include any statutory extension or modification, amendment or re-enactment of such statutes and include all instruments, orders, bye-laws and regulations for the time being made, issued or given thereunder or deriving validity therefrom, and all other legislation of the European Union that is directly applicable to the United Kingdom;

- 2.2** reference to any clause, sub-clause, paragraph, sub-paragraph or schedule without further designation shall be construed as a reference to the clause, sub-clause, paragraph, sub-paragraph or schedule to this Funding Agreement so numbered;
- 2.3** reference to 'this Funding Agreement' includes any variations made from time to time pursuant to these terms;
- 2.4** reference to "Published" by the Secretary of State shall include an electronic version contained on the Website;
- 2.5** reference to "including" shall be construed so as not to limit the generality of any words or expressions in connection with which it is used;
- 2.6** reference to "determined" or "determine" means, unless the contrary is indicated a determination made at the discretion of the person making it;
- 2.7** where the consent approval or agreement of the Secretary of State required pursuant to the terms of this Funding Agreement, it shall not be construed as having been given unless provided in writing;
- 2.8** words importing one gender shall include both genders and the singular shall include the plural and vice versa;
- 2.9** the Guidelines for Determining Financial Corrections and the National European Regional Development Fund Eligibility Rules shall have the same force and effect as if expressly set out in the body of this Funding Agreement;
- 2.10** the headings in this Funding Agreement shall not affect its interpretation;
- 2.11** In the event of a conflict between the following elements comprising this Funding Agreement the priority shall prevail in the following descending order;
- (a) The conditions set out at Schedule 1 ("Project Specific Conditions")
 - (b) The conditions set out in the main body of this Funding Agreement
 - (c) The Application.

3 GRANT

- 3.1** In consideration of the Parties' respective obligations contained in this Funding Agreement the Secretary of State offers the Grant and the Grant Recipient accepts the Grant up to the Maximum Sum on the terms and conditions of this Funding Agreement.
- 3.2** Grant will only be paid in respect of Eligible Expenditure.
- 3.3** Eligible Expenditure excludes:-
- (a) payments made by the Grant Recipient (or Delivery Partners) that are Not Eligible;

(b) payments that are the subject of an Irregularity or a suspected Irregularity.

3.4 Subject to entering into this Funding Agreement Eligible Expenditure that has been defrayed on or after the Start Date may be claimed pursuant to this Funding Agreement. For the avoidance of doubt, the reference to Grant and the provisions of this Funding Agreement shall apply to all claims and Expenditure beginning on the Start Date. If the Funding Agreement is not entered into for any reason there shall be no expectation of Grant and any expenditure incurred in that case shall be entirely for the account and at the risk of the applicant.

4 THE APPLICATION AND ACCEPTANCE OF GRANT TERMS

4.1 The Grant Recipient warrants to the Secretary of State that the Application is accurate in all respects, having made proper and full enquiry in relation to the same. The Secretary of State has based its decision to offer and pay the Grant (and has relied) upon the representations made by the Grant Recipient in the Application and in all documents and information provided as part of the appraisal process. No disclaimer or other statement that precludes the right of any person to rely upon the Application or any other document that forms part of the Application, or has a similar effect, shall apply with respect to the Secretary of State or affect the Secretary of State's right to enforce any provision of the Funding Agreement.

4.2 For the avoidance of doubt, clause 4.1 is intended to ensure that:-

- (a) no disclaimer of liability for the contents of the Application affects the Secretary of State's right to recover any sum under this Funding Agreement; and
- (b) there is reserved to the Secretary of State (notwithstanding clause 27.12) any rights of action or remedies for any mistake, negligent misstatement, misrepresentation or error of judgment made in the Application upon which the Secretary of State has relied in agreeing to provide Grant to the Grant Recipient.

4.3 The Grant Recipient accepts and agrees to all of the terms having made full and proper enquiry before giving the warranties contained in this Funding Agreement.

4.4 The Grant Recipient acknowledges that the Grant has been offered to it to carry out the Project Activities specified within the Application and achieve the Targets within the time limits set out in this Funding Agreement and the Key Milestone Dates set out in the table contained in the Project Specific Conditions.

4.5 The Grant Recipient may with the consent of the Secretary of State task a Delivery Partner to carry out certain of the Project Activities provided that such shall not in any way reduce any of the obligations or liability of the Grant Recipient under this Funding Agreement. If Consent is given the Delivery Partner shall be named in the Project Specific Conditions.

4.6 For the avoidance of doubt the Grant Recipient shall be liable for the acts of its Delivery Partner including any Corrections resulting therefrom.

5 GRANT CLAIMS

5.1 Amount of Grant payable

- (a) The total amount of Grant payable in respect of Eligible Capital Expenditure will be either the Capital Maximum Sum, or an amount calculated by applying the Capital Contribution Rate to the actual Eligible Capital Expenditure, whichever is the lower.
- (b) The total amount of Grant payable in respect of Eligible Revenue Expenditure will be either the Revenue Maximum Sum, or an amount calculated by applying the Revenue Contribution Rate to the actual Eligible Revenue Expenditure, whichever is the lower.
- (c) The total amount of Grant paid to the Grant Recipient shall not exceed the Maximum Sum.
- (d) [The total amount of Grant payable in respect of Eligible Revenue Expenditure for the Less Developed Category of Region shall not exceed the Revenue Maximum Sum for the Less Developed Region].
- (e) [The total amount of Grant payable in respect of Eligible Revenue Expenditure of the More Developed Region shall not exceed the Revenue Maximum Sum for the More Developed Region].
- (f) [The total amount of Grant payable in respect of Eligible Revenue Expenditure for the Transition Category of Region shall not exceed the Revenue Maximum Sum for the Transition Region].
- (g) [The total amount of Grant payable in respect of Eligible Capital Expenditure for the Less Developed Category of Region shall not exceed the Capital Maximum Sum for the Less Developed Region].
- (h) [The total amount of Grant payable in respect of Eligible Capital Expenditure for the More Developed Region shall not exceed the Revenue Maximum Sum for the More Developed Region].
- (i) [The total amount of Grant payable in respect of Eligible Capital Expenditure for the Transition Category of Region shall not exceed the Capital Maximum Sum for the Transition Region].

5.2 Match Funding Arrangements

- (a) The payment of Grant is conditional upon the receipt by the Grant Recipient of the Match Funding or the Match Funding being Committed.
- (b) The Match Funding shall be compliant with the provisions of the Eligibility Rules.
- (c) The Grant Recipient shall notify the Secretary of State in writing immediately of any failure by the Grant Recipient or a third party to make a contribution due

under the Match Funding, or any circumstance that affects or might affect the payment or availability of Match Funding.

5.3 Conditions Precedent to the payment of Grant

The Secretary of State will not make the first payment of Grant and/or any subsequent payment of Grant unless all of the following preconditions have been complied with:-

- (a) the relevant Grant Claim is made on the Secretary of State System on line facility;
- (b) the expenditure is Eligible Expenditure;
- (c) the Grant Recipient has satisfied the Secretary of State that the Grant Recipient has sufficient Match Funding Committed at the Start Date to achieve Completion of the Project by the Agreed Activity End Date;
- (d) the Grant Recipient has satisfied the Secretary of State that the Grant Recipient has all funding needed to pay for expenditure in relation to the Project which is Not Eligible Expenditure;
- (e) that Eligible Expenditure has been defrayed (that is that Eligible Expenditure has been incurred and that payment has been made by the Grant Recipient or a Delivery Partner) in respect of any Eligible Expenditure to which a Grant Claim relates;
- (f) any Security required as set out in the Project Specific Conditions is in place to the extent stated; and
- (g) the Conditions have been fully complied with provided that the Secretary of State may waive in whole or in part any Condition/s without prejudicing the Secretary of State's right to require subsequent fulfilment of such Condition/s;

provided always that the payment of a Grant Claim shall not operate as a waiver of any of the obligations in this clause 5.3 or exclude the right for the Secretary of State to exercise any of its rights under this Funding Agreement.

5.4 Grant Claims Procedure

- (a) The Grant Recipient shall make all Grant Claims in arrears, for each Instalment Period.
- (b) The Grant Recipient shall provide a forecast of the amount of Grant to be claimed for an Instalment Period in accordance with paragraph (c) by the 7th day of the month following the end of the Instalment Period for which the Grant Claim will be made.
- (c) Except for the final Grant Claim, each Grant Claim is to be submitted by the 15th day of the month following the end of the Instalment Period for which the Grant Claim is made.

- (d) The first Grant Claim made at the end of the first Instalment Period shall relate to all Eligible Expenditure incurred and paid by the Grant Recipient from the Start Date. Subsequent Grant Claims shall relate to all Eligible Expenditure incurred and paid by the Grant Recipient in an Instalment Period.
- (e) Each Grant Claim is to be submitted using the Secretary of State System on line facility. Each Grant Claim shall include accounting documents of verifiable value (which shall include the Transaction List) in such format and detail as may be acceptable to the Secretary of State relating to the amount claimed in such Grant Claim.
- (f) The Secretary of State will normally meet a Grant Claim within 20 Working Days of receipt, but this is subject to:
 - (i) The Grant Recipient submitting a forecast in accordance with paragraph (b) above;
 - (ii) The Grant Claim being submitted by the deadline referred to in paragraph (c) above; and
 - (iii) the Grant Recipient satisfactorily meeting any request for further particulars about the Eligible Expenditure specified in the Grant Claim or any other details provided for in the Grant Claim.
- (g) The time for payment of the Grant Claim shall not be of the essence. The Secretary of State shall have no liability to the Grant Recipient for any Losses caused by a delay in the payment of a Grant Claim howsoever arising.
- (h) The Grant Recipient must notify the Secretary of State promptly if at any time it becomes aware that it is unable to make a Grant Claim in accordance with the Expenditure Profile.
- (i) A progress report in respect of the Project must be submitted with each Grant Claim, and at such other times as the Secretary of State may notify to the Grant Recipient.
- (j) By submitting a Grant Claim the Grant Recipient warrants to the Secretary of State that there is no Event of Default or Material Breach subsisting by reference to the facts and circumstances existing on each such date.

5.5 Retention of Grant

Without prejudice to any other provision of this Funding Agreement the Secretary of State will retain [10]% of the Grant which shall not be released unless and until the following events have occurred:-

- (a) Completion of the Project Activities;
- (b) the Secretary of State has received, and is satisfied with, the final monitoring report following the final monitoring visit;
- (c) all audit issues outstanding are resolved; and

provided always that the release of the retention shall not operate as an acknowledgement or waiver and shall not preclude the Secretary of State from exercising any of its rights under this Funding Agreement.

6 THE EXPENDITURE PROFILE

6.1 If in any Financial Year (the "relevant year") there is a shortfall in the amount of Eligible Expenditure by reference to the amount planned in the Expenditure Profile, the Secretary of State will be under no obligation to pay Grant for any additional Eligible Expenditure in the following year or any later Financial Year.

6.2 If in any Financial Year (the "relevant year") there is an overspend in the amount of Eligible Expenditure by reference to the amount planned in the Expenditure Profile, the Secretary of State will be under no obligation to pay Grant in the following year or any later Financial Year which was overspent in any relevant year.

7 DECOMMITMENT OF EUROPEAN REGIONAL DEVELOPMENT FUND RESOURCES

7.1 The Grant Recipient acknowledges that the financial consequences that flow from a departure from the Expenditure Profile in any Financial Year could include the loss of European Regional Development Fund resources allocated for the Operational Programme (if in that year there is under-spending for the Operational Programme as a whole).

7.2 If during any Financial Year of the Operational Programme the Secretary of State is reasonably satisfied that there will be a shortfall in Eligible Expenditure and that the Grant Recipient will be unable to make up that shortfall then, the Secretary of State may reduce the Grant allocated for the Project and use the amount of the reduction for any other purpose of the Operational Programme. The amount to be re-allocated under these circumstances is determinable by the Secretary of State, but may not exceed the amount of the anticipated shortfall in Eligible Expenditure.

7.3 Where the right reserved in clause 7.2 arises under circumstances that also entitle the Secretary of State to exercise the rights reserved in clause 12, the right reserved to the Secretary of State in clause 7.2 is exercisable in addition and without prejudice to the exercise of the rights reserved to the Secretary of State in clause 12.

8 PROVISIONS RELATING TO ANY ASSETS

8.1 Inventory of the Assets

Using the Asset Register Template the Grant Recipient must establish and maintain an inventory of all of the Assets. The provisions of clause 14.5 shall apply to all Assets.

8.2 Change of use of any Asset

(a) The Grant Recipient covenants with the Secretary of State that it will not use any Asset for any purpose other than the Approved Use throughout the Useful Economic Life of the Asset.

- (b) During the Useful Economic Life of each Asset, the Grant Recipient shall not cease to use the Asset, or any part of the Asset for the Approved Use without the prior written consent of the Secretary of State. If consent is given, it may be subject to any conditions which the Secretary of State may wish to impose. Such conditions may include repayment by the Grant Recipient to the Secretary of State of all or part of the Grant paid to the Grant Recipient under this Funding Agreement.

8.3 Disposal of any Asset

- (a) During the Useful Economic Life of an Asset the Grant Recipient must not dispose of any interest in such Asset without the prior written consent of the Secretary of State. If the Secretary of State grants consent to a Disposal, such consent may be subject to satisfaction of certain conditions, to be determined by the Secretary of State.
- (b) Where the Grant Recipient disposes of any interest in any Asset without the prior written consent of the Secretary of State, then the proceeds of the Disposal (limited to the total amount paid by the Secretary of State to the Grant Recipient under this Funding Agreement) shall be held on trust by the Grant Recipient for the benefit of the Secretary of State.
- (c) The liability under clause 8.3(b) is separate from the liability to comply with any decision of the Secretary of State under clause 12 to require repayment of the whole or any part of the amount paid of the Grant, to the Grant Recipient (but subject to clause 27.12 below).
- (d) The Grant Recipient shall provide to the Secretary of State as part of the progress report referred to in clause **Error! Reference source not found.** information in relation to any Disposals which it either intends to make or has made with the prior written consent of the Secretary of State at the date of such progress report.

8.4 Charging of any Asset

During the Useful Economic Life of each Asset the Grant Recipient shall not create any charge, legal mortgage, debenture, or lien over any Asset without the prior written consent of the Secretary of State (except for Security contemplated by the Project Specific Conditions).

9 CHANGES TO THE PROJECT

- 9.1 All Changes must be approved by the Secretary of State prior to the relevant Change being deemed to be effective. The Grant Recipient shall request the Change on a Project Change Request Form. The Secretary of State shall either agree to the change request or reject the change request within 60 days of the date of the Project Change Request Form.
- 9.2 Until such time as a Change is made in accordance with this clause, the parties shall, unless otherwise agreed in writing, continue to perform this Funding Agreement in compliance with its terms before such Change.

10 LEGISLATION, PROCUREMENT, TENDERING AND STATE AID LAW

10.1 General

- (a) The Grant Recipient must comply and secure compliance with the Structural and Investment Funds Regulations and the Grant Recipient hereby warrants that it shall not act or omit to act in any way that may cause the Grant Recipient, a Delivery Partner or the Secretary of State to breach the Structural and Investment Funds Regulations.
- (b) The Grant Recipient acknowledges that in accordance with Article 6 of Regulation 1303, the Project must comply with applicable Union law and the national law relating to its application.

10.2 State Aid Law

- (a) The Secretary of State has published the National European Regional Development Fund State Aid Law Guidance to assist the Grant Recipient to assess State Aid Law issues relating to the Project. This Guidance is not compulsory and does not have to be followed as a condition of this Funding Agreement.
- (b) The Grant Recipient has undertaken its own independent assessment of the compatibility of the Project with State Aid Law and confirms to the Secretary of State that the Project is structured so it is compliant with State Aid Law. Where the Secretary of State has provided its views on any aspect of State Aid Law, the Grant Recipient confirms that it has considered this information alongside all other sources of State Aid Law available at the time of entering into this Funding Agreement (including regulations and decisions published on the European Commission website) in undertaking its own assessment of the Project's compliance. The Secretary of State has taken into account the Grant Recipient's representations on State Aid Law compliance in deciding to offer the Grant.
- (c) The Grant Recipient shall procure and maintain the necessary expertise and resources to deliver the Project in accordance with the State Aid Law for the full term of the Project. The Grant Recipient agrees to maintain appropriate records of compliance with the State Aid Law and agrees to take all reasonable steps to assist the Secretary of State to comply with State Aid Law requirements and respond to any investigation(s) instigated by the European Commission into the Project.
- (d) A finding of State Aid non-compliance in respect of the Project by the European Commission or a Court of competent jurisdiction may lead to Grant Recipient being ordered to repay the Grant with interest in accordance with the European Commission's reference rates.

10.3 European Union Procurement Law

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- (a) The Grant Recipient warrants that it has complied with European Union Procurement Law to date in relation to the Project to the extent required by Law.
- (b) The Grant Recipient shall comply with current European Union Procurement Law at all times in relation to the Project to the extent required by Law.

10.4 Tendering

Where the Grant Recipient is not subject to current European Union Procurement Law in relation to the Project it shall comply with the National European Regional Development Fund Guidance on Procurement

11 PUBLICITY

11.1 The Grant Recipient shall and shall procure that its Delivery Partners and sub-contractors at all times comply with:-

- (a) Articles 115 and Annex XII of Regulation 1303; and
- (b) Chapter II and Annex II of Regulation 821.

11.2 The Secretary of State has published the National European Regional Development Fund Publicity Guidance to assist the Grant Recipient to comply with the Regulations referred to in the paragraph above. This guidance is not compulsory and does not have to be followed as a condition of this Funding Agreement. It is the Grant Recipient's sole responsibility to ensure compliance with the Regulations.

11.3 The obligations in this clause shall continue after this Funding Agreement is terminated.

11.4 The Grant Recipient hereby gives consent to the Secretary of State to publicise in the press or any other medium the Grant and the details of the Project using any information gathered from the Application or the monitoring of the Project Activities.

12 EVENTS OF DEFAULT, MATERIAL BREACH AND RIGHTS RESERVED FOR BREACH OF THE FUNDING AGREEMENT

12.1 Events of Default

An Event of Default is the occurrence of any of the following:-

- (a) the Grant Recipient fails to comply with the Conditions;
- (b) the Project Activities are not commenced by the date which is 3 months after the Start Date;
- (c) the expenditure is not claimed in line with the Expenditure Profile;
- (d) Completion of the Project Activities has not been achieved by the Agreed Activity End Date;

- (e) a Change is made to the Project without the prior written approval of the Secretary of State, as required by clause 9;
- (f) the Approved Use of any Asset has ceased without the prior written consent of the Secretary of State before the expiry of its Useful Economic Life;
- (g) the European Commission or a European Court requires any Grant paid to be recovered by reason of a breach of State Aid Law;
- (h) the Grant Recipient fails to comply with the provisions of the exemption or scheme (referred to in the Project Specific Conditions) under State Aid Law that applies to the Project and the Grant;
- (i) any report or certificate made by the Grant Recipient's auditor or reporting accountant is unsatisfactory (where, for example, the report or certificate refers to a fundamental uncertainty or disagreement, or contains a material qualification, or states that the auditor or accountant is unable to form an opinion about any item, or reports that any amount is not correctly stated in the accounts or records examined);
- (j) the Grant Recipient owes any sum to the Secretary of State under an agreement for the financial support of any other Project or activities;
- (k) if the Grant Recipient is a Small to Medium Sized Enterprise, but it ceases to be a Small to Medium Sized Enterprise, and it is a requirement arising out of State Aid Law that the Grant Recipient remains as a Small to Medium Sized Enterprise;
- (l) an encumbrancer takes possession or a receiver or administrative receiver or manager or sequestrator is appointed of the whole or any part of the undertaking assets rights or revenues of the Grant Recipient or a distress or other process is levied or enforced upon any of the assets rights or revenues of the Grant Recipient and any such action is not lifted or discharged within 10 Working Days;
- (m) a petition is presented (other than a petition which, in the opinion of the Secretary of State, is frivolous or vexatious and which is withdrawn or stayed within 10 Working Days) to, or any order is made by, any competent court for the appointment of an administrator in relation to the Grant Recipient;
- (n) the Grant Recipient is, or is adjudicated or found to be, insolvent or stops or suspends payment of its debts or is (or is deemed to be) unable to or admits inability to pay its debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of its creditors generally or proceedings are commenced in relation to the Grant Recipient under any law regulation or procedure relating to reconstruction or adjustment of debts;
- (o) any petition is presented by any person (other than a petition which, in the opinion of the Secretary of State, is frivolous or vexatious and which is withdrawn or stayed within 10 Working Days) or any order is made by any competent court or any resolution is passed by the Grant Recipient for its

winding-up or dissolution or for the appointment of a liquidator of the Grant Recipient.

12.2 Material Breach

A Material Breach is a breach of this Funding Agreement as defined in clause 1 above including but not limited to the occurrence of any of the following:-

- (a) any information given or representation made in the Application or in any correspondence, report or other document submitted to the Secretary of State relating to this Project or under this Funding Agreement is found to be incorrect or incomplete to an extent which the Secretary of State considers to be material;
- (b) any fraud has been committed by the Grant Recipient and/or its employees in connection with the Project;
- (c) a breach of the warranties by the Grant Recipient contained in and given pursuant to this Funding Agreement;
- (d) the Grant Recipient in breach of clause 8.3 makes a Disposal of any Asset without the prior written consent of the Secretary of State;
- (e) the Grant Recipient fails to materially comply with the Conditions;
- (f) the activities carried out by the Grant Recipient are distinct or different from the description set out in the Application having regard also to the intended function of the Project Activities and the end beneficiaries of the Project.

12.3 Rights reserved for the Secretary of State in relation to an Event of Default

Where, the Secretary of State determines that an Event of Default or a Material Breach has or may have occurred, the Secretary of State may by written notice to the Grant Recipient take any one or more of the following actions:

- (a) suspend the payment of Grant for such period as the Secretary of State shall determine; and/or
- (b) reduce the Maximum Sum in which case the payment of Grant shall thereafter be made in accordance with the reduction and notified to the Grant Recipient; and/or
- (c) cease to make payments of Grant to the Grant Recipient under this Funding Agreement and (in addition) require the Grant Recipient to repay to the Secretary of State the whole or any part of the amount of Grant previously paid to the Grant Recipient; and/or
- (d) terminate this Funding Agreement.

12.4 Opportunity for the Grant Recipient to remedy an Event of Default

- (a) If the Secretary of State gives written notice to the Grant Recipient pursuant to clause 12.3(a) to suspend payment of Grant, such notice shall specify the relevant Event of Default and give the Grant Recipient an opportunity to rectify the relevant Event of Default within such period as the Secretary of State shall determine to be reasonable and as shall be set out in such written notice (or such extended period as the Secretary of State shall thereafter determine).
- (b) The written notice referred to in clause 12.4(a) above may include a requirement for the Grant Recipient to provide specified information to the Secretary of State to assist him to determine whether the default has been rectified to his satisfaction.
- (c) Where the rectification of the default requires a Change the procedure under clause 9 shall be followed.
- (d) The Secretary of State shall not by reason of the occurrence of an Event of Default which is, in the opinion of the Secretary of State, capable of remedy, exercise its rights under either clause 12.3(c) or clause 12.3(d) unless the Grant Recipient has failed to rectify the default pursuant to clause 12.4(a) within such period referred to in clause 12.4(a) to the satisfaction of the Secretary of State.

12.5 Continued rights of actions or remedies of the Secretary of State

The exercise by the Secretary of State of its rights under clause 12.3 shall be without prejudice to any other right of action or remedy of the Secretary of State in respect of any breach by the Grant Recipient of the provisions of this Funding Agreement.

12.6 Cessation of entitlement to Grant

If the Secretary of State exercises their right under clause 12.3(c) the Secretary of State shall give written notice to the Grant Recipient that the Secretary of State is ceasing to make payment of Grant and from the date of such notice the Secretary of State shall cease to be under any obligation to pay any amount of Grant to the Grant Recipient under the Funding Agreement.

12.7 Liability to meet demand for repayment of Grant and Covenant to Pay

- (a) Where the Secretary of State requires the Grant Recipient to repay any amount of Grant, the Grant Recipient shall repay the amount concerned within 20 Working Days of receiving the demand for repayment. The liability to meet such a demand shall be enforceable as a contractual debt.
- (b) Where the Secretary of State makes a determination to recover any amount of Grant, it may recover the amount concerned by withholding or deducting the amount from any sum due from the Secretary of State to the Grant Recipient under this Funding Agreement or under any funding agreement for the support of any other project or activities by the European Regional Development Fund, or under any other agreement with the Secretary of State.

- (c) The Secretary of State may require interest to be paid on any amount repayable by the Grant Recipient in accordance with the rates published in the Official Journal of the European Union from time to time.

12.8 Reduction in grant for underperformance

- (a) This clause applies where the Secretary of State determines that the Grant Recipient has underperformed against the Targets to such a degree that a reduction in Grant may be made in accordance with the underperformance weightings and methodology set out in Schedule 4.
- (b) Where this clause applies, the Secretary of State shall give written notice to the Grant Recipient specifying the Targets it has underperformed against and giving the Grant Recipient an opportunity to rectify that underperformance within such period as the Secretary of State shall determine to be reasonable and as shall be set out in such written notice (or such extended period as the Secretary of State shall thereafter determine).
- (c) The written notice referred to in the paragraph above may include a requirement for the Grant Recipient to provide specified information to the Secretary of State to assist him to determine whether that underperformance has been rectified to his satisfaction.
- (d) Where the rectification of the underperformance requires a Change, the procedure under clause 9 shall be followed.
- (e) Where the Grant Recipient fails to rectify the underperformance to the Secretary of State's satisfaction within the specified time period, the Secretary of State may by written notice to the Grant Recipient, reduce the amount of Grant allocated to the Project by an amount calculated in accordance with the underperformance weightings and methodology set out in Schedule 4.
- (f) Where the amount of Grant is reduced under this clause, the Secretary of State shall either require the Grant Recipient to repay to the Secretary of State the whole or any part of the amount of Grant previously paid to the Grant Recipient and/or shall offset it from a future Grant Claim, as appropriate.

12.9 Corrections

- (a) Notwithstanding any other provision in this Funding Agreement the Secretary of State may impose a Correction. If a Correction is imposed a notice will be sent to the Grant Recipient setting out the Irregularity that the Secretary of State considers has occurred together with the level of Correction imposed having regard to the Guidelines for Determining Financial Corrections and/or the value of the Grant Claim to the extent that the Irregularity applies to it.
- (b) If a Correction is imposed the Grant Recipient shall either pay the amount or agree to the Correction being offset from a future Grant Claim as the case may be. The Secretary of State shall be at liberty to offset an amount of Grant in anticipation of a Correction pending the final outcome of any discussions or representations made by the Secretary of State and/or the Grant Recipient in respect of the Correction.

- (c) The Grant Recipient shall be at liberty to make representations in writing to the Secretary of State setting out the reasons it considers that the Correction should be adjusted together with evidence in sufficient detail to enable the Secretary of State to reconsider the requirement for the Correction provided always that the Secretary of State's decision shall be final and binding.

12.10 Exclusion of liability

- (a) Neither party shall be liable to the other party (so far as permitted by law) for indirect special or consequential loss or damage in connection with this Funding Agreement which shall include, without limitation, any loss of or damage to profit, revenue, contracts, anticipated savings, goodwill or business opportunities whether direct or indirect.
- (b) Each party shall at all times take all reasonable steps to minimise and mitigate any loss or damage for which the relevant party is entitled to bring a claim against the other party pursuant to this Funding Agreement.
- (c) With respect to other claims so far as permitted by law the Secretary of State shall under no circumstances whatever be liable to the Grant Recipient whether in contract, tort (including negligence), breach of statutory duty, or otherwise for any Losses arising under or in connection with this Funding Agreement that would exceed the amount of the Maximum Sum less any amount of Grant Paid.
- (d) Any clause limiting the Grant Recipient's liability does not apply in relation to a Correction that applied in accordance with this Funding Agreement.

13 ASSIGNMENT OR CHARGING OF THE FUNDING AGREEMENT

- 13.1** The Grant Recipient may not, without the prior written consent of the Secretary of State, assign its rights under the Funding Agreement or charge the benefit of the Funding Agreement or novate the rights and liabilities of the Funding Agreement to a third party.
- 13.2** If the Grant Recipient wishes to assign, charge or novate its rights and liabilities under the Funding Agreement, it will give as much notice as possible of its proposals to the Secretary of State and will provide a full account of relevant circumstances and such further particulars as the Secretary of State shall request concerning the party to which the Funding Agreement is proposed to be assigned, novated or charged.
- 13.3** The Secretary of State shall determine as to whether or not to give consent to an assignment or novation or charging of the Funding Agreement or as to any conditions to be imposed.
- 13.4** If the Secretary of State consents to an assignment, charge or novation, then the Secretary of State may notify the Grant Recipient that the documentation giving effect to the assignment, charge or novation is to be approved by the Secretary of State and copies of all completed documents supplied to the Secretary of State upon completion of the same.

14 MONITORING PROGRESS, REPORTING AND NOTIFICATIONS

14.1 Submission of progress reports

- (a) The Grant Recipient must send to the Secretary of State, at such intervals as the Secretary of State shall notify in writing to the Grant Recipient, a report on progress made towards the achievement of the Targets. Without prejudice to any provision of any of this Funding Agreement conferring a remedy for failure to achieve any of the Targets, this obligation shall subsist until the Targets have been achieved or, if earlier, until the end of the Useful Economic Life of the Assets.
- (b) The Grant Recipient must provide such additional information in such format as the Secretary of State may at any time require. This includes information about the progress of the Project Activities, the achievement of the Targets and any other information required to enable the Secretary of State to meet its reporting obligations and other obligations under State Aid Law and the Structural and Investment Funds Regulations.
- (c) The Grant Recipient warrants the accuracy of the reports and information it gives pursuant to this clause 14 and further warrants that it has diligently made full and proper enquiry of the subject matter pertaining to the reports and information given.

14.2 Project Assessment

- (a) The Grant Recipient shall undertake a summative assessment of the Project.
- (b) The summative assessment shall be undertaken according to the Secretary of State's common framework and methodology which the Secretary of State shall provide to the Grant Recipient.
- (c) The summative assessment must be completed and supplied to the Secretary of State at least three months before the final Grant Claim is submitted in accordance with clause 5.4.
- (d) For the avoidance of doubt, the Secretary of State will not make a payment in respect of the final Grant Claim until a satisfactory summative assessment report produced in conformity with the Secretary of State's common framework and methodology has been received.
- (e) Subject to clause 5.1(c), the maximum amount of Grant payable to the Grant Recipient in respect of the summative assessment is as specified in the Project Specific Conditions and shall not exceed 1% of the Project Specific Eligible Expenditure or £100,000, whichever is the lower.

14.3 Notification by the Grant Recipient

The Grant Recipient shall notify the Secretary of State in writing:-

- (a) as soon as practicable thereafter firstly in the event of any Change in the information on costs (whether actual or estimated) of carrying out the Project

Activities contained in the Application and secondly of any event which materially affects the continued accuracy of such information;

- (b) as soon as practicable thereafter, in the event of the receipt of any other Public Sector Financial Assistance or guarantees of other Public Sector Financial Assistance or other funding obtained by the Grant Recipient in relation to the Project, or an offer of the same, in respect of any aspect of the Project or the Project Activities (or any part of it or them);
- (c) as soon as practicable thereafter, of any event which might adversely affect the carrying out and/or Completion of the Project Activities or any part of them;
- (d) prior to any proposed Disposal or any charging of any Asset during its Useful Economic Life;
- (e) prior to any change of use of any Asset from the Approved Use during its Useful Economic Life;
- (f) as soon as practicable thereafter, of any event which might adversely affect the delivery of the Project by the Agreed Activity End Date;
- (g) within 5 Working Days of any Disposal, details of that Disposal of the whole or any part of the Assets up to that date, together with details and evidence of the consideration obtained and (if required by the Secretary of State) together with copies of all relevant documentation; and
- (h) forthwith, on the occurrence of an Event of Default.

14.4 Records

- (a) The Grant Recipient shall provide the Secretary of State with such information and documentation as the Secretary of State may require in connection with the Project from the date of the Funding Agreement to the date on which the Grant Recipient has fulfilled all its obligations under this Funding Agreement.
- (b) The Grant Recipient shall comply with and assist the Secretary of State to comply with the requirements for an audit trail under the Structural and Investment Funds Regulations including (but not limited to) the detailed minimum requirements under Article 25 of Regulation 480.
- (c) The Grant Recipient must keep a record of all Eligible Expenditure, all quotes, tenders and procurement practices, all financial contributions made towards the Project and all income generated by the Project.
- (d) The Grant Recipient will provide to the Secretary of State such information as is available as to the number of persons employed in connection with the Project and such other information as may be requested by the Secretary of State as to the benefits derived from the provision of funding for the Project.
- (e) The Grant Recipient must comply with the requirements of the Secretary of State regarding the keeping of records available on the Secretary of State Website.

14.5 Retention of documents

- (a) Without prejudice to any other provision of this Funding Agreement and the Grant Recipient's obligations pursuant to State Aid Law , the Grant Recipient will ensure that all documents relating to the Project and its implementation and financing are retained for a two year period from 31 December following the submission of the accounts in which the final expenditure of the Completed Project is included, in order that these may be made available to the European Commission and European Court of Auditors upon request in accordance with Article 140 of Regulation 1303.
- (b) The Secretary of State shall notify the Grant Recipient of the start date of the two year period referred to in the paragraph above.
- (c) In addition to the obligation under paragraph (a) above, the Grant Recipient shall ensure that all documents relating to the Project and its implementation and financing are retained as necessary in order to demonstrate compliance with any applicable State Aid law, the Structural and Investment Funds Regulations and the obligations under this Funding Agreement. The Secretary of State has published the National European Development Fund Document Retention Guidance in order to assist the Grant Recipient to determine how long documents should be retained for in order to demonstrate compliance.
- (d) The Grant Recipient will make available the documents relating to the Project and its implementation and financing if and when required to do so by the Secretary of State, the European Court of Auditors, the European Commission auditors, the National Audit Office (and also their respective auditors).
- (e) The documents referred to in this clause shall be kept and made available either in the form of the originals or certified true copies of the originals or on commonly accepted data carriers including electronic versions of original documents or documents existing in electronic version only. The National European Development Fund Document Retention Guidance provides guidance on commonly accepted data carriers and the procedure for certifying conformity with original documents.
- (f) Where documents exist in electronic form only, the computer systems used shall meet accepted security standards which ensure that the documents held meet with national legal requirements and can be relied upon for audit purposes. The equipment and software used to store the documents shall be retained and kept functional for a two year period from 31 December following the submission of the accounts in which the final expenditure of the Completed Project is included.

14.6 Conflicts of interest and financial irregularities

- (a) The Grant Recipient, any Delivery Partner and all officers, employees and other persons engaged or consulted by the Grant Recipient in connection with the Project shall not be in a position where there is a conflict of interest. The Grant Recipient is required to have formal procedures obliging all such persons to declare any actual or potential personal or financial interest in any

matter concerning the Project, and to be excluded from any discussion or decision-making relating to the matter concerned.

- (b) If the Grant Recipient has any grounds for suspecting any financial impropriety in the use of any amount paid under the Funding Agreement, it must notify the Secretary of State immediately, explain what steps are being taken to investigate the suspicion, and keep the Secretary of State informed about the progress of the investigation. For these purposes “financial impropriety” includes fraud or other impropriety; mismanagement; use of Grant for improper purposes; and failure to comply with requirements in the Structural and Investment Funds Regulations relating to the control and propriety of Project expenditure.
- (c) The Secretary of State shall be entitled to interview employees of the Grant Recipient if fraud or other financial irregularity is suspected by the Secretary of State on the part of the Grant Recipient, its employees or agents in connection with the Project.

15 ACCOUNTING RECORDS,SUPPORTING EVIDENCE AND AUDIT

- 15.1** The Grant Recipient shall and shall procure that a Delivery Partner shall maintain full and accurate accounts and documentary evidence for the Project on an open book basis and the Grant Recipient will and shall Procure that a Delivery Partner will permit the Secretary of State and persons authorised by the Secretary of State to inspect audit and take copies of all reports books accounting records and vouchers which the Secretary of State properly considers relevant to the Project.
- 15.2** The Grant Recipient shall and shall procure that a Delivery Partner shall maintain either a separate accounting system or an adequate accounting code for all transactions relating to the operation without prejudice to national accounting rules.
- 15.3** The Grant Recipient shall and shall procure that a Delivery Partner shall comply with the Secretary of State’s audit monitoring and reporting requirements for grant recipients.
- 15.4** The Grant Recipient shall and shall procure that a Delivery Partner shall provide the Secretary of State with such other information as the Secretary of State may require in connection with the Project and the Project Activities.
- 15.5** The Grant Recipient shall and shall procure that a Delivery Partner shall cooperate fully and promptly with an Audit.
- 15.6** Without prejudice to any other provision of this Funding Agreement, where the Grant Recipient has been notified that the Project has been selected for Audit and
 - (a) the Grant Recipient has previously failed to comply fully and promptly with an Audit; or
 - (b) an Irregularity has previously been found in relation to the Project,the Secretary of State may, at his discretion, withhold payment of Grant until a subsequent Audit has been completed to the Secretary of State’s satisfaction.

16 CONFIDENTIALITY

16.1 Except to the extent set out in this clause 16 or where disclosure is expressly permitted elsewhere in this Funding Agreement, each party shall:-

- (a) treat the other party's Confidential Information as confidential and safeguard it accordingly; and
- (b) not disclose the other party's Confidential Information to any other person without the owner's prior written consent.

16.2 Clause 16.1 shall not apply to the extent that:

- (a) such disclosure is a requirement of Law placed upon the party making the disclosure, including any requirements for disclosure under the Freedom of Information Act 2000, 'Code of Practice on Access to Government Information' or the Environmental Information Regulations;
- (b) such information was in the possession of the party making the disclosure without obligation of confidentiality prior to its disclosure by the information owner;
- (c) such information was obtained from a third party without obligation of confidentiality;
- (d) such information was already in the public domain at the time of disclosure otherwise than by a breach of this Funding Agreement; or
- (e) it is independently developed without access to the other party's Confidential Information.

16.3 The Grant Recipient may only disclose the Secretary of State's Confidential Information to the Grant Recipient Personnel who are directly involved in the Project and who need to know the information, and shall ensure that such Grant Recipient Personnel are aware of and shall comply with these obligations as to confidentiality.

16.4 The Grant Recipient shall not, and shall procure that the Grant Recipient Personnel do not, use any of the Secretary of State's Confidential Information received otherwise than for the purposes of this Funding Agreement.

16.5 Nothing in this Funding Agreement shall prevent the Secretary of State from disclosing the Grant Recipient's Confidential Information:

- (a) to any Crown Body or any other Contracting Authority. All Crown Bodies or Contracting Authorities receiving such Confidential Information shall be entitled to further disclose the Confidential Information to other Crown Bodies or other Contracting Authorities on the basis that the information is confidential and is not to be disclosed to a third party which is not part of any Crown Body or any Contracting Authority;
- (b) to any consultant, contractor or other person engaged by the Secretary of State;

- (c) (where such Confidential Information is contained in the Application, any Grant Claim or any progress report submitted in respect of the Project), to any member of a Local Enterprise Partnership European Structural and Investment Fund Sub Committee for the purpose of monitoring and evaluating the Project, subject to clause 16.7;
- (d) to a person receiving technical assistance in accordance with Regulation 1303 for the purpose of monitoring and evaluating the Project;
- (e) to enable the Secretary of State to meet its reporting obligations and other obligations under State Aid Law and the Structural and Investment Funds Regulations for the purpose of clause 14.1(b) of this Funding Agreement;
- (f) for the purpose of any Audit pursuant to clause 15 of this Funding Agreement;
- (g) for the purpose of the examination and certification of the Secretary of State's accounts; or
- (h) for any examination pursuant to Section 6(1) or Section 7ZA of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Secretary of State has used its resources.

16.6 The Secretary of State shall use all reasonable endeavours to ensure that any Crown Body, government department, Contracting Authority, external auditor, employee, third party or Sub-contractor to whom the Grant Recipient's Confidential Information is disclosed pursuant to clause 16.5 is made aware of the Secretary of State's obligations of confidentiality.

16.7 The Secretary of State may agree not to disclose specified Confidential Information contained in the Application any Grant Claim or progress report to a member of the Local Enterprise Partnership European and Structural Investment Sub Committee where the Grant Recipient has requested in writing that such information be withheld, including where it is considered to be commercially sensitive.

16.8 Notwithstanding the foregoing the Grant Recipient hereby consents to the Secretary of State using and disclosing (including to the press) any techniques, ideas or know-how gained during the performance of the Project Activities and/or Funding Agreement. The Grant Recipient warrants to the Secretary of State that neither the Intellectual Property Rights nor any publication by the Secretary of State of the project related know-how will infringe, in whole or in part, any Intellectual Property Right of any other person and agrees to indemnify and hold the Secretary of State harmless against any and all claims, demands and proceedings arising directly or indirectly out of the Secretary of State's publication or use of the Project Related Know-how where this gives rise to or is alleged to give rise to an infringement of third party Intellectual Property Rights.

17 THE SECRETARY OF STATE DATA

17.1 The Grant Recipient shall not delete or remove any proprietary notices contained within or relating to the Secretary of State Data.

- 17.2** The Grant Recipient shall not store, copy, disclose, or use the Secretary of State Data except as necessary for the performance by the Grant Recipient of its obligations under this Funding Agreement or as otherwise expressly authorised in writing by the Secretary of State.
- 17.3** The Grant Recipient shall take responsibility for preserving the integrity of the Secretary of State Data and preventing the corruption or loss of the Secretary of State Data.
- 17.4** If at any time the Grant Recipient suspects or has reason to believe that the Secretary of State Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, then the Grant Recipient shall notify the Secretary of State immediately and inform the Secretary of State of the remedial action the Grant Recipient proposes to take.

18 DATA PROTECTION

- 18.1** With respect to the parties' rights and obligations under this Funding Agreement, the parties agree that the Secretary of State is the Data Controller and that the Grant Recipient is the Data Processor.
- 18.2** The Grant Recipient shall:-
- (a) process the Personal Data only in accordance with instructions from the Secretary of State (which may be specific instructions or instructions of a general nature as set out in this Funding Agreement or as otherwise notified by the Secretary of State to the Grant Recipient during the term of this Funding Agreement);
 - (b) process the Personal Data only to the extent, and in such manner, as is necessary for the provision of the Project Activities or as is required by Law or any Regulatory Body;
 - (c) implement appropriate technical and organisational measures to protect the Personal Data against unauthorised or unlawful processing and against accidental loss, destruction, damage, alteration or disclosure. These measures shall be appropriate to the harm which might result from any unauthorised or unlawful Processing, accidental loss, destruction or damage to the Personal Data and having regard to the nature of the Personal Data which is to be protected;
 - (d) take reasonable steps to ensure the reliability of any Grant Recipient Personnel who have access to the Personal Data;
 - (e) obtain prior written consent from the Secretary of State in order to transfer the Personal Data to any contractors or affiliates for the provision of the Project Activities;
 - (f) ensure that all Grant Recipient Personnel required to access the Personal Data are informed of the confidential nature of the Personal Data and comply with the obligations set out in this clause 19;

- (g) ensure that none of Grant Recipient Personnel publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Secretary of State;
- (h) notify the Secretary of State (within five Working Days) if it receives:-
 - (i) a request from a Data Subject to have access to that person's Personal Data; or
 - (ii) a complaint or request relating to the Secretary of State's obligations under the Data Protection Legislation;
- (i) provide the Secretary of State with full cooperation and assistance in relation to any complaint or request made, including by:-
 - (i) providing the Secretary of State with full details of the complaint or request;
 - (ii) complying with a data access request within the relevant timescales set out in the Data Protection Legislation and in accordance with the Secretary of State's instructions;
 - (iii) providing the Secretary of State with any personal data it holds in relation to a Data Subject (within the timescales required by the Secretary of State); and
 - (iv) providing the Secretary of State with any information requested by the Secretary of State;
- (j) permit the Secretary of State or a representative of the Secretary of State , to inspect and audit (subject to reasonable and appropriate confidentiality undertakings), the Grant Recipient's Data Processing activities (and/or those of its agents, subsidiaries and contractors) and comply with all reasonable requests or directions by the Secretary of State to enable the Secretary of State to verify and/or procure that the Grant Recipient is in full compliance with its Data Processing obligations under this Funding Agreement;
- (k) provide a written description of the technical and organisational methods employed by the Grant Recipient for processing Personal Data (within the timescales required by the Secretary of State); and
- (l) not Process Personal Data outside the European Economic Area without the prior written consent of the Secretary of State and, where the Secretary of State consents to a transfer, to comply with:
 - (i) the obligations of a Data Controller under the Eighth Data Protection Principle set out in Schedule 1 of the Data Protection Act 1998 by providing an adequate level of protection to any Personal Data that is transferred; and
 - (ii) any reasonable instructions notified to it by the Secretary of State.

- 18.3** The Grant Recipient shall comply at all times with the Data Protection Legislation and shall not perform its obligations under this Funding Agreement in such a way as to cause the Secretary of State to breach any of its applicable obligations under the Data Protection Legislation.

19 SECURITY REQUIREMENTS

- 19.1** The Grant Recipient shall, as an enduring obligation throughout the term of this Funding Agreement, use the latest versions of anti-virus definitions available from an industry accepted anti-virus software vendor to check for and delete Malicious Software from the Information Communications and Technology Environment.

- 19.2** Notwithstanding clause 19.1, if Malicious Software is found, the parties shall cooperate to reduce the effect of the Malicious Software and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of the Secretary of State Data, assist each other to mitigate any losses and to restore the Project Activities to their desired operating efficiency.

- 19.3** Any cost arising out of the actions of the parties taken in compliance with the provisions of clause 19.2 shall be borne by the parties as follows:

- (a) by the Grant Recipient where the Malicious Software originates from the Grant Recipient Software, the Third Party Software or the Secretary of State Data (whilst the Secretary of State Data was under the control of the Grant Recipient); and
- (b) by the Secretary of State if the Malicious Software originates from the Secretary of State Software or the Secretary of State Data (whilst the Secretary of State Data was under the control of the Secretary of State).

20 GRANT RECIPIENT WARRANTIES

The Grant Recipient warrants, represents and undertakes for the duration of the term of this Funding Agreement that:-

- (a) it has and will continue to hold all necessary (if any) regulatory approvals from the Regulatory Bodies necessary to perform the Grant Recipient's obligations under this Funding Agreement;
- (b) it has and will continue to have all necessary rights in and to the Grant Recipient Software or any Third Party Software and/or the Intellectual Property Rights, or any other materials made available by the Grant Recipient and/or the sub-contractors to the Secretary of State necessary to perform the Grant Recipient's obligations under this Funding Agreement;
- (c) in performing its obligations under this Funding Agreement, all Software used by or on behalf of the Grant Recipient will:
 - (i) be currently supported versions of that Software; and
 - (ii) perform in all material respects in accordance with its specification,

- (d) as at the Start Date all statements and representations in the Grant Recipient's Application are to the best of its knowledge, information and belief, true and accurate and that it will advise the Secretary of State of any fact, matter or circumstance of which it may become aware which would render any such statement, representation to be false or misleading; and
- (e) it shall at all times comply with Law in carrying out its obligations under this Funding Agreement;
- (f) it has the power and authority to execute, deliver and perform its obligations under this Funding Agreement and no limit on its powers will be exceeded as a result of the acceptance of the Funding or any of the terms pursuant to this Funding Agreement;
- (g) there has been no adverse change in the Grant Recipient's business, assets or financial condition since the submission of the Application to the Secretary of State and that the Application is true in all respects on the date of this Funding Agreement;
- (h) no regulatory investigation by any United Kingdom or European Union authorities has been commenced or is pending in respect of the Project or the Grant Recipient, or if there has been a regulatory investigation, it has been concluded to the satisfaction of the Secretary of State.

21 NOTICES

- 21.1** Any notice demand or communication to be given or served under this Funding Agreement shall be in writing.
- 21.2** Subject to any other term of this Funding Agreement, any notice demand or communication to be given or served under this Funding Agreement upon the Secretary of State shall be given or served:
 - (a) by personal delivery or by sending it by pre-paid recorded postal delivery to the address specified in the Funding Agreement for the attention of the [insert region] Programme or to such other address as may from time to time be notified by the Secretary of State;
 - (b) by email to the email address specified in the Project Specific Conditions or such other email address as may from time to time be notified by the Secretary of State; or
 - (c) where directed to do so by the Secretary of State, using the Secretary of State's on line facility, in accordance with the terms of use of that facility.
- 21.3** Any notice, demand or communication to be served upon the Grant Recipient, shall be given or served:
 - (a) by personal delivery or by sending it by pre-paid recorded postal delivery to the address specified in this Funding Agreement or such other address as may from time to time be notified by the Grant Recipient to the Secretary of State;

- (b) by email to the email address specified in the Project Specific Conditions or to such other address as may from time to time be notified by the Secretary of State; or
- (c) using the Secretary of State's System on line facility.

21.4 Any such notice shall (where sent by post) be deemed to have been served and received on the second working day following the day of posting and where delivered personally be deemed to have been given when delivery is made. An email or notice given using the Secretary of State's on line facility shall be deemed delivered when sent unless an error message is received.

21.5 If the Grant Recipient shall comprise more than one person the service of any notice demand request or other communication on any one of such persons shall constitute good service on all of them.

22 VALUE ADDED TAX

22.1 The payment of the Grant by the Secretary of State under the Funding Agreement is believed to be outside the scope of Value Added Tax but if any Value Added Tax shall become chargeable all payments shall be deemed to be inclusive of all Value Added Tax and the Secretary of State shall not be obliged to pay any additional amount by way of Value Added Tax.

22.2 All sums or other consideration payable to or provided by the Grant Recipient to the Secretary of State at any time shall be deemed to be exclusive of all Value Added Tax payable and where any such sums become payable or due or other consideration is provided the Grant Recipient shall at the same time or as the case may be on demand by the Secretary of State in addition to such sums or other consideration pay to the Secretary of State all the Value Added Tax so payable upon the receipt of a valid Value Added Tax invoice.

23 GOOD FAITH AND COOPERATION

The Grant Recipient covenants with the Secretary of State that:-

- (a) it shall at all times act with the utmost good faith towards the Secretary of State and will at all times co-operate fully with the Secretary of State;
- (b) it will comply with all the Secretary of State's reasonable requirements in relation to the Project from time to time; and
- (c) it will not do anything which will put the Secretary of State in breach of any of its obligations in relation to the Operational Programme.

24 INSURANCE

The Grant Recipient covenants with the Secretary of State that it will ensure that it maintains at all times adequate insurance cover with an insurer of good repute to cover all claims and liabilities under this Funding Agreement or any other claims or demands which may be brought or made against it by any person suffering any injury damage or loss in connection with the Project.

25 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not party to this Funding Agreement shall not have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Funding Agreement.

26 JURISDICTION

This Funding Agreement shall be governed by and construed in accordance with the law of England and each party submits to the exclusive jurisdiction of the English Courts.

27 MISCELLANEOUS

27.1 Nothing in this Funding Agreement shall constitute a partnership or joint venture between the parties to this Funding Agreement or constitute the Grant Recipient as the agent of the Secretary of State for any purpose whatsoever, and the Grant Recipient shall ensure that any Delivery Partner is made aware of this.

27.2 A certificate by the Secretary of State as to any sum payable under this Funding Agreement to the Grant Recipient shall be (save in the case of manifest error) conclusive evidence of the matter to which it relates and shall contain reasonable details of the basis of determination.

27.3 If at any time any of the provisions of this Funding Agreement become illegal, invalid or unenforceable in any respect under any law or regulation of any jurisdiction, neither the legality validity nor enforceability of the remaining provisions of this Funding Agreement shall be in any way affected or impaired as a result.

27.4 No failure or delay on the part of the Secretary of State in exercising any right or power and no course of dealing between the parties to this Funding Agreement shall operate as a waiver nor shall any single or partial exercise of any right power or remedy of the Secretary of State prevent any other or further or other exercise of it or the exercise of any other right power or remedy of the Secretary of State. The rights and remedies available to the Secretary of State under this Funding Agreement are cumulative and are in addition to and not in substitution for any other rights or remedies which the Secretary of State would otherwise have, however arising.

27.5 Nothing contained in or done under this Funding Agreement and no consents given by the Secretary of State shall prejudice the Secretary of State's rights, powers or duties and/or obligations in the exercise of its functions or under any statutes, bye-laws, instruments orders or regulations.

27.6 Nothing in this Funding Agreement nor any other document shall impose any obligation or liability on the Secretary of State with respect to any actions of or obligations or liabilities assumed or incurred by the Grant Recipient or its agents, contractors or employees whether under contract, statute or otherwise.

27.7 Any approval by the Secretary of State or any person on behalf of the Secretary of State pursuant to this Funding Agreement of any matter submitted by the Grant Recipient for approval shall not be deemed to be an Acknowledgment by the

Secretary of State of the correctness or suitability of the contents of the subject of the approval or consent.

- 27.8** The fact that the Secretary of State or their representatives have supplied or received any documents or information or attended any meeting shall not in itself imply approval of any matters raised in any such document, information or meeting or relieve the Grant Recipient of any obligation or liability in respect of the Project Activities or otherwise.
- 27.9** Nothing in this Funding Agreement shall affect the coming into force or the continuance in force of any provision of this Funding Agreement which is expressly or by implication to come into force or continue in force upon termination or expiry of this Funding Agreement.
- 27.10** This Funding Agreement contains all the terms which the Secretary of State has agreed in relation to the subject matter of this Funding Agreement and supersedes any prior written or oral agreements representations or understandings between the Secretary of State and the Grant Recipient.
- 27.11** No term of this Funding Agreement is intended to confer a benefit on, or to be enforceable by, any person who is not a party to this Funding Agreement
- 27.12** Notwithstanding any other provisions of this Funding Agreement, the Secretary of State shall not be entitled to be reimbursed or to recover any monies that it has paid under this Funding Agreement to the extent that it has already been compensated or reimbursed in respect of that same amount pursuant to this Funding Agreement.

ACCEPTANCE

This Funding Agreement has been entered into [as a Deed] on the date stated at the beginning of it.

[EITHER OPTION A: UNDER HAND

Signed for and behalf of

SECRETARY OF STATE FOR)
COMMUNITIES)
AND LOCAL GOVERNMENT)

Authorised Signatory: _____

Print Name: _____

Signed for and on behalf of

[Insert Grant Recipient]

Authorised Signatory: _____

Print Name: _____

[OR OPTION B: 'UNDER SEAL':

EXECUTED AS A DEED by affixing)
THE COMMON SEAL of the)
SECRETARY OF STATE FOR)
COMMUNITIES AND LOCAL)
GOVERNMENT in the presence of :

Authorised Signatory: _____

Print Name: _____

[n.b GRANT RECIPIENT TO CONFIRM CORRECT EXECUTION CLAUSE WHERE SIGNING AS A DEED]

SCHEDULE 1 THE PROJECT SPECIFIC CONDITIONS

SCHEDULE 2 EXPENDITURE PROFILES

SCHEDULE 3 TARGETS

SCHEDULE 4 UNDERPERFORMANCE METHODOLOGY

SCHEDULE 4 APPLICATION

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Central Bedfordshire Council

EXECUTIVE

9 February 2016

Houghton Hall Park Renaissance and Renewal Project

Report of Cllr Brian Spurr, Executive Member for Community Services,
Executive Member for Community Services
(brian.spurr@centralbedfordshire.gov.uk)

Advising Officers:

Marcel Coiffait, Director of Community Services
(marcel.coiffait@centralbedfordshire.gov.uk)

Jill Dickinson, Head of Service
(jill.dickinson@centralbedfordshire.gov.uk)

This report relates to a Key Decision

Purpose of this report

1. To provide an update on Houghton Hall Park Renaissance and Renewal project and seek approval to delegate the authority for the award of contracts for landscape restoration works and construction of a visitor centre at Houghton Hall Park, Houghton Regis.

RECOMMENDATIONS

The Executive is asked to:

1. **delegate the authority to the Director of Community Services, in consultation with the Executive Member for Corporate Resources and the Executive Member for Community Services, to award the contracts for Houghton Hall Park Renaissance and Renewal project in order to facilitate time critical landscape works ahead of the bird nesting season.**

Overview and Scrutiny Comments/Recommendations

2. This item has not been to Overview and Scrutiny committee. The Houghton Hall Park Renaissance and Renewal Project is identified as a priority within Central Bedfordshire's Outdoor Access Improvement Plan, approved by Executive on 18 March 2013.

Background

3. Houghton Hall Park is an urban park partly owned and managed by Central Bedfordshire Council (CBC) and Houghton Regis Town Council (HRTC). It is located in central Houghton Regis and has a history tied to the cultural and economic development of the town. More recently degradation of landscape and heritage features has reduced community use and pride in the park. The park has been largely managed naturally for the benefit of wildlife and there are no park facilities.
4. Extensive housing growth planned for Houghton Regis and the deficit of open green space in the development plans mean that the park will significantly increase in importance and be subject to additional pressures.
5. In December 2014 the Council was awarded a Heritage Lottery Fund (HLF) BIG Lottery 'Parks for People' Grant of £2.2m towards the delivery of a £3m Houghton Hall Park Renaissance and Renewal project to create a vibrant park which will meet the needs of the current and future population. A financial summary is set out in paragraphs 15 to 26 of the financial implications section of this report.
6. The Houghton Hall Park Renaissance and Renewal Project will deliver a range of outcomes in partnership with Houghton Regis Town Council:
 - A visitor centre which will include a café, meeting rooms, retail space, exhibition space and toilets.
 - Landscaping and environmental improvements to enhance, restore and safeguard the distinctive historic character of the park; achieving externally assessed quality 'Green Flag' status to recognise the improved standards.
 - Improve the physical, social and cultural accessibility of the park through improved entrances and paths, seating, play equipment and a park activity programme to engage the local community.
 - Support for the broader public health agenda via the promotion and provision of health and wellbeing services, active lifestyles and positive lifestyles choices.
 - Two practical 6 week projects for 16-21 year olds not in education, employment or training to work with the landscape architects to restore the kitchen and formal gardens.

7. The project is grant aided for a five year period from 2015/16. The two main capital elements of the project; construction of a visitor centre and landscape restoration works will take place from 2016 to 2017 followed by three years of community engagement activities, led by a HLF funded Activity Officer and supported by community groups and volunteers.
8. The new visitor centre will be built on CBC owned land and will become a CBC asset.
9. Key stages within the project are as follows, with some stages running concurrently:
 - Visitor centre construction and landscape restoration contract awards – February 2016
 - Landscape works – February 2016 – Spring 2017
 - Visitor Centre construction – March 2016 – December 2016
 - Visitor Centre internal fit – January 2017
 - Visitor Centre opening – February 2017
 - Community engagement activities – January 2017 onwards.

Current position

10. The procurement of a building contractor for the visitor centre is being managed in house with the plans having been approved by both HLF and the Houghton Hall Park Project Board. Tenders were returned on 20 January 2016.
11. The procurement of the landscape contractor for the landscape restoration is being managed by a HLF approved landscape consultant. The landscape restoration plan includes restoration of the formal and kitchen gardens, improvements to the park landscape, creation of new vistas and installation of new paths. The plans have been subject to public consultation and have been approved by both HLF and the Houghton Hall Park Project Board. Tenders were returned on 15 January 2016.

Next steps

12. In order to progress the project, the next steps are to award the contracts for the visitor centre construction and the landscape restoration works. This will ensure that the programme remains on track for delivery of the infrastructure assets by spring 2017.

Reason/s for decision

13. The contract values are expected to be in excess of £500k, and Executive approves contracts of this value. Delegation of authority to award the contract to the Director of Community Services, in consultation with the Executive Member for Corporate Resources and the Executive Member for Community Services is required to enable the contracts to be appointed without significant delay. HLF Board approval for the award of contracts is expected mid February 2016. Postponing the Council's approval until the next Executive meeting in April will delay the landscaping works for up to six months as no tree or scrub clearance works can take place in the bird nesting season from 1 March to 31 August unless approved by a qualified ecologist.

Council Priorities

14. The delivery of the Houghton Hall Park Renaissance and Renewal project is a flagship scheme within the Outdoor Access Improvement Plan for Central Bedfordshire (2013 – 2031). This together with the Leisure Strategy, Development Strategy and Green Infrastructure Plans provide direction on the delivery of greenspace in Central Bedfordshire. Implementation of the project will support the following Council priorities:
- Enhancing Central Bedfordshire – creating jobs, protecting our countryside and enabling businesses to grow.
 - Promoting health and wellbeing and protecting the vulnerable.
 - Great universal services – leisure.

Corporate Implications

Legal Implications

- a) Given that the value of the procurements are below the EU threshold for works contracts, the Contract Procurement Regulations 2015 do not apply and accordingly the procurement processes and contract awards must comply with the Council's contract standing orders where applicable and be properly authorised in accordance with the Council's Constitution.
- b) The Council is subject to the requirement to obtain best value in the procurement process because it is a best value authority for the purposes of the Local Government Act 1999. The act requires the Council to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. To this end, the Council must be satisfied that its procurement processes achieve best value in terms of price and quality. The Council should also ensure that the procurement processes comply with the EU Treaty principles of proportionality, equal treatment, transparency and mutual recognition.

- c) The building contract should be based on a suitable industry standard contract and be approved by legal services. The contract should be completed to ensure the Council is sufficiently protected whilst maintaining commercial viability.

Financial Implications

15. The total gross project cost is £3.03m, of which HLF has awarded a combined capital and revenue grant of £2.196m. The balance comprises £837k of match and CBC capital and revenue funding.

	HLF Grant	Match funding	CBC expenditure	Total
	£000	£000	£000	£000
Total project costs approved by HLF	2,196	200	637	3,033
Capital	1,489	187	508	2,184
Revenue	707	13	129	849

Capital funding

16. The capital element of the project is for the construction of the visitor centre, landscape restoration and other minor capital works. It is currently forecast to be £2,184k of which £1,489k is externally funded by the HLF grant, leaving a balance of £695k match and CBC funding as detailed below.
- External funding from Houghton Regis Town Council (HRTC), S106 contributions and Green Infrastructure Planning obligations totalling £187k. The S106 and Green infrastructure contributions have been secured towards play equipment and landscaping works, and
 - CBC funding, subject to the final budget papers being approved, of £192k in the 16/17 capital programme plus 2015/16 capital underspend.
17. Included in the HLF grant application was an estimate of £819,202 for the landscape restoration works. Current pre-tender estimates are within the approved budget.
18. There was an estimated cost for the construction of the visitor centre of £846k. Current pre-tender estimates for the build costs are £1,095k which is an estimated overspend of £249k. The risk management section of the report provides details of how the risks around this potential overspend will be mitigated.

19. Expenditure on the additional capital items within the project is expected to come in on budget.
20. Project costs will be regularly reviewed to ensure that all capital costs can be covered.

Revenue funding

21. The Revenue element of the project is for the management and operation of the park and is currently forecast as £849k of which £707k is externally funded by the HLF grant. The remaining £142k is made up from Houghton Regis Town Council (HRTC) contributions (£13k), income from the visitor centre and car park (£97k) and from existing CBC countryside revenue budgets or other grant sources (£32k) as detailed in the table below;

22.

	2015-16	2016-17	2017-18	2018-19	2019-20	Total
	£000	£000	£000	£000	£000	£000
Revenue Expenditure	34	240	232	196	147	849
HLF income	(34)	(237)	(184)	(144)	(108)	(707)
Other income (HRTC)		(3)	(3)	(3)	(4)	(13)
CBC income (visitor centre & car park)			(25)	(33)	(39)	(97)
From existing CBC countryside budgets or other grant sources			(20)	(16)	4	(32)
Net	0	0	0	0	0	0

All of the project revenue costs are covered by HLF funding and external match-funding in 2015/16 and 2016/17. The requirement for CBC revenue contributions to the project after 2016/17 was identified within the HLF application as the HLF grant of 72% of the total project cost is insufficient to cover all of the revenue expenditure during these years of the project. The application included a plan for how these costs will be covered including income from the visitor centre and income from the car park. Grant opportunities are being explored to meet the balance and any shortfall will be met from existing countryside budgets.

23. Current projections show that there will be sufficient income generated from the site from 2020 onwards to cover the operational running costs of the facility.
24. The current project costs and future running costs will be regularly reviewed to ensure that all revenue costs can be covered.

Equalities Implications

25. Public authorities have a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
26. The improvements to the Houghton Hall Park aim to enhance the visitor experience and promote equality of opportunity by providing community space within a building which is accessible. Improvements to the park landscape including surfaced paths, seating and the installation of play equipment will make the park more accessible and attractive to a wide range of visitors.

Risk Management

27. A number of risks have been identified and are considered in more detail below:
 - a) Financial risks: The capital funding awarded within the HLF award was based on pre-tender estimates. There is a risk that the tender prices for the visitor centre construction will be higher than those included in the Project award from HLF due to increasing building costs since the estimated prices were submitted to HLF in August 2014. If the visitor centre construction costs from the tender are more expensive than the awarded grant from HLF the following options will be pursued:
 - Seek to secure an increased grant from HLF (including the industry recognised 6% increase in construction costs).
 - Value engineer to reduce costs.
 - Increase the contribution from the Council by seeking approval to vire budgets from existing approved countryside capital schemes.
 - Seek an additional contribution from Houghton Regis Town Council as per the terms of the Joint Venture Agreement in which it is identified that any shortfalls incurred will be shared 80% by CBC and 20% by HRTC.

- b) HLF Grant terms and conditions have been carefully reviewed to ensure that they are complied with in order to mitigate any risk of clawback or reduced funding. Quarterly grant claims for the early work in this project have been submitted to HLF and have been paid. Regular dialogue takes place between Council Officers and HLF representatives to ensure that they are kept informed of progress and any risks around spend on the project.
- c) The joint venture agreement between the Council and Houghton Regis Town Council contains robust governance and audit clauses to ensure compliance with the terms and conditions of the grant agreement with HLF in order to avoid any potential compliance issues in the future.
- d) Planning permission for the visitor centre was granted in May 2013 subject to a number of pre-commencement conditions. One of these is that construction must commence within three years of the date that planning permission was granted. If the decision to award the visitor centre construction contract is delayed, an extension to the implementation of the planning permission may be required.
- e) Communication: The construction of the new visitor centre is a key component of the wider Houghton Hall Park regeneration scheme and will deliver improvements and opportunities which support a number of the Council's objectives. A clear communication strategy is being planned with Houghton Regis Town Council so that the rationale and benefits of the scheme are clearly articulated to key stakeholders and the wider community.
- f) Reputational risks: Delivery of the approved Outdoor Access Improvement plan supports the Council's emerging 5 year plan. If the project is not delivered, this could reflect adversely on the Council, risking the successful application of any future HLF funding.

Public Health

- 28. Parks and open spaces are key community health resources which provide safe civic space for people to take part in healthy and active lifestyles which support the Council's Health and Wellbeing Strategy. Implementation of this project, with the community engagement activities which it will provide, will enable local communities to engage in regular physical and social activities, improving levels of health and wellbeing thereby reducing costs to society, particularly for the NHS and social care.

Community Safety

29. Under section 17 of the Crime and Disorder Act 1998 the Council has a statutory duty to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder within its areas. The park improvements and the activities that will be offered will provide positive opportunities, particularly to young people, who may otherwise engage in activities that may be criminal or anti-social.

Sustainability

30. The visitor centre will be of steel frame construction with natural hemp insulation. Passive ventilation will improve energy efficiency and sun pipes will make the most of natural sunlight. Solar panels will heat water and a ground source heat pump will provide underfloor heating. Subject to affordability, these elements will ensure that the building is environmentally sustainable and has a low carbon footprint. These measures will also provide benefits in terms of low running costs.

Procurement

31. A number of procurement routes were considered for the visitor centre construction contract to ensure that an appropriately skilled contractor will be appointed with the right team, agreed costs, delivery programme and appropriate transfer of risk. A single stage, with contractor presentations, was chosen as the most suitable option for this project, procured via the open market.
32. The landscape restoration works contract has been tendered through an open OJEU tender as this was considered the most suitable option for these works.

Conclusion and next Steps

33. Delegation of authority to award the contract to the Director of Community Services, in consultation with the Executive member for Corporate Resources and the Executive Member for Community Services is required to enable the contracts to be appointed without significant delay. This is recommended to the Executive.

Appendices - None

Background Papers - None

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Central Bedfordshire Council

EXECUTIVE

9 February 2016

Redevelopment of Dunstable Leisure Centre and Library

Report of Cllr Brian Spurr, Executive Member for Community Services,
(brian.spurr@centralbedfordshire.gov.uk)

Advising Officers: Director of Community Services,
(marcel.coiffait@centralbedfordshire.gov.uk); and

Jill Dickinson, Head of Leisure and Libraries,
(jill.dickinson@centralbedfordshire.gov.uk)
Tel: 0300 300 4258

This report relates to a Key Issue

Purpose of this report

1. To receive an update on the redevelopment of Dunstable Leisure Centre and Library and to seek approval for additional capital expenditure.

RECOMMENDATIONS

The Executive is asked to:

1. **recommend to Council to allocate an additional £3.519m to implement the redevelopment of Dunstable Leisure Centre and Library in accordance with the revised option 7. (Note: this additional expenditure is included within the Capital Programme being recommended to Council elsewhere on this Agenda.)**
2. **ensure officers actively seek to meet the additional £ 3.519 m requirement through new sources of funding or from within the existing capital budget in order to create no net increase in capital requirements during the period of the plan.**

Overview and Scrutiny Comments/Recommendations

2. The refurbishment of Dunstable Leisure Centre is a key priority of the Leisure Facilities Strategy, and following a feasibility study, Overview and Scrutiny in January 2015 considered the full range of options including undertaking initial limited essential works at a cost of £7.7m, through to an entirely new build option at a cost of £22.6m.

3. The Committee recommended to Executive on 10 February 2015 the inclusion of a budget to deliver the preferred option at a cost of £14.6m net, and the appropriate budget was approved by Council on 26 February 2015.
4. The recommended preferred option is a part new build/part refurbishment on the current leisure centre site and includes a new library, new health & fitness facilities, pool hall and changing environment whilst refurbishing the whole centre to modern day standards, and accommodation of other aligned services.
5. Off site, the project is a catalyst for the regeneration of Dunstable as it enables Vernon Place to become vacant following the closure of the library. Vernon Place library site would be disposed of and the capital receipt be used to support the financial cost of the project.

Background

6. The Leisure Facilities Strategy and Libraries Strategy provide direction for the prioritisation and delivery of these services, and direct the Council's capital investment proposals to meet the needs of customers. Investment to date made to modernise the leisure estate at Tiddenfoot, Saxon and Houghton Regis leisure centres has resulted in improvements in commercial viability, throughput and customer satisfaction, and the new leisure centre in Flitwick will double the accommodation currently on offer once open to the public in February 2016.
7. The rationale for the decision for the preferred option to redevelop Dunstable Leisure Centre and library under one roof at the Leisure Centre site includes;
 - a) The location of the leisure centre within Dunstable town centre adjacent to a range of education, retail, leisure, recreation and cultural services. It is easily accessed by public transport and has convenient car parking facilities.
 - b) The underlying fabric of the leisure centre building is fundamentally sound and with an appropriate level of investment, can offer the potential for future long term service delivery. There is capacity within the footprint for extension and/or improved internal layout.
 - c) Neither the leisure centre or library meet modern standards for service delivery, are not fit for purpose and require substantial refurbishment. Any library investment is otherwise unbudgeted for, and without any other approved plan for its future.

- d) Urgent work required at the leisure centre is estimated to cost £7.7m. The leisure centre roof failed in July 2015, causing temporary closure and ongoing loss of income claims to the Council from the leisure management operator. The main pool hall roof is leaking and is currently netted to mitigate any potential further failure of the roof, and this is giving customers cause for concern and lack of confidence in the service, putting pressure on the commercial operation of the building.
 - e) A budget of £7.7m will not modernise the whole leisure centre. Further investment to the customer-facing environment at the leisure centre and library would be required at a later date to prevent future service decline and meet the shortfall in health and fitness equipment identified in the Leisure Facilities Strategy.
 - f) The leisure centre and library service offer opportunities to support a broader public health agenda via the promotion and provision of health and wellbeing services, active lifestyles and positive lifestyle choices.
 - g) The future of library new builds and service models are in co-located settings with benefits for customers and residents of extended opening hours and choice in how they receive services. Co-location of services offers further savings for customers and tax payers on utilities, repairs and maintenance and ongoing investment in an otherwise redundant building.
8. Executive on 4 August 2015 received an update on the project agreed in February and gave permission to proceed with the procurement of a building contractor.
9. In preparation for procurement of a building contractor, a review of the project budget in the autumn of 2015 concluded that a gross budget of £15.6m (£14.6m net) would be insufficient to deliver the recommended scheme mainly due to a revised cost of construction.

Options

10. This led to two further options being considered;
- Option 6 at a gross cost of £18m which attempts to reconcile the scope of the project with the approved budget, and
 - Option 7, at a gross cost of £20.1m which enables the implementation of broader corporate objectives on and off site, and provides shared community space within the leisure/library building.

11. Option 6 includes;
 - a) a phased approach to implementation so that key new build elements for leisure and library services would be delivered in a first phase (new library, health and fitness facilities, and pool hall environment, café, reception) followed by the remaining building refurbishment of the sports hall roof and air handling once additional funding had been secured, likely to be at a later date, and within a different building contract;
 - b) a reduced scale of accommodation in the library and health and fitness space, limiting the opportunity for future proofing the building or accommodating any other services;
 - c) the creation of an estimated 850m² development site on the current leisure centre footprint, to be developed at a later time; and
 - d) the creation of an additional 'off site' development site because the external artificial pitch is surplus to the requirements at this site, subject to a suitable alternative location for the pitch being provided.
12. The gross project cost for Option 6 is approximately £18m to undertake the entire works, split approximately £16.5m for the first phase, and £1.5m for the later phase .
13. Option 7, includes;
 - a) A leisure and library centre building, which can accommodate a future development on the 850m² development site enabling it to be linked to the leisure centre, or be standalone.
 - b) Implementation of the whole leisure/library scheme in one phase, avoiding the costs and service disruption created by a phased approach. The new build element and level of works to the old building will transform the space and connect seamlessly together.
 - c) The internal space and arrangement of the new build elements of the library, gym and dance studios enable shared community space which provide flexibility in the facility mix for a diverse offer and future opportunities. It provides commercial opportunities, and opportunities to reduce service costs and accommodation elsewhere.
 - d) In addition there are opportunities for the 850m² development space which could help drive further value from the site by reducing service costs and accommodation elsewhere.
14. The additional cost of £2.1 m for Option 7 compared to Option 6 relates to an overall increase in the scale of the new build element for leisure and library facilities to accommodate future expansion opportunities, and an adjacent development.

Summary

15. The initial least cost option to maintain a leisure service is £7.7m and responds to urgent and essential roof, mechanical and electrical works needed at the leisure centre. Failing this the leisure centre would close due to declining use and commercial viability. There are limitations to this option as an unmodernised and restricted health and fitness offer stifles any commercial opportunities through declining use. In this option the library remains at Vernon Place without a plan for its future, and capital costs of £0.863m (currently unbudgeted for) are estimated to keep the library building operational over the next 5 years. Both buildings will require further investment within the next 3-5 years if services are to remain open.
16. Option 6 at a gross cost of £18m (£16m net) delivers a new leisure and library service and two further development opportunities beyond the library plot, one on site of 850m², and the other at the artificial pitch site. However the scale and layout of accommodation limits flexibility and therefore the potential for future opportunities in leisure and library services and efficiencies from any wider service offer is stifled.
17. An entirely new build leisure and library building on the current leisure centre site or on the artificial pitch site is estimated to cost an estimated £23.2m. This was assessed at feasibility stage and has been assessed again as a cost comparison for Option 7.
18. Option 7 at a gross cost of £20.1m (£18.1m net) offers the most opportunity to deliver the original scope intended by the approval of a budget in February 2015, and designs in shared community space that a modern mixed use facility thrives on, enabling the public to access library, leisure and other aligned council, commercial and voluntary services within the same public building. This option therefore opens up possibilities to deliver a broader corporate agenda, create further opportunities for regeneration, and deliver efficiencies through reduced service costs and accommodation for other services.

Reason/s for decision

19. A recommendation to proceed with Option 7 is the most financially viable of all the options considered and ensures a future for leisure and library services in Dunstable. It also opens up possibilities to deliver a broader corporate agenda, create further opportunities for regeneration, and deliver efficiencies through reduced service costs and accommodation for other services.

Council Priorities

20. The implementation of the Leisure Facilities Strategy is a high level target in the Council's Medium Term Plan and supports the following Council priorities;
- Enhancing Central Bedfordshire – creating jobs, managing growth, and enabling businesses to grow.
 - Promoting health and wellbeing and protecting the vulnerable.
 - Great resident services –leisure and libraries.
 - Creating stronger communities
 - A more efficient and responsive Council.

Corporate Implications

21. Legal Implications

- a) The procurement process and contract award must comply with the Council's contract standing orders where applicable and be properly authorised in accordance with the Council's Constitution. The Council's Executive Arrangements and Regulation 8 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 confirm that key decisions must be taken by the Council's Executive.
- b) The Council is subject to the requirement to obtain best value in the procurement process because it is a best value authority for the purposes of the Local Government Act 1999. The act requires the Council to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. To this end, the Council must be satisfied that its procurement process achieves best value in terms of price and quality.
- c) The procurement of a building contractor must comply with the requirements of the Public Contracts Regulations 2015 and, if the procurement is pursuant to a framework, the rules and requirements prescribed in the framework.
- d) The Council must also ensure that the procurement process complies with the EU Treaty principles of proportionality, equal treatment, transparency and mutual recognition. Compliance with procurement regulations and EU Treaty principles will ensure a robust process.
- e) The building contract should be based on a suitable industry standard contract and be approved by legal services. The contract should be completed to ensure the Council is sufficiently protected whilst maintaining commercial viability.

22. **Financial Implications**

23. A net budget of £14.6m has been approved for the redevelopment of Dunstable Leisure Centre and library as set out in the report to Overview and Scrutiny in January 2014 and to Executive in August 2015.

24. The table below shows the net cost of Option 7

Summary	option 7
	£000
gross cost	20,095
sale of version place	(1,000)
contr'n from HRN2	(1,000)
	18,095

25. The table below shows spend and budget requirements over the project lifespan.

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000	£000	£000
Expenditure	117	200	896	4,824	13,094	964	20,095
External Finance						(2,000)	(2,000)
Net		0	896	4,824	13,094	(1,036)	18,095

26. The table below shows the efficiencies, pressure and financing costs of Option 7.

MTFP		2016/17	2017/18	2018/19	2019/20	Total
		£000	£000	£000	£000	£000
efficiencies / pressure						
SC18	Technical costs of Dunstable Leisure centre		300	(170)	(130)	0
SC519	repairs & maintenance				(66)	(66)
	sub-total	0	300	(170)	(196)	(66)
SC374	income from Dunstable Leisure centre				(400)	(400)
	Total efficiencies and pressures	0	300	(170)	(596)	(466)
Financing costs						
	MRP					0
	interest payable	3	39	169	153	364
	Total financing costs	3	39	169	153	364
	Total	3	339	(1)	(443)	(102)

27. Given the Council's commitment to reducing the capital programme the Council will review the options to reduce the effect of the additional £3.519k capital spend as set out below;
- Seek external funding through grants and contributions.
 - Use capital receipts from the development sites option 7 directly releases.
 - Identify capital schemes which can be reduced by the equivalent amount.
 - Over achievement of the target for capital income from sales.
28. A financial affordability assessment was undertaken by comparing the potential funding (the sum of prudential borrowing and capital receipts) against the capital cost of providing the facilities. The assumptions are that:
- a) A recommendation for an option will be approved at this Executive meeting on 9 February 2016 and work will commence immediately to avoid any further building inflation cost.
 - b) A capital receipt for the sale of Dunstable Library of £1m and £1m from HRN2 will be delivered and required in full to support the project.
 - c) Opportunities for further funding will be explored, including a grant from Sport England.
 - d) The likely potential change in revenue performance of the leisure centre is assessed (shown as an annual average over the first 10 years of operation) and is compared with the revenue performance of the existing facility over the 3 last years. The anticipated average change in annual net revenue operating position of the leisure centre following this redevelopment is in the MTFP and is £400k.
 - e) An improvement in annual revenue performance as a result of refurbishment (compared to current performance) will be used to offset part of the capital financing costs.

Risk Implications

29. The redevelopment of Dunstable Leisure Centre, as approved can not be implemented for £15.6m and a range of options have been considered. There are a number of risks;
- a) Council priorities; Investment in Dunstable Leisure Centre and Dunstable Library which improves and extends the Council's infrastructure directly helps deliver Great Universal Services and Promotes Health and Wellbeing.

- b) Reputational risks; Delivery of the approved Leisure Facilities Strategy and Library Strategy supports the Council's Medium Term Financial Plan.
- c) Risk to customer satisfaction: Investment in the Council's leisure facilities improves customer satisfaction at those facilities where investment is undertaken. The recent investment at Houghton Regis Leisure Centre and Tiddenfoot Leisure Centre where there has been a significant increase in membership demonstrates this well. Without expenditure the Council risks periodic closure which has a negative impact on customer satisfaction and confidence. The centre is already experiencing a reduction in utilisation with a corresponding pressure on its commercial performance.
- d) Financial Risks - Capital costs; The capital costs of the options are estimates based on benchmarked rates per m² and there is a risk that costs could increase as the project develops due to unknown or unforeseen factors. Alternatively, the actual costs could transpire to be lower than estimated. The capital receipt from Vernon Place library site is an estimate, and could be higher or lower, and may not be realised if the site is not sold. Building costs are increasing at approximately 6% at present and any further delays in procurement are likely to lead to further capital cost increases which will impact on the affordability of the scheme. Borrowing costs may also rise from historically low levels in the short to medium term. There is also a risk of failing to achieve the revenue projections anticipated from the refurbishment. In addition, any further scheme delay extends the annual costs of running the library from Vernon Place. Capital costs of £863,000 (currently unbudgeted for) are estimated to keep the library operational over the next 5 years.
- e) Financial risks - Repairs, maintenance and running costs; Vernon Place and the library cost £95k per annum (cleaning, grounds maintenance, utilities, minor repairs and maintenance, rates). The co-location of leisure and library services gives the Council the opportunity to limit its ongoing liability to maintain, operate and manage two separate buildings.
- f) Health and Safety; The leisure centre is already failing and has had periods of closure to undertake remedial repairs to the pool hall roof which is netted to mitigate any further failure. There is a risk that any further failure of the pool hall ceiling would result in permanent closure of the pool due to the failure of the pool tank tiling once the pool is emptied.
- g) The redevelopment will require a period of closure which will incur one off revenue costs for loss of income from the leisure management operator. It is likely that a phased approach to redevelopment would cause more disadvantages for customers in disruption to services, and temporary access and service arrangements.

A clear communication and marketing strategy will be required to mitigate the risk of any declining customer loyalty and to promote the benefits of the new facility.

Equalities Implications

30. Public authorities have a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
31. The improvements to the leisure and library facilities aim to enhance customer experience and promote equality of opportunity by providing civic space to accommodate a range of co-located services within a building which is accessible, and extending opening hours so that customers have more choice about when and how they access the services.

Public Health

32. Leisure and library facilities are key community health resources which provide safe civic space for people to take part in healthy and active lifestyles which support the Council's Health and Wellbeing Strategy. Implementation of the Leisure Facilities Strategy and Libraries Strategy ensures there is a sustainable and high quality infrastructure for local communities to access services and engage in regular physical activity to help prevent ill health, generate long term improvements in overall levels of health and wellbeing and thereby reducing the costs to society, particularly for the NHS and social care.

Community Safety

33. Under section 17 of the Crime and Disorder Act 1998 the Council has a statutory duty to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder within its areas. Leisure and library facilities and the activities that they offer provide positive opportunities, particularly to young people, who may otherwise engage in activities that may be criminal or anti-social.

Sustainability

34. Extending and improving opportunities that increase the number of people accessing library service and participating in sport and physical activity through a network of good quality, accessible and readily available facilities reduces the need for customers to travel to other local authority areas to participate in these activities.

35. Maintaining Leisure Centres and libraries at a local level are significant contributors to the Council's carbon footprint (12%) and improving energy consumption/efficiency (which also has benefits in terms of lower running costs) through refurbishment and redevelopment is a key objective.

Procurement

36. The Procurement Strategy for Dunstable Leisure Centre has been developed in consultation with the Chief Procurement officer. It has considered the options available for the procurement of redevelopment of Dunstable Leisure Centre, the various commercial approaches to pricing and whether to procure the project via a framework; or use the OJEU procedure.
37. The broad purpose of contract procurement is to appoint an appropriately skilled contractor, with the right team, agreed costs, programme and appropriate transfer of risk. A structured and systematic approach is required in order to select the most suitable option for Dunstable Leisure Centre.
38. A number of procurement routes have been considered and a 2 stage design and build approach is considered to be the most suitable option for this project, procured via a framework.

Implications for Work Programming

39. None

Conclusion and next Steps

40. There are a number of options for the redevelopment of leisure and library services in Dunstable to be considered, of which Option 7 offers the most commercially viable leisure and library services and offers the most possibilities for delivering broader corporate objectives on and off site.
41. The following is a draft timetable for Option 7. Key stages include the following, with some stages running concurrently;
 - Main building contractor procurement commence March 2016
 - Pre planning stakeholder engagement April 2016
 - Design development from May 2015
 - Planning application submitted September 2016 for approval December 2016
 - Construction period May 2017 – October 2018

42. In order to progress the redevelopment project the next step is to prepare for the procurement of a main contractor to undertake the construction work to redevelop the building. As set out in the procurement section of this report, following consultation with the Chief Procurement Officer it is recommended to undertake a two stage design and build procurement route, using the Southern Construction Framework to procure the main contractor.

Appendices

None

Central Bedfordshire Council

EXECUTIVE

9 February 2016

Community Safety Partnership Priorities 2016 - 2019

Report of Cllr Brian Spurr, Executive Member for Community Services
(brian.spurr@centralbedfordshire.gov.uk)

Advising Officer: Marcel Coiffait, Director of Community Services
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This report relates to a Key Decision

Purpose of this report

1. The report informs Members of the three priorities and emerging issue that have been identified through the Community Safety Partnership Strategic Assessment. The priorities have been recommended by the Community Safety Partnership Executive and are subject to Member consultation.
2. The Executive are invited to discuss and recommend the proposed priorities.

RECOMMENDATIONS

The Executive is asked to:

1. **that the following three Partnership Strategic Assessment Priorities identified for Central Bedfordshire for 2016 – 2019 be approved:**
 - **Protecting the Vulnerable** – specially from modern day slavery, trafficking of human beings, Prevent and child sexual exploitation.
 - **Dealing with Domestic Abuse** – specially supporting black and ethnic minority groups, under 18's and medium risk victims.
 - **Protecting our Communities** – specially dealing with street drinkers and nuisance motorcycles.

Overview and Scrutiny Comments/Recommendations

3. The Sustainable Communities Overview and Scrutiny Committee recommended that the Executive adopt the three Community Safety Partnership Strategic Assessment Priorities identified for Central Bedfordshire for 2016-19.

Performance Review, Central Bedfordshire, October 2014 – September 2015

4. There were 13,165 crimes which is an increase of 1,024 (8%) when compared to the same period the previous year.
5. There were 3,082 serious acquisitive crime¹ offences, which is an increase of 163 (5%) when compared to the same period the previous year.
6. There has been a decrease of 149 domestic burglaries (15%) when compared to the same period the previous year.
7. There were 3,397 domestic abuse (DA) incidents reported, which is an average of 283 incidents per month. This is an increase of 17% from the previous 12 months

Hidden Harms

8. The Community Safety Partnership (CSP) is continuing the approach to look at priorities on the 'hidden harms' that affect our residents and our communities.
9. The term "hidden harm" describes the experiences of people affected by substance misuse, abuse, modern day slavery and exploitation. People will often suffer in silence; their circumstances are often not known to services. They often do not know where to turn for help and the impact of their experience can have a deep and long-lasting consequence on their lives. These impacts can include physical harm, impaired patterns of parental care, higher risk of emotional and physical neglect or abuse, poverty and material deprivation, inappropriate substitute caring roles, and exposure to drug and alcohol using culture.
10. The CSP is committed to supporting not only an increase in understanding and awareness of the hidden harms our communities face, but encouraging those who are suffering to have the confidence to come forward and seek help from the Partnership and our services.

¹ Serious acquisitive crime consist of robbery, domestic burglary, theft of motor vehicle and theft from motor vehicle

11. The CSP has built up a strong base to support crime reduction, and offers crime prevention and reassurance in the community through awareness raising events, survey's, email alerts, magazine articles and attending vulnerable locations with partners. This will continue.
12. The CSP will continue to monitor burglary offences and offending series at the monthly CSP Tasking meeting. Community Safety officers are standing members of Bedfordshire Police's monthly Force Tasking Meeting where crime series are discussed and actions agreed.
13. Current risks within Central Bedfordshire do not come from traditional crimes, but from hidden harms as described above. By working together we will ensure a better support structure and positive environment is in place for our communities.

Protecting the Vulnerable

14. There are four parts to this priority:
 - Modern Day Slavery (MDS)
 - Trafficking of Human Beings (THB)
 - Prevent
 - Child Sexual Exploitation (CSE)
15. **MDS and THB** is a complex crime which takes a number of different forms, including sexual, labour, criminal and other exploitation (including domestic servitude). It is a global problem that transcends age, gender, ethnicity and culture. MDS includes victims that have been brought from overseas as well as vulnerable people from within the UK. These victims are forced to illegally work against their will in many different sectors.
16. In the period between December 2009 – November 2014 there were 35 crimes of MDS in Bedfordshire. The majority of offences were in Central Bedfordshire and were labour exploitation related. It is recognised nationally that MDS is under reported so the numbers are likely to be far higher.
17. Toddington Motorway Services is a recognised hotspot for THB and migration. This location has been identified due to it being one of the first places where lorry drivers take a break having left Dover or the Euro Tunnel. In 2015 Bedfordshire Police reported that the number of immigration arrests from this location increased by 85%.
18. **Prevent** is part of the Government's strategy aimed at preventing people from being radicalised, becoming terrorists or supporting terrorism.

19. The Counter-Terrorism and Security Act received Royal Assent in early 2015. The act places the Prevent Programme on a statutory footing and also places a duty on 'Responsible Authorities'. The local authority is now one of those Responsible Authorities.
20. In Bedfordshire there is a longstanding extremist scene in Luton, which has more recently presented in Bedford Borough. The highest risk of an attack is the risk of an unpredictable lone offender attacking people in the county.
21. There has been a shift of focus to Syria. A number of Bedfordshire residents are currently fighting, and some have died, in the Syrian conflict.
22. **CSE** is not new; however, through media coverage and through local incidents a wider public awareness has been created. The NPSCC indicate that 5% of children in the UK suffer contact sexual abuse at some point during their childhood.
23. In January 2015 the National Working Group were commissioned by the Chief Executive Officers and the three Local Safeguarding Children's Boards (LSCB's) of Bedfordshire to identify any weaknesses that needed to be addressed in order to help agencies prevent and/or manage CSE in Bedfordshire
24. Part of this review looked at Central Bedfordshire's current response to CSE. The review advised that "authority staff demonstrated a broad understanding of the nature of CSE, and it's presence in the county. There were examples of good practice with robust arrangements at an operational level".
25. The review provided six strategic recommendations. These have been taken forward and are currently being worked on by the Bedfordshire CSE Strategic Group, Chief Executive Officer's Group and the LSCB's in a joint partnership approach.
26. The offences that make up the four parts of this priority are by their nature hidden from view. Partnership working plays an essential role in identifying and reducing the risk of harm to vulnerable children, young people and adults. Any person from any background can be a victim of these hidden harms.
27. Intelligence gaps are a key issue across Central Bedfordshire, with very little intelligence being submitted on these hidden harms from partner agencies. As front line training is rolled out and officers understand their duty, and what to look out for in the community, it is expected that this intelligence feed into Bedfordshire Police should improve.

Dealing with Domestic Abuse

28. Domestic Abuse (DA) causes significant harm to not only the victims but also the wider family, it also accounts for just over 10% of all crime recorded in Central Bedfordshire. In 51% of all DA incidents a child was present, and 34% of DA incidents reported were at a repeat location.
29. In Central Bedfordshire high risk victims are supported by the Multi-Agency Risk Assessment Conference (MARAC). This is a monthly multi-agency group which meets to review cases and create a safety plan for the victim and any children. Of the 313 MARAC cases heard in the past 12 months only 10 cases were for victims or perpetrators from a black or minority ethnic (BME) group. This is disproportionate to the demography of Central Bedfordshire, and highlights possible under reporting from this community.
30. Within Central Bedfordshire the highest BME group is the Gypsy and Traveller community. A survey carried out with this group in early 2014 advised that 83% confirmed DA was an issue in their community. As a result of these findings the CSP lead on a Task and Finish Group whose aim is to improve engagement with that community, leading to awareness of services in respect of DA.
31. DA is not limited to adults; there is an increasing awareness of DA within teenage relationships. In Central Bedfordshire only 5% of victims who reported a DA incident between October 2014 – September 2015 were aged under 18yrs. The majority of victims were aged 18 – 24 yrs. These numbers are much lower than expected.
32. Victims assessed as high risk receive extensive support opportunities from a range of partners. This is essential to those who are high risk, but 65% of DA victims in Central Bedfordshire are assessed medium risk and therefore not heard at the MARAC. These victims do not receive bespoke support services.
33. Working with victims who are assessed as medium risk is essential to prevent an escalation of the violence, stop the cycle of abuse and to offer support and advice as the victim requires.

Protecting our Communities

34. There are two parts to this priority:
 - Nuisance Motorcycles
 - Street Drinkers

35. **Nuisance motorcycles** have been a significant issue in Central Bedfordshire for some years, with the number of reported incidents increasing steadily over the past three. Up until last year the issue was seasonal, with increases at Easter, but there has been a shift in this trend with nuisance behaviour becoming more prevalent much earlier in the year.
36. The majority of reports of nuisance motorcycles come from the south of Central Bedfordshire, with 35% of all incidents being in Houghton Regis and a further 28% in Dunstable.
37. Although there are a high number of reports of nuisance motorcycles on open land associated with off road biking, there are also a large number of reports from residential areas. Reports in residential areas are mainly of youths aged 13-17yrs riding bikes without helmets and sometimes with more than one person on the bike. Complaints are made for noise nuisance, vehicles being ridden on public pathways, and vehicles almost colliding with residents and young children.
38. Between April – October 2015 there were 30 reports of moped / motorcycle fires, the majority of these taking place in the south of Central Bedfordshire. In the period between October 2014 – September 2015 there were 169 offences of stolen motorcycles or mopeds, 86% of these were in the south of Central Bedfordshire.
39. **Street Drinking** is a complex issue which has a negative impact on the quality of lives of local residents and businesses. It is classed as ASB predominately due to outcomes from street drinking, such as littering, noise nuisance, abusive and disorderly behaviour. It also has a detrimental impact on the health of those who take part in street drinking.
40. Street drinking is a concern for local residents in Central Bedfordshire with 15% of those surveyed advised the main concern in their area was “people being drunk or rowdy in public places”.
41. In the period between October 2014 – September 2015 there were 367 ASB incidents reported to Bedfordshire Police that related to street drinking in Central Bedfordshire. Alcohol related ASB is not accurately recorded and it is felt that this number may not a true reflection of the issue, and that accurate recording would raise this number.
42. There are three evident hotspots for street drinking in Dunstable, Leighton Buzzard and Biggleswade. In these three hotspots there are a core group of street drinkers who are a mix of males and females aged 30 – 50 yrs. The majority of those who are known have housing provision so the issue in Central Bedfordshire is not necessarily linked to homelessness. Many of the individuals are entrenched drinkers with complex needs; from alcohol dependency, mental health, historic and current abuse, low incomes and unemployment.

43. Addressing street drinking related ASB and reducing harm to street drinkers themselves are two very different objectives. A number of different interventions are needed to deal with this issue, some of which will be enforcement dealing with the ASB elements and others will be engaging and supporting the street drinkers and dealing with their individual needs.

Emerging Issue – Sexual Abuse

44. The term sexual abuse covers a wide range of abuse acts directed towards an individual's sexuality, including sexual assault, rape, sexual coercion, sexual bullying and female genital mutilation.
45. Sexual abuse can be defined as any behaviour perceived to be of a sexual nature which is unwanted and takes place without consent or understanding. Sexual abuse affects people of all genders, culture and age groups and is a criminal offence.
46. In the period between October 2014 – September 2015 there were 271 sexual offences in Central Bedfordshire reported to Bedfordshire Police. This is an increase of 54% when compared with the previous 12 months. 34% of reported offences were cases of historic abuse.
47. In the period between October 2014 – September 2015 there were 100 offences of rape recorded in Central Bedfordshire, an increase of 32% when compared to the previous 12 months.
48. In Central Bedfordshire 89% of all sexual offences recorded involved a female victim and of the 271 reported 19% of them had a victim who was aged under 18 years.
49. It is known nationally that sexual abuse offences are significantly under-reported with 90% of rapes going unreported and it is therefore, believed locally that the vast majority of offences are not reported to the police.
50. In view of the continuing increase in reporting of sexual offences and the known under reporting, the CSP need to consider what their response is to sexual abuse in Central Bedfordshire.

Reasons for decision

51. For local authorities there is a statutory requirement for a "crime and disorder committee" with the power to review and scrutinise decisions taken by Responsible Authorities in relation to their crime and disorder functions.

52. In Central Bedfordshire this scrutiny is undertaken by the Sustainable Communities Overview and Scrutiny Committee, which has undertaken to carry out a review at least once a year of the CSP priorities.

Council Priorities

53. The agreement of the three CSP priorities, and the subsequent work in reducing offences, incidents and offending, will make a significant contribution to the quality of life experienced by local residents and communities.
54. Joint work on the priorities by all of the community safety statutory partners will also contribute to the delivery of the Council's Medium Term Plan ("Your Priorities 2012 – 2016") priority of 'Enhancing your local community'. Delivery of these priorities will contribute to the reduction of crime, anti-social behaviour, fear of crime and increase public confidence.
55. Joint work on the priorities by all of the community safety statutory partners will also contribute to the delivery of the Council's Five Year Plan (2015 – 2020) priorities of 'Protecting the vulnerable promoting wellbeing' and Creating stronger communities.

Corporate Implications

Legal Implications

56. Under section 17 of the Crime and Disorder Act 1998, the Council has a statutory duty to do all that it reasonably can to reduce crime and disorder in its' area. The Crime and Disorder Act also places a statutory duty on the Council, along with the other Responsible Authorities (Police, Bedfordshire Clinical Commissioning Group, Bedfordshire and Rescue Service, Probation²), to produce an annual Strategic Assessment which identifies crime and disorder priorities for our area.
57. The Police Reform and Social Responsibility Act 2011 sets out the requirement for the Police and Crime Commissioner (PCC) and the CSP to have due regard for each others priorities and plans. The timing of the Partnership Strategic Assessment and CSP Plan have ensured the PCC is informed of our priorities and the Office of the PCC has the opportunity to refresh the Police & Crime Plan.

² The Community Rehabilitation Company and the National Probation Service

58. The Counter Terrorism and Security Act 2015 by putting the existing Prevent programme on a statutory footing means that the local authority must have a panel to support vulnerable people being drawn into terrorism and by prioritising this issue the local authority is having due regard to the need to prevent people from being drawn into terrorism which is now a statutory duty.

Risk Implications

59. There are risks and challenges to working in partnership with the statutory partners of the CSP, should the Council not agree with the identified priorities.
60. The strategic risk register includes a strategic risk relating to the fragility of our partners, which includes Police, Clinical Commissioning Group and Probation. The strategic risk focuses on the fragility of our partners, as a result of the significant changes and pressures they face, including budgetary pressures, transfers of responsibilities, geographical factors, confusing accountabilities and increasing complexities. These factors increase the risk that services to our public could be compromised.
61. There is a risk to the Council should it not agree with the partnership data and analysis that has been provided. If new priorities were to be agreed without supporting data and evidence, the process would not stand up to scrutiny, and would not be based on intelligence. This would make it difficult to gain support from partners to work with us on any new issue.
62. There are potential community implications if work on the high risk identified priorities is not undertaken. The three priorities have scored highest in the risk matrix, been highlighted through public consultation, and are known to affect Public Confidence and Fear of Crime.
63. The adoption of the agreed annual priorities by the Executive will ensure that the Council's statutory duties are met and helps mitigate the risk of failing to deliver the Council's priorities.

Financial Implications

64. The majority of work is undertaken using existing resources within each partners' organisation. The PCC is responsible for the Community Safety Fund across Bedfordshire and the Partnership will bid for funding to provide additional support to existing resources where suitable.
65. Financially the CSP saves on resources; by pulling together to work on priority areas that affect them all, using an intelligence led approach.

Equalities Implications

66. Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. By working on the three priorities and emerging issue, there will not be unlawful discrimination or contradictions under the European Convention of Human Rights.
67. Statistics and data have been used and analysed to identify the high risk issue to the CSP and our communities. All members of our communities have been taken into account, and there have been no groups omitted from the process.
68. The impact of working on the proposed priorities will not discriminate against individuals or groups. In fact the work around Domestic Abuse and anti-social behaviour will support minority groups and individuals who may not have felt supported, or engaged.
69. An Equality Impact Assessment has highlighted areas of concern due to low level reporting of Domestic Abuse by vulnerable groups. By recommending the three priorities the CSP we will also be addressing high risk areas identified in the Equality Impact Assessment.

Conclusion and next Steps

70. It is essential that Central Bedfordshire CSP has an agreed set of priorities, and identified an emerging issue which have been informed by the Partnership Strategic Assessment.
71. The three priorities proposed are based on a robust assessment of the key community safety issues in Central Bedfordshire.
72. By working on the three priorities, and conducting research on our emerging issue, the CSP will contribute significantly to the achievements of the Council's plan for delivering its key priorities over the next three years.

Appendices

None

Background Papers

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

None

Central Bedfordshire Council

EXECUTIVE

9 February 2016

Tender Award of a Five Year Contract for Council Housing Gas Appliance Maintenance and Service

Report of Cllr Carole Hegley, Executive Member for Social Care and Housing (carole.hegley@centralbedfordshire.gov.uk)

Advising Officer: Julie Ogley, Director Social Care, Health and Housing (julie.ogley@centralbedfordshire.gov.uk)

Alisdair Darbyshire, Team Leader Voids & Cyclical, Social Care, Health and Housing (alisdair.darbyshire@centralbedfordshire.gov.uk)

This report relates to a Key Decision

Purpose of this report

1. This report recommends delegating authority to the Director of Social Care, Health and Housing in consultation with the Executive member responsible for Social Care and Housing to award the Gas Maintenance and Servicing Contract to the most economically advantageous submission following evaluation. The reason for requesting a delegation of the Executive's authority is that the procurement process did not commence as early in 2015 as it should have. This was due to recruitment difficulties. The relevant posts have now been recruited to and delays of this kind are unlikely in future.

RECOMMENDATIONS

Executive is asked to:

1. **Delegate authority to the Director of Social Care, Health and Housing, in consultation with the Executive Member for Social Care and Housing, to award the Gas Maintenance and Servicing Contract in respect of functions the Council is obliged to carry out under the Gas Safety (Installation and Use) Regulations 1998.**

Overview and Scrutiny Comments/Recommendations

2. Chairman of Social Care, Health & Housing Overview & Scrutiny Committee has been consulted and agrees that the proposals do not require review by the Committee.

Issues

3. The Council has a duty in its capacity as a Landlord under the Gas Safety (Installation and Use) Regulations 1998 to ensure that Council owned gas appliances in residential and domestic premises are maintained and serviced in accordance with these statutory regulations.
4. The Council as a Landlord is responsible for a portfolio of approximately 5200 homes let under relevant tenancies and agreements. A contract for gas maintenance and services will help to ensure the Council's obligations as landlord are met and the gas appliances in the Council's domestic housing stock are maintained to statutory standards.
5. The contract will be on the Council's standard terms and conditions taking into account the standard form of contract documentation from the NHF Form of Contract 2011 Gas Servicing and Maintenance Servicing 6.2 revised and updated April 2014. The contract is of an all inclusive nature, having a fixed price per property for all gas servicing and maintenance. The contract in this form provides better budgetary control with financial risk shared with the Council and contractor.
6. Previously domestic and commercial gas contracts were managed separately. This contract combines all domestic property and non domestic communal sites, such as sheltered schemes and flats into one contract. This approach will reduce officer time managing the additional contract and makes the new contract more attractive to potential bidders, providing economies of scale.
7. As with the current contract, this contract provides the contractor authority to complete all repairs (where possible) at first visit which will provide better tenant satisfaction. The all inclusive nature of the contract allows the contractor to complete all required repairs without the need for Council approval for work within the all inclusive rate.

Reasons for decision

8. The tenders are due to be returned on 25 January 2016. In order for the contract award to proceed on programme, with a commencement date of 1 April 2016, it is requested that the decision to award a contract for Gas Maintenance and Service is delegated to the Director of Social Care, Health and Housing, in consultation with the Executive Member for Social Care and Housing.

9. Delegated authority is required as the tenders will be received after this Executive and the contract needs to be awarded before the next Executive on the 5 April 2016. This will enable the council to authorise specifically the contracting out of these Gas Maintenance and Service functions to a third party. With the qualifications/restrictions that:
 - The decision is to be taken in consultation with the Executive Member for Social Care, and Housing.
 - The Director of Social Care, Health and Housing exercises the power to contract out that function for a contract period of 5 years with the option to extend for a further two years. The anticipated contract value is between £650,000 and £730,000 per annum.
 - So that this authorisation operates between 9 February 2016 and 31 March 2023.
10. The current domestic gas maintenance and service contract will expire on 31 March 2016.
11. The current communal heating contract (which will now be included in the new combined commercial and domestic heating contract) ends in March 2017; this contract may be ended early to bring the two work streams together. The current contractor has been made be aware that the work streams are being combined.

Council Priorities

12. The new contract will support the Council priorities by:
 - Enhancing the local community; creating jobs, managing growth, and enabling businesses to grow. It is expected the successful contractor will employ local labour and apprentices.
 - Promoting health and well being and protecting the vulnerable, by ensuring the heating systems are maintained providing a warm home that assists a healthy lifestyle.
 - Generating efficiencies and value for money through economies of scale, supply chain management and improved working practices.

Corporate Implications

Procurement:

13. The contract has been tendered in accordance with the Council's Corporate Procurement Rules. The chosen contract form will provide value for money and competitive tendering.

14. Corporate Procurement has been fully engaged in the procurement process and will remain involved until the contract is awarded.

Sustainability:

15. Recycling targets are considered as part of the Tender Evaluation process and will influence the choice of contractor. In line with the Council's Housing Asset Management Strategy, suppliers will be expected to demonstrate the same level of commitment to environmental sustainability as the Council. Suppliers will be expected to ensure any waste from programmes is minimised.

Risk Management:

16. The awarding of the contract will mitigate the risks of failing to discharge statutory responsibilities, failing to support the Council's priorities and failing to deliver value for money.

Legal Implications

17. A local authority has responsibility for, amongst other things, repairs and maintaining in a safe condition relevant gas fittings and flues in a dwelling it legally owns and which has been let. This responsibility is imposed specifically under the Gas Safety (Installation and Use) Regulations 1998 although is also covered by more general statutory duties to repair under the Landlord and Tenant Act 1985 or via contractual duties to repair under a tenancy or license agreement. However, the Council is able to contract with a third party to carry out the repairs and servicing that it is obliged to do.
18. It should be borne in mind that the Council remains ultimately responsible in respect of gas safety and maintenance. If there was a failure by a contractor who has been contracted by the Council to provide the service of gas safety and maintenance, the Council would have to fill this gap (either by itself or through use of another service provider). Robust contract terms and indemnities in favour of the Council should minimise the risks, damage and cost to the Council caused by a failure by the contractor. These terms should also go alongside other protecting terms such as the ability to monitor the performance of service provision, an ability to review the contract or if necessary break the contract if there is a failure or poor performance by the contractor.
19. The Executive should be aware that it is being asked to delegate a Key Decision to a Director. The decision to award this particular contract is a Key Decision under the Council's Constitution because it involves the decision to award of a contract with an anticipated value of over £200,000 per annum.

20. This does not mean that the decision cannot be taken by a Director; it only means that it is currently a Key Decision. Ordinarily the Executive wish to retain a form of overview or scrutiny of some decisions hence Key Decisions are those retained by the Executive and not delegated. Key Decisions are particularly defined as matters that involve a significant amount of expenditure. Key Decisions also tend to require a level of transparency. The Council (and Executive) can and does delegate many of its functions and decision making powers to its officers and there are benefits to delegating some decisions (as well as not delegating others) to a Director.
21. The decision making in respect of a contract for gas safety and maintenance may be delegated to a Director, particularly in these circumstances where it appears the only reason is so that the transfer from the old contract to the new contract does not rely on Executive meeting dates when it is of benefit to start the new contract in-between meetings/at the start of the financial year. It could also be considered appropriate where overall value of the contract is one reason that pushes it into being a Key Decision and the basic service provision works out at approximately £125 to £150 per household per year. A one off expenditure for a council house repair for this amount is well within the Director's current delegations.
22. So long as the Executive are satisfied that their level of scrutiny is not required for this Key Decision in this case, it may be delegated. The Executive may be satisfied if there is still some scrutiny e.g. it is a one-off delegation of a Key Decision, a Member or Members are still involved either with the award or in monitoring performance. This is partly recommended for this contract in that the decision to award will be in consultation with the Executive Member for Social Care and Housing. It is also recommended that the delegation is finite and so it is recommended the delegation is from today's date to the expiry of the contract so that the Director can complete all tendering works and implementing the contract. It is recommended that any decision in relation to extension of the contract is retained by Executive (bearing in mind it is an anticipated expenditure of over £500,000 for each extended year).
23. The contract must be tendered in accordance with EU and Procurement legislation and the Council's Corporate Procurement Rules. Current terms offered as part of the tender have been scrutinised by the Procurement lawyers and any further amendments will also be referred to them in future.
24. It must also comply with rules concerning use of Housing Revenue Account monies and this has been dealt with under Financial Implications below.

Financial Implications

25. The budget for Gas Maintenance and Service is Housing Revenue Account (HRA) funded and is £724K in 2016/17. The funding has been included in the Landlord Business Plan and is reviewed annually. The contract evaluation is based upon a 40% price and 60% quality assessment to help ensure value for money from the contract is achieved.

Equalities Implications

26. Equality and diversity are key issues for all directorates within Central Bedfordshire Council. As part of the tender evaluation, contractors demonstrated their compliance with the Corporate Equalities Policy and incorporated this commitment within their method statements. As part of ongoing contract monitoring arrangements the Council will check that statutory service delivery and employment requirements relating to equality are being met.

The Contract

27. The contract is for 5 years with a 2 year extension and subject to performance and annual reviews.
28. An established Tender Documentation called NHF Form of Contract 2011 Gas Servicing And Maintenance Servicing 6.2 revised and updated April 2014.
29. In this form of contract the supplier is paid for a fixed fee per property for all the maintenance and annual servicing to the housing portfolios properties. Any works outside the contract, will be quoted by the contractor for the council officers' approval.

Tender Evaluation

30. A contract advert was placed on Thursday 24 October 2015 on an OJEU notice and on the CBC website.
31. The Council received 18 pre-qualification questionnaires by the closing date of 25 November 2015. Following evaluation by Asset Management and Procurement, submissions were shortlisted to 10. These were passed to the Financial Team for assessment.
32. Following financial assessment which was completed on Tuesday 15 December 2015, seven potential contractors were shortlisted to be invited to Invitation to tender stage (ITT). Two of the seven contractors were required to provide further information to enable their financial status to be fully assessed. The information was requested with a deadline of Friday 18 December 2015. One of the contractors failed to provide the information by the deadline.

33. The Council invited seven contractors to the ITT / Tender stage on Tuesday 22 December 2015. The contractor that failed to provide the financial information was advised their submission would be subject to passing our financial assessment.
34. The tenders are due to be returned on the 25 January 2016 and evaluated the following week.
35. Following tender evaluation prospective contractors will be invited to the presentation stage. The panel will be made up of officers and tenant representatives.
36. The Standard Award Criteria Evaluation Model is a points system based upon 40% of the points being awarded for financial submissions and 60% of the points being awarded for quality method statement submissions/interview and presentation. The criteria for assessment of quality covered the following specific areas: Environment, Equalities, Health & Safety, Insurances & Data Handling, Method of Delivery of the service, Resources to be allocated, Business Continuity, Quality Control and Performance Management (KPI's), Customer Care and Social Values.
37. It is anticipated that the presentation stage will not be completed before Executive on 9 February 2016.

Conclusion and Next Steps

38. The tenders will be evaluated to determine the most economically advantageous submission, enabling the Director of Social Care, Health and Housing to award the contract using the Executive's delegated authority in consultation with the Executive Member responsible for Social Care and Housing.
39. To mobilise the contract for commencement on the 1 April 2016

Appendices

Not Applicable

Background Papers

40. The following background papers, not previously available to the public, were taken into account and are available on the Council's website: None

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Central Bedfordshire Council

EXECUTIVE

9 February 2016

December 2015 Quarter 3 Revenue Budget Monitoring

Report of Cllr Richard Wenham, Executive Member for Corporate Resources
(richard.wenham@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 sets out the financial position for 2015/16 as at the end of December 2015. It sets out spend to date against the profiled budget and the forecast financial outturn. Explanations for the variances are set out below in Appendix A. This report enables the Executive to consider the overall financial position of the Council and agree any further actions.

RECOMMENDATIONS

The Executive is asked to:

1. **note that the revenue forecast position is to underspend by £0.1M (over budget by £0.9M in November, £1.1M over last year) and request officers to continue to take the necessary action to maintain an underspend; and**
2. **note that the budget includes £2.1M of contingency costs which are currently forecast to be used. There is no call on this contingency at present.**

Issues

2. Forecast outturn position as at December 2015 is under budget by £0.1M (£0.9M over budget in November).
3. This is mainly due to the transfer of £0.75M Care Act budget to Social Care, Health & Housing (SCHH), thus reducing the forecast overspend in this area. Previously this was reported in Corporate Costs and was forecast to be spent, although there were no costs arising in that area. and £0.2M additional Section 38 income within Community Services.

4. SCHH forecast overspend is £0.5M (£1.2M in November) due to the demand for care packages for residential and non residential nursing placements and people with learning disabilities. The decrease is due to the inclusion of £0.75M Care Act provision funding mentioned above. This is the purpose for which the provision was made.
5. Children's Services have increased their forecast overspend to £1.4M (£1.3M in November). This is mainly due to additional Asylum support costs, additional support for a young person at St Christopher's and 2 new leaving care placements. A full explanation of the full year overspend is contained in Appendix A.
6. Community Services have increased their forecast underspend to £1.3M (£0.9M in November) this is due to; £0.2M additional forecast Section 38 income, £0.05M savings due to the temporary closure of Biggleswade Household Waste Recycling Centre and £0.15M savings within Leisure. A full explanation of the full year underspend is contained in Appendix A.
7. The underspends in Information and Corporate Services and Corporate Resources are due to an increase in forecast Housing Revenue Account (HRA) recharges as well as a delay in recruitment to the Local Land Charges Manager post. There are several changes since last month; savings due to Programme/Project Manager vacancy, reduction in the forecast for agency staff within People and savings within Legal and Democratic Services.
8. The underspend in Corporate Costs is a result of less than budgeted interest charges which offsets the unachievable Customer First efficiency.
9. We are holding a contingency of £2.1M against which no call has yet been made. If this contingency is released then this results in an underspend of £2.2M.
10. Overall debt is £10M compared to £11M in November. Debt over 61 days is £5.9M (60%). November £6.1M (56%).
11. The table below details the Year to Date (YTD) and Full Year variances by directorate:

Directorate	Year to Date - December P9			Full Year		
	Budget	Actual	Variance	Budget	Forecast	Variance
	£m	£m	£m	£m	£m	£m
SCHH	48.5	48.5	(0.0)	64.6	65.1	0.5
Childrens Services	27.7	28.4	0.7	36.7	38.2	1.4
Community Services	36.3	34.6	(1.7)	48.6	47.3	(1.3)
Regeneration	3.4	2.7	(0.7)	4.8	4.8	(0.1)
Public Health	0.0	0.2	0.2	0.0	0.0	0.0
Improvement & Corporate Services	11.8	10.8	(1.0)	15.9	15.6	(0.3)
Corporate Resources	3.3	3.1	(0.1)	4.7	4.6	(0.1)
Corporate Costs	6.3	5.8	(0.6)	11.0	10.8	(0.2)
Total Excl Landlord Business	137.3	134.2	(3.1)	186.5	186.4	(0.1)
Schools	0.0	0.0	0.0	0.0	0.0	0.0
Landlord Business	(0.1)	(0.1)	(0.0)	0.0	0.0	0.0
Total	137.2	134.0	(3.2)	186.5	186.4	(0.1)

RESERVES POSITION

12. The general fund full year forecast position includes a net £3.7M movement in reserves.
13. In terms of use of general fund earmarked reserves, SCHH are forecast to use £1.7M, Children's Services £1.6M, Public Health £0.5M, Regeneration £0.2M, Community Services £1.3M, ICS £0.2M and Corporate Costs £0.6M. Total use is £6.1M.
14. This is offset by the creation of a £2M Earmarked Reserves (EMR) for the New Homes Bonus (NHB) which we will receive in 2015/16. This was a conscious decision within the MTFP to both reduce reliance on NHB and to build a fund for investment. There is also a budgeted transfer to EMR of £500k to top up the Redundancy Reserve and £400k to top up the Insurance Reserve and £0.2M which are Elections related. In addition, Government announced a 6.2% in year reduction to Public Health reserves as part of the Emergency Budget in July 2015. For CBC this was a reduction of £746K. Total proposed transfer to reserves is £2.4M.
15. See Appendix B for details of which EMR have been used (note that Corporate Costs shows a number of reserves that are reflected in Directorate forecasts).

General Reserves

16. The opening position for 2015/16 is £15.2M. There are no further uses or contributions planned this year.

Council Priorities

17. Sound financial management contributes to the Council's Value for Money and enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 6 Council priorities.

Corporate Implications

Legal Implications

18. None

Financial Implications

19. The financial implications are set out in the report.

Equalities Implications

20. Equality Impact Assessments were undertaken prior to the allocation of the 2015/16 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

Appendices

- Appendix A – Detailed Directorate Commentary
- Appendix B – Earmarked Reserves.
- Appendix C – Debt Management
- Appendix D – Treasury Management

APPENDIX A – DIRECTORATE COMMENTARY

Social Care, Health and Housing (SCHH)

- The directorate General Fund projected outturn position is an overspend of £0.465M after the use of reserves (£1.190M for November) and also after a £0.759M technical budget adjustment (movement of the Care Act budget into SCHH).

Month: December 2015	Year to date				Year				
	Budget	Actual	Use of Reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Social Care Health and Housing									
Director of Social Care, Health, Housing	148	356	(197)	11	197	464	267	(241)	26
Housing Solutions (GF)	899	1,264	(181)	184	1,198	1,633	435	(269)	166
Care and Support	8,685	8,862	(60)	117	11,579	12,091	512	(327)	185
OPPD - Care Management	21,688	23,375	(592)	1,096	28,905	31,134	2,229	(760)	1,469
LD Care Management & MH Packages	14,576	14,578	(23)	(21)	19,431	19,906	475	(30)	445
Head of Integrated Services + Other IS	674	555	-	(119)	898	830	(68)	-	(68)
Commissioning	7,774	7,597	119	(58)	10,366	10,037	(329)	171	(158)
Resources	(5,945)	(6,995)	(190)	(1,240)	(7,927)	(9,260)	(1,333)	(267)	(1,600)
Total Social Care and Health	48,499	49,592	(1,124)	(31)	64,647	66,835	2,188	(1,723)	465

- The Adult Social Care service (Care & Support, OPPD, Learning Disabilities/Mental Health and Integrated Services) is showing an over spend of £2.03M after the use of reserves and the budget adjustment but excluding customer contributions.

This division has to absorb the risk of increasing Older People, Physical and Learning Disability package volumes and costs. People are living longer and the costs of dementia are on the increase. Demographic pressure of £1.8M has been built into the budget to reflect this, however, efficiency targets for this area total just short of £2.6M. The budget was also increased between years by £1.0M to reflect the outturn overspend for this area in 2014/15 of £3.3M.

- Within the Older People 65+ package budgets, there are projected over spends on residential and nursing placements of £1.4M offset by additional customer income of £0.8M. There is also an overspend on non-residential packages of care of £0.8M partially offset by additional customer income of £0.4M.
- Within Learning Disabilities, there is a projected over spend on packages of £0.825M. There remain risks relating to the funding of customers being assessed under the Clinical Treatment review in a response to the Winterbourne View national programme. The forecast currently assumes costs for seven customers at £0.429M with a full year cost of £0.606M.
- The budget has also been increased to reflect carer breakdown costs for mid life customers estimated at £0.4M, to offset the permanent overspend on non-fleet transport contracts of £0.08M and the short term pressure due to the lack of in area respite care of £0.256M. Additional budget of £0.848M has also been provided to address Ordinary Residence costs for customers originally from other authorities who have become resident in Central Bedfordshire. Changes introduced through the Care Act have a led to reduced pressure in this area. Efficiency targets for this service area amount to £0.8M.

6. Residential Homes for Older People are reporting an overspend of £0.358M. The workforce within the homes is subject to a phased assimilation process to bring all care staff onto CBC grade and terms and conditions. There is a reduction in Income from other local authorities making use of vacant beds.
7. The Commissioning service is projecting an underspend of £0.158M.
8. The Resources division is showing a projected underspend of £1.6M the majority of which relates to a projected over achievement of customer contributions and partly offsets the overspends in Care Management.
9. A Recovery Plan has been agreed to address the current year forecast over spend and specific areas of action and associated financial benefits are included in the current forecast position. This has had the effect of reducing the projected overspend at the start of the year although other pressures, mainly within Learning Disabilities, have increased the underlying position.
10. Thus far the impact of legislative changes arising from the Care Act has not resulted in additional significant pressures on the budget position. The Care Act Grant of £1.2M is largely committed, however, so any additional assessment or support costs will have to be met from within existing resources.
11. The Better Care Fund (BCF) has been established and the S75 and financial reporting arrangements are in place.

There are already reported risks to this new Pooled Budget relating to performance targets for non-elective admissions into hospital. The cost of CBC services included within the BCF is being reviewed to identify any potential surpluses. Any over or underspends within CBC's current revenue budgets for services positioned within the BCF are excluded from the forecast as they will now have a direct impact on the pooled fund.

12. HRA is subject to a separate report.

Children's Services

13. The Children's Service net expenditure budget for 2015/16 is £36.7M. The full year projected outturn position for 2015/16 as at 31st December 2015 is £1.42M over budget after £1.58M use of reserves set aside at the end of the 2014/15 Financial year.

Month: December 2015	Year to date				Year				
Director	Budget	Actual	Use of Reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Children's Services									
Director of Children's Services	294	410	(143)	(27)	392	583	191	(191)	-
Children's Services Operations	16,979	17,998	(269)	750	22,364	23,719	1,355	(360)	995
LAC Placement Costs	6,930	7,892	(321)	641	9,444	10,732	1,288	(425)	863
Commissioning & Partnerships	2,687	2,429	(83)	(341)	3,821	3,753	(68)	(110)	(178)
Partnerships	535	594	(47)	12	593	655	62	(62)	-
Education Services	1,290	1,530	(198)	42	1,476	1,920	444	(264)	180
Total Children's Services (ex Schools / Overheads)	28,715	30,853	(1,061)	1,077	38,090	41,362	3,272	(1,412)	1,860
DSG + ESG Contribution to Central Support	(1,017)	(1,160)	-	(143)	(1,356)	(1,547)	(191)	-	(191)
Other School Budgets	-	(60)	(125)	(185)	-	(80)	(80)	(167)	(247)
Total Children's Services (excluding Schools)	27,698	29,633	(1,186)	749	36,734	39,735	3,001	(1,579)	1,422

14. Overspends in the Operations Directorate (£1.857M) include Looked After Children (LAC) Placement Costs (£863K), Intake & Family Support (£358K), Fostering & Adoption (£347K) and Children in Care & Care Leavers (£513K), offset by savings in Early Intervention and Prevention (£254K) and Children with Disabilities (£62K).

The main overspends can be grouped as follows :

- £940K the use of agency staff mitigating the Assisted Years Supported Employment (AYSE) programme, vacant posts, maternity and sickness absences across the directorate offset where possible by holding vacant posts
 - £206K Leaving Care
 - £228K Secure Accommodation
 - £164K Allowances including Adoption and Residential Orders (now Child Arrangement Orders)
 - £86K Inter agency adoption costs
 - £345K Residential Care Home Payments
 - £140K In-House Fostering
 - £87K St Christopher's contract
15. These have been offset by savings identified in contracts, and reducing funding to the Family Meeting Service and Childcare Panels in Early Intervention and Prevention.
16. The tables below reflect the increased number of Looked After Children (LAC) and non care placements.

	December 2014	December 2015	% inc / (dec)
Number of LAC (excluding UASC) :	241	253	5%
In House Foster Placements	99	114	15%
Independent Foster Placements	84	77	(8%)
Residential Homes & Schools	23	10	(22%)
St Christopher's Stewartby		7 1	
Semi - Independent Living	11	11	n/c
Placed for Adoption/ with Parents	21	24	14%
Children with Disabilities (CWD)		6	
Secure & Temporary Accommodation, Young Offenders & NHS	3	3	n/c
Mother & Baby Units			
Unaccompanied Asylum Seeking Children:	14	41	292%
In House Foster Placements	1	5	500%
Independent Foster Placements	3	13	433%
Semi Independent Living	10	23	230%
Total Number of LAC:	255	294	9%

	December 2014	December 2015	% inc / (dec)
Non care placements :			
Special Guardianship Orders	106	131	23%
Child Arrangement Orders (Residential Orders)	45	41	(9%)
Adoption Allowances		46	
Other information:			
Child Protection Plan	174	194	11.5%
Children in Need	1385	1331	(3.9%)
Number of Referrals (YTD)	1767	1792	1.4%

	Movement YTD
LAC (April 274)	+20
In House Placements inc. UASC (April 106)	+13
Independent Foster Placements (April 88)	+2
Special Guardianship Orders (April 116)	+15

17. The tables below reflects the use of agency staff covering substantive posts across Children's Services Operations.

All Staff	Budgeted FTE	Actual FTE	No. of Perm	Vacant	No. of Agency	% of Agency	% change month
Children in Care & Care Leavers	47	47	39	4	4	8%	n/c
Family Support	55.6	57.6	37.8	7.9	11.9	20%	n/c
Intake & Assessment	57.1	60.1	40.7	5.4	14	23%	+4%
Children With Disabilities (CWD)	56.3	60.1	45.8	10.5	3.8	6%	n/c
Quality Assurance	22.8	24.3	17.0	1.3	6.1	25%	-1%
Fostering & Adoption	39	38.5	34.4	2.6	1.5	4%	-4%
Early Intervention and Prevention	72	74	62.8	10.2	1	1%	n/c
Total	349.8	361.7	277.4	42.0	42.9	12%	+1%

Social Workers	Budgeted FTE	Actual FTE	No. of Perm	Vacant	No. of Agency	% of Agency
Children in Care & Care Leavers	22	22	21	0	1	4%
Family Support	32	35	24.6	3.5	6.9	20%
Intake & Assessment	17	18	13	2	3	17%
CWD	9.1	9.9	8.8	0.2	0.8	8%
Quality Assurance						
Fostering & Adoption	14.8	14.8	14.8	0	0	n/a
Early Intervention and Prevention	4	5	3.3	1.7	0	n/a
Total	98.9	104.7	85.6	7.4	11.7	11%

18. Of the 42.9 Agency Staff covering vacant posts, maternity and sickness absences, 4 fte are mitigating for the AYSE's in and the Intake & Assessment and Family Support teams.

19. Children in Care and Care Leavers

The full year forecast for this area is £513K over budget (£498K November) due to:

- £233K in Court & Permanence Team mainly due to the use of agency staff covering social worker vacancies (£215K) in the earlier part of the financial year. Agency costs are reducing significantly; quarter one £191K, quarter two £146K, and quarter three £60K. Expected cost for quarter four £6K, for one fte for January only. Support work and interpreting costs (£16K) also contributed to the overspend. The current agency forecast is based on the assumption that all agency staff will have left on or before 31st January 2016. If this is not the case there is the risk that agency costs may rise further.
- £152K LAC 13+ Agency staff (£84K) covering for vacant social worker, personal adviser and team manager posts in the early part of the financial year. Agency costs were quarter one £82K, quarter two £51K, and quarter three £34K. The forecast for quarter four £9K is for one fte for three months January to March. There are also overspends in Client expenses including transport, meals and clothing (£48K), and for support and interpreting expenses (£20K).
- £58K Asylum 18+ budgets for the cost of Asylum seekers over and above the income due to be received from the Home Office. There are six (an increase of one since August) all rights exhausted asylum seekers whose accommodation and living expenses cost on average £838 per week. The budgeted expenditure for this area is £48K.
- £96K LAC External Providers, mainly due to external legal costs (£50K) for hairstrand DNA and physiological assessments, all expert assessments are now approved by the AD at the Resource Panel and therefore legal costs are expected to reduce from November 2015 to March 2016. High Level Family Support (£12K) covering independent visiting and advocacy services and therapeutic services (£30K) largely relating to a contract with Cambridgeshire County Council for one child's therapeutic services.
- £28K CAMHS (Mental Health contract) forecast to be £28K higher than budgeted, this is currently under review and invoices have not yet been paid.
- Offset by savings due to a consultant social worker post being left vacant throughout 2015/16 in LAC Service Team (£54K).

20. LAC Placement Costs

- The full year forecast for the placement costs of the 294 LAC (including 41 UASC) is £863K over budget (£710K November) after the use of £404K for the introduction of the foster fee scheme, £9K for Maythorn works carried forward from 2014/15 and £12K use of Corporate redundancy reserve for Maythorn.

21. The forecast overspend is mainly due to;

- £140K In - House Fostering, there are 116 young people and 5 Unaccompanied Asylum Seeking Children (UASC).
- £345K Residential Care Home Payments.
- £206K Leaving Care budgets: There are now 14 young people receiving accommodation/supported living packages and costs range from £9 to £154 per day, the average forecast cost is £16,110. There are 22 LAC UASC's in Semi Independent at an average cost of £1,107 per young person per month. We receive £95 per day for under 16's and £71 per day for 16/17 year olds.
- £228K Secure Accommodation: there are currently two secure placements at an average cost of £36,750 per month forecast to remain until January 31st 2016. One young person has been moved out of Secure Accommodation 4-5 weeks earlier than anticipated.
- £86K St Christopher's contract, overspend due to reduced income from Bedford Borough Council, revision to the Service Level Agreement from October 2015 and the omission of pension and waking nights payments from the original contract.
- £7K Stewartby contract due to additional support costs for one young person.

Offset by:

- £87K saving in Independent Fostering Allowances. The saving are due to a reduction in the number of contracted days for five young people and an increase for one, a new mother and baby placement, and changes to weekly rates and/or foster carers for a further 6 young people.
- £37K savings in Maythorn which offset overspends in other CWD budgets.
- £28K savings in Mother & Baby Units

22. Intake & Family Support

The full year forecast for this area is £358k over budget (£406K November) after the use of the Tackling Safety and Vulnerability Corporate reserve (£51K) to fund a Child Sexual Exploitation post and Corporate redundancy reserve (£25K) in the Family Intervention Service team. The overspend is due to the use of Agency staff in the following areas:

- £19K Dunstable and Biggleswade Family Support: the overspend is due to agency costs as more vacancies were covered by agency staff mainly in the earlier part of the financial year. Agency costs were £256K quarter one £213K quarter two, and £251K quarter three. Forecast agency costs for quarter four £202K are based on approx. eleven agency staff, ending the financial year with 9.9 and one for ASYE cover in March.

- Professional services and taxi costs have risen due to more Public Law Outline and court cases in the team, two stage 2 complaints and pre-court assessments have been allocated to commissioned external social workers for completion
- £301K Intake & Assessment: six agency staff covering vacancies, one covering a maternity leave and one for ASYE. There are currently two vacant posts. Quarterly costs have fallen from those in quarter one (£245K), quarter two (£164K) and quarter three (£99K) to a forecast cost of £111K for an average of 6 vacant posts in quarter four, ending the financial year with 4.8 in March.
- £91K Access and referral Hub: five agency staff covering vacancies and two vacant posts. Quarterly agency costs have fallen from £94K quarter one, £72K quarter two, £61K quarter three to a forecast £57K in quarter four for an average of 4fte, ending the financial year with two in March.

This is offset by savings in Safeguarding External Providers, Young Peoples Support team and discretionary payments.

23. Fostering & Adoption

The full year forecast for this area is £347K (£367K November) over budget due to:

- £88K 42 Residential Orders (now Child Arrangement Orders): average cost for December £685.
- £86K Inter-agency adoption: There are five inter-agency placements for 10 children. These costs range from £27K for a single placement and £43K for a sibling group. No further costs were previously anticipated this financial year due to the introduction of a new grant to cover costs of all new inter agency placements, however the grant only covers hard to place children and an eight week old child was recently placed who was not covered by the grant at a cost to CBC of £13.5K.
- £76K Adoption Allowances cost ranges from £375 - £879 per month (average £643) forecast to increase from 43 currently to 45 by the end of the financial year.
- £45K Fostering Recruitment and Training mostly due to agency staff covering vacant Resource Manager post and a social worker on maternity leave as well as overspends in subscriptions and discretionary awards. Quarter one agency costs £27K, quarter two £22K, quarter three £7K, forecast quarter four £7K for one fte January to March.
- £12K Special Guardianship Orders (SGO's) there are now 132 SGO's an increase of 14 since April 2015 at an average cost for December of £695. A pressure of £661K was funded in 2015-16 to cover the increase number of SGO's.

- £39K Adoption & Permanence including a one off payment for adoption support, psychological assessment of a child and commissioned prospective adopter assessments.

24. Early Intervention and Prevention

Following the identification of savings, the full year forecast is £254K under budget (no change since November) after £262K use of reserves set aside at the end of the 2014/15 financial year for Supporting Families (£126K grant income), Children's Centres (£116K), supporting disadvantaged children (£18K grant income) and Early Years Dedicated Schools Grant (£2K grant income).

Savings have been identified to mitigate against the overall directorate overspend as follows:

- £45K Reduction to the Counselling Contract.
- £45K Reduction of the Speech and Language Therapy contract by 25%.
- £25K Member of staff retiring in August 2015 position not being filled.
- £28K Non recruitment to ASYE post in Early Help Assessments.
- £16K Maternity leave of three members of staff not being back filled.
- £45K Family Services Manager and Outreach Development Officer posts to be left vacant.
- £29K reduction in available funding for Family Meeting Service and Childcare Panels.
- £20K reduction for Family Group Meeting Co-ordinators.
- £11K reduction for the Domestic Abuse Freedom Programme and associated crèches.

Offset by increases in printing, stationary, car mileage budgets.

Community Services

25. The full year projected outturn position for 2015/16 as at 31st December is £1.279M under budget after the use of earmarked reserves of £1.335M for one-off specific projects. The figures now includes £7.287M budget for Educational Transport which has transferred from Children's Services.

Month: December 2015	Year to date				Year				
Director	Budget	Actual	Use of Reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Community Services									
Community Services Director	297	259	-	(38)	396	396	-	-	-
Highways Transportation	13,951	13,091	(38)	(898)	18,852	18,359	(493)	(38)	(531)
Environmental Services - Waste	14,014	13,959	(233)	(288)	18,592	18,650	58	(542)	(484)
Environmental Services - Other	4,459	4,675	(422)	(206)	6,040	6,568	528	(755)	(227)
Assets	3,559	3,263	-	(296)	4,745	4,708	(37)	-	(37)
Total Community Services	36,280	35,247	(693)	(1,726)	48,625	48,681	56	(1,335)	(1,279)

26.

- Highways and Transport is forecasting an underspend of £531K. Educational Transport are forecasting an underspend of £23K, this is due to additional income of £38K from concessionary fares and replacement passes partially offset by an additional £17K for transport contracts based on the number of children and routes applicable for the year.
- AD Highways & transportation are forecasting an overspend of £22K, due to additional expenditure on professional services for the review of Transport policies.
- Highways Contracts are forecasting an underspend of £67K, this is broken down as follows:
 - Additional income of £107K mainly for Bonds and Temporary Traffic Regulation Orders.
 - Reduced income of £148K for Street works
 - An underspend of £207K on Highways Work mainly due to Busway Maintenance and Fixed Cost Services.
 - Additional expenditure of £21K for tree surveys, path removal and farmers clearance work.
 - Overspend of £81K on staff related costs of which £43K is on agency staff for the Highways contract and NRSWA positions, £54K on Traffic Management salaries all of which has been offset by £16K of additional salary capitalisations.
- Passenger Transport is forecasting an over spend of £235K, this is broken down as follows:
 - Overspend of £193K on Agency Staff of which relates to Fleet, Oakbank and Transport Management, £43K on bus contracts and £96K on Fleet contract hire. There has also been additional expenditure of £75K on repairs and maintenance on Bus shelters

- Underspend of £33K on Professional Services, £45K on vehicle repairs and Fuel costs and additional income of £94K offset the overspends.
 - Transport Strategy is forecasting an underspend of £698K, this is mainly due to an increase in income of £1,022K, which has been partly offset by additional costs of passenger transport and parking strategy work.
 - This forecast includes the use of £38K of reserves.
27. Environmental Services are forecasting an overall under spend of £711K.
- Libraries are forecasting an under spend of £44K, this is mainly due to an underspend on salaries of £83K, which has been offset by an over spend in the Hub Services whilst Library and theatre income have under achieved.
 - Emergency Planning are forecasting an underspend of £52K, this is mainly due to underspends of £54K on salaries and £35K in advertising & publicity which are partly offset by £50K underachievement of Bedfordshire Local Resilience Forum income.
 - Public Protection is forecasting an underspend of £58K which is due to Licensing & food safety income overachieving.
 - Community Safety is forecasting a salary underspend of £54K.
 - Waste is showing an underspend of £484K. There is a £434K underspend on Household Waste Recycling Centres due to new contract and closure of Biggleswade and Ampthill, a £57K saving for street sweeping, a £212K saving on waste collection costs. These are offset by underachieving of recyclate income of £80K, additional costs of £30K due to new Code of Practice sampling of recyclables, £40K campaign for food/recycling and £15K for grounds maintenance additional work in the South.
 - Leisure Services are showing an overspend of £203K, this is broken down as follows:
 - Income is on target however there has been a reduction of income from LiTC, the Forestry Commission and the National Lottery Heritage Fund which are offset by additional income from Technogym, Physical Activity Sessions and Section 106 income.
 - Underspends of £159K against Highways work for Southern Chalk site of £57K and building repairs for leisure centres at Houghton Regis and Saxon in Biggleswade.

- Overspends of £144K, which include £46K on grounds maintenance on football grounds, Bushey Close track and Whipsnade Green , Buildings re LitC (Leisure Service provider) re loss of income & Rushmere Park Lobby (£82K) and Salaries due to less capitalisation of salaries (£16K). There has been additional expenditure due to legal costs and tiling at Sandy Leisure Centre.
- Parking underspent of £222K due to overachievement of income of £80K, a salaries underspend of £55K and rates underspend of £75K.

Regeneration and Business Support

28. Regeneration and Business Support's forecast outturn is an underspend of £57K.

Month: December 2015	Year to date				Year				
Director	Budget	Actual	Use of Reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Regeneration and Business Support									
Director	348	348	-	-	463	473	10	-	10
Business Support & Skills	507	217	(16)	(306)	935	945	10	(84)	(74)
Planning	2,551	2,243	(48)	(356)	3,417	3,493	76	(69)	7
Programme Delivery	-	-	-	-	-	-	-	-	-
Total Regeneration and Business Support	3,406	2,808	(64)	(662)	4,815	4,911	96	(153)	(57)

29. Business and Investment has forecast an overall under spend of £74K.

- Group Manager is forecasting an underspend of £10K. This as a result of a net underspend of £47K on salaries due to vacancies, agency spend and staff recharges for capitalisation and European funding. There has also been small underspend of £10K against training and printing.
- Business and Employment – Economic is forecasting an overall underspend of £55K, this is due to underspend of £21K against a Food Enterprise contribution, a £76K underspend against professional services, which have been partially offset by an overspend of £40K against private contractors.
- There have been small underspends against of £4K in investment and £7K in Adult skills.

30. The Planning Division has projected an overall overspend of £7K.

- AD Planning are forecasting an over spend of £435K, £394K of this relates to consultancy to carry out work on development strategy & enabling delivery team. There are also overspends of £27K on agency staff and £16K on Legal services.

- Development Planning & Strategic Housing is forecasting an underspend of £168K on salaries.
- Development Management is forecasting an underspend of £62K, due to overachieving of £81K in planning and section 106 income. Staff related costs are overspending by a total of £37K as a result of covering staff vacancies, training and mileage and allowance costs. There are other small underspends totalling £18K within the area which contribute to the overall underspend.
- Building Control is forecasting an underspend of £146K, due to overachieving of £10K on income, salaries underspending by £34K as a result of staff vacancies and reduced hours. Other local authority underspends on drainage of £87K and reactive works underspend on street repairs of £24K. These have been partially offset by an overspend on subscriptions of £8K.
- Minerals & Waste are forecasting an underspend of £54K, due to over achievement of £70K which has been partially offset by an overspend on consultancy of £20K in relation to the extra income.

Public Health

31. Public Health's forecast outturn is to achieve a balanced budget after proposed use of reserves. The Public Health grant is currently ringfenced so any under/overspend results in a movement against the carried forward reserve from 2014/15.

Month: December 2015	Year to date				Year					
	Budget	Actual	Use of Reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Public Health										
Director of Public Health	(8,566)	(7,538)	-	1,028	(11,421)	(10,675)	746	(746)	-	
Assistant Director of Public Health	8,569	7,749	-	(820)	11,425	11,143	(282)	282	-	
Total Public Health (Excl overheads)	3	211	-	208	4	468	464	(464)	-	
Contribution to Central Support	-	-	-	-	-	-	-	-	-	
Total Public Health	3	211	-	208	4	468	464	(464)	-	

Improvement and Corporate Services (ICS)

32. The Directorate is currently forecasting an underspend of £343K, of which £198K is mainly a result of expected higher than budgeted HRA recharges (income to ICS).

Month: December 2015	Year to date				Year					
	Director	Budget	Actual	Use of Reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Improvement and Corporate Services										
Improvement and Corporate Services Leadership	186	297	(115)	(4)	248	436	188	(189)	(1)	
Communications and Insight	630	644	-	14	840	839	(1)	-	(1)	
Customer Services	1,381	1,410	-	29	1,841	1,934	93	-	93	
Programme and Performance	274	261	-	(13)	365	349	(16)	-	(16)	
Policy & strategy	148	146	-	(2)	197	195	(2)	-	(2)	
Customer & Community Insight	-	-	-	-	-	-	-	-	-	
Procurement	(241)	(396)	-	(155)	(321)	(544)	(223)	-	(223)	
People	1,913	1,725	(19)	(207)	2,551	2,523	(28)	(43)	(71)	
Information Technology	4,337	4,530	(8)	185	5,783	6,241	458	(8)	450	
Legal & Democratic Services	3,180	2,438	(78)	(820)	4,440	3,860	(580)	8	(572)	
Total Improvement and Corporate Services	11,808	11,055	(220)	(973)	15,944	15,833	(111)	(232)	(343)	

33. Customer Services are overspent by £93K mainly as a result of unachievable element of Customer First Voice Recognition efficiency of £148K.
34. People are under budget by £71K due to an unbudgeted pressure of £63K on training for Project 3D offset by higher than budgeted recharges to HRA £109K and favourable variance within the Disclosure Baring Service £25K.
35. Procurement is underspent by £223K as a result of an additional Comensura Rebate.
36. Information Technology (IT) is overspent by £0.437M, mainly due to higher than budgeted costs for Software Support Contracts.
37. Legal Services are underspent by £0.325M as a result of staff vacancies and reduction in expenditure mainly due to lower than budgeted spend on Children Services cases. Democratic Services also has an underspend £0.228M mainly as a result of release of Legal Land Charges provision.

Corporate Resources and Costs

38. The full year budget of £15.7M is made up of:

- Corporate Resources £4.7M
- Corporate Costs £10.98M

The forecast outturn is an underspend of £332K.

Month: December 2015	Year to date				Year				
Director	Budget	Actual	Use of Reserves	Variance	Approved Budget	Forecast Outturn	Forecast Variance	Proposed use of Earmarked reserves	Forecast Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Corporate Resources									
Chief Executive	227	222	-	(5)	302	302	-	-	-
Finance	3,435	3,326	-	(109)	4,994	4,529	(465)	353	(112)
Housing Benefit Subsidy	(410)	(410)	-	-	(547)	(547)	-	-	-
Total Corporate Resources	3,252	3,138	-	(114)	4,749	4,284	(465)	353	(112)
Corporate Costs									
Debt Management	9,852	10,005	(510)	(357)	13,136	13,334	198	(680)	(482)
Premature Retirement Costs	2,141	2,072	54	(15)	2,855	2,801	(54)	54	-
Corporate Public Health Recharges	(473)	(454)	-	19	(631)	(631)	-	-	-
Corporate HRA Recharges	(68)	(90)	-	(22)	(90)	(120)	(30)	-	(30)
Efficiencies	107	(87)	-	(194)	(187)	105	292	-	292
Contingency and Reserves*	(5,213)	(6,736)	1,525	2	(4,108)	(6,610)	(2,502)	2,502	-
Total Corporate Costs	6,346	4,710	1,069	(567)	10,975	8,879	(2,096)	1,876	(220)
Total Corporate	9,598	7,848	1,069	(681)	15,724	13,163	(2,561)	2,229	(332)

Corporate Resources

39. Within Finance there is a £140K additional contribution to overheads from the Housing Revenue Account (HRA) following increased levels of support provided to the service. External Audit costs are expected to be £44K lower than budgeted as a result of a reduction in Grant work required. There is also a net pressure of £95K for Insurance Services due to fewer schools buying into the service than budgeted and net savings of £23K in other areas of Finance.

Corporate Costs

40. Within Debt Management there are lower than budgeted Interest Payable costs expected (£700K). This is as a result of there being no change to short term interest rates and revisions to cash flow forecasts for 2015/16. There is also a pressure on Minimum Revenue Provision (MRP) as a result of the finalisation of the external audit in respect of 2014/15. It has been calculated in respect of completed capital schemes and the resulting charge in the current year is £218K higher than budget.
41. There is a pressure resulting from the Customer First Phase 2 (CF2) efficiency of £329K being forecast as unachievable in year. This is partly due to CF2 not progressing in 2015/16 as a result of system development to meet the Care Act requirements.

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Appendix B – Earmarked Reserves

Description	Opening Balance 2015/16 £000	Spent £000	Technical Movements £000	Balance before new transfers £000	New Proposed transfers	Proposed Closing Balance 2015/16 £000	MEMO: Net movement after proposals
Social Care Health and Housing Reserves							
Social Care Reform Grant	-			-		-	-
Deregistration of Care Homes	-			-		-	-
LD Campus Closure	-			-		-	-
Deprivation of Liberty Safeguards	619	(343)		276		276	(343)
Winter Pressure 12/13 "Care Act"	20			20		20	-
Winter Pressure 13/14 "Care Act"	55			55		55	-
Mental Health Action Plan	60	(30)		30		30	(30)
Outcome Based Commissioning	3,239	(602)		2,637		2,637	(602)
Step Up /Step Down	470	(470)		-		-	(470)
Integrated Approaches	485			485		485	-
Better Care Fund	-	-		-	43	43	43
Welfare Reform - local welfare provision grant	340	(269)		71		71	(269)
Zero Base Review grant	44	(26)		18		18	(26)
NHS Grant - Strategic Transitions Project underspend	-			-		-	-
Total Social Care, Health and Housing	5,332	(1,740)	-	3,592	43	3,635	(1,697)
Children's Services Reserves							
Fostering & Adoption	499	(404)		95		95	(404)
Children's Homes Co-location	116	(116)		-		-	(116)
Partnership Reserves inc Performance Reward	212	(17)		195		195	(17)
"Working Together" - new National Guidance	10	(10)		-		-	(10)
CWD	9	(9)		-		-	(9)
Transformation Challenge Award	55			55		55	-
SEN Reserves inc. Support and Aspiration Grant	479	(426)		53		53	(426)
Children's Services Unspent Grant Income	394	(132)		261		261	(132)
Assets of Community Value	-	-		-		-	-
Early Help Inc. Supporting Disadvantaged Children	47	(40)		7		7	(40)
Parent Partnership (QA)	-	-		-		-	-
The Central Bedfordshire Academy of Social Work and Early Intervention	51	(51)		-		-	(51)
Children's & Families Act	-	-		-		-	-
Total Children's Services	1,871	(1,205)	-	667	-	667	(1,205)
Community Services Reserves							
Leisure Centre Reinvestment Fund	179	(179)		-		-	(179)
Integrated consumer protection	116			116		116	-
Transport Fund	125			125		125	-
Libraries Greenhouse	4			4		4	-
Community Safety partnership fund	94	(29)		65		65	(29)
Community Safety Grant	119			119		119	-
Bedford & Luton Resilience Forum	65			65		65	-
Financial Investigation Unit	834	(304)		530		530	(304)
Biggleswade wind farm	23			23		23	-
countryside access grant	23			23		23	-
Woodside connection options appraisal	39			39		39	-
Rural Payments	3			3		3	-
flood recovery - highways	-			-		-	-
Sundon Landfill	441			441		441	-
Total Community Services	2,065	(512)	-	1,112	-	1,112	(512)

Appendix B – Earmarked Reserves (Cont)

Description	Opening Balance 2015/16 £000	Spent £000	Technical Movements £000	Balance before new transfers £000	New Proposed transfers	Proposed Closing Balance 2015/16 £000	MEMO: Net movement after proposals
Regeneration Reserves							-
Career Development framework	33			33		33	-
External Funded Regeneration reserve	310	(35)		275		275	(35)
Local Development Framework	327			327		327	-
Pre-application service development	-			-		-	-
Minerals and Waste partnership funds	104			104		104	-
NIRAH	32	(15)	17	34		34	2
Business growth grants	51	(51)		-		-	(51)
Flood Defence	555	(42)	25	538		538	(17)
Natural England	-			-		-	-
Building control	296	(35)	10	271		271	(25)
Unauthorised Development	159			159		159	-
Broadband	-			-		-	-
arts and theatre review	-			-		-	-
Neighbourhood planning grant	60			60		60	-
Total Regeneration	1,927	(178)	52	1,801	-	1,801	(126)
Public Health Reserves							-
Public Health Grant Reserve	1,496			1,496	(464)	1,032	(464)
Risk reserve	-			-		-	-
Total Public Health	1,496	-	-	1,496	(464)	1,032	(464)
Improvement and Corporate Services Reserves							-
Pan Public Sector Funding	28			28		28	-
Customer First	13			13		13	-
Elections Fund	149	(78)		71	95	166	17
Individual Electoral Registration	68	(68)		-	59	59	(9)
Assets	-			-		-	-
ICT Webcasting	55			55		55	-
ICS - HR Apprentices & Graduates (£0.2m held in Corporate at year end)	338	(43)		295		295	(43)
Total Improvement & Corporate Services	651	(189)	-	462	154	616	(35)
Finance							-
Housing Benefit Subsidy Audit Reserve	500			500		500	-
NNDR Discretionary Relief & NNDR Bad Debts	946			946		946	-
Total Finance	1,446	-	-	1,446	-	1,446	-
Corporate Reserves							-
Redundancy/Restructure Reserve	1,487	(600)		886	500	1,386	(100)
Insurance reserve	4,278			4,278	353	4,631	353
Welfare Reform	445	(45)		400		400	(45)
Teachers Pensions	187			187	54	241	54
s31 NNDR Income to offset NNDR discounts	2,922			2,922		2,922	-
Planning Decisions Legal Challenge	300			300		300	-
Weed Spraying	175	(175)		-		-	(175)
Grass Cutting	123	(123)		-		-	(123)
Additional street cleansing / deep cleansing, footpath clearance, spot weed control, graffiti removal / painting, emergency 'streetscene'	17	(17)		-		-	(17)
Street sweeping	130	(130)		-		-	(130)
Town Centre jet wash	27	(27)		-		-	(27)
Road Marking Line renewal	70	(70)		-		-	(70)
Sandy Upper	350	(350)		-		-	(350)
Rationalisation of Accommodation	500	(189)		311		311	(189)
Cost Reduction including Capital Financing Costs	680	(680)		-		-	(680)
Community resilience	500			500		500	-
Tackling Safety and Vulnerability	500	(148)		352		352	(148)
New Homes Bonus	-			-	2,002	2,002	2,002
Total Corporate Reserves	12,691	(2,555)	-	10,137	2,909	13,046	354
Total Earmarked Reserves (General Fund)	27,479	(6,378)	52	20,712	2,642	23,354	(3,684)

Appendix C - Debtors

- Total general CBC sales debtors for December amounted to £10.0M (£11.0M in November). Of this £3.6M is less than 30 days old. Debt over 60 days is £5.9M (60%). November was £6.1M, 56%.

Of the Over 60 days - £4.8M is actively being chased. £0.4M have instalment arrangements in place. £0.3M is being dealt with through legal channels. A further £1.5M is in respect of house Sales.

DIRECTORATE	1 to 14 Days		15 to 30 Days		31 to 60 Days		61 to 90 Days		91 to 365 days		1 year and		Total Debt		Over 61		MoM
	£k	%	£k	%	£k	%	£k	%	£k	%	£k	%	£k	%	£k	%	
Social Care Health & Housing	303	8%	770	19%	96	2%	386	10%	1,247	31%	1,218	30%	4,020	100%	2,851	71%	156
Children's Services	39	10%	125	32%	1	0%	40	10%	179	46%	9	2%	393	100%	228	58%	-162
Community Services	124	12%	301	29%	67	6%	59	6%	98	9%	399	38%	1,048	100%	556	53%	-88
Regeneration	80	2%	1,245	37%	231	7%	278	8%	1,269	37%	289	9%	3,392	100%	1,836	54%	-90
I.C.S	40	4%	549	49%	65	6%	10	1%	293	26%	160	14%	1,117	100%	463	41%	-4
Finance	3	2%	3	2%	13	10%	9	7%	46	37%	50	40%	124	100%	105	85%	3
Public Health	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0		0
Unallocated & Non Directorate	-10	10%	-4	4%	0	0%	-2	2%	-66	63%	-23	22%	-105	100%	-91	87%	-3
GRAND TOTAL	579	6%	2,989	30%	473	5%	780	8%	3,066	31%	2,102	21%	9,989	100%	5,948	60%	-188
PREVIOUS MONTH	2,782		1,108		1,018		802		3,250		2,084		11,044		6,136	56%	

- The largest items of note within the total debt are:

- SCHH debt at the end of December was £4.0M of which £0.2M is HRA related (reported separately in the HRA report). Of the £3.8M General Fund debt, £2.0M is Health Service debt. Of the remaining general debt of £1.8M, £1.2M (68%) is more than 60 days old. Of this, all is under active management (with solicitors, payable by instalments etc) with none under query or scheduled to be written off.
- Health Service debt at the end of December was £2.0M (£2.1m for November) of which £1.5M or 74% is more than 60 days old. All debts are under active management. A schedule of all outstanding debts is under regular discussion with the Bedfordshire Clinical Commissioning Group (BCCG).
- Total debt for Children's Services is £393K of which £228K is debt over 61 days and is being actively pursued.
- Community Services total debt is £1.05M. Approximately 53% of the debt is less than 3 months old. All debt recovery is in accordance with Council policy.
- Regeneration total debt is £3.39M. About 64% of debt is over 61 days. All debt recovery is in accordance with Council policy.
- Overall Corporate debt (ICS & Finance) is £1.24M. Of this there is £568K is over 61 days old. All debt is under active management.
- Public Health debt is a nil balance this month.

Bad Debts Written Off.

Quarterly write offs to Bad Debt Codes:

**SUMMARY Q3 Oct – Dec
2015**

WRITE OFF	NUMBER	VALUE	
£0 - £5,000	38	£ 22,610.06	
£5,000 - £10,000	1	-£ 8,259.90	Correction of Q2
£10,000 - £50,000	3	£ 76,660.79	
>£50,000	1	£ -	
TOTAL	42	£91,010.95	

(of which legacy
£20,946.03)

A Single S106 debt with a value of £150,076.15 was written off, this was following a court case in which we lost.

S106 planning permission variation was received that was initially refused, the client then appealed and whilst the developer was initially ordered to pay £100K by the courts the appeal was then dismissed and the funds were passed to CBC.

A further variation S106 was received which was also refused and this also went to appeal, the courts ruled in favour of the client and then ordered CBC to repay the £100K initially paid in the first instance, leaving the total invoice of £150K outstanding to be written off.

Associated legal costs were also incurred totalling £3876.60 broken down as follows:

Court fees £1,080
Solicitors £621
Barrister £2,175

In addition, an invoice from 2011 of £42,426.86 also written off to the service area for S106.

The two S106 debts written off do not impact the general fund expenditure as they are written off a balance sheet items (receipts in advance that will no longer be received).

Appendix D – Treasury Management

Borrowing

As at 31 December 2015 the Council's total borrowing was £313.4M. Of this amount, £274.9M was with the Public Works Loan Board (PWLB), £25.0M was Short-Term Temporary Debt from other local authorities and £13.5M was market debt from banks. The table below also shows the split between the General Fund and HRA.

	PWLB Fixed £m	PWLB Variable £m	Temporary Debt £m	Market (LOBO) £m	Total £m
General Fund	97.0	12.9	25.0	13.5	148.4
HRA	120.0	45.0	0.0	0.0	165.0
TOTAL	217.0	57.9	25.0	13.5	313.4

To manage interest rate risk, the profile of debt is split so that overall the Council has 69% fixed rate PWLB debt, 19% variable rate PWLB debt, 8% short-term temporary debt, and 4% fixed rate market (LOBO) debt; this is shown in A1 on the Treasury Management Performance Dashboard.

Based on the latest available annual benchmark analysis conducted by the Chartered Institute of Public Finance and Accountancy (CIPFA), A2 of the dashboard shows the Council's cost of borrowing is significantly lower than the 4.2% average annual interest rate paid by other local authorities. The average annual interest rate paid by the Council was 2.9% as at 31 March 2015, which is mainly due to a higher proportion of variable and short-term fixed rate debt.

In line with the Council's borrowing strategy, new short-term (temporary) fixed rate borrowing was taken out during the third quarter at a cost of between 0.38% p.a. and 0.50% p.a. (inclusive of brokerage fees).

Investments

When investing, the Council prioritises security and liquidity and aims to achieve a yield commensurate with these principles. To diversify the investment portfolio, the Council continues to invest in a range of funds such as notice accounts, call accounts and Money Market Funds as well as using a number of different financial institutions. B1 of the dashboard shows the breakdown by investment counterparty as at 31 December 2015. It should be noted that as cash investments are maintained at minimal levels for operational purposes, the £5M long-term investment in the UK commercial property-based Lime Fund now represents a higher proportion of total investments even though the cash amount invested in it has not changed.

The latest available CIPFA Treasury Management benchmarking results are as at 30 September 2015. B2 of the dashboard shows that the Council's average rate of return on investments was 1.34% which was higher than the benchmarked local authority average of 0.86% – this was due to the relatively high investment return on the Lime Fund.

In addition to the Lime Fund investment, the Council has cash deposits placed on varying interest rates ranging between 0.4% and 0.8%. The Council holds the majority of its investments in liquid form so it is available for cash flow purposes. As at 31 December 2015, the Council held cash investments of £18.8M: of which £16.9M represents school balances. Of the total investment balance £16.2M was held in instant access call accounts and Money Market Funds (MMFs); and the remaining £2.5M in notice accounts.

Cash Management

The average cash balance the Council holds is considerably lower than other benchmarked authorities. The 12-month rolling average cash balance as at the 31 December 2015 for the Council was £27.3M compared to a benchmark average of £152.5M. This reflects the Council's long-standing strategy of holding low cash balances to reduce investment counterparty risk and contain borrowing costs by utilising internal cash balances in lieu of external borrowing to fund capital expenditure.

Outlook

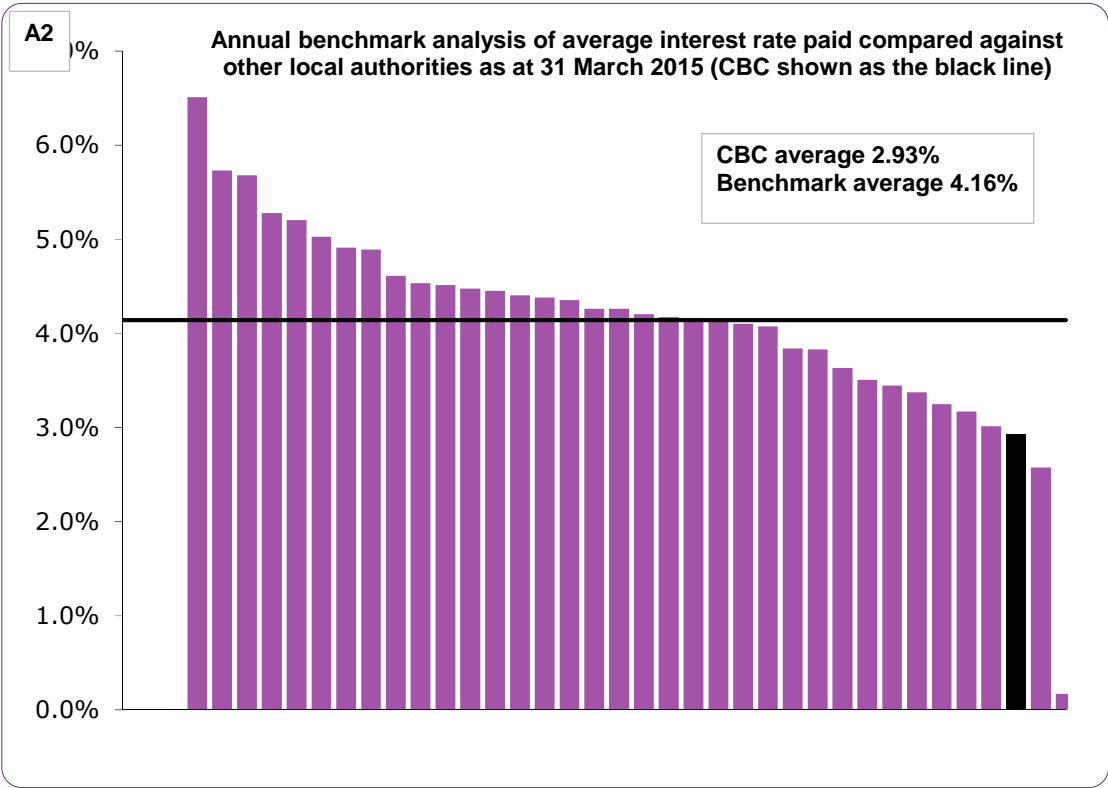
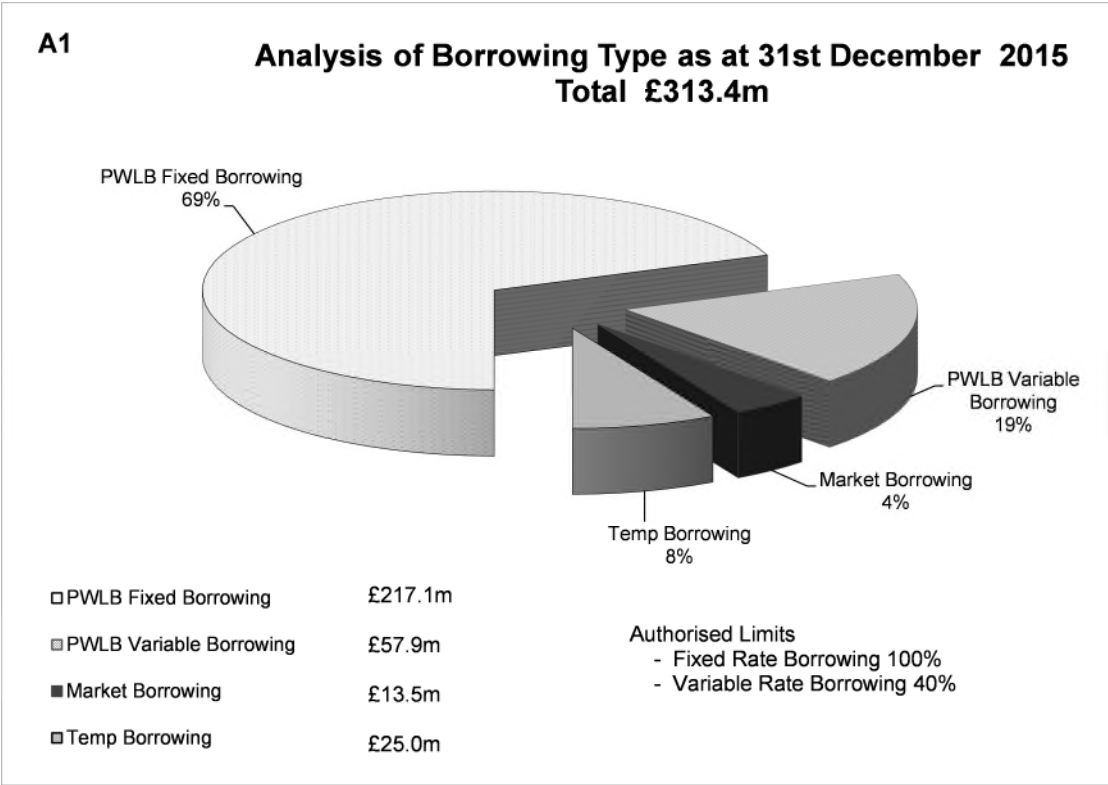
The Council's treasury advisers, Arlingclose, do not expect the Bank of England to raise the Base Rate until end of Quarter 2 of 2016 and the short-term return on cash investments will continue to remain at very low levels.

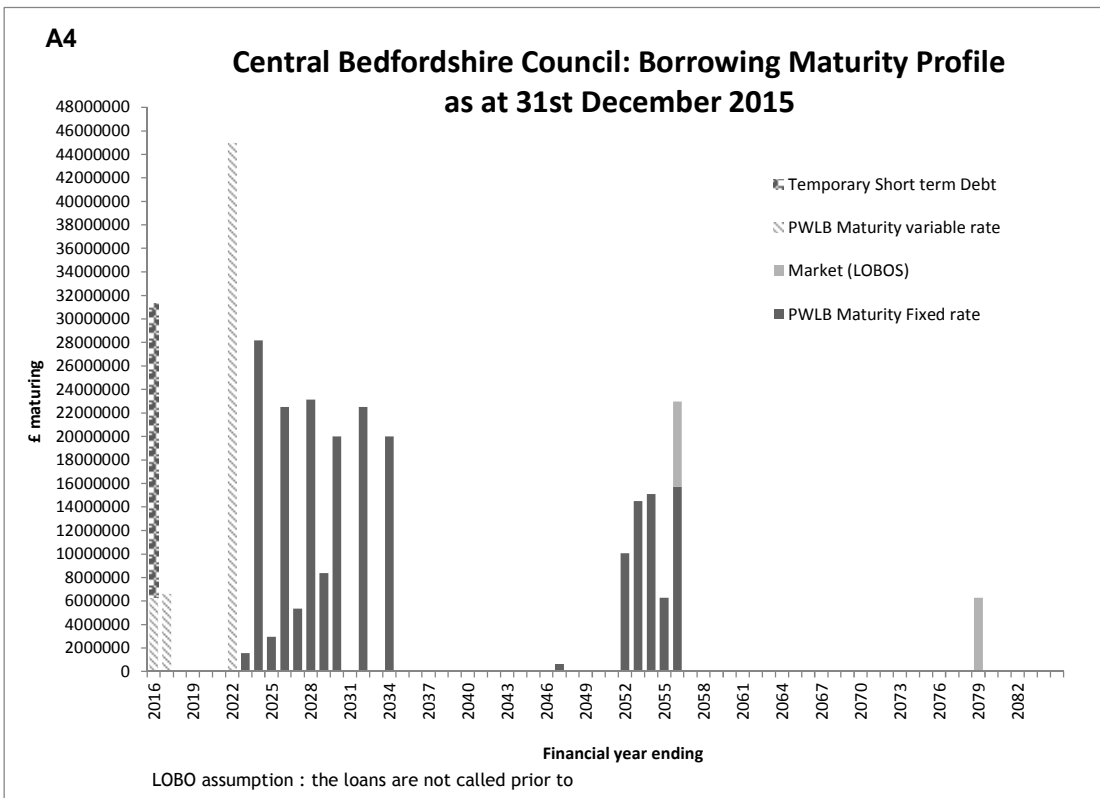
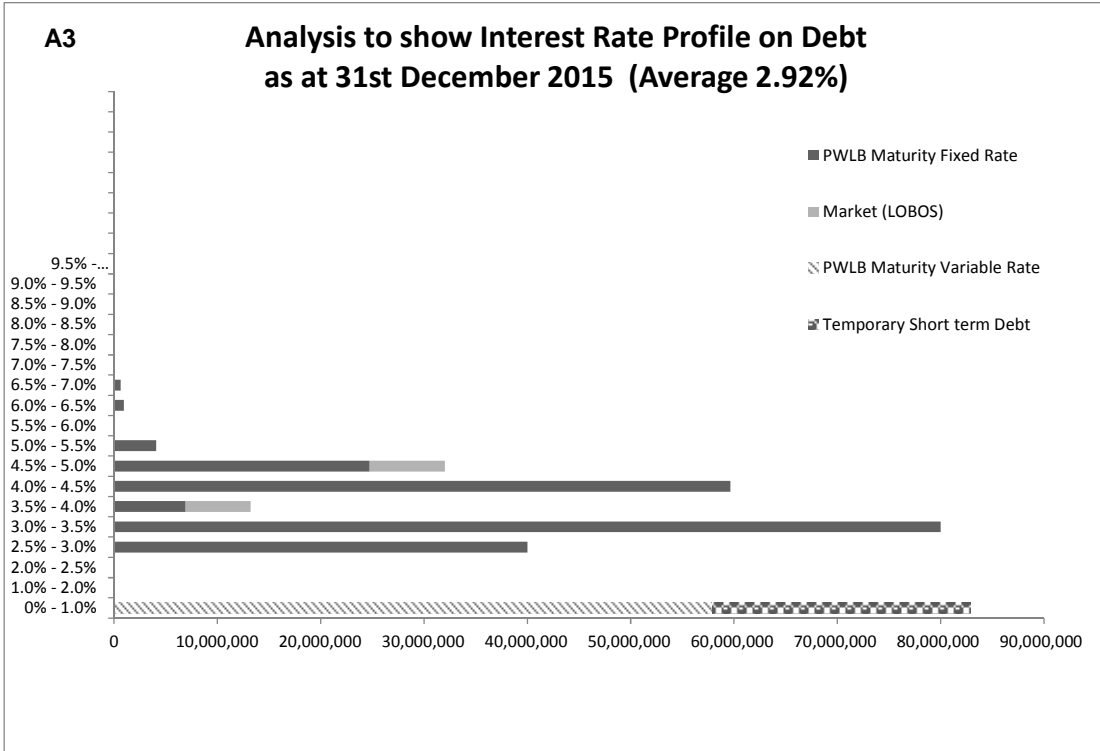
Over the financial year, the Council plans to continue to source any borrowing requirements from other local authorities on a short-term temporary basis. The low market interest rates for temporary debt offer revenue cost savings relative to borrowing on a long-term basis from the PWLB. This borrowing strategy assumes that interest rates will continue to remain at historically low levels for the medium term.

However, the Council advised by Arlingclose will continue to monitor long-term rates with a view to fixing a portion of any borrowing requirement if rates are viewed favourable.

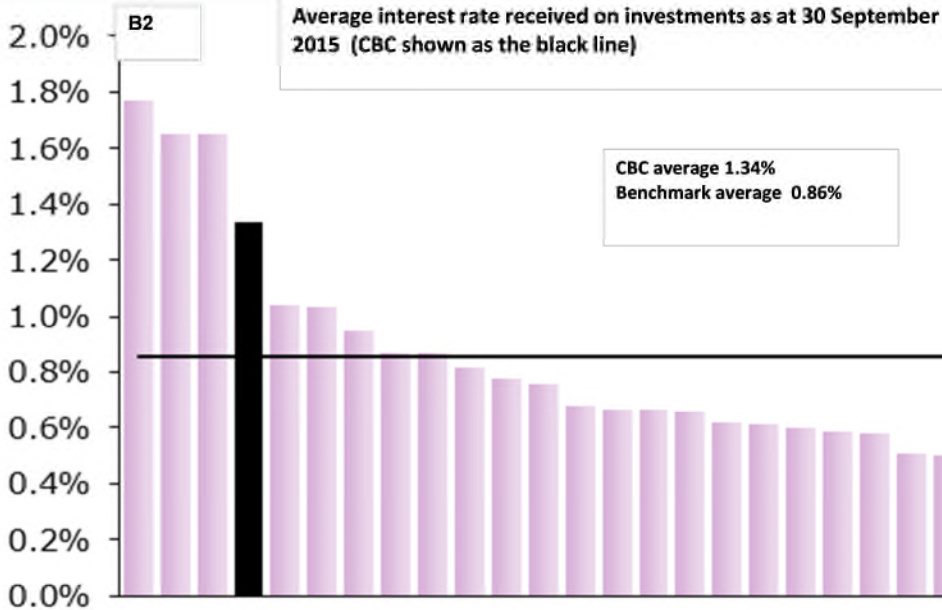
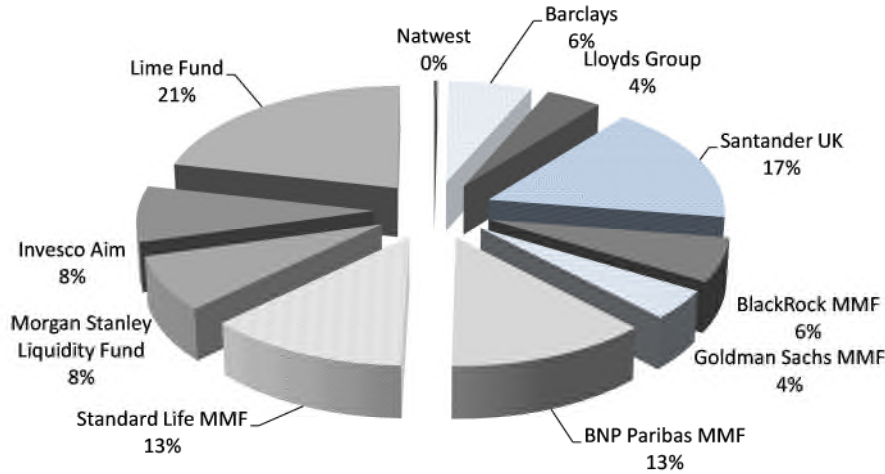
A budget underspend of £0.5M in 2015/16 is forecast in respect of Treasury Management activities reflecting:

- the Bank of England Base Rate which is expected to remain at 0.5% until at least September 2016, whereas the budget had been based on the assumption of rate rises in 2015/16 and an average Base Rate of 0.75% in 2015/16;
- an element of new long-term fixed rate borrowing had been included in the 2015/16 budget which has not been taken; and
- Capital Programme slippage has been higher than originally assumed leading to a lower level of overall borrowing than assumed in the 2015/16 budget.





B1 Analysis of Investments as at 31st December 2015 - Total Investments £23.9m



Central Bedfordshire Council

EXECUTIVE

9 February 2016

December 2015 – Quarter 3 Capital Budget Monitoring Report

Report of Cllr Richard Wenham, Executive Member for Corporate Resources
(richard.wenham@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 sets out the Capital financial position for 2015/16 as at the end of December 2015. It excludes the Housing Revenue Account (HRA) which is subject to a separate report.

RECOMMENDATIONS

The Executive is asked to:

1. **note that the gross forecast is below budget by £42.5M (£24.9M at Period 9 last year against a lower budget of £116.8M), the net forecast is £32.9M below budget.**

BACKGROUND INFORMATION:

2. This report is based on the 2015/16 budget approved by Council at its 26 February 2015 meeting. The reported budget also includes deferred spend from 2014/15 which was approved by the Executive on the 7 July 2015.

ISSUES: None

FINANCIAL AND OTHER OPTIONS: These are covered in the report

3.
 - i) The approved budget excluding HRA but including deferred spend from 2014/15 (approved by Executive in July) is £139.2M (gross). The gross forecast is below budget by £42.5M (£24.9M last year against a lower budget of £116.8M). The net forecast is £32.9M below budget.
 - ii) The main reasons are: Community Services are only currently forecasting to spend to the level of grant secured on the A421 (M1 J13) project. The remaining £6M spend on the scheme will only proceed once grant is secured (anticipated 2016/17).

- iii) £7.8M of the Depot South and Depot & Salt Barn North budget, £4M Luton & Dunstable Busway and £4.6M of the Thorn Turn Waste Park budget is all forecast to be deferred to 2016/17.
- iv) Children's Services are also expecting to spend £1.4M less than budgeted on New School Places, due to an increase in the grant allocation for 2015-16 and a revised programme of delivery.
- v) Regeneration have a forecast overspend of £0.3M, due to £1.2M accelerated spend from 2016/17 for the Broadband project, approved by the relevant officers and Executive Member. This is partially offset by £0.4M forecast underspend on the Market Towns Programme and £0.4M forecast underspend on Dunstable Town Centre Regeneration.
- vi) Year to date (YTD) spend is £20.7M below budget (£9.1M in December 2014). Actual spend is £61.8M compared to £60.3M last year.
- vii) This is a low year to date position compared to overall budget due to; delays to the A421 (M1 J13) project (£3.1M), retiming of expenditure for Woodside Link (£4.3M), delays to HWRC redevelopment (£5.2M) and lower than expected spend on highways & transport (£2.7M). Spend on the A421 is likely to be deferred to 2016/17.
- viii) YTD Capital Receipts are £286k and the full year forecast is £3M. The budget is £13.1M.
- ix) A summary of the position is in the table below.

Directorate	Year to Date P09			Full Year 2015/16			Year to Date P09			Full Year 2015/16		
	Gross Budget £m	Gross Actual £m	Gross Variance £m	Gross Budget £m	Gross Forecast Outturn £m	Gross Variance £m	Net Budget £m	Net Actual £m	Net Variance £m	Net Budget £m	Net Forecast Outturn £m	Net Variance £m
CS	16.5	17.5	0.9	31.3	28.9	(2.4)	0.3	0.3	(0.0)	2.7	0.6	(2.1)
Community Service	56.6	37.0	(19.6)	90.4	55.5	(34.9)	31.1	18.9	(12.2)	60.0	31.7	(28.3)
Improvement & Corporate Services	3.1	2.8	(0.3)	6.2	4.9	(1.2)	3.1	2.8	(0.3)	6.2	4.9	(1.2)
Corporate Resources	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	(0.0)
Regeneration	2.2	2.4	0.3	3.5	3.8	0.3	0.3	0.3	0.1	1.3	0.9	(0.4)
ASCHH	4.1	2.1	(2.0)	7.8	3.5	(4.3)	1.4	1.0	(0.4)	2.9	2.1	(0.9)
Total Exc HRA	82.5	61.8	(20.7)	139.2	96.7	(42.5)	36.2	23.3	(12.9)	73.2	40.3	(32.9)

(Note: Any minor rounding differences are due to linking to detailed appendices)

Reasons for decision

4. To complete schemes currently underway and facilitate effective financial management and planning.

Council Priorities

5. Sound financial management contributes to the Council's Value for Money and enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 6 Council priorities.

Corporate Implications

Legal Implications

6. None

Financial Implications

7. The financial Implications are contained in the appendix to the report.

Equalities Implications

8. Equality Impact Assessments were undertaken prior to the allocation of the 2015/16 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

Appendices

Appendix A – Detailed Directorate Commentary

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Appendix A - DIRECTORATE COMMENTARY

Social Care Health and Housing

- The full year forecast is below gross budget by £4.3M and the net position is below budget by £0.9M. The gross spend budget, below, primarily relates to the Additional Gypsy and Traveller sites, NHS Campus Closure and Disabled Facilities Grants Scheme projects. Of the net forecast underspend of £0.867M, it is proposed to slip £0.292M into 2016/17 in respect of the Gypsy and Traveller sites, £0.060M in respect of the Empty Homes programme and to declare the rest - £0.515M - as a genuine underspend against the Housing General Fund rolling programmes.

The table below highlights the areas of spend :

SCHH Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget	Gross Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Additional Gypsy and Traveller Sites	1,557	340	(1,217)	1,117	(100)
Review of Accommodation/Day Support, "New Approaches to Outcome"	2,030	150	(1,880)	1,880	0
Empty Homes	300	250	(50)	60	10
Renewal Assistance	150	275	125	0	125
Disabled Facilities Grants Scheme	2,750	2,400	(350)	0	(350)
NHS Campus Closure	698	60	(638)	638	0
Social Care Single Capital Pot	0	15	15	0	15
Adult Social Care ICT Projects	289	0	(289)	289	0
Total	7,774	3,490	(4,285)	3,984	(301)

% of Budget

44.9%

SCHH Full Year Net Budget and Forecast					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Additional Gypsy and Traveller Sites	582	190	(392)	292	(100)
Empty Homes	300	240	(60)	60	0
Renewal Assistance	100	190	90	0	90
Disabled Facilities Grants Scheme	1,962	1,457	(505)	0	(505)
Total	2,944	2,077	(867)	352	(515)

% of Budget

70.5%

- The Review of Accommodation/Day Support project**

This project relates to the Older People's Care Homes Re-provision project, and expenditure relates to capital maintenance requirements of the seven older people's homes which transferred back to the Authority in August 2014. A business case is outstanding in relation to this project. The current forecast relates to fabric and furniture within the homes, capital enhancements and repairs to extend the useful life of boilers and lifts.

3. **Additional Gypsy & Traveller Sites**

Pre-application planning advice has been received for two new Gypsy and Traveller sites at Dunton (12 pitches) and Potton (11 Pitches). A full planning application for both sites is scheduled to be made in 2016. It was originally anticipated that work on the additional 11 pitches at Potton would commence in this financial year, but that is now unlikely to occur so it is proposed that the forecast net underspend of £0.292M is deferred to 2016/17.

4. **Disabled Facilities Grants (DFG)**

The grants provided to residents through the DFG programme assist some of the poorer and most vulnerable members of the community. Without these grants in many cases the properties involved would be unsuitable for the needs of the occupiers who may then be unable to remain in their own homes. This also reduces pressure on health service resources and residential care, as without these improvements more residents would require emergency or longer term care solutions. Income from client contributions is anticipated to be higher than budgeted, which results in the forecast net underspend of £0.505M. Work in progress is valued at £2.3M some of which will be completed in 2015/16, much of which will roll forward in to 2016/17.

5.

Type of adaptation	Total Q3 14/15	Total Q3 15/16	CBC tenants	Others
Level access shower/wet room	101	91	10	81
Straight stair lift	29	21	4	17
Curved stair lift	16	18		
Toilet alterations	29	39	6	33
Access ramps	21	22	3	19
Dropped kerb and hard standing	2	6		
Wheelchair/step lift	5	2	1	1
Through floor lift	4	1		1
Major extension	9	8		8
Kitchen alterations	5	4	1	3
Access alterations (doors etc.)	31	40	3	37
Heating Improvements		1		1
Garage conversions/minor additions		4	1	3
Safety repairs/improvements		5	1	4
Other	19	18	2	16
Total	275	280	32	248

6.

The **NHS Campus Closure programme** has one potential remaining project for Central Bedfordshire. This is subject to the release of capital receipts by Propco (NHS). No business case exists as yet for this scheme which will be 100% externally funded.

7. The Adult Social Care IT project comprises a number of schemes. The next phase of developments of the Social Care system – AIS – has been agreed and implementation details are under discussion with the software provider

Children's Services

8. Children's Services annual capital expenditure budget for 2015/16 is £31.3M. The income budget is £28.6M, a net expenditure budget of £2.7M.
9. The forecast expenditure outturn for 2015/16 is £29M, £2.4M below the approved 2015/16 Children's Services gross capital budget, mainly due to the annual review of projects within the New School Places programme reducing forecast spend by £4.6M. This is offset by additional forecast spend on projects fully funded by grant income; Local Public Service Agreement Grant (LPSA) & Local Area Agreement Grant (LAA) £200K, Two year old entitlement grant £180K, Special School provisions £1.2M and the School Capital Maintenance programme £620K. The Council contribution of £2.1M to the New School Places programme is no longer required for 2015/16. All but two projects within Children's Services, Schools Access and Temporary Accommodation, are funded wholly by grant receipts that have no expenditure deadline.

The table below highlights the areas of spend :

Children's Services Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget	Gross Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Schools Devolved Formula Capital	460	460	0	0	0
New School Places	28,151	23,571	(4,580)	0	(4,580)
Temporary Accomodation	400	400	0	0	0
Schools Capital Maintenance	2,100	2,720	620	0	620
Schools Access Initiative	200	200	0	0	0
LPSA & LAA Grant payout	0	200	200	0	200
2 year old entitlement grant	0	180	180	0	180
Special School Provision	0	1,200	1,200	0	1,200
Total	31,311	28,931	(2,380)	0	(2,380)

% of Budget

92.4%

Children's Services Full Year Net Budget and Forecast					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
New School Places	2,110	0	(2,110)	0	(2,110)
Temporary Accomodation	400	400	0	0	0
Schools Access Initiative	200	200	0	0	0
Total	2,710	600	(2,110)	0	(2,110)

% of Budget

22.1%

10. **New School Places (NSP)**

This programme provides the capital investment to deliver new school places required by population growth in areas of limited surplus capacity within our schools. The Council's School Organisation Plan is the evidence base that supports the commissioning of these new school places over a rolling five year period. The programme is funded by a combination of sources including Department for Education basic need grant, developer contributions and Council borrowings and capital receipts.

11. In February 2015 the Council approved the programme 2015/16 to 2018/19 with gross expenditure of £28.2M (£2.1M net) in 2015/16, £25.4M (£7.3M net) in 2016/17, £35.3M (18.3M net) in 2017/18 and £18M (£11.8M net) in 2018/19.

12. In February 2015 the DfE announced the Basic Need allocation for 2017/18 of £21M which had previously been anticipated to be at levels similar to 2015/16 (£6.2M). This reduced the Council's forecast deficit/net cost of the approved programme to in 2017/18 to £3.5M.

13. Total Basic Need grant provided to our immediate Local Authority neighbours for the period 2011-18 is £44M for Luton BC and £22.5M for Bedford BC, whereas Central Bedfordshire will receive £68.4M.

14. The Council's School Organisation Plan has now been subject to its annual review and the New School Places Programme has likewise been reviewed to reflect the changes in demographic forecasts from the previous year.

15. The outcome of this exercise now forecasts a revised NSP programme for 2015/16 with gross expenditure of £23.6M (nil net) in 15/16. This figure is a £2M reduction on the October forecast for 2015/16. This is a result of a significant delay in the project to expand Stratton Academy, originally forecast at the beginning of the financial year to achieve £4M expenditure by year end. The Academy has worked with its procured contractor and project management team to redefine an affordable design and has now started on site. As a result the value of works forecast to be delivered on site by year end is now reduced to £2M.

16. The DfE allocation of basic need for 2018/19 will not be known earlier than February 2016 and the net cost of the programme for that year is expected to reduce significantly.

17. The 2015/16 NSP programme includes expenditure on 19 separate capital projects, most of which span more than a single financial year. These projects include the provision of 1,425 new lower school places on new school sites, 975 new lower school places as expansions to existing schools on their current sites, 480 new middle school places on new school sites, 480 middle school places as expansions to existing schools and 700 new upper school places as expansions to existing schools.

Community Services

18. The Community Services Capital Programme in 2015/16 is made up of 81 schemes which include large groupings of projects that relate to Environmental services, Libraries, Leisure, Transport and Assets. The gross budget for Community Services now includes Assets and is £90.4M.
19. The forecast outturn is £55.5M, below budget by £34.9M. The major elements of the forecast underspend are A421 Junction 13, Luton & Dunstable Busway, Stratton Park Phase 5 Infrastructure, South Depot, Thorn Turn Waste Park, Depot and Salt Barn North, Dunstable Leisure and Libraries scheme and retiming of spend for Woodside Link. The forecast for a number of Leisure & Countryside Access projects has been reduced due to a reduction in capitalised salaries.

The table below highlights the areas of spend :

Community Services Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget	Gross Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Assets	8,857	6,092	(2,765)	2,860	95
Environmental Services	12,006	4,568	(7,438)	7,462	24
Libraries	148	148	0	0	0
Leisure	11,957	11,144	(813)	1,587	774
Transport	57,428	33,527	(23,901)	24,168	267
Total	90,396	55,479	(34,917)	36,077	1,160
% of Budget		61.4%			

Community Services Full Year Net Budget and Forecast					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Assets	8,557	5,697	(2,860)	2,860	0
Environmental Services	10,749	4,281	(6,468)	6,468	(0)
Libraries	148	148	0	0	0
Leisure	10,637	9,059	(1,578)	1,587	9
Transport	29,905	12,536	(17,369)	16,915	(454)
Total	59,996	31,721	(28,275)	27,830	(445)
% of Budget		52.9%			

Highways and Transport

20. Activity completed so far includes:

- (a) **A421 M1 Junction 13- Milton Keynes Magna Park** – Milton Keynes Council and Central Bedfordshire Council are working jointly on the A421 project to dual the section of A421 between the new Eagle Farm Roundabout to M1/J13. It is anticipated the business case will be submitted to the Department of Transport early in 2016 with the next round of funding hopefully being released by Spring/ Summer 2016. The preliminary design has been completed and land negotiations are underway. The present forecast is to spend the secured £1M grant in this financial year, it is anticipated that the remaining grant and expenditure will be deferred to 2016-17.
- (b) **A1 South Roundabout – Biggleswade** - The A1 roundabout is complete and opened to traffic in 2014. The expenditure incurred in this financial year relates to design work and retention payments.
- (c) **Highways Structural Maintenance and Lighting** – 59 carriageway resurfacing schemes completed covering 26 kms out of a target of 25.9 kms and 26 footway resurfacing schemes completed covering 13.1 kms out of a target of 8.4 kms. 260 lighting columns have been replaced out of a target of 696 and 2,900 lanterns replaced out of a target of 3,710
- (d) **Integrated Transport** - 43 schemes have been completed including rural match funded schemes and a further 12 designed. Completed schemes include traffic calming measures in Clifton, 20mph scheme in Flitwick and Westoning, Road humps in Billington and Biggleswade to Langford cycle route.
- (e) **Woodside Link** – Timing of the expenditure has altered due to the adverse weather conditions, which has been mitigated by revising the programme of works and use of granular fill. The Sandringham Drive sheet pile retaining wall has been installed and other structures are in advanced stages. UKPN and National Grid have completed removal of the redundant overhead power cables, pylons and bases which has freed up the southern end of the site. The scheme is still on target to hit the September 2016 completion date.
- (f) **Digital Speed Cameras** – Poynters Road, Dunstable, and A505 schemes commissioned and have been live since October 2015. There have been over 3,000 offences recorded to date.
- (g) **Southern Highways Depot (Thorn Turn)** – Design changes to accommodate the new Highways Operating contractor have been achieved. Alternative suppliers for the Modular Office building for the Highways team have also been sourced and are expected to deliver a 10% saving on the building purchase.

- (h) **Northern Highways Depot (Sandy)** - To date, activities on this project have been associated with defining requirements, understanding the site constraints in terms of planning and land purchase. A concept design has been circulated to the client for approval. The extent of required surveys has been established and a desktop study undertaken to establish the capacity within the local utility network to accept additional sites. Concept design shows that all the customer requirements can be accommodated within the land parcel available. The design requires development to ensure it can be achieved within budget available.
- (i) **Local Sustainable Transport Fund** - This funding is being used for the Luton – Dunstable busway corridor enhancements. Contractors are currently on site to deliver a programme that will see improved access to the busway corridor at key points such as Sainsbury's in Dunstable and Stanton Road. Additional bus stops are also being provided, including one at Jeans Way in Dunstable together with over 2km of resurfacing. This work is programmed to be completed by March 2016.
- (j) **East West Rail – Western Section** – Network Rail are currently working through the planning stage of the project. There is funding for the current phase of development , with an expected delivery during Control Period 6 2019 - 2025

21. **Waste**

Activity completed so far includes:

- (a) **Sundon Landfill Restoration** – The final phase of soil importation is almost completed; landscaping of phases one and two is also almost completed; remediation of an area of slippage has commenced and meetings with the land agent have taken place in preparation for the removal of the main haul road from the site.
- (b) **Waste & Recycling Containers (Rolling Programme)** – Successful procurement and purchase of 55 plastic litter bins, 40 metal litter bins, 20 x dog bins, 38 x 1100 litre (15 with sound reducing deafening liner), 12 x 660 litre, 343 x 140 litre, 518 x 360 litres, 3888 x 240 litre containers.
- (c) **Thorn Turn Waste Park** - Capital spend to date has delivered design for construction issue drawings and specifications for all elements. Significant Survey work has been undertaken due to the Planning application requirement for an Environmental Impact Assessment. Planning has also been approved and the pre-commencement conditions gradually discharged. Work has started on the Access road and capacity within the local utility network confirmed. Forecast cost includes the additional design fees for Value Engineering Changes, the first phase of the Earthworks package and advance payment to UKPN for supply of services within the site.

- (d) **HWRC Re-Development** – Capital spend to date has largely been on design and construction. Biggleswade site is almost complete, all structural works and perimeter roads are in place. Electrical and telecommunications supply installed and fencing erected. The project team have achieved the discharge of all operational conditions associated with the planning notice, amended design to comply with Environment Agency requirements and improved access to the brook for the Internal Drainage Board, whilst maintaining site security to protect against unwanted encampments in adjacent areas. The site is expected to be handed over to the operational contractor in the first week of February with works to Ampthill following shortly afterwards, allowing for a short gap whilst Amey remove equipment from the site. Forecast costs to the end of the financial year assume minimal delay between Biggleswade site completion and works starting on Ampthill.

22. **Countryside and Access**

Activity completed so far includes:

- (a) **Transport Schemes** – There have been 20 new or replacement footpaths and bridleways across the authority, over 500 metres of surface improvements along a byway in Aspley Guise, bridleway in Henlow and footpath in Shefford, together with a new flight of steps in Sundon.
- (b) **Swiss Garden** – Restoration works are now complete and the Garden is open to the public. A new equipment compound will be constructed during the winter to which a contribution has been made.
- (c) **Outdoor Access and Greenspace Improvement Projects** – achievements include surfacing improvements on Route 51 (National Cycle Route) and Holywell Lane Cranfield. Additional improvements have been made to the steel railings on Sandy Bridleway 8, new sculptures have been installed at Rushmere Country Park and surfacing improvements have taken place on the Dunstable Downs Multi User route.
- (d) **Countryside Schemes** - A new barn has been constructed at Flitton Moor by The Friends of Flitton Moor which includes a contribution from the Council. Works to remove diseased horse chestnuts from the main drive at Rushmere County Park and replace with small leaf limes have taken place.
- (e) **Houghton Hall Park** - A project manager has been appointed and tenders have been issued for the Houghton Hall Park landscape and visitor centre.

23.

Leisure

Activity completed so far includes:

(a) Flitwick Leisure Centre – The project is progressing well and on programme. The front car park and the entrance area blockwork have completed. The main part of the roof is complete and the perimeter flat roofing is well underway. The services have been installed in the hall changing area. The learner pool has been constructed and is being tested, and the main pool construction is also complete. Masonry, rendering and painting is ongoing. Work has commenced on external column fins and the roof plant area. Internally the changing areas with underfloor heating on ground floor and screeding on first floor, corridor tiling and second fix carpentry has been completed. The steelwork for the disabled hoist has been installed and plastering is almost complete. Plant room installations progressing well. External fencing and landscaping is near completion. The climbing wall installation has commenced. The squash courts and sports hall are complete. Internal glazing to viewing screens is near completion. The snagging process is underway.

(b) Library and Leisure Centre - Dunstable – The project has had an asbestos refurbishment survey carried out as part of the feasibility study, with no major issues raised. This allows the next stage of the programme to progress. The project management company has now been appointed and work on surveys, options and designs are ongoing.

Please refer to separate agenda item for further update on Dunstable Leisure centre

(c) Stock Condition – Work was carried out to; Saxon Leisure Centre with a main extractor fan installed, the Building Management System (BMS) at Tiddenfoot Leisure Centre and a new lighting desk was installed at The Grove Theatre.

Assets

24.

The gross capital programme for Assets is £8.857M. The major Projects are 2015/16 Corporate Property Rolling Programme (£2M), Stratton Park Phase 5 Infrastructure (£2M), Stratton Park Phase 4 Access (£0.91M), Ivel Medical Centre including slippage (£0.975M), Enhancement work for disposals (£0.750M), Strategic Acquisitions (£0.5M), Health & Safety Rolling programme (£0.4M) and Energy Efficiencies (£0.388M).

25.

The forecast outturn position for Assets is currently expected to be £6.092M. There has been a delay in agreeing terms with the various owners & potential purchasers of Stratton Park as a result of unexpected delays in commencing infrastructure works. This has impacted the planning application and infrastructure works. It is therefore expected that £2.510M of costs to be deferred to 2016/17. There has also been slippage of £0.35M due to a delay in acquiring strategic sites and replacement farmland.

Regeneration & Business Support

26. The budget for Regeneration is £3.54M the forecast is a gross overspend of £0.3M and a net underspend of £0.4M (funded by CBC) due to acceleration of the Local Broadband Infrastructure project and deferred spend on the Market Towns Programme and Dunstable Town Centre Regeneration.

The table below highlights the areas of spend :

Regeneration & Business Support Full Year Gross Budget and Forecast					
Scheme Categories	Gross Budget	Gross Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Market Towns Programme	435	35	(400)	400	0
Development site promotion	75	0	(75)	75	0
Flood defence strategy schemes	195	195	0	0	0
Local Broadband Infrastructure	1,899	3,145	1,246	(1,246)	0
Land Drainage Work (Non Highways)	60	55	(5)	0	(5)
Flitwick Land Purchase Further land assembly for the Town Centre Regeneration Scheme.	81	82	1	0	1
Dunstable Town Centre Regeneration Phase 2	489	30	(459)	454	(5)
Historic Building Grant Aid Scheme	8	0	(8)	8	0
Cranfield Technology Park Acceleration	298	300	2	0	2
Total	3,540	3,842	302	(309)	(7)

% of Budget **108.5%**

Regeneration & Business Support Full Year Net Budget and Forecast					
Scheme Categories	Net Budget	Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Market Towns Programme	435	35	(400)	400	0
Development site promotion	75	0	(75)	75	0
Flood defence strategy schemes	195	195	0	0	0
Local Broadband Infrastructure	0	526	526	(526)	0
Land Drainage Work (Non Highways)	60	55	(5)	0	(5)
Flitwick Land Purchase Further land assembly for the Town Centre Regeneration Scheme.	81	82	1	0	1
Dunstable Town Centre Regeneration Phase 2	489	30	(459)	454	(5)
Historic Building Grant Aid Scheme	8	0	(8)	8	0
Cranfield Technology Park Acceleration	(2)	0	2	0	2
Total	1,341	923	(418)	411	(7)

% of Budget **68.8%**

Broadband

27. The Superfast Broadband Project continues to deliver to plan and plans are being developed to accelerate deployment and extend coverage further.
28. For the year to December 14,600 premises have been supported to receive superfast broadband. This brings superfast coverage to over 87% of the Council's target. Additionally, a subsidised satellite broadband service has been launched, enabling all premises to receive a minimum service of at least 2 megabit per second.
29. BDUK (The Government's broadband delivery arm) have rated the Central Superfast Project as 'Green', meaning the project is meeting all its contracted targets and has again passed the value for money analysis by BDUK. In addition, the Central Superfast project is also currently achieving 19.68% take up of services which is considered 'Best in Class' for the size and age of the project.

Market Towns Programme

30. The development and launch of the Fund was rescheduled to take place following the May 2015 election .It was launched in the autumn with an extended deadline for bids to be submitted. This was in response to requests from Town Councils for a longer bid development time. The deadline for bids is 29 February 2016 with development of the projects anticipated to start from April 2016 onwards.

Improvement & Corporate Services

31. The gross and net budget for ICS is £6.2M. The forecast is £4.9M, below budget by £1.2M.

The table below highlights the areas of spend :

Improvement & Corporate Services Full Year Gross Budget and Forecast					
Scheme Categories	Gross/Net Budget	Gross/Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Information Assets	5,643	4,663	(980)	980	(1,960)
Other	515	280	(235)	235	(470)
Total	6,158	4,943	(1,215)	1,215	(2,430)

% of Budget

80.3%

(Note gross and Net are the same as all internally funded)

Information Technology

32. The current net capital programme for IT is £5.643M. There are a number of major projects which include Customer First Phase 2: Care Act implementation (£1.067M), 2015/16 ICT Strategic Investment (£1.0M), Electronic Document Management System (EDMS) Rollout (£0.5M), Applications Architecture Phase 3 (£0.5M), Public Services Network (PSN) Phase 3 (£0.5M) & IT Infrastructure Rolling Programme 2015/16 (£0.5M). There are other smaller projects totalling
33. £1.576M.

- 34 The full year forecast for IT is a spend of £4.663M. There is currently proposed deferred spend of £0.98M. There is a year to date (YTD) overspend in IT Capital of £0.033M.

Other ICS Projects

- 35 The current gross capital programme for Other Improvement & Corporate Services projects is £0.515M. The major project is Office Rationalisation (£0.5M) with a number of smaller projects totalling £15K. The forecast outturn position is currently expected to be £0.280M, £0.235M is expected to be deferred into 2016/17.

Corporate Resources

There is one scheme within Corporate Resources with a budget of £45K, Civica Revenue Module. This has been identified as an underspend due to the planned upgrade to the Civica system being fulfilled by a revenue solution.

Corporate Resources Full Year Gross Budget and Forecast					
Scheme Categories	Gross/Net Budget	Gross/Net Forecast	Variance	Deferred Spend	Over / (Under) spend
	£k	£k	£k	£k	£k
Civica Revenue Module	45	0	(45)	0	(45)
Total	45	0	(45)	0	(45)

% of Budget **0.0%**
(Note gross and Net are the same as all internally funded)

Capital Receipts

36. The overall budget for Capital receipts is £13.101M. The current forecast is £3M.
37. The year to date position is £286K. The adverse position is mainly due to two major receipts. Due to delays in agreeing terms with two existing occupiers and CBC putting in primary infrastructure the receipts of £4.666M for Stratton Park are expected to be received in future years. In addition, due to planning issues it is unlikely the £4.8M from Bedford Borough for Bell Farm and County Hall as part of the disaggregation agreement will be received in this financial year.
38. The Assets Team continue to review the estate for any additional opportunities for the sale of any plots, house, underutilised/redundant buildings and covenant releases. There is continued focus on the larger strategic projects in order to build a pipeline for the future. Following the reduction in forecasted capital receipts the Assets team are now looking at sites that could be suitable for a sale at auction in order to achieve some quick receipts.

Central Bedfordshire Council

EXECUTIVE

9 February 2016

December 2015 Q3 Housing Revenue Account Budget Monitoring

Report of Cllr Carole Hegley, Executive Member for Social Care and Housing (carole.hegley@centralbedfordshire.gov.uk); and
Cllr Richard Wenham, Executive Member for Corporate Resources (richard.wenham@centralbedfordshire.gov.uk)

Advising Officers: Julie Ogley, Director of Social Care, Health and Housing (julie.ogley@centralbedfordshire.gov.uk); and
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 provides information on the 2015/16 Housing Revenue Account (HRA) projected outturn revenue and capital position as at December 2015.

RECOMMENDATIONS

The Executive is asked to note:

1. that the Revenue forecast position is to achieve a balanced budget with a contribution to HRA Reserves of £6.067M, thus strengthening the Council's ability to invest and improve its stock of Council Houses;
2. that the Capital forecast position indicates a net outturn of £1.525M below budget relating predominantly to deferred timing on the Croft Green Development; and
3. that RtB sales will be monitored for the possible impact on predicted surpluses in the medium to longer term.

Issues

2. The revenue forecast position as at the end of December 2015 projects a year end surplus of £6.067M compared to a budgeted surplus of £6.509M, a reduction of £0.442M.

3. The key variances are reduced income (£1.105M) and increased corporate costs (£0.337M), offset by reduced expenditure on Maintenance (£0.898M) and savings on interest payments (£0.132M).
4. The forecast position for the HRA capital programme indicates a net outturn of £1.525M below budget; this includes deferred works on Priory View from 2014/15. £1.915M of the below budget spend relates to the Croft Green development where significant work is unlikely to commence until 2016/17. It is proposed that £1.587M Future Investment works are deferred to 2016/17.
5. The 2015/16 budget for the HRA anticipates a contribution to the Independent Living Development Reserve (ILDR) of £6.509M. The year end forecast suggests a contribution to reserves of £6.067M, a reduction of £0.442M, with a contribution of £2.567M to the ILDR and £3.5M to the Strategic Reserve. This equates to a predicted total reserve balance of £16.165M.

Council Priorities

6. Sound financial management contributes to the Council's Value for Money and enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 6 Council priorities.

Corporate Implications

Legal Implications

7. None

Financial Implications

8. The financial implications are contained in the report.

Equalities Implications

9. Equality Impact Assessments were undertaken prior to the allocation of the 2015/16 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

Conclusion and next Steps

10. The report presents the 2015/16 HRA financial position as at the end of December 2015. It sets out spend to date against the profiled revenue and capital budgets, the forecast financial outturn, and provides explanations for any variations. This report enables the Executive to consider the overall financial position of the HRA.

Appendices

Appendix A – Housing Revenue Account Detailed Commentary

APPENDIX A

HRA REVENUE ACCOUNT (HRA)

1. The HRA annual expenditure budget is £23.070M and income budget is £29.579M, which allows a contribution of £6.509M to reserves to present a net budget of zero. A subjective breakdown of budget, year to date position and forecast outturn is shown in Table 1 below.
2. There are a number of year to date variances across the HRA. Total income has an adverse variance of £0.790M with a full year forecast adverse variance of £1.105M. The income variance is due to reduced rental income as a result of the delays in completing Priory View (approximately £0.350M), a higher void loss than budgeted (£0.144M), reduced recharges for HRA services to the General Fund (£0.3M) and reduced income received for cash balances (£0.050M), together with other minor variances

Table 1

	205/16 Budget	Budget YTD	Actual YTD	Variance YTD	Full Year Forecast	Variance Full Year Forecast to Budget
	£m	£m	£m	£m	£m	£m
Total Income	(29.579)	(22.184)	(21.394)	0.790	(28.474)	1.105
Housing Management	5.127	3.857	3.767	(0.090)	5.067	(0.060)
Financial Inclusion	0.280	0.210	0.304	0.094	0.405	0.125
Asset Management	1.134	0.850	0.787	(0.063)	1.099	(0.035)
Corporate Resources	1.710	1.283	1.535	0.252	2.047	0.337
Maintenance	5.392	3.936	3.161	(0.775)	4.494	(0.898)
Debt related costs	0.119	0.089	0.089	0	0.119	0
Direct Revenue Financing	5.302	3.977	3.977	0	5.302	0
Efficiency Programme	(0.160)	(0.120)	(0.120)	0	(0.160)	0
Interest repayment	4.166	3.124	3.025	(0.099)	4.034	(0.132)
Principal repayment	0	0	0	0	0	0
TOTAL Expenditure	23.070	17.206	16.525	(0.681)	22.407	(0.663)
Surplus	(6.509)	(4.978)	^ (4.869)	0.109	(6.067)	0.442
Contribution to / (from) reserve (at year end)	6.509	4.978	^ 4.869	(0.109)	6.067	(0.442)
Net Expenditure	0	0	0	0	0	0
^ Included for balancing and illustrative purposes only						

3. Housing Management is reporting a positive year to date variance of £0.090M, with a full year forecast positive variance of £0.060M. The full year positive variance is due to a forecast reduction in insurance related claims, however this position could change due to unforeseen events.
4. The Council has recently received approval from Government to fund Discretionary Housing Payments (DHP) for Council tenants from the HRA. These payments occur where tenants are under occupying, referred to as the Spare Room Subsidy, resulting in a reduction in the amount of Housing Benefit they receive towards their rent, but where the Council assesses that it would not be appropriate for the tenant to be disadvantaged in this way.
5. This could occur where a disabled tenant requires an extra room for a carer. This cost was not built into the budget, but is forecast to outturn at approximately £0.075M. This accounts for the majority of the variance within the Financial Inclusion service, with the other amount resulting from increase staff resource to assist tenants to downsize, and thereby free up under occupied Council homes.
6. The Maintenance budget has a year to date under spend of £0.775M, accounted for by reduced expenditure within Voids (£0.220M) and Day to Day maintenance (£0.476M). Controls initiated during the previous financial year within Day to Day and Voids maintenance are expected to deliver savings for the year of £0.898M.
7. There has been a significant increase in activity undertaken by Corporate Resources, linked to the increasing development aspirations of the HRA. There has been an increase in Legal support in relation to leases for shared owners at Priory View, communications and engagement activity relating to Priory View and Houghton Regis Central, and additional Policy and Performance support has been required. This accounts for the anticipated full year adverse forecast variance of £0.337M.
8. The variable rate of interest on Self Financing debt has now been fixed for the rest of 2015-16, at a lower rate than anticipated in the budget. This has delivered a saving on interest costs of £0.132M. This offsets the reduction in interest received from the General Fund (GF), also due to the current low level of interest rates, which is forecast to be £0.050M lower than budgeted with an outturn at £0.050M.

HRA CAPITAL PROGRAMME

9. Across the HRA Capital Programme there is a year to date positive variance of £2.286M, with a forecast year end outturn of £17.842M against a budget of £20.954M. It is proposed that Future Investment projects to the value of £1.587M are deferred to 2016/17. The net forecast is £1.525M below budget. The budget includes deferred works of £4.009M from 2014/15 relating to the Priory View development.

Table 2

Scheme Title	Approved Budget 2015/16	Full Year Forecast	Proposed Slippage to 2016/17	Variance	Monthly Budget Monitoring December 2015		
	Net Expenditure	Net Expenditure	Net Slippage	Net Expenditure	Profiled YTD	Actual YTD	Variance
	£'000	£'000	£'000	£'000	Net Expenditure	Net Expenditure	Net Expenditure
General Enhancements (Minor Works)	105	105	0	0	75	73	(2)
Lift Replacement	50	52	0	2	50	50	(0)
Fire Safety & Alarm Systems	100	100	0	0	40	40	0
Garage Refurbishment	31	31	0	0	23	23	(0)
Paths & Fences siteworks	150	135	0	(15)	101	108	6
Estate Improvements	265	265	0	0	199	199	0
Energy Conservation	812	750	0	(62)	405	405	(0)
Roof Replacement	550	700	0	150	345	674	329
Assisted Living Technology	65	0	0	(65)	20	0	(20)
Central Heating Installation	1,040	1,040	0	0	770	862	92
Rewiring	375	375	0	0	240	164	(76)
Kitchens and Bathrooms	1,202	1,202	0	0	811	733	(78)
Central Heating communal	78	10	0	(68)	50	2	(48)
Door Replacement	286	400	0	114	203	241	38
Structural repairs	259	259	0	0	189	190	1
Aids and adaptations	550	550	0	0	414	427	13
Drainage and Water Supply	50	15	0	(35)	37	0	(37)
Capitalised salaries	500	500	0	0	375	375	0
Asbestos management	360	360	0	0	270	247	(23)
Stock remodelling	200	500	0	300	80	341	261
Green Space Improvement	100	60	0	(40)	55	10	(45)
Parking Schemes	125	125	0	0	65	1	(64)
Priority View	8,134	8,134	0	0	8,240	6,240	(2,000)
Investment Panel Programme	100	70	0	(30)	55	0	(55)
Houghton Regis Central	50	259	0	209	50	141	91
Communal/PIR Lighting	700	700	0	0	525	525	0
Targeted door replacement	75	105	0	30	50	75	25
Garage Site Assembly	174	50	124	0	70	14	(56)
Creasey Park New Homes	600	600	0	0	600	396	(204)
Garage Site Development	318	75	243	0	120	0	(120)
Croft Green	3,000	100	985	(1,915)	118	43	(75)
Sheltered Housing Refurbishment	300	200	0	(100)	150	0	(150)
New Homes, North Central Beds	125	15	110	0	21	1	(20)
Major Renewal Schemes	125	0	125	0	68	0	(68)
HRA	20,954	17,842	1,587	(1,525)	14,885	12,599	(2,286)

Table 3

Proposed Funding of HRA Capital Programme

Source	Amount £'000
Revenue Contributions	5,302
Useable Capital Receipts	3,600
Independent Living Development Reserve	8,393
Strategic Reserve	547
Total	17,842

10. Major construction work at the Croft Green Development is forecast to commence in 2016/17 with completion forecast for the winter of 2017/18. The delayed start is a result of procurement advice received recommending a two stage tender process that aims to maximise the chance of getting an appropriate contractor. When complete, the development will provide 23 self-contained flats and communal facilities. It is forecast that £0.985M will be deferred to 2016/17 leaving net spend below budget by £1.915M.

11. Meadsway Construction commenced work in May 2015 to build four units of accommodation at Creasy Park Drive, including one designed for wheelchair access. The Minister of State for Housing and Planning visited the site in July. The project will be part funded from retained Right to Buy receipts, available as a result of changes to Right to Buy regulations (see further explanation later in this report). Completion of the development is expected in early 2016.
12. The Garage Site Development programme has identified 30 sites that have the potential to deliver 123 new homes of mixed type and tenure. The budget will be used to progress land and garage buy-backs and planning consent on those sites. A financial business case for alternative uses will be prepared for consideration as part of the scheme development. Development costs of £0.243M is to be deferred to 2016/17.
13. The Landlord Business has worked with colleagues in other areas of the Council to identify land that is suitable for housing and within the Council's ownership. The objective is to extend the supply of affordable housing throughout the county, rather than just in the south of the area. Land with the potential to deliver 2 units, currently owned by Corporate Assets, has been identified at Havelock Road, Biggleswade. The housing service is to acquire the land subject to gaining successful planning permission. The planning pre-application has been submitted for this scheme.
14. A feasibility study carried out for the redevelopment of Broomhills Road is being considered and its evaluation is not expected until January. As a result it is forecast that the Major Renewals budget (£0.125M) is to be deferred to 2016/17.
15. Additional spend of £0.300M within Stock Remodelling is forecast for the purchase of two properties earmarked for use as temporary accommodation, generating additional income for the HRA and also utilising some of the Right to Buy receipts (see section on HRA Capital Receipts).
16. Spend on the Houghton Regis Central project is higher than originally budgeted as at the time of the budget build it was difficult to gauge the level of progress that would occur during 2015/16. The project is forecast to overspend by £0.209M. The design and planning phases are progressing well, with the architect appointed in September, hoarding to protect the site erected, and a public engagement exercise procured.
17. Forecast reduced spend within energy conservation (£0.062M), Communal Central Heating (£0.068M) and Assisted Living Technology (£0.065M) are offset by additional spend on roof replacement due to higher than planned tender prices (£0.15M) and Door Replacemnt (£0.114M).
18. Options for refurbishments following the Sheltered Housing Review are being considered, so it is unlikely that the full allocation of £0.3M will be spent this year; an under spend of £0.1M is therefore forecast for the Sheltered Housing Refurbishment programme.

HRA EFFICIENCY PROGRAMME

19. Since 2010 the Housing service has been using Housemark to provide a benchmarking service. The analysis provided has assisted in identifying the areas where HRA budgets are higher relative to other stock retained authorities.
20. The HRA revenue budget for 2015/16 was reduced by £0.160M, as part of the Council's efficiency programme.
21. This year's HRA efficiency target comprises a combination of increased income (improved tenancy sustainment and additional recouping of service charges), improvements in lead time for gas servicing, reduced security costs on voids, and use of NEPRO. Forecasts suggest that the efficiencies for 2015/16 will be fully achieved.

HRA ARREARS.

22. Table 3 shows a breakdown of the HRA Debt position at the end of December. Total tenant debt amounted to £1.004M compared to £1.018M at the end of November 2015. Current tenant arrears are £0.534M or 1.80% (£0.551M or 1.81% at November) of the annual rent debit of £29.688M, whilst former tenant arrears are at 1.58% with a balance of £0.470M against a target of 1% (1.53% with a balance of £0.467M at November).

Table 3

Debt Analysis - Tenant Arrears							
Description of debt	0-4 weeks	4-8 weeks	8-13 weeks	13-52 weeks	Over 1 yr	TOTAL	
	£M	£M	£M	£M	£M	£M	
Current Tenant	0.182	0.153	0.114	0.085	0	0.534	
Former Tenant	0.004	0.005	0.013	0.086	0.363	0.470	
						1.004	
Debt Analysis - Other Arrears							
Description of debt	From 15 to 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 365 days	Over 1 yr but not over 2 yrs	Over 2 yrs	TOTAL
	£M	£M	£M	£M	£M	£M	£M
Shops	0.005	0	0	0.005	0.003	0.006	0.019
Leaseholders	0.005	(0.013)	0	0.015	0.007	0.032	0.046
Void recoveries	0	0.002	0.002	0.005	0	0.019	0.028
Misc recoveries	0	0.001	0	0.009	0.001	0.003	0.014
	0.010	(0.010)	0.002	0.034	0.011	0.060	0.107

23. In light of welfare reform housing management have implemented a proactive approach to managing the impact on rent arrears. This includes early intervention, downsizing where necessary, increased contact with our residents, supporting tenants in making the right decisions regarding payment of rent and strong enforcement action when all other options have been exhausted.
24. There are currently £0.107M of non tenant arrears (£0.136M November), which comprises the following: rents at shops owned by the HRA, service charges and ground rent relating to leaseholders who purchased flats via the Right to Buy scheme, and property damage relating to existing and

former tenants. Leaseholder debt can be recovered by placing a charge on the property so that the debt is recouped when the property is sold.

PROMPT PAYMENT INDICATOR

25. The performance target for payment to suppliers, where there is no dispute over the amount invoiced, is 90% of invoices paid within 30 days of invoice receipt date. The HRA performance for December was 78% of 249 invoices paid on time.
26. Actions are being implemented to improve this aspect of the service but have not yet taken full effect. It is apparent that some delays are caused by the way invoices are sent to the Council and how they eventually get to housing. Managers and team leaders are reviewing the late payment list each month to investigate whether the service is at fault and what remedial action is necessary to improve performance. There is a Self Billing project in progress to automate payment of invoices. This project is progressing well and will significantly improve timescales for making payment.

HRA CAPITAL RECEIPTS

27. New Right to Buy (RtB) discounts and proposals for re-investing the capital receipts came into effect from April 2012, which increased the maximum discount available to tenants from £0.034M to their current level of £0.078M.
28. Up to the end of December 2015, 55 RtB applications were received with 31 properties being sold, compared to 43 Applications and 18 sales over the same period in 2014/15. It is currently projected that the number of RtB sales will be between 35 and 40 for the year, resulting in a residual receipt for the year of approximately £2.0M.
29. As a result of the changes to housing pooling the Council has a balance at the end of Quarter 3 of useable capital receipts of £6.037M (balance bought forward from 2014/15 £3.451M), of which £3.057M is reserved for investment in new social housing. The Council has entered into an agreement with the Secretary of State to invest these receipts in new social housing. The use of these receipts is restricted to schemes that do not receive Homes and Communities Agency (HCA) funding.
30. The retained receipt can represent no more than 30% of the cost of the replacement properties, so the Council is committed to spend at least £10.3M on new build by 31 December 2018.
31. The Priory View project has been awarded £1.703M from the HCA, therefore the retained receipts from RtB sales reserved for new build cannot be used on this scheme.
32. The HRA's Budget proposals for the period of the Medium Term Financial Plan (MTFP) propose significant investment in new build (in excess of £12.0M by 31 December 2018, excluding spend on Priory View).

33. Current projections suggest RtB sales will not have a negative impact on the Business Plan, particularly if the number of new build properties exceeds the properties sold. However if annual RtB sales were to make up a significant percentage of the Housing Stock, such that it diminished by 10% (equivalent to approximately 500 properties) or more over the period to 31 March 2019, then this would pose a threat to the surpluses predicted both in the medium and longer term.
34. If additional sales continue to represent a small percentage of the Council's stock, there is a significant benefit as retained receipts will provide the Council with additional funds for reinvestment.
35. As at 1 April 2015 the balance of HRA Usable Capital receipts was £3.451M. Sales of shared ownership units at Priory View are anticipated to generate a further £2M of capital receipts in the current financial year. When combined with the RtB receipts this would total £4.0M of retained receipts for the year. It is proposed to use £3.6M of usable receipts to part fund the Capital programme, so the balance carried forward is forecast to be £3.851M.

RESERVES

36. The total reserves available as at year end 2014/15 were £20.556M, comprising £2.0M in HRA Balances, £11.962M in the Independent Living Development Reserve, £6.394M in the Strategic Reserve and £0.2M in the Major Repairs Reserve.
37. It is proposed to use part of the balance in the Strategic Reserve to finance a proportion of the transfer of the former Co-op site in Houghton Regis, from the Council's General Fund (GF). The value of the site is £2.25M.
38. Whilst the Council is not permitted under statute to generate a capital receipt for the GF when transferring assets from the GF to the HRA, an adjustment to the Capital Financing Requirement (CFR) of both the GF and HRA is required to reflect the value of the asset transferred. As part of this process and to facilitate the transfer the HRA's CFR will increase by £0.732M and therefore reach its maximum permitted ceiling of £164.995M. It is proposed to fund the additional £1.518M from the Strategic Reserve.
39. The current position indicates a year end balance in reserves of £16.165M. HRA Balances are projected to remain at a contingency level of £2.0M, with the Independent Living Development Reserve decreasing to £6.136M, the Strategic reserve increasing to £7.829M, and the Major Repairs Reserve (MRR) remaining at £0.2M.
40. In total this equates to a forecast contribution to reserves for the year of £6.067M, offset by spend from reserves of £10.458M to result in a net decrease of £4.391M.

41. An Investment Strategy has been formulated, that sets out proposals for the use of the reserves that are forecast to materialise in the short to medium term. This strategy was referred to in the HRA Budget Report that was approved by Council in February 2015, and continues to be refined as part of the Council's Medium Term Financial Plan.

Table 4

Reserves **Month: December 2015**

Description	Opening Balance 2015/16	Spend against reserves	Release of reserves	Proposed transfer to Reserves	Proposed Closing Balance 2015/16
	£000	£000	£000	£000	£000
HRA Balances	2,000	-	-	-	2,000
Independent Living Development Reserve	11,962	(8,393)	-	2,567	6,136
Strategic Reserve	6,394	(2,065)	-	3,500	7,829
Major Repairs (HRA)	200	-	-	-	200
	20,556	(10,458)	-	6,067	16,165

Table 5

Net Revenue Position Full Analysis

Month: December 2015	Year to date				Year					
	Director	Budget	Actual	Use of Reserves	Variance	Approved Budget	Provisional Outturn	Variance	Transfers to/(from) reserves	Variance after use of earmarked reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Assistant Director Housing Service	14,120	13,985	-	(135)	18,698	18,633	(65)	-	(65)	
Housing Management (HRA)	(18,943)	(18,402)	-	541	(25,266)	(24,443)	823	-	823	
Asset Management (HRA)	4,757	3,914	-	(843)	6,480	5,547	(933)	-	(933)	
Financial Inclusion	66	183	-	117	88	263	175	-	175	
Total	0	(320)	0	(320)	0	0	0	0	0	

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