

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 26 January 2017

NOTICE OF MEETING

EXECUTIVE

Date & Time

Tuesday, 7 February 2017 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
	S Dixon	– 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

All other Members of the Council - on request

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

***This meeting may be filmed by the Council for live and/or subsequent broadcast online at**

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

You can view previous meetings there starting from May 2015.

At the start of the meeting the Chairman will confirm if all or part of the meeting will be filmed by the Council. The footage will be on the Council's website for six months. A copy of it will also be retained in accordance with the Council's data retention policy. The images and sound recording may be used for training purposes within the Council.

By entering the Chamber you are deemed to have consented to being filmed by the Council, including during any representation you might make, and to the possible use of the images and sound recordings made by the Council for webcasting and/or training purposes.

Phones and other equipment may also be used to film, audio record, tweet or blog from this meeting by an individual Council member or a member of the public. No part of the meeting room is exempt from public filming unless the meeting resolves to go into exempt session. The use of images or recordings arising from this is not under the Council's control.

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 10 January 2017.

3. **Members' Interests**

To receive from Members any declarations of interest.

4. **Chairman's Announcements**

To receive any matters of communication from the Chairman.

5. **Petitions**

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

6. **Public Participation**

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

7. **Forward Plan of Key Decisions**

To receive the Forward Plan of Key Decisions for the period 1 March 2017 to 28 February 2018.

Decisions

Item	Subject	Page Nos.
8.	Budget 2017/18 and Medium Term Financial Plan	29 - 176

The report proposes the Budget for 2017/18 and updates the Medium Term Financial Plan (MTFP) approved by Council in February 2016. **(Appendices A(i) - Budget Consultation and J - Overview and Scrutiny comments are to follow.)**

- | | | |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 9. | Capital Programme 2017/18 – 2020/21 | 177 - 200 |
| | The report proposes the Capital Programme for the four years from April 2017. It excludes the Housing Revenue Account (HRA) which is subject to a separate report. | |
| 10. | Budget for the Housing Revenue Account (Landlord Business Plan) | 201 - 234 |
| | The report sets out the Housing Revenue Account (HRA) Landlord Business Plan Budget for 2017/18. | |
| 11. | Social Care, Health & Housing Fees & Charges 2017/18 | 235 - 252 |
| | To recommend the Social Care, Health & Housing Fees & Charges 2017/18 to Council for approval. (Appendix D – Overview and Scrutiny comments are to follow.) | |
| 12. | Treasury Management Strategy and Treasury Policy | 253 - 300 |
| | To recommend the Treasury Management Strategy and Treasury Policy for approval. (Appendix F – Overview and Scrutiny Comments are to follow.) | |
| 13. | Improving Care Home Provision for Older People in Central Bedfordshire | 301 - 322 |
| | For the Executive to consider the opportunity to improve care home provision and to authorise the commencement of a consultation process. | |
| 14. | Proposal to make a Prescribed Alteration to Robert Peel Foundation Lower School, Sandy, St Swithuns VC Lower School, Sandy and John Donne C of E Lower School, Blunham | 323 - 386 |
| | To seek Executive approval to commence the statutory consultation required for the proposed prescribed alterations for Robert Peel Foundation Lower School, St Swithuns VC Lower School and John Donne C of E Lower School. (Appendix C - Overview and Scrutiny Comments are to follow.) | |
| 15. | Proposed Change of Age Range for Shillington Lower School from 4-9 to 2-9 years of age | 387 - 396 |
| | To seek approval to commence a statutory consultation required for the proposal to change the age range of Shillington Lower School to integrate a pre school provision. (Appendix B - Overview and Scrutiny Comments are to follow.) | |

16. **Determination of the Council's Admission Arrangements for the Academic Year 2018/19** 397 - 444
- Determination of the Council's admission arrangements for the academic year 2018/19.
17. **European Structural Investment Funds (ESIF) - ESF SEaMLESS Programme** 445 - 522
- To provide further detail regarding the status of the SEaMLESS Consortium European Social Funds (ESF) funding bid.
18. **Approval to Continue to Fund Healthwatch Central Bedfordshire from 1 April 2017 to 31 March 2021** 523 - 526
- To approve a commitment to continue to fund Healthwatch Central Bedfordshire for the next 3 years as the total sum for the period exceeds £200,000 and requires Executive approval.
19. **Approval to Procure a New and Enhanced Domiciliary Care Framework Agreement and to Extend the Current Framework Agreement for a Period of 5 Months** 527 - 532
- To approve the procurement of a new domiciliary care framework and domiciliary care contract/s for four courts for a period of 5 years (3 years plus two one year extensions) and to approve an extension to the current domiciliary care framework contract by 5 months.
20. **Exclusion of the 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.
21.	Leisure Management Contract To consider the leisure management contract arrangements at Dunstable Leisure Centre, the Grove Theatre and Tiddenfoot Leisure Centre.	3	See separate supplement
22.	Tender Award for the Contract for Central Heating and Boiler Replacements to Council Housing 2017-2020 To recommend the award of a 3 year contract, extendable by up to a further three years, for the Central Heating and Boiler Replacements, 2017-2020.	3	See separate supplement

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, 10 January 2017.

PRESENT

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

Executive Members: Cllrs Cllr S Dixon Cllrs R D Wenham
Cllr Mrs C Hegley J N Young
B J Spurr

Deputy Executive Members: Cllrs A D Brown Cllrs E Ghent
K M Collins Mrs T Stock
I Dalgarno B Wells
Mrs A L Dodwell

Apologies for Absence: Deputy Executive Members Mrs S Clark
G Tubb
Cllrs

Members in Attendance: Cllrs Mrs A Barker Cllrs Mrs S A Goodchild
R D Berry Ms A M W Graham
D Bowater B Saunders
J Chatterley A Zerny
F Firth

Officers in Attendance Mr Q Baker AD Legal Services (Monitoring Officer)
Mr R Carr Chief Executive
Mr M Coiffait Director of Community Services
Mrs S Hobbs Committee Services Officer
Mr G Jones Assistant Director Children's Services
Mr J Longhurst Operations
Director of Regeneration and Business
Mrs J Ogley Director of Social Care, Health and Housing
Mrs M Scott Director of Public Health
Mr C Warboys Director of Resources

E/16/83. **Minutes**

RESOLVED

that the minutes of the meeting held on 6 December 2016 be confirmed as a correct record and signed by the Chairman.

E/16/84. **Members' Interests**

None were declared.

E/16/85. **Chairman's Announcements**

Item 13 'Enterprise Requirement Planning Systems Upgrade' had been withdrawn.

The Chairman announced the sad deaths of the former Mid Bedfordshire District Council Councillors Brian Golby and Eric Jakes.

A grant of £5.6m for supported living, including Houghton Regis had been received from the Homes and Communities Agency.

E/16/86. **Petitions**

No petitions were received.

E/16/87. **Public Participation**

No members of the public had registered to speak.

E/16/88. **Forward Plan of Key Decisions**

RESOLVED

that the Forward Plan of Key Decisions for the period 1 February 2017 to 31 January 2018 be noted.

E/16/89. **Draft Budget & Medium Term Financial Plan 2017/18 – 2020/21**

The Executive considered a report from the Executive Member for Corporate Resources that proposed the draft budget for 2017/18 and updated the Medium Term Financial Plan (MTFP). It was noted that the Provisional Financial Settlement for Local Government had only been released on 15 December 2016 and that it had not been possible for the full implications of this to be incorporated within the Executive report. This included the announcement that councils would be permitted to apply a Social Care Precept of up to 3% in 2017/18.

Further details were still expected from the Government on proposals for the 100% retention of National Non Domestic Rates by authorities.

These issues and any other Government announcements, together with the outcome of the consultation, would be taken into account in the final budget proposals considered by the Executive on 7 February before recommendations were made to Council.

In response to questions, the Executive Member for Social Care and Housing highlighted Appendix F, and drew attention to the Council's specific statutory duties in relation to specific budget proposals.

In response to a question, the Executive Member for Corporate Resources explained the purpose of general and earmarked reserves and the implications of drawing on these. Reserves had been reviewed and it was unsustainable to use reserves to fund reoccurring expenditure.

Reason for decision: To enable consultation on the draft budget 2017/18 and MTFP 2017-2021, prior to recommendations being made by the Executive on 7 February 2017 to Council on 23 February 2017.

RESOLVED

that the draft Budget for 2017/18 and the updated Medium Term Financial Plan 2017/18 – 2020/21 be approved as the basis for the consultation with the Overview and Scrutiny Committees and other interested parties.

[NOTE: Cllr Mrs Barker and Zerny arrived during this item.]

E/16/90. Draft Capital Programme 2017/18 – 2020/21

The Executive considered a report from the Executive Member for Corporate Resources that proposed the Capital Programme for the Medium Term Financial Plan (MTFP) period 2017/18 to 2020/21. The proposed Capital Programme would continue to support the following significant schemes:

- New School Places;
- improving the A421 between Junction 13 of the M1 and Milton Keynes Magna Park;
- M1/A6 Link Phase 1 and 2;
- Highways Structural Maintenance;
- Dunstable Leisure Centre and Library; and
- Broadband infrastructure.

Reason for decision: To enable consultation on the draft Capital Programme 2017/18 to 2020/21, prior to recommendations being made by the Executive on 7 February 2017 to Council on 23 February 2017.

RESOLVED

that the draft Capital Programme for 2017/18 to 2020/21 be approved for consultation with Overview and Scrutiny Committees and other interested parties.

E/16/91. **Draft Budget for the Housing Revenue Account (Landlord Service) 2017/18 - 2020/21 and Business Plan**

The Executive considered a report from the Executive Member for Corporate Resources that set out the draft Housing Revenue Account (HRA), with proposals that responded to legislative changes; made best use of the investment potential; accounted for rent reduction; and aligned to the debt strategy in the context of the long term business plan.

Reason for decision: To enable consultation on the draft HRA Landlord Business Plan Budget for 2017/18, prior to recommendations being made by the Executive on 7 February 2017 to Council on 23 February 2017.

RESOLVED

that the draft Housing Revenue Account budget proposals for 2017/18, as set out in the report, be approved as the basis for consultation with Overview and Scrutiny Committees and more broadly, public consultation.

E/16/92. **Sustainability and Transformation Plan 2016 - 2020**

The Executive considered a report from the Executive Member for Health that included the Sustainability and Transformation Plan (STP) for Bedfordshire, Luton and Milton Keynes (BLMK) which had been published on 15 November 2016.

In response to a question, the Director for Social Care, Health and Housing explained the risk sharing arrangement associated with the Better Care Fund.

Reason for decision: To ensure the financial sustainability of health and care services.

RESOLVED

- 1. that the publication of the draft Sustainability and Transformation Plan (STP) be noted;**
- 2. that the STP be endorsed on the basis that the priorities reflected in the Plan aligned with the Council's aspirations for greater emphasis on prevention; reduced reliance on acute services; strengthened primary care services delivered close to where people live and integrated wherever possible with social care and other services; and**

- 3. **that the Social Care, Health and Housing Overview and Scrutiny Committee take the lead role in scrutinising the Plan and that all other scrutiny committee engagement on the STP to be channelled through this route to ensure a cohesive approach.**

E/16/93. **BT's Proposal to Remove 80 Payphones across Central Bedfordshire**

The Executive considered a report from the Executive Member for Community Services that provided the results of the consultation on the Council's First Decision in respect of the proposal from British Telecom (BT) to remove 80 payphones in Central Bedfordshire. The report also proposed the Second Decision (and Final Notice) taking into account the responses received to the consultation.

The Executive Member for Community Services advised that the Council would support a recommendation from the Fire Authority that consideration should be given to using decommissioned payphone boxes to accommodate defibrillators.

Reason for decision: The results of the second stage consultation showed that 75% of respondents supported the First Decision – to agree to the removal of 43 payphones and object to 37 being removed. There was a clear rationale for keeping or removing each payphone, which was supported by the consultation feedback.

RESOLVED

- 1. **that the Second Decision, which was to object to 37 payphones being removed and to agree to the removal of 43 payphones, as set out in Appendix 2 to the report, be approved;**
- 2. **that BT be reminded of their duty under the Equality Act 2010 to ensure that services were accessible and that it was not indirectly discriminating against the disabled or elderly by removing these payphones; and**
- 3. **that BT be informed of any specific requests and suggestions received as part of the consultation regarding the future/alternative use of payphone kiosks.**

E/16/94. **Enterprise Requirement Planning (ERP) Systems Upgrade**

This item was withdrawn.

(Note: The meeting commenced at 9.30 a.m. and concluded at 10.09 a.m.)

Chairman

Dated

This page is intentionally left blank

Central Bedfordshire Council
Forward Plan of Key Decisions
1 March 2017 to 28 February 2018

- 1) During the period from **1 March 2017 to 28 February 2018**, 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 Steven Dixon	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

- 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 June 2016	26 May 2016
2 August 2016	21 July 2016
11 October 2016	29 September 2016
6 December 2016	24 November 2016
10 January 2017	22 December 2016
7 February 2017	26 January 2017
4 April 2017	23 March 2017

Central Bedfordshire Council

Forward Plan of Key Decisions for the period 1 March 2017 to 28 February 2018

Key Decisions

Date of Publication: 26 January 2017

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.	Proposal to Change the Age Range of Everton Lower School -	To seek the Executive Member for Education and Skills via delegated authority to approve the proposed change of age range for Everton Lower School if the responses received during the statutory consultation period are favourable.	21 March 2017	The Executive Member for Education and Skill will exercise the Council's duty to determine proposals to alter the upper and lower age range of pupils in schools as prescribed by School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013 at a Delegated Decisions meeting on 21 March 2017.	Open	Executive Member for Education and Skills Comments by 21/02/2017 to Contact Officer: Victor Wan, Senior Education Officer (Planning) Email: victor.wan@centralbedfordshire.gov.uk Tel: 0300 300 5574

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)
2.	Parking Strategy -	To receive the outcome of the consultation and adopt the Parking Strategy.	4 April 2017	Sustainable Communities Overview and Scrutiny Committee on 16 March 2017. 12 weeks public consultation commencing in November 2016.	Open Parking Strategy	Executive Member for Community Services Comments by 04/03/2017 to Contact Officer: Gerri Davies, Principal Strategic Transport Officer Email: geraldine.davies@centralbedfordshire.gov.uk Tel: 0300 300 4854
3.	The Integration of Health and Social Care in Central Bedfordshire (recommendations of Overview and Scrutiny enquiry) -	To provide the Executive with the Council's emerging vision for the integration of Health and Social care in Central Bedfordshire.	4 April 2017	Social Care Health and Housing Overview and Scrutiny Committee and Task and Finish Group	Open The Integration of Health and Social Care in Central Bedfordshire	Deputy Leader and Executive Member for Health, Executive Member for Social Care and Housing Comments by 04/03/2017 to Contact Officer: Jonathon Partridge, Head of Governance Email: jonathon.partridge@centralbedfordshire.gov.uk Tel: 0300 300 4634

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.	Council Responsiveness (recommendations of Overview and Scrutiny enquiry) -	To receive the recommendations of a Corporate Resources Overview and Scrutiny Committee enquiry into Council Responsiveness.	4 April 2017		Open Council Responsiveness (recommendations of Overview and Scrutiny enquiry)	Executive Member for Corporate Resources Comments by 04/03/2017 to Contact Officer: Jonathon Partridge, Head of Governance Email: jonathon.partridge@centralbedfordshire.gov.uk Tel: 0300 300 4634
5.	School Parking (recommendations of Overview and Scrutiny Enquiry) -	To receive the recommendations of a Sustainable Communities Overview and Scrutiny Committee enquiry into School Parking.	4 April 2017		Open School Parking (recommendations of Overview and Scrutiny Enquiry)	Cllr Brian J Spurr Comments by 04/03/2017 to Contact Officer: Jonathon Partridge, Head of Governance Email: jonathon.partridge@centralbedfordshire.gov.uk Tel: 0300 300 4634

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
6.	The Day Offer for Older People and Adults with Disabilities -	To report back to the Executive with the outcome of Stage 1 to improve the day offer for older people and adults with disabilities and to seek approval of Stage 2.	4 April 2017		Open The Day Offer for Older People and Adults with Disabilities	Executive Member for Social Care and Housing Comments by 04/03/2017 to Contact Officer: John King, System Redesign Officer (Prevention) Email: john.king@centralbedfordshire.gov.uk Tel: 0300 300 6310
7.	Children's Services Transformation Programme -	To consider an update on the transformation programme for Children's Services.	4 April 2017		Open Children's Services Transformation Programme	Executive Member for Social Care and Housing Comments by 04/03/2017 to Contact Officer: Sue Harrison, Director of Children's Services Email: sue.harrison@centralbedfordshire.gov.uk Tel: 0300 300 4229

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
8.	CCTV Review -	The report sets out options and recommendations for the future development of public space CCTV in Central Bedfordshire	4 April 2017		Open CCTV Review	Executive Member for Community Services Comments by 04/03/2017 to Contact Officer: Jeanette Keyte, Head of Community Safety Email: jeanette.keyte@centralbedfordshire.gov.uk Tel: 0300 300 5252
9.	Superfast Broadband Extension project -	Executive approval to contract additional external secured funding of £3.482m to extend superfast fast broadband coverage, following a competitive tender process.	4 April 2017		Open Superfast Broadband Extension project	Executive Member for Corporate Resources Comments by 04/03/2017 to Contact Officer: James Cushing, Head of Investment Email: james.cushing@centralbedfordshire.gov.uk Tel: 0300 300 4984

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.	Refresh of the Partnership Vision for Education -	To provide the Executive with the refreshed Partnership Vision for Education which has been developed following the Peer Review of Arrangements for School Improvement in March 2016.	4 April 2017	Engagement will take place with a range of key partners, including schools.	Open Refresh of the Partnership Vision for Education	Executive Member for Education and Skills Comments by 04/03/17 to Contract Officer: Helen Redding, Assistant Director School Improvement Email: helen.redding@centralbedfordshire.gov.uk Tel: 0300 300 6057
11.	Commissioning of New School Places in Barton-Le-Clay and Marston Moretaine for September 2018 -	To provide the outcome of the consultation by Arnold Academy, Barton-Le-Clay and Church End Lower School, Marston Moretaine to expand by one form of entry (30 places in each year group) by September 2018.	4 April 2017		Open Commissioning of New School Places in Barton-Le-Clay for September 2018	Executive Member for Education and Skills Comments by 04/04/2017 to Contract Officer: Victor Wan, Senior Education Officer (Planning) Email: victor.wan@centralbedfordshire.gov.uk Tel: 0300 300 5574

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.	Change of Age Range for Everton Lower School -	This report will seek the Executive's approval for the proposed change of age range for Everton Lower School, if responses received during the statutory consultation period are not favourable and determination cannot therefore be made by the Executive Member for Education and Skills via delegated authority on 21 March 2017.	4 April 2017		Open Change of Age Range for Everton Lower School	Executive Member for Education and Skills Comments by 04/03/2017 to Contact Officer: Victor Wan, Senior Education Officer (Planning) Email: victor.wan@centralbedfordshire.gov.uk Tel: 0300 300 5574
13.	Commissioning of New School Places in Cranfield for September 2018 -	To seek support for the consultation by Holywell CoE, Cranfield (middle academy) to commission new school places for September 2018.	4 April 2017		Open Commissioning of New School Places in Cranfield for September 2018	Executive Member for Education and Skills Comments by 04/03/2017 to Contact Officer: Victor Wan, Senior Education Officer (Planning) Email: victor.wan@centralbedfordshire.gov.uk Tel: 0300 300 5574

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.	Proposed Change of Age Range for Shillington Lower School -	To determine the proposal to change the age range of Shillington Lower School from 4-9 years of age to 2-9 years of age.	4 April 2017		Open Proposed Change of Age Range for Shillington Lower School	Executive Member for Education and Skills Comments by 04/03/2017 to Contact Officer: Victor Wan, Senior Education Officer (Planning) Email: victor.wan@centralbedfordshire.gov.uk Tel: 0300 300 5574
15.	Prescribed Alteration to Robert Peel, St Swithuns VC and John Donne CofE Lower Schools -	To consider the responses to statutory consultation and determine the proposal for the prescribed alterations of Robert Peel Lower School, Sandy, John Donne CofE Lower School, Blunham and St Swithuns VC Lower School, Sandy.	4 April 2017		Open Prescribed Alteration to Robert Peel, St Swithuns VC and John Donne CofE Lower Schools	Executive Member for Education and Skills Comments by 04/03/2017 to Contact Officer: Victor Wan, Senior Education Officer (Planning) Email: victor.wan@centralbedfordshire.gov.uk Tel: 0300 300 5574

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.	Ivel Valley Quadrant Plan -	To adopt the Ivel Valley Quadrant Accommodation Plan, which forms part of a new suite of documents to establish and articulate the Council's holistic approach to managing, developing and utilising its property and land assets portfolio.	4 April 2017	Internal consultation with Council directorates and external consultation with key partner organisations.	Open	Executive Member for Corporate Resources Comments by 04/03/2017 to Contact Officer: Bernard Carter, Head of Facilities Management & Maintenance Email: bernard.carter@centralbedfordshire.gov.uk Tel: 0300 300 4175
17.	Award of Contract - Development of Biggleswade South Gypsy and Traveller Site -	Tender evaluation submission for Executive approval for the construction of a new Gypsy and Traveller Site at Biggleswade South.	4 April 2017		Part exempt Award of Contract - Development of Biggleswade South Gypsy and Traveller Site	Executive Member for Social Care and Housing Comments by 04/03/2017 to Contact Officer: Ian Johnson, Housing Asset Manager Email: ian.johnson@centralbedfordshire.gov.uk Tel: 0300 300 5202

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
18.	Disposal Site - Village Farm Sutton -	To consider disposal of land at Village Farm Sutton.	4 April 2017		Part exempt Commercially sensitive Disposal Site - Village Farm Sutton	Executive Member for Corporate Resources Comments by 04/03/2017 to Contact Officer: Andrew Gordon, Head of Estate Management Email: andrew.gordon@centralbedfordshire.gov.uk Tel: 0300 300 5882
19.	Flitwick Regeneration -	To seek approval for the preferred option and method of delivery for the regeneration of key sites in Flitwick.	6 June 2017	Town wide (community, public and private sectors) Following Council approval a non statutory consultation programmer will be delivered immediately prior to formal statutory consultation in relation to the submission of an outline planning application for the site in question.	Part exempt Report contains commercially sensitive information. Flitwick Regeneration	Executive Member for Regeneration Comments by 06/05/2017 to Contact Officer: Sam Caldbeck, Major Pro Email: samuel.caldbeck@centralbedfordshire.gov.uk Tel: 0300 300 4410

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)
20.	Re-development of Croft Green, Dunstable -	To award the tender for the construction phase of the re-development of Croft Green, Dunstable.	6 June 2017		Part exempt Appendix will contain commercially sensitive information. Re-development of Croft Green, Dunstable	Deputy Executive Member for Social Care and Housing (Volunteering) Comments by 06/05/2017 to Contact Officer: Matt Berry, Interim Regeneration & Renewal Manager Email: matthew.berry@centralbedfordshire.gov.uk Tel: 0300 300 4493
21.	Commissioning of New Middle School Places in Cranfield by September 2018 -	To consider the outcome of consultation by Holywell CoE (middle academy) and to seek approval of the proposal.	1 August 2017		Open	Executive Member for Corporate Resources Comments by 01/07/2017 to Contact Officer: Victor Wan, Senior Education Officer (Planning) Email: victor.wan@centralbedfordshire.gov.uk Tel: 0300 300 5574

Ref No.	Issue for Key Decision by the Executive	Intended Decision	Indicative Meeting Date	Consultees and Date/Method	Documents which may be considered	Portfolio Holder and Contact officer (method of comment and closing date)
NON KEY DECISIONS						
22.	Period 9 (Quarter 3) – 2016/17 Revenue Budget Monitoring -	The report sets out the financial position for 2016/17 as at the end of December 2016.	4 April 2017		Open Period 9 (Quarter 3) – 2016/17 Revenue Budget Monitoring	Executive Member for Corporate Resources Comments by 04/03/2017 to Contact Officer: Denis Galvin, Head of Financial Performance Email: denis.galvin@centralbedfordshire.gov.uk Tel: 0300 300 6083
23.	Period 9 (Quarter 3) – 2016/17 Capital Budget Monitoring -	The report sets out the Capital financial position for 2016/17 as at the end of December 2016. It excludes the Housing Revenue Account (HRA) which is subject to a separate report.	4 April 2017		Open Period 9 (Quarter 3) – 2016/17 Capital Budget Monitoring	Executive Member for Corporate Resources Comments by 04/03/2017 to Contact Officer: Denis Galvin, Head of Financial Performance Email: denis.galvin@centralbedfordshire.gov.uk Tel: 0300 300 6083

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)
24.	Period 9 (Quarter 3) – 2016/17 Housing Revenue Account Budget Monitoring -	The report sets out the financial position for 2016/17 as at the end of December 2016.	4 April 2017		Open Period 9 (Quarter 3) – 2016/17 Housing Revenue Account Budget Monitoring	Executive Member for Social Care and Housing, Executive Member for Corporate Resources Comments by 04/03/2017 to Contact Officer: Denis Galvin, Head of Financial Performance Email: denis.galvin@centralbedfordshire.gov.uk Tel: 0300 300 6083
25.	Quarter 3 Performance Monitoring -	To receive quarter 3 (October to December 2016) performance monitoring report.	4 April 2017		Open Quarter 3 Performance Monitoring	Executive Member for Corporate Resources Comments by 04/03/2017 to Contact Officer: Tobin Stephenson, Programme Manager Email: tobin.stephenson@centralbedfordshire.gov.uk Tel: 0300 300 4098

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 2016/17 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 2017 when the plan will be published on the twenty-eighth day:

Period of Plan	Date of Publication
1 May 2016 – 30 April 2017	1 April 2016
1 June 2016 – 31 May 2017	29 April 2016
1 July 2016 – 30 June 2017	26 May 2016
1 August 2016 – 31 July 2017	24 June 2016
1 September 2016 – 31 August 2017	21 July 2016
1 October 2016 – 30 September 2017	2 September 2016
1 November 2016 – 31 October 2017	29 September 2016
1 December 2016 – 30 November 2017	28 October 2016
1 January 2017 – 31 December 2017	24 November 2016
1 February 2017 – 31 January 2018	22 December 2016
1 March 2017 – 28 February 2018	26 January 2017
1 April 2017 – 31 March 2018	24 February 2017
1 May 2017 – 30 April 2018	23 March 2017

Central Bedfordshire Council

EXECUTIVE

7 February 2017

Budget 2017/18 and Medium Term Financial Plan

Report of Cllr Richard Wenham, Executive Member for Corporate Resources
(cldr.richard.wenham@centralbedfordshire.gov.uk)

Advising Officers: Charles Warboys, Director of Resources and S151 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 2017/18 and updates the Medium Term Financial Plan (MTFP) approved by Council in February 2016.

RECOMMENDATIONS

The Executive is recommended to:

1. **note the response to consultation with Overview & Scrutiny as set out in Appendix J and the response to consultation with the public and stakeholders as set out in Appendix A(i);**
2. **recommend to Council the Revenue Budget for 2017/18 and the Medium Term Financial Plan for 2017/18 to 2020/21;**
3. **note the Council Tax Base as set out in Appendix H;**
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 £21.07, representing a 1.549% increase on the charge for 2016/17 and**
 - b) **a Band D increase of £40.80, representing a 3.0% increase on the charge for 2016/17, reflecting a precept of this amount to help fund adult social care costs**

In total the Band D increase will be £61.87, representing a 4.549% increase on the charge for 2016/17. The CBC element of Band D council tax for 2017/18 will therefore be £1,421.88; and

5. **note that certain efficiency proposals identified in Appendix D(ii) 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 and MTFP proposals in their January 2017 cycle of meetings and comments are included in the Budget report at Appendix J (circulated separately).

Issues

3. The Medium Term Financial Plan (MTFP) is intended to set out a sustainable and affordable financial plan that addresses the Council's priorities over the next four years. It should provide for realistic levels of spending, not dependent upon the use of one-off reserves. It should provide for a prudent level of reserves for contingencies.
4. The Budget for 2017/18 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. £15.2M of efficiencies are identified for 2017/18.
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 2017/18 and Medium Term Financial Plan 2017/18 – 2020/21.

Council Priorities

8. The Council approved the Medium Term Financial Plan (MTFP) for 2016/17 to 2019/20 in February 2016. The MTFP has been updated and extended to 2020/21 and a Budget for 2017/18 prepared, reflecting 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 Strategy and Background to the Budget Setting Process

10. In February 2016 the Council approved the 2016/17 Budget and Medium Term Financial Plan to 2019/20.
11. Last year, 2016/17, was the first time for a number of years that the Council increased Council Tax which was as a result of a change in Central Government policy in the way in which Local Authorities are funded (see Paragraph 74).
12. Prior to that, the Council has generated savings of more than £104M in order to avoid the necessity of increases in Council Tax whilst protecting front line services. It has managed to achieve this by adopting a whole Council approach to robust budget management, delivering more efficient ways of working and ensuring that the Directorate and Service priorities are clearly identified and resourced.
13. As part of the MTFP process for 2017/18 – 2020/21 in developing the strategy for efficiencies over the next four years, the Council developed both a thematic approach and also a focus on key specific issues.
14. The themes the Council is looking to address during this MTFP period are:
- Delivering operating efficiencies including through digitisation (those things that are essentially internal arrangements and will not impact adversely on the public. This includes internal restructures).
 - Generating income (some based on capital investments).

- Intervening early to reduce demand (where we are looking to reduce the need to provide a service by prevention actions “upstream”).
 - Determining the Council’s offer (areas where we are looking to limit the Council’s financial exposure but in some cases residents could opt to make their own contributions to “top up” the service they receive).
 - Withdrawing services where the continued need for them is not apparent.
15. In addition to those themes, the Council also focussed on a number of specific issues and used internal resource which was released for three months on secondment to undertake a series of reviews.
16. Those reviews (known as the MTFP Workstreams) covered the following areas:
- Shared services (working more effectively with partners).
 - Financial transactions (process efficiencies and realigning responsibilities).
 - Recruitment (new emphasis on internal opportunities).
 - Waste (changing residents’ behaviour).
 - Commissioning (joint approach with partners / directorates).
 - Learning and Development (unified approach across the Council).
 - Income from assets (invest to save projects).
 - Digitisation (looking at automating key processes)
 - Customer Pathways (reviewing the ways in which customers interact with the Council).
17. The workstream approach has yielded direct savings opportunities which can be built into the MTFP now and there are further opportunities which can be developed in the coming years.
18. Spin off benefits include identifying and freeing up talent within the organisation to look at areas outside their existing knowledge and experience. This process also stimulated some fresh thinking about our operating model and the opportunities presented by digitisation.

19. The outputs from both the thematic approach and the MTFP workstreams were fed into the Budget Strategy Review process.

Budget Strategy Review Process

20. The Budget Strategy Review Process for 2017/18 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. ADs were requested to present their budget in detail covering the full four years of the MTFP. Both the key themes and MTFP workstreams were integrated with the Budget Strategy Reviews.
21. The outcome of these reviews have been reflected in the budget efficiencies shown at Appendix D(ii) and D(iii).
22. 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. The MTFP workstreams also provide input to a number of capital schemes. 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 and efficiencies. Focus was on the major challenges and opportunities facing the Council over the four years to 2020/21.
23. The Capital Programme was also built up thematically. More detail is contained in the Capital Programme, also on the same agenda, but in summary, those themes are:
 - Replacing and renewing operational assets.
 - Investing to save.
 - Capturing the benefits of growth for all.
 - Protecting and enhancing Central Bedfordshire.
 - Responding to new opportunities.

Budget Context

Political

24. The MTFP has been updated against a background of significant challenges. On the 23 June 2016, the United Kingdom (UK) voted to leave the European Union (EU). At the time of this report, the required process to trigger the UK leaving the EU (Article 50 of the Treaty on European Union) has not been invoked although the Government has issued a statement that it will start the formal process by March 2017.
25. Once Article 50 is invoked, the exit process is expected to last for up to two years although the political and economic ramifications will probably be felt for many years.
26. The longer term implications of leaving the EU are uncertain at this time. The Council will need to keep a careful eye on developments as the process evolves.

Autumn Statement and Spending Review 2015

27. During last year's Autumn Statement, the former Chancellor also advised that councils will retain 100% of Business Rates receipts as a sector and a number of grants would be phased out to deliver a financial package for local government that overall would be cost neutral. The Business Rate levy on growth would also be abolished. The details of this are still 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. Of particular significance is what additional responsibilities will be allocated to councils as a result of the changes to the financing of local government. At present this is still unclear.
28. The former Chancellor also announced two other major changes :
 - A National Living Wage was 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 would reduce by 1% a year for four years (commencing in 2016/17) which has been factored into the updated Housing Revenue Account (HRA) plan but of itself represented a significant change in policy.
29. The former Chancellor also 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.

30. Other major announcements included:
- RSG to be phased out by 2019/20.
 - The introduction of an option to raise a 2% Council Tax Precept to help fund Adult Social Care. This was not one off and would be 2% compounded per year. This is entirely separate from a general increase in Council Tax, where the referendum cap is still 2%.
 - New Homes Bonus will be reviewed and possibly restricted to 4 years (currently 6 years). The Government response to an earlier consultation was still awaited at that time (see Provisional Financial Settlement paragraph 43 for an update).
 - An apprenticeship levy will be set at 0.5% of an employer's pay bill for companies with payrolls over £3M. This levy will cost CBC £0.450M (including Schools), commencing in 2017/18.
31. The Financial Settlement which followed in December 2015 also introduced the offer of a four year Certainty Deal (also called Efficiency Plan). Authorities were invited to submit an application for a deal which would fix the level of Settlement Funding to that advised at December 2015. This effectively only relates to the Revenue Support Grant (RSG) element of the Settlement.
32. CBC's application for the four year deal was accepted. The Budget assumed the RSG levels as advised last year which have now been confirmed in the Provisional Financial Settlement of December 2016.

Autumn Statement 2016

33. On 23 November 2016 the Chancellor of the Exchequer, Phillip Hammond MP, announced the Autumn Statement 2016. This was the first economic statement given by the Government since the vote to leave the European Union.
34. The Provisional Financial Settlement was announced in mid December 2016 which provided detail at an individual local authority level. The key issues that were covered in the Autumn Statement include:
35. A National Productivity Investment Fund (NPIF) - A new fund targeted at 4 areas that are critical for improving productivity: housing, transport, digital communications, and research and development (R&D). The NPIF will take total spending in these areas to £170bn over the period from 2017-18 to 2021-22, reaching 1.7% of GDP in 2021-22. The new spending includes:
- £7.2Bn to support the construction of new homes, including spending by Housing Associations.

- £4.7Bn on science and innovation.
 - £2.6Bn to tackle congestion and improve transport networks.
 - £0.7Bn to support the roll out of full-fibre connections and future 5G communications.
 - An additional £1.1Bn by 2020-21 in new funding to relieve congestion and deliver upgrades on local roads and public transport networks. On strategic roads, an extra £220M will be invested to tackle key pinch-points. The government will recommit to the National Roads Fund announced at Summer Budget 2015.
36. National Living Wage – Following the recommendations of the independent Low Pay Commission, the National Living Wage (NLW) will increase by 4.2% from £7.20 to £7.50 from April 2017.
37. Local Infrastructure - Local Growth Fund. An allocation of £1.8bn to Local Enterprise Partnerships (LEPs) across England through a third round of Growth Deals including £556M to the North of England, £392M to the midlands, £151M to the east of England, £492M to London and the south east, and £191M to the south west. Awards to individual LEPs will be announced in the coming months.
38. Business Rates - Full fibre infrastructure relief - A new 100% business rates relief for new full-fibre infrastructure for a 5 year period from 1 April 2017
39. Rural rate relief – To remove the inconsistency between rural rate relief and small business rate relief the government will double rural rate relief to 100% from 1 April 2017.
40. Revaluation – The Chancellor announced that DCLG “Will lower the transitional relief cap from 45% next year to 43%, and from 50% to 32% the year after”. This discretionary relief is fully funded through Section 31 grants.
41. Changes to the financial statements - To promote certainty and simplicity within the tax system, the government intends to move towards having a single major fiscal event each year. In 2017 two budgets will be delivered in Spring and Autumn.
42. From 2018 onwards only one Budget will be delivered in Autumn. The Office of Budget Responsibility (OBR) will continue to produce a Spring forecast and the government will make a Spring Statement responding to that forecast. However, the government will retain the option to make changes to fiscal policy at the Spring Statement if the economic circumstances require it.

Provisional Financial Settlement December 2016

43. The key issues arising from the Provisional Financial Settlement include:
- Confirmation of the 2.00% Council Tax referendum principle.
 - Confirmation of an additional 2% adult social care precept and ability to raise the adult social care precept to 3% in 2017-18 and 2018-19 but no more than 6% over the next three years.
 - A reduction in Revenue Support Grant of £9.6M as identified in last years settlement and following the successful application by CBC for the Four Year Certainty Deal.
 - A reduction in the number of payment years for the New Homes Bonus from 6 years to 5 years in 2017-18 and to 4 years in 2018-19. Bonus will also only be paid above a 0.4% housing growth baseline.
 - Consultation on further New Homes Bonus reforms in 2018-19.
 - Savings from NHB will be allocated to local authorities as the £241M (national) £0.869M (CBC) Adult Social Care Support Grant based on the adult social care relative needs formula. This is one off funding.
 - Confirmation of the 2017/18 Transitional Funding advised last year
 - Confirmation of the NNDR baseline for CBC.

Social

44. 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 17.3% since the 2001 census and a further 7.6% increase is forecast between 2015 and 2021.
 - Population growth will be highest in the 90 + age group, 38% growth by 2021. Significant growth is also anticipated in the 85+ age group of 33% and 65 + age group of 18%.

- Continuing increased numbers and complexity of demand for unaccompanied asylum seeking children (USAC). CBC is experiencing the second highest numbers (proportionately) of UASC in the Eastern Region as a result of the service station at Toddington which is a major stopping point for Heavy Goods Vehicles that arrive from the continent.
- Schools moving to Academy status and out of local authority control. We expect to maintain a mixed economy of maintained schools, academies and free schools.
- 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

45. The principal objectives of the 2017/18 Budget have been:
- To produce a sustainable plan which allows Council priorities to be delivered;
 - Realistic spending year on year not dependent on reserves;
 - Reserves maintained at, or above, an agreed minimum prudent level which reflects the risks faced by the Council;
 - Cuts to front line services to be avoided; and commitment to efficiency as a means of delivering savings.

Economic Outlook

Inflation

46. The November 2016 Quarterly Inflation Report issued by the Bank of England advised that inflation as measured by the Consumer Price Index (CPI) is projected to rise above the 2% target within the next twelve months, and the fall in sterling since the referendum suggests inflation could reach 2.7% in 2018. The most recent official figures for November 2016 showed that CPI is running at 1.2% (12 month average) compared to 0.9% in October 2016.
47. The Bank does not expect inflation to return to its 2% target until 2020.
48. Others see a more dramatic move higher in inflation. The National Institute for Economic and Social Research said it expected inflation to quadruple to about 4% in the second half of 2017. The think tank also warned that prices would "accelerate rapidly" during 2017 as the fall in sterling is passed on to consumers.

Economic Growth and Unemployment

49. The Bank increased its prediction for economic growth from 0.8% to 1.4% 2017, but cut the 2018 forecast from 1.8% to 1.5% (note the Autumn Statement cites growth of 1.4% for 2018 picking up to 1.7% the following year).
50. Unemployment is expected to remain stable and is currently at 4.9% nationally (June to August 2016 figures).
51. The Bank of England now thinks the impact of the Brexit vote will be felt later than expected.

Interest Rate Implications

52. The Council's treasury management advisers, Arlingclose Ltd, do not expect the Bank of England to raise its base rate from its current level of 0.25% over the next three years given the weakness of global growth and a low risk of significant inflation.
53. 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.
54. 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.
55. Revenue implications of the Capital Programme have been calculated on the assumption that new borrowing will largely 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 2017/18 to 2020/21. In years 3 and 4 of the MTFP an assumption has been made that some borrowing will be taken at fixed interest rates.

56. 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

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
1% Point Higher	1,120	1,430	1,620	1,710
2% Points Higher	2,240	2,860	3,240	3,420

57. 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 might 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.
58. The Council's MTFP assumes variable interest rate forecasts as follows in table 2:

Table 2

	2017/18	2018/19	2019/20	2020/21
Rate %	0.50%	0.50%	0.50%	0.63%

59. The Council reviews its Treasury Management Strategy annually and monitors financial markets on an on-going basis. It is possible that, based on market conditions, the Council may choose to borrow at a fixed rate of interest to reduce exposure to variable debt. 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 2017/18 Consultation

60. The Council has a responsibility to consult with residents and businesses on its Budget.
61. Each year the Council conducts a consultation on the budget proposals, in advance of decision making in February.

62. The Council has a track record of having regularly sought feedback from residents both on the specific Medium Term Financial Plan proposals and on more general perceptions of the Council. The most recent resident survey confirmed that a majority of residents agree that the Council is delivering Value for Money (58% which is 6% above the national average) and an increasing proportion of respondents regard the Council to be efficient and well run (56% which is an increase of 9% over the past two years). Although the proportion of respondents who believe residents can influence decisions is somewhat lower at 39%, this response marks a 5% improvement over the past five years.
63. This consultation was launched in early January and comprised both online and paper questionnaires, promoted to residents through a mixture of social and conventional media initiatives. Key stakeholder groups were also targeted for promotion, including Town and Parish Councils, the Council's Equality Forum, Youth Parliament the business community (see paragraph 68) and Older Person's Forum.
64. Following the conclusion of the budget process for 2017/18, communication about the 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 2017.

Consultation and Communication

65. The consultation process and timelines were as follows:
66. Budget Consultation:
 - Consultation questionnaire, supporting documentation signed off on the 22 December 2016.
 - Consulted 4 January 2017 – 30 January 2017.
 - Feedback was invited via an online survey, hard copies of which were also be made available in service outlets and promoted through a range of media outlets and channels.
67. Full results presented to 7 February 2017 Executive (see Appendix A).
68. A plan for consultation with businesses was also been drawn up which included;
 - Email bulletins on the Budget Consultation via our 'Lets Talk Business' e-newsletter (a 'Coming Soon' email in December, followed by a 'Consultation now live' in January).
 - Details of the consultation posted on the CBC Business Support webpages.

- An article on the budget consultation included in the local B2B newsletter (bimonthly).
 - Promotion through the local Federation of Small Business and Chamber of Commerce.
 - An invitation to businesses for CBC to join any face to face network meetings they (the businesses) may hold to present the budget and invite feedback.
69. Depending on the nature of the budget proposals, further and more targeted consultation will be required with groups (residents or businesses) directly affected by any anticipated changes.

Budget Assumptions

70. 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.
71. The following assumptions have been applied in producing the Medium Term Financial Plan.

2015/16 Forecast Outturn

72. Based on the current forecast, this Budget assumes 2016/17 outturn will be on budget.

Funding

73. Revenue Support Grant (RSG)
- Last year's Financial Settlement made an offer to Councils to seek agreement to a Certainty Deal that effectively fixed RSG for the current MTFP. As mentioned in paragraph 32, CBC's application was accepted and the current assumption was confirmed in the Provisional Financial Settlement.
 - From a baseline of £20.5M in 2016/17 this resulted in a reduction of £9.5M in 2017/18, £5.9M in 2018/19 and the complete removal in 2020/21.
 - The current national proposals concerning 100% retention of business rates assume that the removal of RSG would be compensated by local retention of Business Rates. But what additional responsibilities may be allocated to councils is not yet clear.

74. Council Tax

- During the last Financial Settlement, DCLG radically changed the way in which Councils are funded by introducing a Comparative Spending Power approach.
- Fundamental to the calculations that see a significant reduction in RSG and its subsequent removal, is the expectation by DCLG that CBC will increase Council Tax charges by 1.75% (based on OBR forecast for CPI at that time) and over the life of the last MTFP.
- Originally, the intention had been for a General Fund Council Tax increase of 1.75%. However, conscious of the financial impact of this on residents, the Executive has revised this proposal and is now recommending an increase of 1.549%.
- By adopting a lower Council Tax increase, income is reduced by £266K compared to the assumption in the Draft Budget. This can be accommodated by a reduced planned contribution to reserves.
- Last year's Financial Settlement introduced an Adult Social Care Precept which allowed Councils to raise Council Tax by 2% in 2016/17 and each of the subsequent three years.
- The Provisional Financial Settlement in December 2016 amended this to allow Councils the option to either continue to raise up to 2% over each of the next three years or to increase Council tax by up to 3% over two of the next three years.
- Overall, Councils are limited to a total of a 6% increase in Council Tax over the three years (2017/18 – 2019/20), with discretion on the phasing, though no one year can exceed 3%.
- Given the significant pressures facing Adult Social Care as a result of demographic change, it is proposed to take advantage of the flexibility provided for by Government to help meet these challenges.
- Therefore an increase of 3.0% in 2017/18 and 2018/19 (zero in 2019/20) to provide funding for Adult Social Care is proposed in this MTFP.
- The funds generated from this will be reserved for use within Adult Social Care in line with the requirement from Government. The Draft Budget had already assumed a 2% precept which is factored into Adult Social Care budget. The additional 1% precept increase over the Draft Budget will initially be allocated to a reserve for this purpose.

- The Council Tax base for 2017/18 has grown by 2.25% 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, there is an assumption that 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.
- Therefore over the MTFP period Council Tax funding is forecast to rise from £144.0M in 2017/18 to £162.0M in 2020/21.

75. 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: £3.0M in 2017/18, £0.8M in 2018/19, £1.5M in 2019/20 and £2.5M in 2020/21 has been included in the MTFP.
- The Business Rates figure in 2017/18 is reduced as a result of a Collection Fund deficit (£0.585M), which because it is one off, reverses in 2018/19 increasing that year's income from business rates. 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 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
- The Budget includes the following amounts of s31 Grant: 2017/18 £1.9M, 2018/19 to 2020/21 £1.6M per annum.

Adult Social Care Grant

76. For 2017/18 only, CBC will receive a one off grant for use within Adult Social Care of £869K. This has also been allocated to the same reserve set aside for Adult Social Care use (as mentioned at paragraph 74).

Business Rates Review

77. 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 2016/17 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 2017/18. For the remaining three years an element of growth has been added, based on modelling work of future developments.
78. As mentioned previously, the 2015 Autumn Statement announced that a review of the structure of business rates will be carried out by the Government, reporting by Budget 2016 (still awaited). The review will be fiscally neutral and consistent with the Government’s agreed financing of local authorities at national level.
79. 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, c.2020.

2017 Business Rates Revaluation

80. 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.
81. The Revaluation which comes into effect for the financial year 2017/18 is expected to be fiscally neutral as DCLG will use the Tariff / Top Up system to equalise any impact on a national basis.

New Homes Bonus (NHB)

82. There is still considerable uncertainty about the future of the NHB scheme.
 - DCLG recently consulted on a number of proposed changes to the way in which NHB is administered and awarded.
 - The Provisional Financial Settlement confirmed a reduction in the number of payment years for the NHB from 6 years to 5 years in 2017/18 and to 4 years in 2018-19. In addition, NHB will also only be paid above a 0.4% housing growth baseline.

- Previously the MTFP has assumed NHB at the 2014/15 level of £6.9M and any growth above this baseline since then has been held in an Earmarked Reserve (EMR) to be used to fund infrastructure costs incurred as a result of growth, or to generate income streams (access to the reserve is subject to an approved business case where appropriate).
- In anticipation of further changes to NHB funding, the revised MTFP assumes NHB at £6.9M for 2017/18 and 2018/19 and then the loss of NHB over the last two years of the MTFP (£2.3M in 2019/20 and £4.6M in 2020/21).
- Any NHB actually earned during the life of the MTFP above the current baseline of £6.9M will still go to the NHB EMR.

Expenditure

83. Economic

- For 2017/18, non pay inflation is allocated to Directorates on a contract by contract basis. For the following three years this is then increased in line with the latest Office of Budget Responsibility inflation projections (3.0% 2018/19, 3.2% 2019/20 and 3.3% 2020/21).
- Pay is assumed at 1% for all years of the MTFP. The additional impact of the National Living Wage (NLW) for Council employees is £158K in 2017/18, £187K in 2018/19, £259K in 2019/20 and £382K in 2020/21.
- Provision has also been made for the pensions impact of the triennial actuarial review.
- 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 year over the life of the MTFP.
- Provision has been made in the latter years of the MTFP for a more general impact of inflation being higher than the specific provisions made above.

84. Financial

- General Fund Reserves remain at the 2015/16 level of £15.5M.
- A detailed analysis of reserves is at Appendix G.

85. 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.

Better Care Fund (BCF)

86. Last year's Settlement confirmed the continuation of the Better Care Fund (BCF) and increase in funding for adult social care (paid for by a reduction to NHB) through the BCF worth £1.5Bn by 2019/20. In the interim years, the additional funding through the BCF will be worth £105M in 2017/18 and £825M in 2018/19.
87. The Government has proposed to distribute this funding so that the grant acts as a method of equalising the relative needs for social care services and the maximum possible impact of the social care council tax precept. This would lead to some social care councils receiving no additional BCF money.
88. For CBC the expected additional funding totals £0.618M in 2018/19 (as advised in last year's Settlement).
89. The introduction of the BCF has marked an important change in how care and health interact within a place. The fact that the nationally mandated £3.8Bn BCF in 2015/16 was increased by an additional £1.5Bn from local care and health budgets demonstrates that local areas are ambitious about integration
90. Last year's Settlement confirmed that there were no changes to the amounts available through the Improved Better Care Fund.

Education Services Grant (ESG)

91. Local authorities currently receive funding from the Government for their responsibilities for all schools from two different funding streams – the Dedicated Schools Grant (DSG) funding that is held centrally by the local authority and the retained duties element of the ESG. The Government proposed to bring these two funding streams together into a new fourth block of the DSG the 'central schools block', distributed on a simple per-pupil formula. Centrally retained DSG is not currently allocated on a formulaic basis.

92. However, the total ESG allocated to local authorities is done so in two funding streams (General £1.5M and Retained Duties funding £0.618M). The General Funding rate of £77 per pupil (a reduction of £10 from 2015/16) is paid only for maintained schools. The Retained Duties rate is a flat rate of £15 per pupil allocated to local authorities for the statutory duties that do not transfer to academies.
93. The General Funding rate will cease from September 2017. The impact on the MTFP is therefore a pressure of £0.875M in 2017/18 and £0.625M in 2018/19 as the Grant follows the school academic year rather than the Council's financial year. These pressures have been factored into the MTFP.
94. In removing the general funding element of the ESG, councils may need to use alternative sources of funding to pay for education services for maintained schools. The DfE proposal is to allow councils to retain some of their maintained schools DSG centrally for duties currently funded by the general funding rate. This transitional option will be available until the hard formula begins in 2019/20, after which time it is expected that all school improvement provision by councils at no cost to schools will have ended or will be offered through a traded service.
95. The Secretary of State has announced an annual school improvement monitoring and brokering grant for local authorities, starting from September 2017. This will provide £50M per year (£30M for the initial 7 month period from September 2017 to March 2018). It allows local authorities to maintain their statutory intervention functions and services, such as monitoring and commissioning school improvement support. Councils will receive an allocation of at least £1.8K per the number of maintained schools in their authority as at September 2017, subject to a total minimum allocation of £50K for each authority.
96. The DfE have also announced plans for a new £140M Strategic School Improvement Fund. Maintained schools and academies will be able to apply for this fund, with the support of a teaching school, local authority or Regional Schools Commissioner. This funding is to support their school improvement provision, complementing school improvement activity funded from their budgets. In addition, maintained schools will be able to decide to de-delegate further funding for additional school improvement provision, in 2017/18 and 2018/19.

Public Health 0 to 19 Children

97. From the 1 October 2015, responsibility for the commissioning of 0 to 5 year old children's public health services transferred from NHS England to Local Government. CBC already had responsibility for 6 to 19 Public Health for Children.

98. The 0 to 5 children's public health commissioned service currently includes the Healthy Child Programme provided predominantly by health visitors and the Family Nurse Partnership (FNP) targeted services for teenage mothers.
99. This transfer was initially fully funded by an increase to the Public Health Grant. The full year cost for 2016/17 was £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 (£1.0M in 2017/18) across all aspects of Public Health. This is not expected to impact the net budget position.
100. Spending plans for 2017/18 to 2020/21 will be reduced in order to operate within the limit of the revised Public Health Grant.

Medium Term Financial Plan (MTFP)

101. The key elements of the MTFP for 2017/18 to 2020/21 are shown at Appendix B(i). Table 3 shows a summary of this plan.

Table 3 Medium Term Financial Plan

Medium Term Financial Plan	2017/18	2018/19	2019/20	2020/21
	£m	£m	£m	£m
Funding				
Revenue Support Grant	10.6	4.7	0.0	0.0
Retained Business Rates	34.3	36.4	37.7	41.2
Council Tax	144.1	148.5	153.6	162.0
Use of / (Contribution) to Reserves	(0.7)	(0.6)	(1.5)	(1.9)
Transitional Funding	2.2	0.0	0.0	0.0
Adult Social Care Support Grant	0.9	0	0	0
Contribution to Adult Social Care Reserve	(2.2)	(2.8)	0	0
Renewable Energy NNDR	0.4	0.4	0.4	0.4
Total Funding	189.6	186.6	190.2	201.7
Revenue Budget				
Opening Base Net Revenue Budget	189.2	189.6	189.3	190.8
Inflation	2.4	2.5	2.6	2.6
Pressures	13.2	8.0	13.5	18.7
Revenue Budget before efficiencies	204.8	200.1	205.4	212.2
Efficiency Savings identified	(15.2)	(10.7)	(11.9)	(8.6)
Closure of prior year gap	0.0	0.0	(2.7)	(0.6)
Total Revenue Budget after efficiencies	189.6	189.3	190.8	202.9
Budget Gap/ (Surplus)	0.0	2.7	0.6	1.2

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

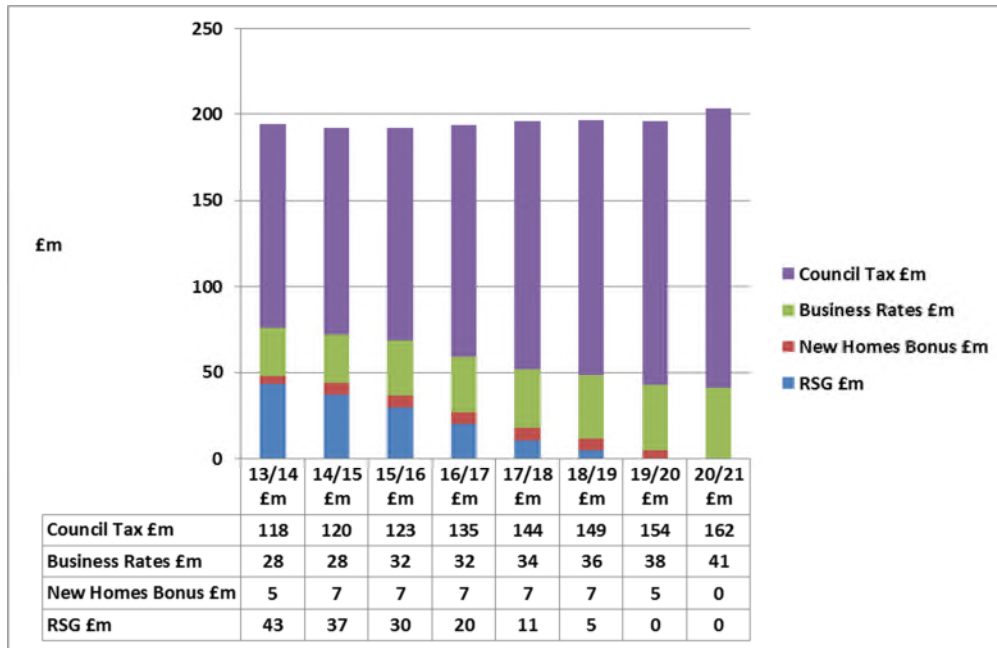
Funding Sources

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

- Revenue Support Grant (RSG) – two years only.
- Business Rates Retention Scheme and
- Grants, including Ring Fenced Grants & New Homes Bonus

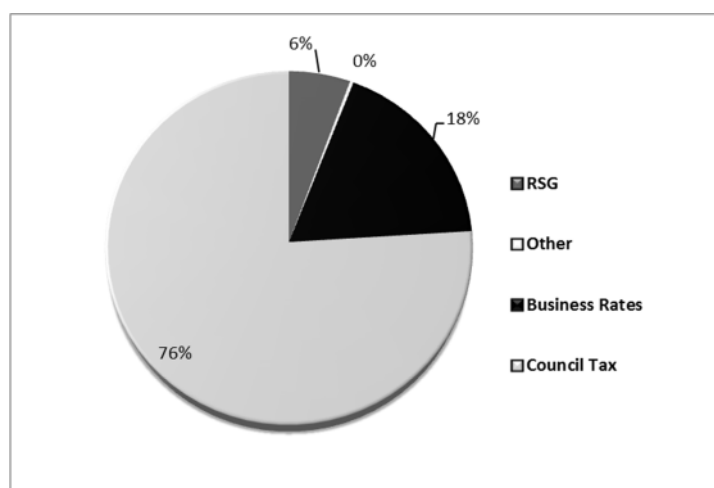
103. Local Government funding sources are forecast to change significantly over the Medium Term Financial Plan period 2017/18 to 2020/21.
104. Figure 1 below shows how funding sources are forecast to change over the MTFP period, with 2013/14 to 2016/17 as comparators.

Figure 1 – CBC Revenue budget Funding Sources Projection



105. The above graph shows that over the MTFP period:
- The Council Tax element increases from approximately 76% of total funding in 2017/18 to 80% by 2020/21.
 - Business Rates Retention increases from 18% in 2017/18 to 20% in 2020/21.
 - New Homes Bonus reduces from 4% in 2017/18 to zero by 2020/21.
 - Revenue Support Grant decreases from 5% in 2017/18 to zero in 2019/20.
106. The 2017/18 net revenue budget funding sources are shown in Figure 2.

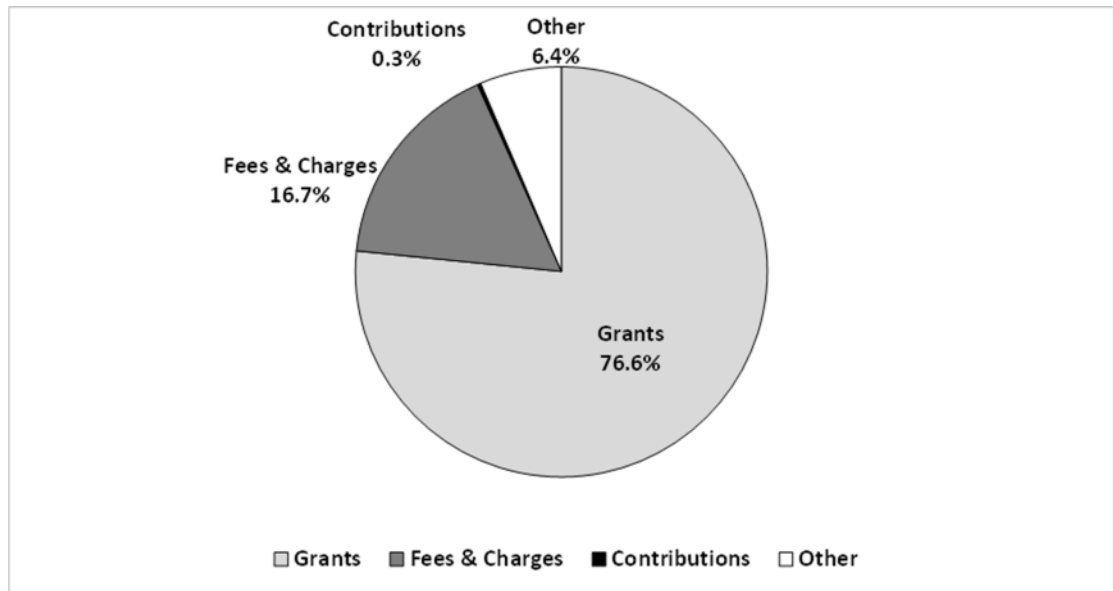
Figure 2 – 2017/18 Net Revenue budget income sources



Gross Budget Income Sources

107. Figure 3 below shows the 2017/18 Gross revenue budget income sources (note this is mainly grant income and does not include RSG, Council Tax etc.)

Figure 3 – Estimated 2017/18 Gross budget income sources



Fees and Charges

108. For the majority of services there will be a 1% increase for 2017. Fees & Charges for 2017 were subject to a separate report which was approved by Council in November 2016.
109. New prices for Social Care Health & Housing are due to be taken to Council in February 2017, as changes take effect from April 2017 in line with benefits changes.

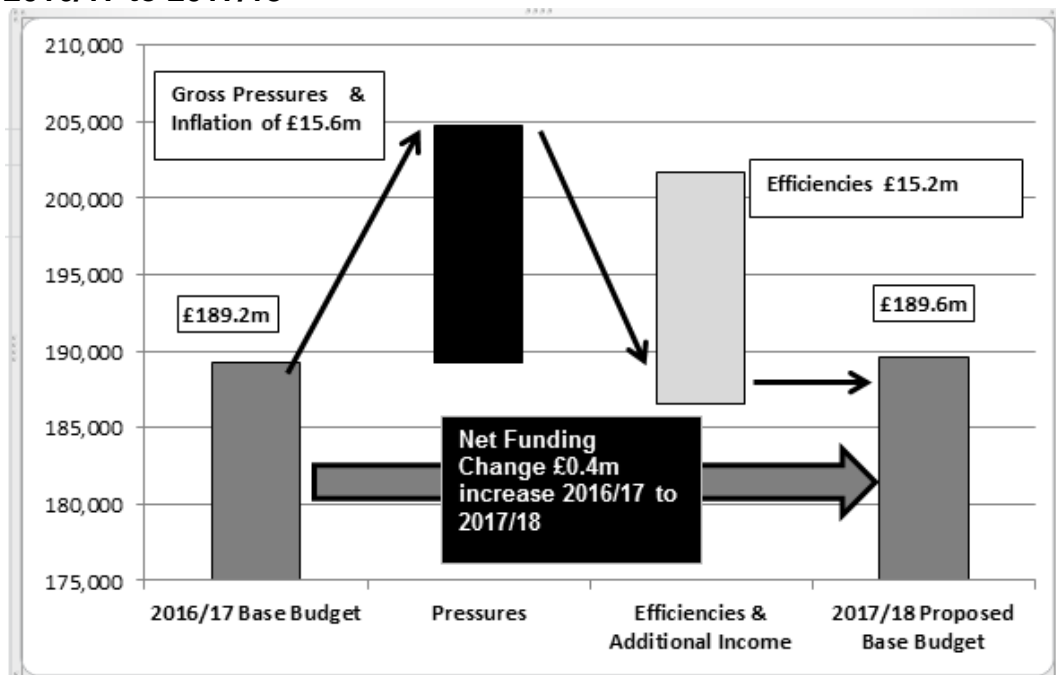
Grants

110. A detailed analysis of grant income will be provided at Appendix I to the budget report due to Council in February 2017.

Expenditure Budget Detail

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

Figure 4 Summary of changes to CBC's Net Expenditure Budget 2016/17 to 2017/18



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

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

Table 4 2017/18 Net Expenditure Budget breakdown by Directorate

Medium Term Financial Plan	Opening 2017/18 budget	Virements	Inflation	Unavoidable Cost Pressures	Efficiencies	Net Base Expenditure Budget 2017/18
	£m	£m	£m	£m	£m	£m
Social Care, Health & Housing	68.0	0.5	1.0	7.4	(4.1)	72.8
Children's Services	36.5	0.0	0.2	1.7	(2.3)	36.0
Community Services	46.8	(0.4)	0.9	0.8	(3.4)	44.7
Regeneration and Business Support	5.7	0.4	0.1	(0.1)	(0.7)	5.4
Public Health	0.0	0.0	0.0	1.0	(1.0)	0.0
Chief Executive's Team	6.9	0.0	0.0	0.4	(0.8)	6.5
Resources	11.7	1.0	0.1	0.3	(1.5)	11.6
Capital Financing Costs	13.9	0.0	0.0	0.7	0.0	14.6
Corporate Costs	(1.8)	0.0	0.0	1.0	(1.3)	(2.1)
Improvement & Corporate Services	1.4	(1.4)	0.0	0.0	0.0	0.0
Total	189.2	0.0	2.4	13.2	(15.2)	189.6

(Note: The pressures and efficiencies shown at Table 4 and also in Appendix B (ii) differ slightly from Appendices C (i) and (ii) and D (i), (ii) and (iii). This is due to more detailed budget build working having taken place post the Draft Budget. For example, the Transfer of Strategic Transport from Community Services to Regeneration and the Transfer of the Business Financial Transactions team from Adult Social Care to Resources). Total pressures and efficiencies are unaffected.

Efficiencies

113. £44.3M of the £46.5M of efficiencies during the period of the MTFP have been identified and in addition there are budget gaps of £3.9M between 2018/19 and 2020/21. The efficiencies are shown at Appendices D(i) to (iii). A summary of these is shown below in Table 5 and Table 6.
114. Paragraph 14 highlighted the key themes identified within the budget strategy. The themes encapsulate the Council's approach to delivering efficiencies whilst maintaining the outcomes from services delivered. Table 5 below groups the efficiencies by these themes.

Table 5 Medium Term Financial Plan Efficiencies by Category

Ref	Category	2017/18	2018/19	2019/20	2020/21	Total
		£m	£m	£m	£m	£m
A	Delivering operating efficiencies	(7.9)	(4.5)	(4.3)	(1.9)	(18.7)
B	Determining the Council's offer	(2.1)	(1.6)	(1.5)	(3.8)	(9.0)
C	Withdrawing services	(0.4)	(0.1)	(0.7)	0.0	(1.3)
D	Intervening early to reduce demand	(2.7)	(3.1)	(3.0)	(2.0)	(10.9)
E	Generating Income	(2.0)	(1.4)	(2.4)	(0.8)	(6.6)
Total		(15.2)	(10.7)	(11.9)	(8.6)	(46.5)

115. These are included within the Directorate efficiencies as detailed in Appendix D (ii).
116. Table 6 below shows the breakdown of allocated efficiencies by Directorate.

Table 6 Efficiencies by Directorate 2017/18 to 2020/21

Efficiencies	2017/18	2018/19	2019/20	2020/21	Total
	£m	£m	£m	£m	£m
Social Care, Health & Housing :					
Identified	(4.1)	(3.7)	(5.0)	(3.0)	(15.8)
Yet to be identified	0.0	0.0	0.0	(2.2)	(2.2)
Children's Services	(2.3)	(1.7)	(2.0)	(1.8)	(7.9)
Community Services	(3.4)	(2.3)	(2.0)	(0.9)	(8.6)
Regeneration and Business Support	(0.7)	(0.2)	(0.4)	(0.2)	(1.6)
Public Health	(1.0)	(0.8)	(0.7)	(0.2)	(2.8)
Chief Executives Team	(0.8)	(0.3)	(0.2)	0.0	(1.3)
Resources	(1.5)	(0.7)	(0.5)	(0.1)	(2.8)
Corporate Costs	(1.3)	(1.1)	(1.1)	(0.1)	(3.5)
Total	(15.3)	(10.7)	(11.9)	(8.6)	(46.6)

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

Pressures

117. A full breakdown of cost pressures is provided at Appendix C(ii) with the major items relating to:

- Increased demand for care services from an ageing population £7.7M;
- Reduced reliance on NHB £6.9M;
- Increased demand for adult disability services £6.2M;
- Impact of legislative changes £5.0M;
- Potential impact of funding changes £4.3M;
- Financing costs of the Capital Programme £3.8M;
- Impact of the changes to Council responsibilities as part of 100% Retained NNDR £2.0M.

Table 7 Pressures by Directorate 2017/18 to 2020/21

Pressures	2017/18	2018/19	2019/20	2020/21	Total
	£m	£m	£m	£m	£m
Social Care, Health & Housing	7.4	4.3	4.4	5.3	21.4
Children's Services	1.7	0.6	0.0	0.0	2.3
Community Services	0.8	0.3	0.1	0.3	1.4
Regeneration and Business Support	(0.1)	0.0	0.0	0.0	(0.1)
Public Health	1.0	0.8	0.7	0.2	2.8
Chief Executives Team	0.4	0.0	0.0	0.0	0.4
Resources	0.3	0.2	0.2	0.0	0.7
Corporate Costs	1.7	1.8	8.1	12.9	24.5
Total	13.2	8.0	13.5	18.7	53.4

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

Reserves

118. 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 2016/17 indicates a General Fund reserve position of £15.5M 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.
119. The reserves policy has been updated to ensure it accounts for these risk factors and is be presented with the Budget report. The Budget also includes a contingency element of £2.1M.
120. The assessment of the appropriate level of reserves is continually kept under review. See appendix G.

Risk Management

121. 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 in 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. Many require major organisational change programmes.
 - Increases in the number of children and older people in care.
 - Ability to achieve £15.2M savings in 2017/18 and £46.5M 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.

- Impact of economic volatility due to Brexit and other global developments.
- Changes to interest rates.
- Financial stability of the Health system.
- School conversions to Academies reducing Business rates.
- Risk of school deficits and redundancy costs falling to the Council.
- Uncertainty around the continuation of New Homes Bonus.
- Uncertainty over new responsibilities transferred to Local Government.
- 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 Council has included estimated cost pressures in all years of the MTFP.

2017/18 Capital Programme

122. 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 2017/18 are reflected below.

Table 8 2017/18 Capital Programme Budget (Excluding HRA)

Gross Expenditure	External Funding	Net Expenditure
£m	£m	£m
68.9	(32.4)	36.5

Table 9 2017/18 Capital Programme Funding (Excluding HRA)

Funding Source	2017/18
	£m
Gross Expenditure Budget	68.9
External Funding	(32.4)
Net Expenditure Budget	36.5
Funded by :	
Capital Receipts	(12.0)
Borrowing	(24.5)
Total Funding	(36.5)

Table 10 2017/18 Capital Programme Revenue Implications (Excluding HRA)

Minimum Revenue Provision	Interest	Total Revenue Implications
£m	£m	£m
9.0	5.6	14.6

123. Table 11 below shows the change in Capital Programme Revenue implications.

Table 11 Capital Programme Revenue Implications (Excluding HRA)

Year	Opening Position	Movements			Closing Position
		Interest Charges	MRP	Total Change	
	£m	£m	£m	£m	£m
2017/18	13.9	(0.3)	1.0	0.7	14.6
2018/19	14.6	0.2	0.6	0.8	15.4
2019/20	15.4	0.7	0.5	1.2	16.6
2020/21	16.6	0.8	0.3	1.1	17.7

Note: the opening position is as per the 2016/17 MTFP.

124. 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.

Timetable Milestones

125. The key milestones in the timetable for Council to agree its Budget in February 2017 are set out in Table 12 below:

Table 12 Timetable Milestones

Date	Body	Outcome
Early January 2017	Public	Budget papers made available to Public and Public Consultation commenced
10 January 2017	Executive	Considered the Budget
12 January 2017	Sustainable Communities Overview & Scrutiny	Considered efficiencies and savings and budget proposals
17 January 2017	Children's Services Overview & Scrutiny	
23 January 2017	Social Care, Health & Housing Overview & Scrutiny	
24 January 2017	Corporate Resources Overview & Scrutiny	
7 February 2017	Executive	Recommends Budget
23 February 2017	Council	Approves Budget
28 February 2017	Council	Reserve Council Meeting in case of delay in receiving notification of other precepts.

Corporate Implications

Legal Implications

126. The Local Government Finance Act 1992 stipulates that the Council must set an amount of council tax payable for the financial year 2017/18 by 11 March 2017. Before calculating the level of council tax payable, the Council must consult representatives of non-domestic ratepayers in its area.

127. 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 2nd August 2016.
128. There are statutory requirements in relation to consultation with users of the services the Council provides, employees and employee representatives. Where there are issues arising from budget proposals which require such consultation, the Council complies with these requirements.
129. Appendix F provides details of the statutory duties relating to specific budget proposals.

Risk

130. Covered in paragraph 121.

Financial Implications

131. The financial implications of the Budget 2017/18 and Medium Term Financial Plan are set out in the report.

Equalities Implications

132. Where appropriate, Equalities Impact Assessments will be carried out for proposals that impact on people or groups with protected characteristics.

Appendices

Appendix A (i)	Budget Consultation
Appendix A (ii)	List of Petitions
Appendix B (i)	MTFP Four year Summary
Appendix B (ii)	MTFP Annual Summary
Appendix B (iii)	Directorate Priorities
Appendix C (i)	Pressures Summary
Appendix C (ii)	Pressures by Directorate
Appendix D (i)	Efficiencies Summary
Appendix D (ii)	Efficiencies by Directorate
Appendix D (iii)	Efficiencies by Category
Appendix E	2017/18 Net Budget - Diagram
Appendix F	Statutory Requirements of Budget Proposals
Appendix G	Reserves Policy
Appendix H	Council Tax Base
Appendix I	Grant Income
Appendix J	Overview & Scrutiny Committee Comments
Appendix K (i)	Budgets by Head of Service
Appendix K (ii)	Budgets by Head of Service Subjective

Background Papers - Budget Strategy - Executive, August 2016

Appendix A (ii) - List of Petitions

Source of Petition	Purpose/Title	Number of Signatures	Date considered by Executive	Date considered by Executive Member for Community Services	Date considered by Council	Date considered by O&S
e-Petition	Request for a new build leisure centre in Dunstable	257	02/08/16			
Paper	Indoor Bowls Club at the new build Dunstable Leisure Centre	478	02/08/16			
Paper	We the undersigned are against the proposed cuts to bus services 188 and 190 in Potton.	129	11/10/16		22/09/16	

Paper	Parking Problems on the junction of Marina Drive & Totternhoe Road and Marina Drive & Harvey Road, LU6 2AH	18		13/09/16 & 03/11/16		
Paper	Yellow lines markings in Cedar Close, Ampthill	56		03/11/16		
Paper	Parking problems on Chapel Road, Flitwick	15		28/02/17		

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

Medium Term Financial Plan Summary 2017/18 to 2020/21

Appendix B(i)

Medium Term Financial Plan	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000
Funding				
Revenue Support Grant (RSG)	10,599	4,683	0	0
Retained Business Rates	34,311	36,442	37,719	41,183
Council Tax	144,069	148,536	153,629	162,026
Use of / Contribution to Reserves	(682)	(635)	(1,500)	(1,882)
Transitional Funding	2,226	-	-	-
Adult Social Care Support Grant	869	-	-	-
Adult Social Care Reserve	(2,203)	(2,805)	-	-
Renewable Energy NNDR	391	395	399	403
Total Funding	189,580	186,617	190,247	201,730
Growth (%)		-1.59%	1.91%	5.69%
Planned Revenue Budget				
Base Revenue Budget Expenditure	378,266	378,473	375,426	379,693
Net Inflation	2,362	2,509	2,565	2,624
Pressures	13,221	7,975	13,519	18,713
Base Income	(189,075)	(188,893)	(188,809)	(189,446)
Total Planned Spending before savings	204,773	200,065	202,701	211,584
Growth before Savings (%)		-2.35%	1.30%	4.20%
Efficiency Savings	(15,194)	(10,732)	(11,882)	(8,644)
Efficiency Savings yet to be allocated	-	-	-	-
Total Planned spending after savings	189,580	189,333	190,819	202,940
Growth after Savings (%)		-0.13%	0.78%	5.97%
Budget Gap / (Surplus)	0	2,716	571	1,210

This page is intentionally left blank

	2017/18								
	Base Revenue Spend £'000	Virements £'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									10,599
Retained Business Rates									34,311
Council Tax									144,069
Other									601
									189,580
Planned Revenue Spend									
Social Care Health & Housing	92,441	452	941	7,425	(24,561)	-	76,698	(4,050)	72,648
Children's Services	61,595	(5)	238	1,665	(25,123)	-	38,370	(2,348)	36,022
Community Services	59,635	(376)	905	810	(12,823)	-	48,151	(3,431)	44,720
Regeneration and Business Support	11,789	364	81	(66)	(6,055)	-	6,113	(713)	5,400
Public Health	16,679	(5)	8	1,001	(16,639)	-	1,044	(1,001)	43
Chief Executives	11,199	29	34	413	(4,255)	-	7,420	(837)	6,583
Resources	72,626	964	106	318	(60,925)	-	13,089	(1,542)	11,547
Capital Financing Costs	13,837		-	687	-	-	14,524	-	14,524
Improvement & Corporate Services	1,423	(1,423)	-	-	-	-	-	-	-
Corporate Costs	8,404		50	968	(10,055)	-	(633)	(1,272)	(1,905)
	349,628	-	2,362	13,221	(160,436)	-	204,775	(15,194)	189,581
Housing Revenue Account	28,639				(28,639)	-	-	-	-
Schools	-		-	-	-	-	-	-	-
	378,267	-	2,362	13,221	(189,075)	-	204,775	(15,194)	189,581
Savings Yet to be Identified									-
TOTAL								(15,194)	189,581

N.B The above Efficiencies & Pressures differ marginally to the detailed schedules as a result of internal structural changes since the Draft Budget, with no impact on the bottom-line figures.

CENTRAL BEDFORDSHIRE COUNCIL - Medium Term Financial Plan 2017/18 - 2020/21
Projections - 2018/19

Appendix B(ii)

	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								36,442
Council Tax								148,536
Other								(3,045)
								186,617
Planned Revenue Spend								
Social Care Health & Housing	97,209	999	4,300	(24,561)	-	77,948	(3,682)	74,266
Children's Services	61,145	252	625	(25,123)	-	36,899	(1,734)	35,165
Community Services	57,543	961	256	(12,823)	-	45,937	(2,337)	43,600
Regeneration and Business Support	11,455	86	-	(6,055)	-	5,486	(225)	5,261
Public Health	16,682	8	764	(16,639)	-	815	(764)	51
Chief Executives	10,838	36	-	(4,255)	-	6,618	(265)	6,353
Resources	72,472	113	218	(60,925)	-	11,878	(654)	11,224
Capital Financing Costs	14,524	-	800	-	-	15,324	-	15,324
Corporate Costs	8,150	53	1,012	(10,055)	-	(840)	(1,071)	(1,911)
	350,017	2,509	7,975	(160,436)	-	200,065	(10,731)	189,333
Housing Revenue Account	28,457	-	-	(28,457)	-	-	-	-
Schools	-	-	-	-	-	-	-	-
	378,474	2,509	7,975	(188,893)	-	200,065	(10,731)	189,333
Savings Yet to be Identified							-	-
Budget Gap to be closed								(2,716)
TOTAL							(10,731)	186,617

	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								37,719
Council Tax								153,629
Other								(1,101)
								190,247
Planned Revenue Spend								
Social Care Health & Housing	98,827	1,023	4,428	(24,561)	-	79,717	(4,969)	74,748
Children's Services	60,288	258	-	(25,123)	-	35,423	(2,025)	33,397
Community Services	56,423	982	62	(12,823)	-	44,644	(1,980)	42,664
Regeneration and Business Support	11,316	88	-	(6,055)	-	5,349	(435)	4,914
Public Health	16,690	9	739	(16,639)	-	799	(739)	60
Chief Executives	10,608	36	-	(4,255)	-	6,390	(169)	6,221
Resources	72,149	115	200	(60,925)	-	11,538	(493)	11,045
Capital Financing Costs	15,324	-	1,210	-	-	16,534	-	16,534
Corporate Costs	8,144	54	6,880	(10,055)	-	5,023	(1,071)	3,952
	349,769	2,565	13,519	(160,437)	-	205,417	(11,882)	193,535
Housing Revenue Account	28,372	-	-	(28,372)	-	-	-	-
Schools	-	-	-	-	-	-	-	-
	378,141	2,565	13,519	(188,809)	-	205,417	(11,882)	193,535
Savings Yet to be Identified								-
Budget Gap to be closed in 2018/19								(2,716)
Budget Gap to be closed in 2019/20								(571)
							(11,882)	190,248

	2020/21							
	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								41,183
Council Tax								162,026
Other								(1,479)
								201,730
Planned Revenue Spend								
Social Care Health & Housing	99,309	1,047	5,269	(24,561)	-	81,064	(5,269)	75,795
Children's Services	58,521	264	-	(25,123)	-	33,661	(1,838)	31,823
Community Services	55,487	1,005	285	(12,823)	-	43,954	(850)	43,104
Regeneration and Business Support	10,969	90	-	(6,055)	-	5,004	(225)	4,779
Public Health	16,699	9	249	(16,639)	-	318	(249)	69
Chief Executives	10,476	37	-	(4,255)	-	6,258	-	6,258
Resources	71,970	117	-	(60,925)	-	11,162	(142)	11,020
Capital Financing Costs	16,533	-	1,100	-	-	17,633	(71)	17,562
Corporate Costs	14,007	56	11,810	(10,055)	-	15,818	-	15,818
	353,972	2,624	18,713	(160,437)	-	214,872	(8,645)	206,228
Housing Revenue Account	29,009	-	-	(29,009)	-	-	-	-
Schools	-	-	-	-	-	-	-	-
	382,981	2,624	18,713	(189,446)	-	214,872	(8,645)	206,228
Savings Yet to be Identified								
Budget Gap to be closed in 2018/19								(2,716)
Budget Gap to be closed in 2019/20								(571)
Budget Gap to be closed in 2020/21								(1,210)
							(8,645)	201,731

Appendix B (iii)

The future priorities and resourcing strategies for each Directorate are outlined below:

Children's Services

1. The Service is committed to ensuring that happy children live in Central Bedfordshire. Happy children are confident, safe, healthy and achieve great outcomes in their education.
2. The Service also works closely with partners to ensure that all children are well supported.
3. The Service has embarked on an ambitious programme of transformation to ensure that demand for services is managed effectively and that support is available when a need is identified, reducing the requirement for statutory services and providing good support to vulnerable children and their families.

Regeneration & Business Support

4. The core purpose of the Directorate is to enable growth to create a place of national and international significance, where people choose to live, work and visit, and a location where companies choose to invest.
5. In order to achieve these goals the Directorate will:
 - Enable and drive quality sustainable development and growth in Central Bedfordshire.
 - Stimulate the regeneration and renewal of our market towns.
 - Deliver growth infrastructure (employment skills, economic, digital and environmental).

Social Care, Health & Housing

6. 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.
7. 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.

8. In addressing these pressures and ambitions, the Directorate will
- First and foremost – protect vulnerable people, keep them safe and respond to crises 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.
 - Customer Services will continue to respond to residents' contacts via phone, web, mail, and face to face, and aims to extend the range of services that can be accessed by customers on line.

Community Services

9. 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.
10. As demand for 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 create opportunities to generate income.
 - Strengthen commercialisation, particularly developing the experience and skills of staff.
 - Set clear and transparent policies for what services the Council will provide
 - Make the best use of the Council's property assets.

- Ensure that employees of the Council are able to do their best work by creating an environment that supports flexible, mobile and paperless working.

Resources

11. The Resources Directorate provides specialist support to the whole of the Council through a range of different expertise and services. The Directorate provides the Council with Finance, Legal, HR and Governance services, the latter including Democratic and Committee Services and Coroner's and Registration support.

12. In addressing the resource challenges for the coming period, the Directorate will:

- Continue to provide financial and HR support and budgetary advice to the Council, with increasing focus on financial modelling and planning of the major changes the Council is introducing.
- Continue to review internal processes and procedures to ensure that they are fit for purpose and add value, including how financial transactions are managed across the Council.
- Provide financial and commercial advice to Directorates to assist them in delivering their efficiency plans.
- Further develop the digitisation of its customer facing services, such as e-claim benefit application forms to improve efficiency and customer experience and promoting customer self service, for example on-line setting up of direct debit payments.
- Ensure that its shared legal service, via LGSS Law Ltd, continues to offer excellent service and reduced costs to the Council.
- Develop the main SAP Finance and HR systems to deliver maximum efficiency of working and provide better support to all Directorates.
- Develop and embed a new approach to workforce planning and development that ensures the Council has the right mix of skills and aptitudes to deliver the ambitions of the Council.
- Embed a framework that promotes a culture and environment enabling our employees to do their 'best work'.
- Ensure support provided to Members is efficient and encourages the move towards paperless working whilst supporting Members in their role as community leaders.

- Continue to deliver a high level of customer satisfaction via the Coroner's and Registration services, assisting customers to self serve wherever possible.

Chief Executive's Team

13. The Chief Executives Team comprises the Information Technology and Communications teams. It provides support to all Directorates within the Council including leading on digitisation which is a key theme across all of the Directorate Plans.

Public Health

14. The Public Health service supports residents to make the right lifestyle choices for their health by either directly commissioning services, influencing and 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.

Appendix C(i) - Pressures Summary

	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s
Social Care Health & Housing	7,287	4,300	4,428	5,269	21,284
Children's Services	1,661	625	-	-	2,286
Community Services	736	256	62	285	1,339
Regeneration and Business Support	-	-	-	-	-
Public Health	999	764	739	249	2,751
Chief Executives Team	413	-	-	-	413
Resources	321	218	200	-	739
Sub-total	11,417	6,163	5,429	5,803	28,812
Corporate Costs	1,804	1,812	8,090	12,910	24,616
Total	13,221	7,975	13,519	18,713	53,428

This page is intentionally left blank

Appendix C (ii) - Pressures Detailed List

Directorate	Reference	Details of pressure	Implications/ Impact	2017/18	2018/19	2019/20	2020/21	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
Children's Services	CSP171801	CWD		365	-	-	-	365	There have been an additional five out of area placements made since the budget build took place for 2016/17. There are currently no in-house beds available. Longer term plans arising from the recommendations of the SEND Vision and the CWD provision review are currently addressing the sufficiency issues. Out of area placements are made as a last resort when a high level of short break provisions can no longer meet the need and safeguard the child and/or their family, or appropriate in-house provision is not available
Children's Services	CSP171802	Corporate Parenting		200	-	-	-	200	This relates to pressures resulting from higher forecasting of internal foster carer recruitment than has proved practicable.
Children's Services	CSP171803	Corporate Parenting	CAMHS	28	-	-	-	28	Extra amount required for the CAMHS contract. This was identified as a shortfall in 2017/17
Children's Services	CSP171804	Corporate Parenting	St Christopher's	133	-	-	-	133	Extra amount required for the St. Christopher's contract. This was identified as a shortfall in 2016/17
Children's Services	CSP171805	Corporate Parenting	IRO	60	-	-	-	60	In order to maintain safe caseload levels across the IRO team this post was not able to be deleted.
Children's Services	CSP171806	ESG		875	625	-	-	1,500	This pressure related to the current uncertainty around the future of ESG. We await central government's decision. Worse case scenario would result in this budget pressure.
Children's Services				1,661	625	-	-	2,286	
SCHH	ASC1	Increased demand on care packages for Older People	More intensive support packages needed, unavoidable public financial support where residential care customers' income falls below the self funding threshold	1,910	1,671	1,866	2,237	7,684	People living longer with more complex needs, 85+ population increasing by more than 4% year-on-year

Directorate	Reference	Details of pressure	Implications/ Impact	2017/18	2018/19	2019/20	2020/21	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
SCHH	ASC2	Increased demand on care packages for People with a Learning Disability	Demand management approach to young people aged 14-17 to ensure appropriate and cost effective services are identified to support them (and their families) in adulthood	1,382	1,595	1,696	1,555	6,228	Funding within Adult Social Care for eligible transitions customers from Children's Services, mid life transitions customers (ageing carers)
SCHH	ASC6	Increased cost of service delivery due to legislative changes	Addresses risk around market sustainability, recognises rising cost of wages within the care sector and the need to fund a "fair cost of care"	1,094	1,234	1,171	1,477	4,976	Funding to address phased implementation of National Living Wage
SCHH	ASC7	Increased demand due to Homelessness	No impact as a variety of cost effective solutions have been implemented to deliver more affordable temporary accommodation	(100)	(200)	(305)	-	(605)	Phased repayment of prior years' pressure funding increased for temporary accommodation costs
SCHH	ASC8	Increase resources for the Let's Rent scheme		55	-	-	-	55	
SCHH	ASC 9	2016/17 underlying overspend	Residential homes for older people, pay budget shortfall.	500	-	-	-	500	Underlying base budget shortfall
SCHH	ASC10	2016/17 underlying overspend	Learning Disabilities Transfer supported living schemes - care and support hours shortfall	200	-	-	-	200	Underlying base budget shortfall
SCHH	ASC11	2016/17 underlying overspend	Placements and packages for OlderPeople	1,200	-	-	-	1,200	Underlying base budget shortfall
SCHH	ASC12	2016/17 underlying overspend	Placements and packages for People with Physical Disabilities	300	-	-	-	300	Underlying base budget shortfall
SCHH	EA104	Use of earmarked reserve to support development of Independent Living schemes	In this financial year (2016/17) earmarked reserves have been used to support efficiency targets in relation to the directorate budget	470	-	-	-	470	Technical adjustment to reflect full use of reserve. The entries in 2017/18 effectively add money back in to the base.
SCHH	EA110	Utilisation of earmarked reserves to meet Deprivation of Liberty Safeguarding (DoLS) pressures	In this financial year (2016/17) earmarked reserves have been used to support efficiency targets in relation to DoLS	276	-	-	-	276	Technical adjustment to reflect full use of reserve. The entries in 2017/18 effectively add money back in to the base
Social Care, Health & Housing				7,287	4,300	4,428	5,269	21,284	
Community Services	SC1	WASTE - Landfill tax uplift		13	14	14	15	56	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.

Directorate	Reference	Details of pressure	Implications/ Impact	2017/18	2018/19	2019/20	2020/21	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
Community Services	SC4	WASTE - 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	WASTE - Treatment of Residual waste		206	-	-	-	206	Additional costs of new treatment contracts
Community Services	SC6	WASTE - Additional cost of bulking and haulage in the south		200	-	-	-	200	Waste from south central Bedfordshire will need to be bulked
Community Services	SC7	WASTE - Increase in waste disposal costs due to housing growth		113	101	78	70	362	Figures based on housing completion numbers
Community Services	SC8	COMMUNITY SAFETY - Gypsy and traveller resource		-	-	-	50	50	To cover cost of Gypsy & Traveller liaison officer - currently funded from reserves
Community Services	SC9	ASSETS - PFI	Private Finance Initiative (PFI)	38	38	38	38	152	Inflationary increase on contracted payments for Schools PFI contract
Community Services	SC10	ASSETS - Mailroom budget pressure	Postage volumes and the cost of postage have increased beyond the budget provision.	(33)	(33)	(34)	-	(100)	Mitigating action required across the Council to reduce pressure to zero over period of plan
Community Services	SC17	HIGHWAYS - Change to new highways contract format		(150)	-	-	-	(150)	Reversal of previous pressure relating to new Highways contract
Community Services	SC18	LEISURE - Technical costs of Dunstable Leisure Centre		144	142	(286)	-	-	Anticipated revenue cost of closing Dunstable Leisure Centre for rebuild
Community Services	CS1718E041	WASTE - Excess Pressure in Waste	Excess Pressure for 16/17 Disposal not required	(125)	-	-	-	(125)	16/17 and 17/18 pressure for transfer no longer required although most taken up by additional disposal and direct delivery costs.
Community Services	CS1718P006	Transport - mainstream		146	146	146	58	496	Based on forecasted projected pupil numbers
Community Services	CS1718P007	Transport - SEN		(39)	(117)	91	39	(26)	Based on forecasted projected pupil numbers
Community Services	CS1718P001	LEISURE & TRANSPORT STRATEGY - capitalised salaries shortfall		31	-	-	-	31	net pressure of Leisure and Transport Strategy

Directorate	Reference	Details of pressure	Implications/ Impact	2017/18	2018/19	2019/20	2020/21	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
Community Services	CS1718P002	ASSETS - Repairs and maintenance		50	(50)	-	-	-	Detailed review and consideration of the ability to further control repairs and maintenance spend through various means such as e, capturing some more significant planned remedial works under CRP and generating and utilising data more effectively through the development of the TF Cloud Asset Management System.
Community Services	CS1718P003	HIGHWAYS - additional gritting route on A5 and Woodside link		12	-	-	-	12	New service demand
Community Services	CS1718P004	COMMUNITY SAFETY - MARAC grant		15	-	-	-	15	grant income ceases
Community Services	CS1718P005	WASTE - Reduced Recyclate income	result of increasing contamination	100	-	-	-	100	Based on current forecasts of income
Community Services				736	256	62	285	1,339	
Resources	CRP - 1617-01	Revenues & Benefits	Reduction in Housing Benefit Admin grant.	200	200	200	-	600	This grant has been reduced each year. Figures are estimates as precise details have not yet been announced.
Resources	ICSP-1718-01	Mortuary/pathology services	Increase in mortuary and pathology costs at the Luton & Dunstable Hospital- from 16/17	51	-	-	-	51	CBC share (42% of £121k)
Resources	ICSP-1718-02	Mortuary/pathology services	Additional cost of Police Coroner's Officers transferring to CBC from 16/17	65	-	-	-	65	CBC share (42% of £155k). Follows a change in administrative arrangements effecting the transfer to local authorities from Police.
Resources	ICSP-1718-03	Insurance Premium Tax (As per Autumn Statement)	Impact of increase from 9.5% to 10% in October 2016 and increase to 12% in June 2017.	5	18	-	-	23	
Resources				321	218	200	-	739	
Public Health	PH2	Movement in Public Health Grant		999	764	639	249	2,651	
Public Health		Income Generation		-	-	100	-	100	Reversal of existing income generation efficiency
Public Health				999	764	739	249	2,751	

Directorate	Reference	Details of pressure	Implications/ Impact	2017/18	2018/19	2019/20	2020/21	Total	Comments
				£'000s	£'000s	£'000s	£'000s	£'000s	
Corporate Costs	CCP- 1617-01	Corporate Costs	Capital Financing - Minimum Revenue Provision	1,000	630	480	330	2,440	Figures reflect the revenue costs of the proposed Capital Programme.
Corporate Costs	CCP- 1617-02	Corporate Costs	Capital Financing - Interest Payable	(313)	170	730	770	1,357	Figures reflect the revenue costs of the proposed Capital Programme.
Corporate Costs	CCP- 1617-04	Employer's Pension Contribution	Past Service Pension Costs.	1,125	825	826	-	2,776	Employer's Pension Contribution.
Corporate Costs	CCP- 1617-05	Finance Cost Adjustment		(116)	-	-	-	(116)	Adjustment to early redemption premia relating to past Council borrowings.
Corporate Costs	CCP- 1617-07	National Living Wage	Internal Staffing Impact	158	187	259	382	986	National policy change. This cost will eventually be allocated across all appropriate Directorates.
Corporate Costs	CCP- 1617-08	Digitisation	Reversal of a 2016/17 Pressure (one off)	(500)	-	-	-	(500)	
Corporate Costs	CCP- 1617-11	Potential impact of funding changes		-	-	1,989	2,288	4,277	
Corporate Costs	CCP- 1617-12	Inflationary impact		-	-	1,006	1,010	2,016	
Corporate Costs	CCP- 1617-13	Reduced reliance on New Homes Bonus		-	-	2,300	4,600	6,900	
Corporate Costs	CCP- 1617-14	Transfer of new responsibilities funding		-	-	-	1,930	1,930	
Corporate Costs	CCP- 1617-15	Revaluation 2017- potential shortfall in provision for appeals		-	-	500	1,600	2,100	
Corporate Costs	CCP- 1617-09	Apprenticeships Levy		450	-	-	-	450	Change in legislation. Levy will be based on the Council's payroll figure.
Corporate Costs				1,804	1,812	8,090	12,910	24,616	
Chief Executives Team	ICSP-1718-04	IT- Software Support and Maintenance current in year pressures		413				413	
Chief Executives Team				413	-	-	-	413	
Total				13,221	7,975	13,519	18,713	53,428	

This page is intentionally left blank

Appendix D(i) - Efficiencies Summary

	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s
Social Care Health & Housing	(4,050)	(3,682)	(4,969)	(5,269)	(17,970)
Children's Services	(2,348)	(1,734)	(2,025)	(1,838)	(7,945)
Community Services	(3,591)	(2,337)	(1,980)	(850)	(8,758)
Regeneration and Business Support	(553)	(225)	(435)	(225)	(1,438)
Public Health	(1,001)	(764)	(739)	(249)	(2,753)
Chief Executives Team	(940)	(265)	(169)	-	(1,374)
Resources	(1,439)	(654)	(493)	(142)	(2,729)
Sub-total	(13,922)	(9,660)	(10,811)	(8,573)	(42,966)
Corporate Costs	(1,272)	(1,071)	(1,071)	(71)	(3,486)
Total	(15,194)	(10,732)	(11,882)	(8,644)	(46,452)

This page is intentionally left blank

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
Chief Executives Team	A	ICSE - 1617-03	Dir ICS	Merge common functions	(100)	(100)	-	-	(200)	removed from MTFP (ref ICSE-1718-03)
Chief Executives Team	A	ICSE - 1617-14	Communications & Insight	Service delivery review	(91)	-	-	-	(91)	Restructure being scoped
Chief Executives Team	A	ICSE - 1617-16	IT	Service delivery review	(30)	-	-	-	(30)	
Chief Executives Team	A	ICSE - 1617-17	ICS	Review directorate arrangements	-	-	(100)	-	(100)	brought forward to 17/18 (ref ICSE-1718-01)
Chief Executives Team	A	ICSE - 1617-20	Working Smarter	Working Smarter	(2)	-	(9)	-	(11)	
Chief Executives Team	A	ICSE-1718-01	Dir ICS	Bring forward Dir ICS Efficiency	(100)	-	100	-	-	- £100k b/fwd ref ICSE - 1617-17
Chief Executives Team	A	ICSE-1718-02	Dir ICS	Additional efficiency for Dir ICS removal	(100)	-	-	-	(100)	
Chief Executives Team	A	ICSE-1718-03	Dir ICS	Remove Merging common functions efficiency already in MTFP	200	100	-	-	300	£300k over 3 years 16/17 to 18/19 - ICSE - 1617-03. Original efficiency was predicated on reviewing common functions across directorate. This is now included as part of a wider strategic review and the outcome of the MTFP workstreams.
Chief Executives Team	A	ICSE-1718-04	IT - Savings as a result of workplace changes	Savings against PSN, networks and data centre.	(213)	-	-	-	(213)	
Chief Executives Team	A	ICSE-1718-05	IT - Licensing costs	Savings against software portal	(60)	-	-	-	(60)	
Chief Executives Team	A	ICSE-1718-06	IT - Licensing costs	Savings against SAP licensing costs following upgrade.	(100)	(100)	-	-	(200)	
Chief Executives Team	A	ICSE-1718-07	IT - Licensing costs	Review of systems. Improve or decommission as appropriate	(170)	-	-	-	(170)	
Chief Executives Team	A	ICSE-1718-08	IT - Staffing	Review of staff structure.	(147)	-	-	-	(147)	Additional to existing £30k Service delivery review (ICSE - 1617-16)
Chief Executives Team	A	ICSE-1718-09	IT - Savings from social care systems	Potential savings from moving to a forward looking social care solution shared with our peer service organisations.	-	-	(160)	-	(160)	
Chief Executives Team	A	Innovation Initiatives2- Shared Services	Commercial Review of Communications		-	(165)	-	-	(165)	Communications
Chief Executives Team	A	ICSE - 1617-07	Procurement	Central Purchasing Hub	(26)	-	-	-	(26)	
Chief Executives Team					(940)	(265)	(169)	-	(1,374)	
Children's Services	D	CSE1509	Looked After Children Residential Placements - Existing Efficiency 2014/15 reviewed and rephrased	Fewer children in external placements	(156)	-	-	-	(156)	This efficiency is particularly focused on fewer children being placed in residential placements, which are often based across the UK. It also requires the recruitment of more in-house foster carers, so that for the reducing number of children who do require care will not be placed in residential homes.
Children's Services	D	CSE1511	Foster Fee Scheme efficiency for 2014/15 reviewed in line with latest target for in-house carers / Independent Fostering Agencies (IFAs)	More in-house foster carers recruited and a reduction to use of Independent Fostering Agencies (IFA's)	(196)	(199)	-	-	(395)	This efficiency is dependant on successfully recruiting and retaining more in-house foster carers, which are financially more efficient, in order that fewer Independent Fostering Agency placements will be required. This equates to approx. 8 IFA placements being transferred to in house placements, per annum.
Children's Services	E	CSE1601	Education Services	Music Service	(18)	-	-	-	(18)	Reduction to Council contribution to Music Services. Costs will be covered by increasing music lesson fees by 1%

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
Children's Services	E	CSE1602	Education Services	Income Generation	(39)	-	-	-	(39)	We are marketing education services to schools for example governance reviews and are confident we can achieve this income target
Children's Services	A	CSE1603	Education Services	Staffing Review	(54)	-	(52)	-	(106)	We are rightsizing staffing to ensure we deliver the LA statutory education duties
Children's Services	A	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).	(135)	-	-	-	(135)	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. CSE1605 2018/19 and 2019/20 brought forward to 2017/18
Children's Services	D	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	(45)	-	-	-	(45)	The reduction in staff over the next 2 years reflects the changing demand for commissioning activity across the directorate.
Children's Services	E	CSE1608	Generating additional income through the Academy of Social Work and Early Intervention	Compensatory savings from across other areas of the directorate will have to be delivered if income target not achieved.	(115)	-	-	-	(115)	Our Academy needs to remain financially viable or the Council could be at risk of not meeting its legal duty to ensure sufficient child care for parents. We are mitigating this risk by developing the local market to fill the gap in provision. We also rely on the Academy to support our social worker recruitment and retention strategy. CSE1608 2018/19 brought forward to 17/18
Children's Services	B	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.	(23)	(22)	(21)	-	(66)	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	B	CSE1618	Emergency one off provisions required across Children's Services Operations	This service will be provided in house	(200)	(100)	-	-	(300)	Specialist one to one work with children and their families, along with Protective Behaviours has been externally commissioned until now. This work will now be taken on by our Children's Services staff
Children's Services	D	CSE1620	Looked After Children Placements	Reduced payments to Foster Carers	(24)	-	-	-	(24)	The framework has been revised, reducing the sums paid to Independent Foster Carers, and this follows through from 2016/17. Has been agreed with Foster Carers
Children's Services	A	CSE1624	Intake and Assessment -Operations	Assessed and Supported Year in Employment (AYSE) Mitigation	(126)	(63)	-	-	(189)	We have fewer AYSE's (Assisted Year in Social Work Employment) now due to our successful recruitment campaign so less support from agency social workers is required. Agency social workers cover 10% of each AYSE caseload for the first 12 months
Children's Services	D	CSE1629	Restructure Court Teams	Moving from 3 court teams to two.	-	(392)	-	-	(392)	This efficiency depends on a reduction in children requiring statutory services and therefore a reduction in court work, enabling us to rightsize the team and ensure we have the right team structure in place to move forwards with less court work.
Children's Services	D	CSE1629	Refocusing and alignment of early intervention monies to support the new model of integrated early intervention - including Children's Centres, youth support services, partners provision	Transformation in working practices will result in a different cultural approach across the system, and restructuring across our current teams.	(81)	(188)	(449)	-	(718)	Working with health and police partners we will deliver early intervention services in a different way to ensure they are child and family centred and locality based where possible. Teams will be integrated, multi disciplinary and include more mixed skills sets. Reproviding the service will allow better allocation of resource according to need.
Children's Services	D	CSE1629	Looked After Children Placements	This efficiency depends on our demand management strategy reducing the numbers of children in care	(200)	(300)	(480)	-	(980)	By working on demand management, and ensuring appropriate Early Intervention Reduction it is anticipated that there will be a reduction in the number of LAC placements
Children's Services	B	Operations	Residual Children's Society Money	This service will be provided in house	(100)	100	-	-	-	The direct work with children from this contract has been carried out by their social workers. This is now appropriate as we have sufficient permanent staff to carry out this role
Children's Services	A	Operations	Decommission	We will spot purchase this provision if required	(71)	-	-	-	(71)	Specialist foster care or an alternative residential placement is more suitable for our current cohort of children.
Children's Services	D	Operations	Supported Lodgings Scheme for YP in semi-ind. Accom. - phased -bal in 18/19 - Corp Parenting	Fewer young people in supported lodgings	(109)	(109)	-	-	(218)	By increasing the diversity of CBC fostering offers there will be less need for unregulated placements for aged 16 and 17 looked after children or care leavers, where there is less support for some young people.
Children's Services	A	Operations	Continued freeze on perm. Foster Carer assessors - Corp Parenting	No impact on service	(30)	-	-	-	(30)	Spot Purchasing will be carried out on an as needs basis to carry out Foster Care Assessments.

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
Children's Services	D	Operations	Reduction in Supervised Contact Corporate Parenting	No impact on service	-	(90)	-	-	(90)	As the number of looked after children decreases, the demand for supervised contact should be reduced accordingly.
Children's Services	A	Operations	Removal of Admin Post Family Support & Professional Standards	A focus on planning and prioritisation will ensure no disruption to the service	(73)	-	-	-	(73)	As a result of restructuring and examining vacant posts these 2 posts are unoccupied and are no longer required.
Children's Services	A	Operations	Remove 1 SW post Family Support	As numbers of Looked After Children reduce there is less demand for family support	-	(52)	-	-	(52)	We are right sizing staffing as demand reduces
Children's Services	D	Operations	Remove 1 Independent Reviewing Officer post professional standards	As numbers of Looked After Children reduce there is less demand for Independent Reviewing Officer time	-	(70)	-	-	(70)	We are right sizing staffing as demand reduces
Children's Services	D	Operations	Remove Practice Manager - Corp parenting	Three managers posts will reduce to two	(81)	-	-	-	(81)	There are currently 3 Practice Managers in the Corporate Parenting Service. A review of the service going forward will ensure that the remaining 2 Practice managers are deployed appropriate across the service.
Children's Services	D	Operations	Remove Participation Officer (p)/CWD	Children will still be supported to participate	-	(16)	-	-	(16)	The planning for this area of work will ensure that by the time this efficiency needs to be delivered we will have a Business as Usual model of participation at a sustainable level within the service.
Children's Services	D	Operations	Redesign Family Support	Redesign teams to facilitate locality, multi-agency working	-	-	(322)	-	(322)	In order for the redesign to take place in a safe way, the demand on service will need to be reduced by strengthening the Early Help offer across the system.
Children's Services	D	Operations	Redesign Assessment Team	Redesign teams to facilitate locality, multi-agency working	-	-	-	(310)	(310)	A redesign during the final year of the MTFP, when our demand management strategy will have reduced demand for existing levels of assessment
Children's Services	A	Operations	Remove a Head of Service	Redesign teams to facilitate locality, multi-agency working	-	-	(93)	-	(93)	This depends on our demand management strategy effectively reduced the numbers of children in care
Children's Services	A	Commissioning and Partnerships	End Subscription to Research In Practice	Individuals responsible for sourcing research articles	(10)	-	-	-	(10)	No access to Research in Practice publications. This can be mitigated by spot purchasing publications as needed
Children's Services	D	Commissioning and Partnerships	Restructure Commissioning and Performance	The team will be remodelled to reflect a different approach to commissioning across the council.	(119)	-	(27)	-	(146)	As the team will be smaller some support will be available through sharing part of an apprentice with the Partnerships and Community Engagement Team.
Children's Services	A	Commissioning and Partnerships	Partnerships and Community Engagement	Reduce operational budget by 50%	(12)	-	-	-	(12)	This funding is used for conferences and events outside the Children's Services directorate and to commission ad hoc pieces of work to develop strategies and coordinate partnerships. Reducing this budget will mean there is no flexibility to respond to new or ad hoc activities/requests.
Children's Services	E	Commissioning and Partnerships	Commissioning and Performance	Selling census checks to schools (Learning Performance Team)	(6)	-	-	-	(6)	Risk that schools might not buy services from the Council
Children's Services	E	Commissioning and Partnerships	Academy	Use more of the income centrally received for ASYEs to offset core costs	(30)	-	-	-	(30)	Retaining more of the income centrally for managing ASYEs to support the work of the central team may impact on development opportunities for ASYEs.
Children's Services	A	Commissioning and Partnerships	Academy	Reduce Practice Educator Role to 4 days a week	(12)	-	-	-	(12)	Practice Educator role reducing to 4 days a week unlikely to see a significant impact as pressure to recruit ASYEs should reduce gradually.
Children's Services	A	Commissioning and Partnerships	Youth Support Service	Efficiencies in buildings/property budget	-	(15)	-	-	(15)	The service will work with Assets to reduce the running costs of the youth centres and work with partners/community organisations as part of an asset transfer strategy

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
Children's Services	A	Commissioning and Partnerships	Youth Support Service	Deletion of post - Contact & Engagement Officer (no longer required to tract 18+)	(24)	-	-	-	(24)	Reduction in capacity to track and support approx. 190 NEET/unknown young people. The post will no longer be needed following changes in government requirements about tracking young people aged over 18.
Children's Services	B	Commissioning and Partnerships	Academy	20% reduction in funding to voluntary sector representation	-	(11)	-	-	(11)	As we streamline governance there will be fewer meetings requiring voluntary sector representation
Children's Services	B	Commissioning and Partnerships	Partnerships and Community Engagement	Reduce VCS grant	-	-	-	(17)	(17)	VCS infrastructure grants will be removed. No external support to increase volunteering, support communities doing more, or manager community facilities
Children's Services	B	Commissioning and Partnerships	Partnerships and Community Engagement	Reduce grants to Citizens' Advice by £19k (6%) and use of community engagement reserve of £10k	-	-	-	(29)	(29)	We are working with Citizen's Advice to mitigate this risk.
Children's Services	A	Education Services	Remove all core budget from commissioning school improvement and school intervention	The Teaching School is now recharging schools	(66)	-	-	-	(66)	This will reduce what can be commissioned by the Local Authority in terms of school to school support, which means there is more reliance on schools choosing to spend their budget on this. To prepare for this we have increased the charges to schools, and decreased the commission values so that the Teaching Schools are recharging to schools. We are awaiting communication/clarification from the DfE regarding the future role of Local Authorities in School Improvement, what services are identified to be funded from the new Central Services Block of the DSG and what the value of this might be. This will determine future service delivery. This could impact on our ability to be a successful Academy Sponsor.
Children's Services	E	Education Services	Generate more income from schools contribution more to intervention packages	More pressure on schools to contribute	(15)	-	-	-	(15)	Risk that schools requiring intervention do not engage, which impacts on pupil outcomes and Ofsted outcomes, and therefore reputational risk to Council. Mitigation Implementing increased charges to schools for support from 2016. Encourage academisation where appropriate
Children's Services	E	Education Services	Access and Inclusion	Charge all schools for Attendance Officer function. Discretionary service	-	(64)	-	-	(64)	Not all schools might buy back which would impact on income target and limit the impact we can have on school attendance and therefore outcomes. This could be mitigated if Localities top sliced and chose to buy into a shared Attendance officer with an amended role to target the poorest attendance. This will be modelled through locally meetings as an option but this decision rests with schools.
Children's Services	A	Education Services	Access and Inclusion	Expectation that more schools are academies and we won't need to carry out some existing functions	-	-	(59)	(25)	(84)	Risk schools do not academise and this function is still required.
Children's Services	A	Operations / Commissioning & Partnerships	Shared PA	There should be no impact on service	-	-	(27)	-	(27)	With the remodelling of senior management it will be possible to reduce PA support by one post
Children's Services	A	Education Services	Restructure Music Service Management	There should be no impact on service	-	(63)	-	-	(63)	
Children's Services	A	Education Services	Review use of DSG for posts dealing with SEND (Youth/LAC)	There should be no impact on service	(100)	-	-	-	(100)	High Needs Block is forecast to fully spend in 2016/2017 due mainly to rises in pupils requiring specialist places in and out of area so there is no capacity to fund additional posts from High Needs Block. Schools Forum are reviewing all High Needs Spend/forecast spend. High Needs Block second phase consultation expected imminently (currently due 'Autumn' 2016)
Children's Services	A	Children Services	Restructure Senior Management	This will result in a reduction in management capacity	-	-	(120)	-	(120)	As the service is redesigned the senior management structure will need to align
Children's Services	C	Operations	End remaining Speech And Language Therapy & parenting support contracts not taken out in 16/17	Children will access support through other pathways	-	-	(240)	-	(240)	A contract review will seek to explore alternative delivery mechanisms for speech and language therapy and parenting support currently delivered through these contracts.
Children's Services	D	Operations	Remove 2 Intervention Workers Assessment	There will be an increased focus on Early Intervention, delivered by multi-agency teams	-	-	-	(60)	(60)	This efficiency depends on our development of effective multi-agency teams, working in localities, securing early intervention for children requiring complex Child In Need Plans and Child Protection in 2020/21 so these posts will be in place to deliver a support offer to vulnerable children and their families.
Children's Services	D	Operations	Reduce Intervention Service - phased	There will be an increased focus on Early Intervention, delivered by multi-agency teams	-	-	-	(439)	(439)	This efficiency depends on our development of effective multi-agency teams, working in localities, securing early intervention for children requiring complex Child In Need Plans and Child Protection in 2020/21 so these posts will not be required. However, different roles will be in place to deliver a support offer to vulnerable children and their families, with a mixed skills set

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
Children's Services	D	Operations	Restructure Early Help Plus	There will be an increased focus on Early Intervention, delivered by multi-agency teams	-	-	-	(120)	(120)	This efficiency depends on our development of effective multi-agency teams, working in localities, securing early intervention for children requiring complex Child In Need Plans and Child Protection in 2020/21 so these posts will not be required. However, different roles will be in place to deliver a support offer to vulnerable children and their families, with a mixed skills set
Children's Services	D	Operations	Restructure Early Help Plus	There will be an increased focus on Early Intervention, delivered by multi-agency teams	-	-	-	(182)	(182)	This efficiency depends on our development of effective multi-agency teams, working in localities, securing early intervention for children requiring complex Child In Need Plans and Child Protection in 2020/21 so these posts will not be required. However, different roles will be in place to deliver a support offer to vulnerable children and their families, with a mixed skills set
Children's Services	D	Operations	Restructure Young Peoples Support Team	There will be an increased focus on Early Intervention, delivered by multi-agency teams	-	-	-	(297)	(297)	This efficiency depends on our development of effective multi-agency teams, working in localities, securing early intervention for children requiring complex Child In Need Plans and Child Protection in 2020/21 so these posts will not be required. However, different roles will be in place to deliver a support offer to vulnerable children and their families, with a mixed skills set
Children's Services	A	Commissioning and Partnerships	Youth Support Services	Seconded youth worker	-	-	(33)	-	(33)	The post will be removed to coincide with a new commissioning model for targeted youth support. It is not anticipated to have an adverse effect on the numbers of children supported.
Children's Services	D	Commissioning and Partnerships	Youth Support Services	There will be an increased focus on Early Intervention, delivered by multi-agency teams	-	-	(20)	(59)	(79)	Developing a new model of targeted youth support (including YOS) by working with key stakeholders in localities on an evidence based model of need
Children's Services	A	Innovation Initiatives 2- Commissioning	Advocacy	We are exploring better commissioning arrangements for advocacy services in partnership with Adult Services	(7)	-	-	-	(7)	This will be a saving through more efficient commissioning
Children's Services	A	Innovation Initiatives 2- Income from Assets	Children's Home & Assessment Centre	A business case is being produced to explore the implications	-	-	-	(300)	(300)	The concept of delivering an in house assessment centre and Children's Home may deliver efficiencies due to reducing the need for more expensive external placements.
Children's Services	A	Innovation Initiatives 6- Commissioning	Domiciliary Care	We are exploring better commissioning arrangements for domiciliary care in partnership with Adult Services	-	(80)	(82)	-	(162)	This may be an efficiency delivered through more efficient commissioning
Children's Services	A	ICSE - 1617-07	Procurement	Central Purchasing Hub	(71)	-	-	-	(71)	
Children's Services					(2,348)	(1,734)	(2,025)	(1,838)	(7,945)	
Community Services	A	SC358	Biffa contract negotiations	Will not hinder ability to meet statutory duties	(25)	-	-	-	(25)	Reduced costs of waste collection contracts following negotiation
Community Services	A	SC450	working smarter	Internal impact	-	(46)	5	-	(41)	Savings from property included in the 'Working Smarter' project whose costs are accounted for in Assets
Community Services	A	SC456	Salary capitalisation	Include in cost plan for Development Team	(10)	-	-	-	(10)	Effective resource management and tracking allowing capitalisation of staff costs when working on development Projects in accordance with accounting principles.
Community Services	E	SC457	Estates - Additional rental income from Investment portfolio	New lettings	(10)	(10)	(10)	-	(30)	Increased revenue generation from existing commercial estate through improvements to stock leading to reduced voids.
Community Services	A	SC461	Capital - Energy Savings from energy efficiency capital works	Internal impact	(30)	(30)	(30)	(30)	(120)	Impact of capital investment programme to reduce energy costs through the combined effect of energy efficiency measures (reducing energy use) and energy generation measures. Requires the continued capital investment in the Energy Efficiency Programme.
Community Services	A	SC462	Assets - Staff costs	Internal impact	(20)	(20)	-	-	(40)	Staffing efficiencies resulting from the reorganisation of the Assets Team.
Community Services	A	SC471	Service Manager reduction	workload impact - need to review processes	(40)	-	-	-	(40)	Loss of 1 service manager post
Community Services	E	SC473	Develop additional off-street car parking - based on approx. 274 spaces	Income generation	-	(100)	(100)	-	(200)	Parking studies suggest opportunities exist to develop additional revenue streams from new car parking provision in Leighton Buzzard and Biggleswade.
Community Services	A	SC478	reduction in contributions by leisure services	Discretionary funding, other funding sources available	(6)	(8)	-	-	(14)	End of funding to FA partnership and reduction of contribution (in line with partners) of Team Beds and Luton

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
Community Services	A	SC480	Staff - countryside	Internal impact	(50)	-	-	-	(50)	Requires review of site management and agreement reached on alternative site management
Community Services	B	SC483	Countryside site savings	Changes to contractual arrangements	(15)	(6)	-	-	(21)	£6k Swiss Garden as surrender of the lease, £15k net reduction on other sites
Community Services	B	SC486	Standardised opening hours in libraries	Public consultation completed and being considered. Will not hinder ability to meet statutory duties	(53)	-	-	-	(53)	Review of staffed opening hours to offer manned library service during times shown to be in demand - greater use of buildings by community at other times
Community Services	A	SC487	staffing changes - libraries	Internal impact. Will not hinder ability to meet statutory duties	-	(85)	-	-	(85)	Restructure of management
Community Services	A	SC491	More Efficient running of services from business unit	Internal Savings related to Passenger Transport. Will not hinder ability to meet statutory duties	(75)	(50)	-	-	(125)	Part of saving dependant on implementation of new IT system
Community Services	B	SC492	Public Transport Savings from Passenger Transport Strategy	Routes may no longer be commercial and Dial a ride not funded Review of funding and adoption of assessment process in line with statutory requirements to be agreed by Full Council on 17 November 2017.	(215)	(100)	(100)	-	(415)	Dependant on adoption of Passenger Transport Strategy (some may need to be kept to support Community Transport)
Community Services	A	SC493	More efficient use of Fleet by Adult Social Care	SCHH have agreed to annual review. Will not hinder ability to deliver statutory service	(57)	-	-	-	(57)	Dependant on outcome of Passenger Transport Strategy
Community Services	A	SC494	Outsourcing of client transport team roles and responsibilities	Internal impact, will not hinder ability to deliver statutory service	(150)	-	-	-	(150)	Potential for saving from economies of scale
Community Services	A	SC498	Provision joint Bedfordshire Trading Standards Unit	Internal impact, will not hinder ability to deliver statutory service	(40)	-	-	-	(40)	Indicative - requires suitable willing partner to share services
Community Services	A	SC500	Provision of Bedfordshire Emergency Planning Unit	Internal impact, will not hinder ability to deliver statutory service	(10)	-	-	-	(10)	Indicative - requires suitable willing partner to share services
Community Services	A	SC501	Provision of Joint Bedfordshire Environmental Health & Licencing Unit	Internal impact, will not hinder ability to deliver statutory service	-	(50)	-	-	(50)	Indicative - requires suitable willing partner to share services
Community Services	E	SC503	Income from charging of new transport model	Internal impact, will generate income in relation to driving standards assessments	-	(20)	(10)	-	(30)	Revenue from new transport model.
Community Services	A	SC504	Capitalisation of posts from the major projects team	Internal Impact. 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	E	SC505	Increased Section 38 income	Contributions from Developers	(25)	-	-	-	(25)	Increased income from Section 38 debt over the medium term.
Community Services	A	SC508	New waste collection and street cleansing contract	2017/18 tender process. Will not hinder ability to meet statutory duties	-	-	(300)	-	(300)	Estimated saving from retender
Community Services	D	SC509	Demand Management	Research & implementation post or other investment	(50)	(50)	-	-	(100)	Ongoing impact of demand management in waste
Community Services	A	SC513	Management review -staff costs	Internal impact	(72)	-	-	-	(72)	Review of senior directorate management
Community Services	A	SC514	savings from depot based services	Internal impact, will not hinder ability to deliver statutory service	-	(80)	-	-	(80)	Saving in passenger transport operations through standardised operating procedures
Community Services	B	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	(100)	(100)	(50)	-	(250)	Impact of work following Transport Strategy on Home to School Transport costs
Community Services	A	SC519	Dunstable Library & Leisure Centre	No impact on service delivery	-	(66)	-	-	(66)	Maintenance cost savings following provision of new Library in Dunstable

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
Community Services	A	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. Internal impact, statutory requirements will continue to be met	(70)	(30)	(180)	-	(280)	Impact of work following Transport Strategy on Home to School Transport costs
Community Services	E	SC374	LEISURE - Dunstable Leisure Centre	No statutory requirements	-	(50)	(200)	(150)	(400)	Increased income from rebuilt Leisure Centre
Community Services	E	SC251/SC254	LEISURE - New leisure management contract	No statutory requirements	9	(136)	(62)	-	(189)	Looking at contract in total - and early figures excludes profit share.
Community Services	E	CS1718E001	ASSETS - income from commercial properties	No statutory requirements	(20)	-	-	-	(20)	Increased revenue generation from existing commercial estate through improvements to stock leading to reduced voids.
Community Services	E	CS1718E002	ASSETS - income from new commercial properties	No statutory requirements	-	-	(60)	(100)	(160)	Income from new commercial property - assumes development of remaining plot at Stratton Phase 5 by CBC for revenue generation rather than sale. Capital for the development will need to be included in the capital MTFP.
Community Services	A	CS1718E003	ASSETS - offsite printing	No statutory requirements	(40)	(10)	(10)	(10)	(70)	Savings to be achieved through the move to offsite printing in conjunction with working with service areas to facilitate a year on year reduction in demand and costs.
Community Services	A	CS1718E004	ASSETS - Watling House rental income or revenue saving	No statutory requirements	-	-	(200)	(200)	(400)	Revenue generation achieved from Watling House through the leasing of excess office space or reduced maintenance costs if site released.
Community Services	A	CS1718E005	ASSETS - in-house web casting	Internal impact	(5)	(25)	-	-	(30)	Saving generated through the use of in-house support to web cast meetings rather than using an external supplier. This meets statutory requirement and will be phased in as the current contract expires.
Community Services	A	CS1718E006	ASSETS - rates - following appeals	No statutory requirements	(53)	-	-	-	(53)	The proposed savings are a budget reduction to match actual rates being paid - this is made up from farms; Priory House; Watling House; Vernon Place; Bedford Square etc.
Community Services	A	CS1718E007	ASSETS - Kingsland centre running costs	No statutory requirements	-	-	(133)	-	(133)	Saving in building maintenance and management costs as a result of the successful delivery of the Legacy Project which would take over this site.
Community Services	A	CS1718E008	ASSETS - closure of Heathfield	No statutory requirements	-	(40)	-	-	(40)	Savings on annual revenue running costs through the closure of this asset.
Community Services	A	CS1718E009	ASSETS - retender of all FM contracts	No statutory requirements	(27)	(110)	-	-	(137)	Retender of contracts to generate efficiencies
Community Services	A	CS1718E010	ASSETS - new operating model & full review of service	No statutory requirements	(100)	(100)	-	-	(200)	To be confirmed.
Community Services	A	CS1718E011	ASSETS - corporate landlord	No statutory requirements	-	(60)	-	-	(60)	Savings generated through the greater efficiencies of managing the whole estate centrally. Likely savings include staffing costs and economies of scale improvements on service contracts.
Community Services	E	CS1718E012	LEISURE - profit share	based on 15/16. No statutory requirements	(95)	-	-	-	(95)	not reinvesting in facilities from profit share
Community Services	B	CS1718E013	LEISURE - countryside grounds maintenance	No statutory requirements	(39)	-	-	-	(39)	Reduction in frequency of operations to maintain sites
Community Services	B	CS1718E014	LEISURE - grounds maintenance	No statutory requirements	(6)	-	-	-	(6)	Leisure management contract
Community Services	A	CS1718E016	LEISURE - Creasey Park Rates	No statutory requirements	(4)	-	-	-	(4)	Budget not needed as leased site
Community Services	A	CS1718E017	LEISURE - repairs and maintenance of leisure centres	Less maintenance. Will not impact upon statutory duties in relation to health and safety	(20)	-	-	-	(20)	Reduction in leisure repairs and maintenance
Community Services	B	CS1718E018	LEISURE- P3 Programme	Stops partnership funding and brings service in house. Offer remains the same	(11)	-	-	-	(11)	Volunteer led healthy walk programme managed by Beds Rural Communities Charity and Greensand Trust.

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
Community Services	C	CS1718E019	HIGHWAYS CONTRACTS - removal of school crossing patrols on zebra crossings	Discretionary service	(10)	-	-	-	(10)	Potential to reduce service where suitable safe crossings have been provided
Community Services	E	CS1718E020	HIGHWAYS CONTRACTS - adoption of ADEPT for commuted sums	Changes to contractual arrangements	(100)	(100)	(100)	-	(300)	Introduce industry standard charging, phased over 3 years
Community Services	E	CS1718E021	HIGHWAYS CONTRACTS - additional income from NWSRA	Changes to contractual arrangements	(35)	-	-	-	(35)	Increased income based on current performance of permitting system introduced in 2016
Community Services	E	CS1718E022	PUBLIC PROTECTION - Regulatory services	Enabling CBC specialists to work for other local authorities. Income generation Internal impact, will not hinder ability to deliver statutory service.	(120)	(200)	(200)	(200)	(720)	Incrementally increase income so that it would cover the costs of trading standards and environmental health provision for CBC. Is dependant on allowing carry over of £200k from 16/17 to allow retention of skills within the organisation and engage another NNO and Licensing Enforcement Officer
Community Services	B	CS1718E023	EDUCATIONAL TRANSPORT - home to school transport to nearest school	Proposal that school transport will only be provided to nearest school. Parental preference for other options would result in parent being liable for transport costs, unless another entitlement can be applied. Will be subject to future consultation in line with statutory requirements.	-	(50)	(25)	-	(75)	Subject to detailed modelling.
Community Services	B	CS1718E024	EDUCATIONAL TRANSPORT - mileage payments for parents in receipt of mobility allowance	Will be subject to future consultation in line with statutory requirements	(400)	(200)	-	-	(600)	Based on % of number of blue badges issued to under16's in CBC and the ability to replace current offer with mileage payments.
Community Services	B	CS1718E025	EDUCATIONAL TRANSPORT - charging for post 16 SEN students	Will be subject to future consultation in line with statutory requirements	(11)	-	-	-	(11)	Based on current numbers and full recovery of costs
Community Services	B	CS1718E026	EDUCATIONAL TRANSPORT - increase concessionary fare cost to pupils	Applies to spare seats available after all the entitled pupils have been offered their seats. Proposal in line with statutory requirements would form part of annual fees and charges setting process	(55)	-	-	-	(55)	Based on current numbers and full recovery of costs
Community Services	A	CS1718E027	EDUCATIONAL TRANSPORT - payment and assistance to school with minibuses to provide transport	In line with statutory requirements	(100)	(50)	-	-	(150)	Based on 10 schools and looking at average costs for a minibus running a current routes we could achieve savings of £150,000. Some risk as appetite from schools not fully determined.
Community Services	E	CS1718E028	PASSENGER TRANSPORT SERVICES - open driving standards offer to other LA applicants	Internal impact, will generate income in relation to driving standards assessments	(30)	-	-	-	(30)	DSA are no longer undertaking assessments for hackney and private hire drivers , we are currently able to fill this gap
Community Services	E	CS1718E029	PASSENGER TRANSPORT SERVICES - non emergency passenger transport	Internal impact, will generate income in relation to non emergency hospital transport	-	(40)	(40)	(40)	(120)	Development of a commercial offer for patient transport using our own fleet
Community Services	E	CS1718E030	PASSENGER TRANSPORT SERVICES - advertising space on bus shelters and fleet	Internal impact, will generate income	(7)	-	-	-	(7)	Review of present arrangements
Community Services	A	CS1718E031	PASSENGER TRANSPORT SERVICES - concessionary fares	No impact on service, proposal relates to Department for Transport calculator use instead of current single pot allocation.	(210)	-	-	-	(210)	Based on move to DFT calculator
Community Services	A	CS1718E032	COMMUNITY SAFETY - review of growing CCTV	In line with statutory requirements	-	(100)	(20)	(20)	(140)	Dependant on replacement of existing hardware (capital bid) and developing a commercial offer to other public bodies
Community Services	A	CS1718E033	COMMUNITY SAFETY - Domestic Abuse Refuge Play Worker	In line with statutory requirements	(30)	-	-	-	(30)	New refuge service provider will fully provide this as part of contract from 1/4/17 at no additional cost
Community Services	E	CS1718E034	PARKING - income from 35 additional spaces at Steppingley Rd	Income generation	(25)	-	-	-	(25)	Income from additional space once work has been completed to remove redundant structures

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
Community Services	E	CS1718E035	PARKING - charging for Westfield Rd Car park	Income generation	-	-	(35)	-	(35)	linked to CS1718E004, estimated at average income per space based on CBC car park actuals in sept 2016: linked to the future of Watling House
Community Services	E	CS1718E036	PARKING - Effect of previous increase in fees and charges	Income generation	(165)	-	-	-	(165)	includes car parking income (based on income in first 4 months of 2016/17)
Community Services	C	CS1718E037	WASTE - Reduction of HWRC Opening hours	Reduce opening by 2 days a week from Oct 17. In line with statutory requirements	-	(70)	(70)	-	(140)	Closure of HWRCs on two midweek days
Community Services	A	CS1718E038	WASTE - Food Waste Bags	Additional savings from change to poly bags	(20)	-	-	-	(20)	Additional saving from changes already made
Community Services	A	CS1718E039	WASTE - Excess Indexation from 16/17 not required	Internal impact	(150)	-	-	-	(150)	Lower than anticipated inflation in 16/17
Community Services	A	CS1718E040	WASTE - New Disposal Contracts Savings	Savings on street sweepings and glass disposal. In line with statutory requirements	(65)	-	-	-	(65)	Savings from new contract let in 2016
Community Services	A	CS1718E041	WASTE - Food Waste Disposal	Savings from Diverting additional food waste from residual via 16/17 comms campaign. In line with statutory requirements	(20)	-	-	-	(20)	Additional demand management savings
Community Services	A	CS1718E042	WASTE - New Disposal Contract savings	Additional 10kt to main contractor In line with statutory requirements	-	(180)	-	-	(180)	Capacity to take waste at AC increases by 10kt in 18/19 (pressure for 17/18 shown separately below).
Community Services	E	CS1718E044	TRANSPORT STRATEGY - section 106 contribution from HRN2	Internal impact	(60)	60	-	-	-	contribution to transport model costs - expenditure incurred in 2016/17
Community Services	A	CS1718E045	DIRECTORATE - car mileage	Internal saving	(17)	-	-	-	(17)	Reduced travel costs by assets and leisure staff
Community Services	D	Innovation Initiatives 1-Waste	Social marketing	Objective to mitigate risk of missing recycling targets	10	-	-	-	10	Community Services
Community Services	D	Innovation Initiatives 2-Waste	15% Increase in Household Recycling	Objective to mitigate risk of missing recycling targets	(275)	(25)	-	-	(300)	Community Services
Community Services	E	Innovation Initiatives 1- Income from Assets	Crematorium	Current lack of provision in Central Bedfordshire area	-	-	(50)	(100)	(150)	Revenue generation from a Crematorium facility delivered within Central Bedfordshire.
Community Services	A	ICSE - 1617-07	Procurement	Central Purchasing Hub	(62)	-	-	-	(62)	
Community Services					(3,591)	(2,337)	(1,980)	(850)	(8,758)	
Corporate Costs	A	CCE- 1617-03	Premature Retirement	Pension costs (teachers and non teachers) early retirement- assumed 2.5% reduction p.a.	(71)	(71)	(71)	(71)	(285)	Reduction in costs relating to historic early retirements.
Corporate Costs	A	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.)
Corporate Costs	A	Innovation Initiatives 1-Recruitment	Vacancy Management & Agency		(1,000)	(1,000)	(1,000)	-	(3,000)	Rigorous approach to all vacancies and recruitment opportunities. Will eventually be re-allocated back to Directorates.
Corporate Costs					(1,272)	(1,071)	(1,071)	(71)	(3,486)	
Public Health	E	PH5	Income generation	Minimal Impact on Service Provision	(50)	-	(100)	-	(150)	

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
Public Health	A	PH6	Innovation Fund - Drug & Alcohol	Use Strategic Reserve to fund Innovation	(25)	-	-	-	(25)	Greater use of online interventions to lower costs
Public Health	A	PH7	Healthy Child Programme re-procurement	To be managed through reprocurement	(282)	-	-	-	(282)	6.2 % (equivalent to Central government reduction to grant) on CBC element access to health and wellbeing services via health visitors and school nurses
Public Health	A	PH8	Vacancy Rate Factor 5%	Minimal Impact on Service Provision	(38)	-	-	-	(38)	
Public Health	A	PH9	Sexual Health re-procurement efficiencies	Minimal Impact on Service Provision	(37)	-	-	-	(37)	Review of Service Level Agreements
Public Health	A	PH10	Re-prioritisation	Economies of Scale	(90)	-	-	-	(90)	Staffing Review
Public Health	A	PH11	Further re-alignment of priorities	Economies of Scale	-	(160)	-	-	(160)	Staffing Review
Public Health	A	PH12	Re-define stop smoking offer	Using Digitalisation, greater use of phone and online services	-	-	(62)	-	(62)	Equivalent to 10% on budget
Public Health	C	PH13	Aspire Neuro Linguistic Programming	Stopping service provision	-	(65)	-	-	(65)	programme focused on personal development and self esteem
Public Health	C	PH14	Re-focus healthcheck programme	Deliver to high risk groups only	-	(250)	-	-	(250)	assessed on likely risk of cardio-vascular disease estimated initially from parameters such as age, blood pressure, cholesterol & Body Mass Index
Public Health	C	PH15	Adult weight management	Stopping service provision	-	-	(209)	-	(209)	residents will be signposted to other types of weight loss support
Public Health	C	PH16	Healthchecks	Stopping service provision	-	-	(255)	-	(255)	Deliver to high risk groups only
Public Health	C	PH17	Health Checks	Stopping service provision	(277)	250	67	-	40	Timing change of existing Healthcheck efficiency
Public Health	A	PH18	0-19 Healthy Child Programme	To be managed through reprocurement	-	(396)	-	-	(396)	access to health and wellbeing services via health visitors and school nurses
Public Health	A	PH19	Sexual Health	New payment structure/review of provision	(90)	-	-	-	(90)	Review of Service Level Agreements
Public Health	A	PH20	Drugs & Alcohol	Reduced Access to Services	(35)	-	(180)	(180)	(395)	Greater use of online interventions to lower costs
Public Health	A	PH21	Stop Smoking (Shared)	Low Impact on Service Provision and using digitalisation	(75)	(96)	-	-	(171)	greater use of phone and online services
Public Health	A	PH22	Stop Smoking (CBC)	Low Impact on Service Provision and using digitalisation	-	(47)	-	-	(47)	greater use of phone and online services
Public Health	A	PH23	Additional 5% on Sexual Health	Reduced Access to Services	-	-	-	(69)	(69)	move away from primary prevention towards treatment
Public Health	A	ICSE - 1617-07	Procurement	Central Purchasing Hub	(2)	-	-	-	(2)	
Public Health					(1,001)	(764)	(739)	(249)	(2,753)	
Regeneration	E	SC151	Community Infrastructure Levy (CIL) administration fee		-	-	(25)	(25)	(50)	Administrative fee levied as part of the charge
Regeneration	A	SC154	Reduce development plan consultancy budget		-	150	(190)	(40)	(80)	A reduction in need for use of external consultancy services as a result of progress / delivery of the Local Plan
Regeneration	E	RG401	Increase development management income		(205)	(227)	(170)	(100)	(702)	The additional income is based on both the position with the Local Plan and the submission of details expected for major developments
Regeneration	A	RG403	Electronic processes	Reduced printing costs	(25)	(25)	-	-	(50)	To enable online processing of planning applications rather than paper applications. The delivery of this is reliant on the role out of BOX Document Management
Regeneration	E	RG404	Building control / Abion	To ensure we meet the requirements of the Building Act and Building Regulations and the Building (Local Authority) charges regulations all of which will need to be considered and complied with in respect of service delivery.	(30)	(55)	(50)	-	(135)	Review of the operation of both service areas.

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
Regeneration	A	RG405	Working Smarter	As processes are reviewed and applications are able to be accessed online (i.e. mobile working devices available to planning/ building control staff) there will be increased agile working which will reduce the need for costs such as books/ journals and printing and stationary	-	(18)	-	-	(18)	Part of Working Smarter programme to reduce spend on office accommodation.
Regeneration	A	RG1718E01	Directorate Wide Restructure	A full restructure of R&B is planned to account for changing objectives and requirements, and along with integration of services will enable a reduction in the number of Heads of Service and wider management team.	(150)	(20)	-	-	(170)	Reduction in management team capacity , integration of strategic transport , increase focus on commercialism and place delivery.
Regeneration	A	RG1718E02	Employee related costs	This includes employee related costs such as car allowances and mileage, furniture and equipment, conference expenses, subscriptions and medical fees/ costs - all of which are expected to reduce as staff numbers reduce.	(50)	(30)	-	-	(80)	Reduction in costs associated with re-structure.
Regeneration	A	RG1718E03	Other	This includes efficiencies in professional services and consultancy.	(16)	-	-	-	(16)	Efficiencies identified following review of spend against budget lines in 15/16 and up to period 5 in 16/17.
Regeneration	A	RG1718E04	Professional services		(45)	-	-	-	(45)	Further reduction in commissioning of professional experts
Regeneration	E	RG1718E05	Planning Performance Agreements income / staffing offset	Reduction in salary costs	-	-	-	(60)	(60)	A result of direct funding of posts through Planning Performance Agreements income
Regeneration	A	Innovation Initiatives3 - Shared Services	Ensuring Internal Services are Utilised		-	-	-	-	-	Regeneration share in efficiencies as a result of sharing services
Regeneration	A	ICSE - 1617-07	Procurement	Central Purchasing Hub	(32)	-	-	-	(32)	Saving associated with procurement efficiencies
Regeneration & Business Support					(553)	(225)	(435)	(225)	(1,438)	
Resources	A	CRE - 1617-01	Financial Performance & Support	Staff Savings through streamlining processes, and overhead reduction.	(20)	-	-	-	(20)	
Resources	A	CRE - 1617-02	Financial Control	Achieving efficiencies in end to end processes	9	8	-	-	17	End of Banking contract free period
Resources	E	CRE - 1617-03, CRE-1718-08	Revenues & Benefits	Increase in recovery of overpaid Housing Benefit	(121)	(70)	(90)	-	(281)	Additional Real Time Information now being received from DWP enables more overpayments to be identified.
Resources	A	CRE - 1617-04	Revenues & Benefits	Risk Based Verification processing efficiency	(45)	-	-	-	(45)	The proposal is to achieve staffing reductions through more efficient processes, including e-forms.
Resources	A	CRE - 1617-07	Insurance Management	Process Improvement	(18)	-	-	-	(18)	More efficient arrangements for management of Insurance.
Resources	A	CRE - 1617-09	Audit	Misc. overhead cost reductions	(8)	-	-	-	(8)	Reduction in Internal Audit overheads.
Resources	E	CRE - 1617-13	Revenues & Benefits	Revenues and Benefits external income generation	-	(30)	(30)	-	(60)	Proposal to provide chargeable services to other local authorities.
Resources	A	CRE-1718-01	Financial Performance & Support	Senior management restructure	(121)	-	-	-	(121)	
Resources	A	CRE-1718-02	Financial Performance & Support	Process improvements through new systems and technology	-	-	-	(50)	(50)	Dependent on new main accounting system.
Resources	A	CRE-1718-03	Financial Control	Payments Processing Efficiencies	(5)	(20)	-	-	(25)	Changes to contractual arrangements in terms of electronic payments to the Council.
Resources	A	CRE-1718-04	Financial Control	Contribution to Insurance Reserve	(100)	(120)	(120)	-	(340)	Actuarial review of self insurance reserves indicates scope to reduce the annual contribution. Subject to Actuarial review in 2018.
Resources	A	CRE-1718-05	Revenues & Benefits	Offsite printing of Council tax bills and benefits letters.	(10)	-	-	-	(10)	
Resources	A	CRE-1718-06	Revenues & Benefits	Channel Shift (moving from telephone to e-forms)	(25)	-	-	-	(25)	

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
Resources	A	CRE-1718-07	Revenues & Benefits	Recovery of debt collection costs	(125)	-	-	-	(125)	Additional income from court costs for unpaid Council Tax and Business rates following increased focus on dealing with the collection of the outstanding costs
Resources	E	Innovation Initiatives1- Shared Services	Internal Enforcement Agents & Corporate Debt Team	Income generation	(20)	(40)	(80)	-	(140)	Revenues & Benefits. Potential to bring part of the service in-house.
Resources	A	ICSE - 1617-11 , ICSE-1718-14	Democratic Services	Review of management arrangements.	(35)	(40)	-	-	(75)	
Resources	A	ICSE - 1617-19	Human Resources	Service delivery review	(152)	-	-	-	(152)	Reduction of various overhead budgets and review of management structure
Resources	A	ICSE-1718-10	Reduction in Organisation Development & Member Development work	Targeted delivery of development programme	(100)	-	-	-	(100)	
Resources	A	ICSE-1718-11	Reduction in Lord Lieutenant costs	Review how support is provided to Lord Lieutenant.	(35)	-	-	-	(35)	
Resources	A	ICSE-1718-12	Administrative support to the Coroner	Review how support is provided to the Coroner and focus on aspects of pathology services.	(15)	-	-	-	(15)	CBC share only (42% of £37k)
Resources	A	ICSE-1718-13	Land charges	Maximising the benefit of digitisation in relation to Local Land Charges	(15)	-	-	-	(15)	Implementing some existing software.
Resources	E	ICSE-1718-15	Land charges	Recognise additional Local Land Charge income potential	(100)	-	-	-	(100)	
Resources	A	ICSE-1718-18	Legal Services	Additional savings as per LGSS business case	(75)	(61)	(54)	(13)	(203)	Operating efficiencies
Resources	A	ICSE-1718-19	Legal Services	Future potential dividend as per LGSS business case	-	(35)	(10)	(10)	(56)	Benefit arising from being part owner of LGSS Law Ltd.
Resources	A	ICSE-1718-20	Legal Services	Additional savings on existing Legal Services Budget	(131)	-	-	-	(131)	Dependent on historic external income levels (S106/S38 largely) being maintained.
Resources	A	ICSE-1718-22	Reducing reliance on hard copy agenda papers	Savings against courier service following removal of printed committee reports	-	(5)	-	-	(5)	
Resources	E	Innovation Initiatives 1,2,3 -Financial Transactions	Use of Purchasing Cards		(56)	(91)	(109)	(69)	(325)	Finance
Resources	A	Innovation Initiatives 1- Learning & Development	Needs Based Budget Process		(100)	(150)	-	-	(250)	Review of existing budgets
Resources	A	ICSE - 1617-07	Procurement	Central Purchasing Hub	(16)	-	-	-	(16)	
Resources					(1,439)	(654)	(493)	(142)	(2,729)	
SCHH	D	EA46	Continue the development of a joint approach with the health service to deliver an improved care and respite service which will have a more positive outcome for Older People	Improved outcomes for OP customers by working closer with Health	(500)	(500)	(500)	-	(1,500)	Ensuring appropriate contributions from both Health and Social Care for packages of care
SCHH	D	EA73	Deliver savings within Private Sector Housing & Housing Needs by better use of ICT and further income generation activity	More efficient use of ICT and staff resources	(46)	(44)	(42)	-	(132)	
SCHH	E	EA98	Housing Private Business Initiative	Income generation by utilising existing housing service expertise/ experience i.e. Private Rental Income and charging for other services	(300)	-	-	-	(300)	Extending service across other tenures
SCHH	E	EA106	Increased income from Care Fees	Continue to improve income collection arrangements	(210)	(210)	(210)	-	(630)	Relies on the Government's "Triple Lock" for basic state pension - guaranteeing minimum annual increase of 2.5%.
SCHH	B	EA112	Better use of Assistive Technology	To utilise Assistive Technology as an integral part of the care management assessment as evidenced in their Care and Support Plan that will be proportionate and asset based	(100)	(100)	(100)	-	(300)	Invest to save, targeted review of packages requiring more than one carer, improve telecare offer

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
SCHH	D	EA115	Right sizing care packages for Adults with a Learning Disability	Improved outcomes for LD customers by working closer with Health	(250)	(250)	(250)	-	(750)	Looking to reduce high cost care packages by providing care as close to home as possible
SCHH	B	EA118	Reshape the Voluntary & Community Sector offer	Reduced financial support to some voluntary sector organisations	(150)	(50)	(50)	-	(250)	Be reinvesting in voluntary sector organisations to deliver the Council objective around community resilience
SCHH	A	EA121	Review of SCH&H directorate management arrangements	Reduced management capacity	(100)	(180)	(100)	-	(380)	
SCHH	B	1	Developing Learning Disability Services	Modernising and improving outcomes for LD customers. Will involve re-shaping the market.	(300)	(500)	(750)	(1,000)	(2,550)	Follow on from Draft Learning Disability Market Position Statement - review current services and alternatives. Develop relationship with market to deliver more local, cost effective care and support.
SCHH	C	2	Workchoice	Affects a number of employees with Learning Disabilities in sheltered employment who may need significant support to move into open employment	(142)	-	-	-	(142)	Previous Govt subsidy significantly reduced, expensive scheme to supervise and hence proposed closure of the scheme
SCHH	D	3	Substance Misuse	Risk of increase demand at a time when budget is reduced	(30)	-	-	-	(30)	Other support through Public Health contracts has successfully moderated demand for specialist support packages
SCHH	A	4	Older Person Packages	We will continue to invest in preventative solutions and reablement to promote customer independence	(200)	-	-	-	(200)	Increased use of therapists to support Reablement Plans, training Reablement staff - maximising customers' independence
SCHH	D	5	Target Best Practice	Ongoing proportionate and right sizing of packages to ensure customer's needs are appropriately met.	(351)	(351)	-	-	(702)	Bespoke independent team to target customers in receipt of services, asset based approach
SCHH	A	6	Skills mix	Need to ensure there is sufficient capacity for complex/specialist assessments	(100)	-	-	-	(100)	Review of assessment teams' skills mix, change culture and practice including preparedness for integration
SCHH	D	7	Modernising / Transforming Care	Implementation of the Older Persons Market Position Statement likely to lead to changes in care and accommodation services to be provided	(60)	(529)	(855)	(569)	(2,013)	Continuation of investment from institutional to personal solutions through the modernisation of services for Older People and People with Learning Disabilities
SCHH	A	8	Asset Based Approach/Self Service (incls Digitisation)	Investment in systems needed to deliver change. Customers & staff need to be receptive to accessing self assessment and services via the website	-	-	(250)	(250)	(500)	Revised Customer Pathway, increased self service, more agile workforce
SCHH	A	9	Local Authority Trading Company	Potential local concern from providers to LATC and need to renegotiate pay and conditions of staff affected	-	-	(250)	(500)	(750)	Alternative delivery model for in-house care services
SCHH	B	10	Clarifying the Social Care Offer for new customers	The Council will continue to meet the assessed care needs of customers though the outcome may be a care home offer rather than continuing to be cared for at home and will offer potential for customers/families to contribute to the costs of remaining at home	(25)	(50)	(100)	(200)	(375)	
SCHH	B	11	Review the Carers Offer	To review the current support offer for carers with the intention of bringing investment in line with other Local Authorities	(25)	(75)	-	-	(100)	
SCHH	E	12	Better Care Fund	Future funding allocations could change; negotiation required with CCG	-	-	(619)	-	(619)	Increased BCF allocation
SCHH	A	13	Service Delivery	review duplication of staffing roles	(146)	(146)	(146)	(146)	(584)	Review functions to identify duplication, opportunities to centralise functions, remove non-core functions. Likely reduction of staff by 60-80 FTE.
SCHH	B	14	Right sizing the care packages on offer	We will continue to invest in preventative solutions and reablement to promote customer independence	(296)	(296)	(296)	(296)	(1,184)	Further package savings over and above existing efficiencies
SCHH	D	HGFE171801	Intensive Property Management (system resilience/demand management)	Use of HRA stock to reduce demand for supported services in General Fund	(95)	(33)	(73)	-	(201)	Maximising the impact of the HRA and General Fund costs

Appendix D(ii) - Efficiencies by Directorate

Directorate	Category	Reference	Details of efficiency	Implications/ Impact	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	Total £'000s	Comments
SCHH	B	HGFE171802	Supported Housing reduced cost	Further contract and in house savings resulting from integration of service	-	-	-	(73)	(73)	
SCHH	A	HGFE171803	Improve quality of housing advice, including new media (e.g. YouTube) – reduce staff cost.	Staff reductions resulting from digitisation and/or providing services in a different way. Services provided are statutory so no ability to reduce service provision	(40)	(40)	-	-	(80)	
SCHH	A	HGFE171804	Efficiencies related to the management of the General Fund capital programmes	Increase in fee income and/or possible staff reduction - providing the service for less or where possible with additional income	(47)	-	-	-	(47)	Generate income from Housing Loans
SCHH	B	18	Further efficiencies yet to be identified		-	-	-	(2,235)	(2,235)	
SCHH	E	ICSE - 1617-02	Customer Services	CS Staff multitasking to carry out JCP work.	(50)	-	-	-	(50)	Will be met by other efficiencies
SCHH	A	ICSE - 1617-15	Customer Services	Reductions in call centre as a result of channel shift	-	(150)	(75)	-	(225)	**
SCHH	A	ICSE - 1617-18	Customer Services	Review of face to face	(250)	-	-	-	(250)	Dependent on closing four centres
SCHH	A	ICSE - 1617-07	Procurement	General Procurement Savings ICS	-	(50)	-	-	(50)	
SCHH	A	ICSE - 1617-13	Procurement	Central Purchasing Hub	-	(300)	(300)	-	(600)	Service based savings to be determined and agreed
SCHH	A	ICSE-1718-16	Additional Commensura efficiency savings	Procurement rebate as a result of usage of Comensura	(250)	-	-	-	(250)	Based on current levels of activity
SCHH	A	ICSE-1718-17	Central Purchasing Hub	Existing efficiency ICSE-1617-13 reviewed following more detailed work.	(56)	172	172	-	288	Predicted savings recalculated following more detailed business case analysis.
SCHH	A	ICSE-1718-21	Re-profile of ICSE - 1617-18 - Reprofilling of contact centre savings.		175	-	(175)	-	-	£75k of original £250k deliverable 17/18, balance to be delivered in 20/21
SCHH	A	Innovation Initiatives 1-Commissioning	Advocacy	Reduced financial support to some voluntary sector organisations	(12)	-	-	-	(12)	SCHH
SCHH	A	Innovation Initiatives 7-Commissioning	Strategic Commissioning Team	Reduced capacity to deliver new Commissioning intentions	(50)	-	-	-	(50)	SCHH - review of LA wide management arrangements
SCHH	A	ICSE - 1617-07	Procurement	Central Purchasing Hub	(44)	-	-	-	(44)	
Social Care, Health & Housing					(4,050)	(3,682)	(4,969)	(5,269)	(17,970)	
Total					(15,194)	(10,732)	(11,882)	(8,644)	(46,452)	

Appendix D (iii) - Efficiencies by Category

Category Summary

Ref	Category	2017/18	2018/19	2019/20	2020/21	Total
		£000s	£000s	£000s	£000s	£000s
A	Delivering operating efficiencies	(7,935)	(4,509)	(4,315)	(1,915)	(18,673)
B	Determining the Council's offer	(2,124)	(1,560)	(1,492)	(3,850)	(9,026)
C	Withdrawing services	(429)	(135)	(707)	-	(1,271)
D	Intervening early to reduce demand	(2,658)	(3,146)	(3,018)	(2,036)	(10,858)
E	Generating Income	(2,048)	(1,382)	(2,350)	(844)	(6,624)
Total		(15,194)	(10,732)	(11,882)	(8,644)	(46,452)

Social Care, Health and Housing

Ref	Category	2017/18	2018/19	2019/20	2020/21	Total
		£000s	£000s	£000s	£000s	£000s
A	Delivering operating efficiencies	(1,120)	(694)	(1,124)	(896)	(3,834)
B	Determining the Council's offer	(896)	(1,071)	(1,296)	(3,804)	(7,067)
C	Withdrawing services	(142)	-	-	-	(142)
D	Intervening early to reduce demand	(1,332)	(1,707)	(1,720)	(569)	(5,328)
E	Generating Income	(560)	(210)	(829)	-	(1,599)
Total		(4,050)	(3,682)	(4,969)	(5,269)	(17,970)

Children's Services

Ref	Category	2017/18	2018/19	2019/20	2020/21	Total
		£000s	£000s	£000s	£000s	£000s
A	Delivering operating efficiencies	(791)	(273)	(466)	(325)	(1,855)
B	Determining the Council's offer	(323)	(33)	(21)	(46)	(423)
C	Withdrawing services	-	-	(240)	-	(240)
D	Intervening early to reduce demand	(1,011)	(1,364)	(1,298)	(1,467)	(5,140)
E	Generating Income	(223)	(64)	-	-	(287)
Total		(2,348)	(1,734)	(2,025)	(1,838)	(7,945)

Community Services

Ref	Category	2017/18	2018/19	2019/20	2020/21	Total
		£000s	£000s	£000s	£000s	£000s
A	Delivering operating efficiencies	(1,678)	(1,140)	(868)	(260)	(3,946)
B	Determining the Council's offer	(905)	(456)	(175)	-	(1,536)
C	Withdrawing services	(10)	(70)	(70)	-	(150)
D	Intervening early to reduce demand	(315)	(75)	-	-	(390)
E	Generating Income	(683)	(596)	(867)	(590)	(2,736)
Total		(3,591)	(2,337)	(1,980)	(850)	(8,758)

Regeneration and Business Support

Ref	Category	2017/18	2018/19	2019/20	2020/21	Total
		£000s	£000s	£000s	£000s	£000s
A	Delivering operating efficiencies	(318)	57	(190)	(40)	(491)
B	Determining the Council's offer	-	-	-	-	-
C	Withdrawing services	-	-	-	-	-
D	Intervening early to reduce demand	-	-	-	-	-
E	Generating Income	(235)	(282)	(245)	(185)	(947)
Total		(553)	(225)	(435)	(225)	(1,438)

Public Health

Ref	Category	2017/18	2018/19	2019/20	2020/21	Total
		£000s	£000s	£000s	£000s	£000s
A	Delivering operating efficiencies	(674)	(699)	(242)	(249)	(1,864)
B	Determining the Council's offer	-	-	-	-	-
C	Withdrawing services	(277)	(65)	(397)	-	(739)
D	Intervening early to reduce demand	-	-	-	-	-
E	Generating Income	(50)	-	(100)	-	(150)
Total		(1,001)	(764)	(739)	(249)	(2,753)

Chief Executives Team

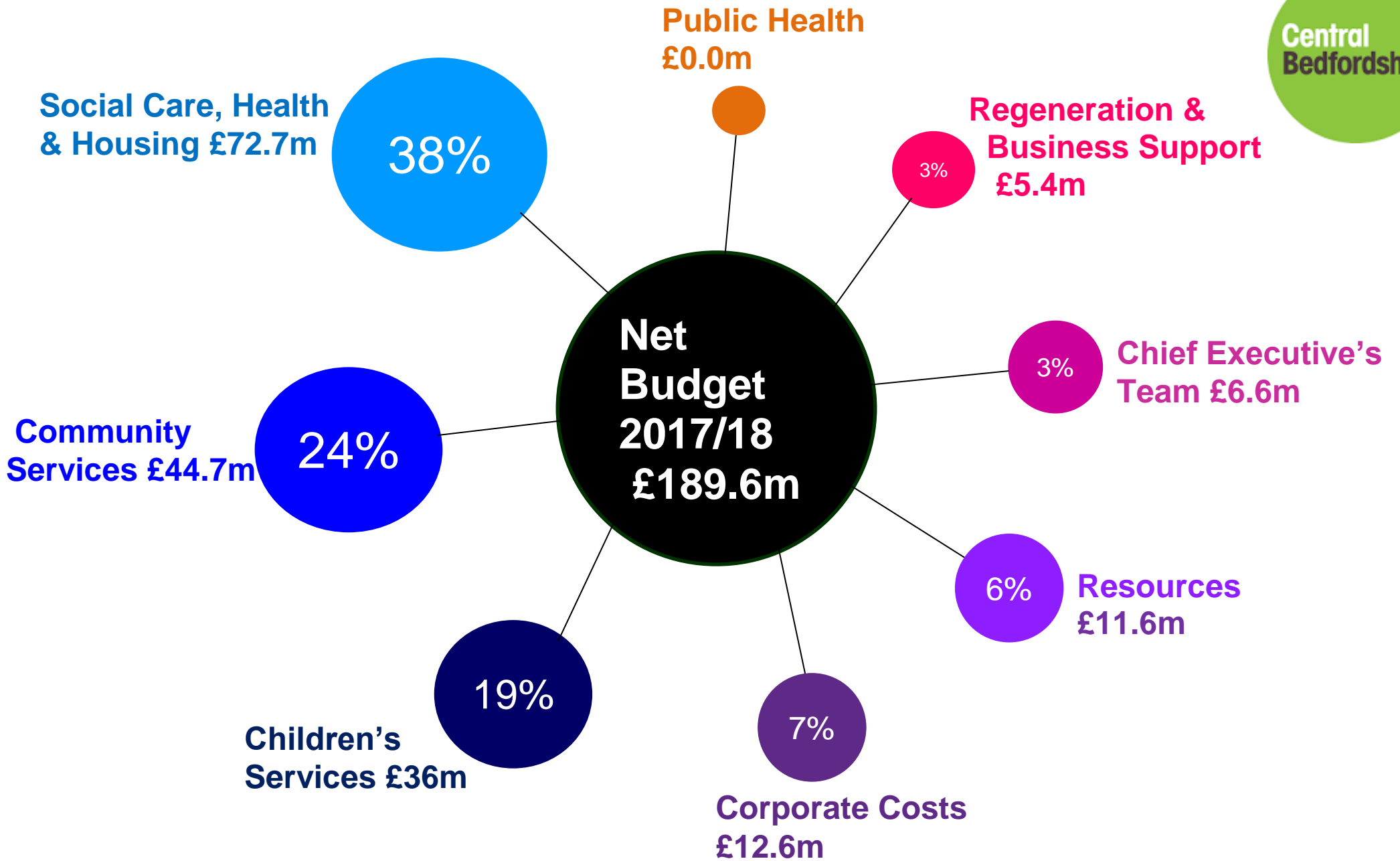
Ref	Category	2017/18	2018/19	2019/20	2020/21	Total
		£000s	£000s	£000s	£000s	£000s
A	Delivering operating efficiencies	(940)	(265)	(169)	-	(1,374)
B	Determining the Council's offer	-	-	-	-	-
C	Withdrawing services	-	-	-	-	-
D	Intervening early to reduce demand	-	-	-	-	-
E	Generating Income	-	-	-	-	-
Total		(940)	(265)	(169)	-	(1,374)

Resources

Ref	Category	2017/18	2018/19	2019/20	2020/21	Total
		£000s	£000s	£000s	£000s	£000s
A	Delivering operating efficiencies	(1,142)	(423)	(184)	(73)	(1,823)
B	Determining the Council's offer	-	-	-	-	-
C	Withdrawing services	-	-	-	-	-
D	Intervening early to reduce demand	-	-	-	-	-
E	Generating Income	(297)	(231)	(309)	(69)	(906)
Total		(1,439)	(654)	(493)	(142)	(2,729)

Corporate Costs

Ref	Category	2017/18	2018/19	2019/20	2020/21	Total
		£000s	£000s	£000s	£000s	£000s
A	Delivering operating efficiencies	(1,272)	(1,071)	(1,071)	(71)	(3,486)
B	Determining the Council's offer	-	-	-	-	-
C	Withdrawing services	-	-	-	-	-
D	Intervening early to reduce demand	-	-	-	-	-
E	Generating Income	-	-	-	-	-
Total		(1,272)	(1,071)	(1,071)	(71)	(3,486)



This page is intentionally left blank

Appendix F - Statutory Requirements – Social Care, Health and Housing

The Care Act 2014

Care and Support Statutory Guidance – Department of Health

<http://www.gov.uk/government/publications/care-act-statutory-guidance/care-and-support-statutory-guidance>

Section 1 Promoting Wellbeing

Local authorities must promote wellbeing when carrying out any of their care and support functions in respect of a person. This may sometimes be referred to as “the wellbeing principle” because it is a guiding principle that puts wellbeing at the heart of care and support.

The wellbeing principle applies in all cases where a local authority is carrying out a care and support function, or making a decision, in relation to a person. It applies equally to adults with care and support needs and their carers.

In some specific circumstances, it also applies to children, their carers and to young carers when they are subject to transition assessments (see chapter 16 on transition to adult care and support).

Wellbeing” is a broad concept, and it is described as relating to the following areas in particular:

- personal dignity (including treatment of the individual with respect);
- physical and mental health and emotional wellbeing;
- protection from abuse and neglect;
- control by the individual over day-to-day life (including over care and support provided and the way it is provided);
- participation in work, education, training or recreation;
- social and economic wellbeing;
- domestic, family and personal;
- suitability of living accommodation;
- the individual’s contribution to society.

All the above should be considered of equal importance when considering “wellbeing” in the round

Promoting wellbeing involves actively seeking improvements in the aspects of wellbeing set out above when carrying out a care and support function in relation to an individual at any stage of the process from the provision of information and advice to reviewing a care and support plan.

Wellbeing covers an intentionally broad range of the aspects of a person’s life and will encompass a wide variety of specific considerations depending on the individual.

A local authority can promote a person’s wellbeing in many ways. How this happens will depend on the circumstances, including the person’s needs, goals and wishes, and how these impact on their wellbeing. There is no set approach – a local authority should consider each case on its own merits, consider what the person wants to achieve, and how the action which the local authority is taking may affect the wellbeing of the individual.

The Act therefore signifies a shift from existing duties on local authorities to provide particular services, to the concept of ‘meeting needs’. This is the core legal entitlement for adults to care and

support, establishing one clear and consistent set of duties and power for all people who need care and support.

The concept of ‘meeting needs’ recognises that everyone’s needs are different and personal to them. Local authorities must consider how to meet each person’s specific needs rather than simply considering what service they will fit into. The concept of meeting needs also recognises that modern care and support can be provided in any number of ways, with new models emerging all the time, rather than the previous legislation which focuses primarily on traditional models of residential and domiciliary care.

Whenever a local authority carries out any care and support functions relating to an individual, it must act to promote wellbeing – and it should consider all of the aspects above in looking at how to meet a person’s needs and support them to achieve their desired outcomes. However, in individual cases, it is likely that some aspects of wellbeing will be more relevant to the person than others. For example, for some people the ability to engage in work or education will be a more important outcome than for others, and in these cases “promoting their wellbeing” effectively may mean taking particular consideration of this aspect. Local authorities should adopt a flexible approach that allows for a focus on which aspects of wellbeing matter most to the individual concerned.

The principle of promoting wellbeing should be embedded through the local authority care and support system, but how the local authority promotes wellbeing in practice will depend on the particular function being performed. During the assessment process, for instance, the local authority should explicitly consider the most relevant aspects of wellbeing to the individual concerned, and assess how their needs impact on them. Taking this approach will allow for the assessment to identify how care and support, or other services or resources in the local community, could help the person to achieve their outcomes. During care and support planning, when agreeing how needs are to be met, promoting the person’s wellbeing may mean making decisions about particular types or locations of care (for instance, to be closer to family).

The wellbeing principle applies equally to those who do not have eligible needs but come into contact with the system in some other way (for example, via an assessment that does not lead to ongoing care and support) as it does to those who go on to receive care and support, and have an ongoing relationship with the local authority. It should inform the delivery of universal services which are provided to all people in the local population, as well as being considered when meeting eligible needs. Although the wellbeing principle applies specifically when the local authority performs an activity or task, or makes a decision, in relation to a person, the principle should also be considered by the local authority when it undertakes broader, strategic functions, such as planning, which are not in relation to one individual. As such, “wellbeing” should be seen as the common theme around which care and support is built at local and national level.

Key Principles and Standards

There are a number of key principles and standards which local authorities must have regard to when carrying out the same activities or functions:

- (a) **the importance of beginning with the assumption that the individual is best-placed to judge the individual’s wellbeing.** Building on the principles of the Mental Capacity Act, the local authority should assume that the person themselves knows best their own outcomes, goals and wellbeing. Local authorities should not make assumptions as to what matters most to the person;
- (b) **the individual’s views, wishes, feelings and beliefs.** Considering the person’s views and wishes is critical to a person-centred system. Local authorities should not ignore or downplay the importance of a person’s own opinions in relation to their life and their care. Where particular views, feelings or beliefs (including religious beliefs) impact on the choices that a person may wish to make about their care, these should be taken into account. This is especially important where a

person has expressed views in the past, but no longer has capacity to make decisions themselves;

(c) the importance of preventing or delaying the development of needs for care and support and the importance of reducing needs that already exist. At every interaction with a person, a local authority should consider whether or how the person's needs could be reduced or other needs could be delayed from arising. Effective interventions at the right time can stop needs from escalating, and help people maintain their independence for longer;

(d) the need to ensure that decisions are made having regard to all the individual's circumstances (and are not based only on their age or appearance, any condition they have, or any aspect of their behaviour which might lead others to make unjustified assumptions about their wellbeing). Local authorities should not make judgments based on preconceptions about the person's circumstances, but should in every case work to understand their individual needs and goals;

(e) the importance of the individual participating as fully as possible in decisions about them and being provided with the information and support necessary to enable the individual to participate. Care and support should be personal, and local authorities should not make decisions from which the person is excluded;

(f) the importance of achieving a balance between the individual's wellbeing and that of any friends or relatives who are involved in caring for the individual. People should be considered in the context of their families and support networks, not just as isolated individuals with needs. Local authorities should take into account the impact of an individual's need on those who support them, and take steps to help others access information or support;

(g) the need to protect people from abuse and neglect. In any activity which a local authority undertakes, it should consider how to ensure that the person is and remains protected from abuse or neglect. This is not confined only to safeguarding issues, but should be a general principle applied in every case;

(h) the need to ensure that any restriction on the individual's rights or freedom of action that is involved in the exercise of the function is kept to the minimum necessary for achieving the purpose for which the function is being exercised. Where the local authority has to take actions which restrict rights or freedoms, they should ensure that the course followed is the least restrictive necessary.

Independent living

Although not mentioned specifically in the way that "wellbeing" is defined, the concept of "independent living" is a core part of the wellbeing principle. Section 1 of the Care Act includes matters such as individual's control of their day-to-day life, suitability of living accommodation, contribution to society – and crucially, requires local authorities to consider each person's views, wishes, feelings and beliefs.

The wellbeing principle is intended to cover the key components of independent living, as expressed in the UN Convention on the Rights of People with Disabilities¹ (in particular, Article 19 of the Convention). Supporting people to live as independently as possible, for as long as possible, is a guiding principle of the Care Act.

Promoting wellbeing is not always about local authorities meeting needs directly. It will be just as important for them to put in place a system where people have the information they need to take control of their care and support and choose the options that are right for them.

Control also means the ability to move from one area to another or from children's services to the adult system without fear of suddenly losing care and support. The Care Act ensures that people will be able to move to a different area without suddenly losing their care and support and provides clarity about who will be responsible for care and support in different situations.

Section 2. Preventing, reducing or delaying needs

It is critical to the vision in the Care Act that the care and support system works to actively promote wellbeing and independence, and does not just wait to respond when people reach a crisis point. To meet the challenges of the future, it will be vital that the care and support system intervenes early to support individuals, helps people retain or regain their skills and confidence, and prevents need or delays deterioration wherever possible.

The local authority's responsibilities for prevention apply to all adults, including:

- people who do not have any current needs for care and support;
- adults with needs for care and support, whether their needs are eligible and/or met by the local authority or not (see chapter 6);
- carers, including those who may be about to take on a caring role or who do not currently have any needs for support, and those with needs for support which may not be being met by the local authority or other organisation.

The term "prevention" or "preventative" measures can cover many different types of support, services, facilities or other resources. There is no one definition for what constitutes preventative activity and this can range from wide-scale whole-population measures aimed at promoting health, to more targeted, individual interventions aimed at improving skills or functioning for one person or a particular group or lessening the impact of caring on a carer's health and wellbeing.

"Prevention" is often broken down into three general approaches – primary, secondary and tertiary prevention.

Primary prevention/promoting wellbeing

These are aimed at individuals who have no current particular health or care and support needs. These are services, facilities or resources provided or arranged that may help an individual avoid developing needs for care and support, or help a carer avoid developing support needs by maintaining independence and good health and promoting wellbeing. They are generally universal (i.e. available to all) services, which may include, but are not limited to interventions and advice that:

- provide universal access to good quality information;
- support safer neighbourhoods;
- promote healthy and active lifestyles (e.g. exercise classes);
- reduce loneliness or isolation (e.g. befriending schemes or community activities) or,
- encourage early discussions in families or groups about potential changes in the future, e.g. conversations about potential care arrangements or suitable accommodation should a family member become ill or disabled.

Reduce: secondary prevention/early intervention

These are more targeted interventions aimed at individuals who have an increased risk of developing needs, where the provision of services, resources or facilities may help slow down or reduce any further deterioration or prevent other needs from developing. Some early support can help stop a person's life tipping into crisis, for example helping someone with a learning disability with moderate needs manage their money, or a few hours support to help a family carer who is caring for their son or daughter with a learning disability and behaviour that challenges at home.

Early intervention could also include a fall prevention clinic, adaptations to housing to improve accessibility or provide greater assistance, handyman services, short term provision of

wheelchairs or telecare services. In order to identify those individuals most likely to benefit from such targeted services, local authorities may undertake screening or casefinding, for instance to identify individuals at risk of developing specific health conditions or experiencing certain events (such as strokes, or falls), or those that have needs for care and support which are not currently met by the local authority. Targeted interventions should also include approaches to identifying carers, including those who are taking on new caring responsibilities. Carers can also benefit from support to help them develop the knowledge and skills to care effectively and look after their own health and wellbeing.

Delay: tertiary prevention

These are interventions aimed at minimising the effect of disability or deterioration for people with established or complex health conditions, (including progressive conditions, such as dementia), supporting people to regain skills and manage or reduce need where possible. Tertiary prevention could include, for example the rehabilitation of people who are severely sight impaired. Local authorities must provide or arrange services, resources or facilities that maximise independence for those already with such needs, for example, interventions such as rehabilitation/reablement services, e.g. community equipment services and adaptations and the use of joint case-management for people with complex needs.

Tertiary prevention services could also include helping improve the lives of carers by enabling them to continue to have a life of their own alongside caring, for example through respite care, peer support groups like dementia cafés, or emotional support or stress management classes which can provide essential opportunities to share learning and coping tips with others. This can help develop mechanisms to cope with stress associated with caring and help carers develop an awareness of their own physical and mental health needs.

Developing a local approach to preventative support

Whilst local authorities may choose to provide some types of preventative support themselves, others may be more effectively provided in partnership with other local partners. . A local authority's commissioning strategy for prevention should consider the different commissioning routes available, and the benefits presented by each. This could include connecting to other key areas of local preventative activity outside care, including housing, planning and public health.

In developing a local approach to prevention, the local authority must take steps to identify and understand both the current and future demand for preventative support, and the supply in terms of services, facilities and other resources available.

Local authorities must consider the importance of identifying the services, facilities and resources that are already available in their area, which could support people to prevent, reduce or delay needs, and which could form part of the overall local approach to preventative activity.

Section 3 Information and advice

Local authorities must: *“establish and maintain a service for providing people in its area with information and advice relating to care and support for adults and support for carers”*.

The local authority has an active and critical role in the provision of information and advice and must take an active role. To fulfil its duty under section 4 of the Act, a local authority is likely to need to go further than providing information and advice directly (though direct provision will be important) by working to ensure the coherence, sufficiency, availability and accessibility of information and advice relating to care and support across the local authority area. Importantly, this duty to establish and maintain an information and advice service relates to the whole

population of the local authority area, not just those with care and support needs or in some other way already known to the system.

Section 4 Market shaping and commissioning of adult care and support

The Care Act places new duties on local authorities to facilitate and shape their market for adult care and support as a whole, so that it meets the needs of all people in their area who need care and support, whether arranged or funded by the state, by the individual themselves, or in other ways. The ambition is for local authorities to influence and drive the pace of change for their whole market, leading to a sustainable and diverse range of care and support providers, continuously improving quality and choice, and delivering better, innovative and cost-effective outcomes that promote the wellbeing of people who need care and support.

Section 5 Managing provider failure and other service interruptions

The possibility of interruptions to care and support services causes uncertainty and anxiety for people receiving services, their carers, family and friends. The guidance explains how the Care Act makes provision to ensure that, in such circumstances, the care and support needs of those receiving the service continue to be met. It describes local authorities' powers and duties when services are at risk of interruption in general and, in particular, when the interruption is because a provider's business has failed. It provides guidance to local authorities on the exercise of those powers and the discharge of those duties.

Section 6 Assessment - Eligibility

The national eligibility criteria set a minimum threshold for adult care and support needs and carer support needs which local authorities must meet. All local authorities must comply with this national threshold. Authorities can also decide to meet needs that are not deemed to be eligible if they chose to do so.

The eligibility threshold for adults with care and support needs is set out in the Care and Support (Eligibility Criteria) Regulations 2014 (the 'Eligibility Regulations'). The threshold is based on identifying how a person's needs affect their ability to achieve relevant outcomes, and how this impacts on their wellbeing.

In considering whether an adult with care and support needs has eligible needs, local authorities must consider whether:

- The adult's needs arise from or are related to a physical or mental impairment or illness.
- As a result of the adult's needs the adult is unable to achieve two or more of the specified outcomes (which are described in the guidance).
- As a consequence of being unable to achieve these outcomes there is, or there is likely to be, a significant impact on the adult's wellbeing.

An adult's needs are only eligible where they meet all three of these conditions

Carers can be eligible for support in their own right. The national eligibility threshold for carers is also set out in the Care and Support (Eligibility Criteria) Regulations 2014. The threshold is based on the impact a carer's needs for support has on their wellbeing.

In considering whether a carer has eligible needs, local authorities must consider whether:

- the needs arise as a consequence of providing necessary care for an adult;
- the effect of the carer's needs is that any of the circumstances specified in the Eligibility Regulations apply to the carer; and

- as a consequence of that fact there is, or there is likely to be, a significant impact on the carer's wellbeing.

A carer's needs are only eligible where they meet all three of these conditions

Section 7 Independent Advocacy

There are duties to arrange an independent advocate for all adults, as part of their own assessment and care planning and care reviews and to those in their role as carers. It also applies to children who are approaching the transition to adult care and support, when a child's needs assessment is carried out, and when a young carer's assessment is undertaken. Section 72 of the Act provides that Regulations may be made for appeals against local authority decisions made under Part 1 of the Act and includes reference to the provision of independent advocacy

There is also a separate duty to arrange an independent advocate for adults who are subject to a safeguarding enquiry or Safeguarding Adults Review (SAR).

Local authorities must arrange an independent advocate if two conditions are met. That if an independent advocate were not provided then the person would have substantial difficulty in being fully involved in these processes and second, there is no appropriate individual available to support and represent the person's wishes who is not paid or professionally engaged in providing care or treatment to the person or their carer. The role of the independent advocate is to support and represent the person and to facilitate their involvement in the key processes and interactions with the local authority and other organisations as required for the safeguarding enquiry or SAR.

Everyone should have access to information and advice on care and support and keeping safe from abuse or neglect (see chapter 3). Prior to making contact with the local authority, there may be some people who require independent advocacy to access that information and advice. Local authorities will need to consider such needs in ensuring that the information and advice service is accessible.

Section 8 Charging and financial assessment

The Care Act provides a single legal framework for charging for care and support under sections 14 and 17. It enables a local authority to decide whether or not to charge a person when it is arranging to meet a person's care and support needs or a carer's support needs.

Where a local authority arranges care and support to meet a person's needs, it may charge the adult, except where the local authority is required to arrange care and support free of charge. The new framework is intended to make charging fairer and more clearly understood by everyone. The overarching principle is that people should only be required to pay what they can afford. People will be entitled to financial support based on a means-test and some will be entitled to free care.

Part 7 of the Housing Act 1996

The homelessness legislation places a general duty on housing authorities to ensure that advice and information about homelessness, and preventing homelessness, is available to everyone in their district free of charge. The legislation also requires authorities to assist individuals and families who are homeless or threatened with homelessness and apply for help.

Summary Social Care , Health and Housing Statutory Requirements and Budget Proposals

<p>Care Act 2014</p>	<p>EA46 development of a joint approach with health service to deliver an improved care and reablement service EA104 development of Independent Living schemes EA106 Increased income from Care Fees EA112 Better use of Assistive Technology EA113 new delivery models for supporting Adults with a Learning Disability EA115 Right sizing care packages for Adults with a Learning Disability 1 Developing Learning Disability Services 2 Workchoice 3 Substance Misuse 4 Older Person Packages 5 Target Best Practice 6 Skills mix 7 Modernising / Transforming Care 8 Asset Based Approach/Self Service (incl's Digitisation) 10 Clarifying the Social Care Offer for new customers 11 Review the Carers Offer 14 Package Savings 17 Further Service Delivery Savings 18 Further Package Savings</p>
<p>Housing Act 1996</p>	<p>HGFE171803 Improve quality of housing advice</p>

Statutory Requirements Children's Services

Advice in relation to planning, consultation, decision making and proposed implementation for individual proposals should be obtained once the specifics of a proposal have been decided upon.

The Children Act 1989 guidance and regulations – June 2015 Department for Education

<http://www.gov.uk/government/publications/children-act-1989-care-planning-placement-and-case-review>

The UN Convention and the European Convention on Human Rights

The United Nations Convention on the Rights of the Child (UNCRC) is an international human rights treaty to which the UK is a signatory, which grants all children and young people aged 17 and under a comprehensive set of rights. These include the right to:

- special protection measures and assistance;
- access to services such as education and health care;
- develop their personality, abilities and talents to the fullest potential;
- grow up in an environment of happiness, love and understanding; and
- be informed about and participate in achieving their rights in an accessible and active manner.

The Human Rights Act 1998 gives further effect in UK law to the rights and freedoms contained in the European Convention on Human Rights (ECHR).

The Children Act 1989

Key Principles

A key principle of the 1989 Act is that children are best looked after within their families, with their parents playing a full part in their lives, unless compulsory intervention in family life is necessary. That principle is reflected in:

- the concept of parental responsibility;
- the ability of unmarried fathers to share that responsibility by agreement with the mother, by joint registration at birth or by court order;
- the local authority's functions to provide services which support children and their families;
- the local authority's duty to return a looked after child to his/her family unless this is against his/her interests; and
- the local authority's duty, unless it is not reasonably practicable or consistent with his/her welfare, to endeavour to promote contact between a looked after child and his/her parents or others.

Principles in relation to children and their families

Good social care practice recognises the following principles when working with children and their families:

- Time is a crucial element in work with children and should be reckoned in days and months rather than years.
- Parents should be expected and enabled to retain their responsibilities and to remain as closely involved as is consistent with their child's welfare, even if that child cannot live at home either temporarily or permanently.

- If children have to live apart from their family, both they and their parents should be given adequate information and helped to consider alternatives and contribute to the making of an informed choice about the most appropriate form of care.
- Continuity of relationships is important and attachments should be respected, sustained and developed.
- A change of home, carer, social worker or school almost always carries some risk to a child's development and welfare.
- All children need to develop their own identity, including self-confidence and a sense of self-worth.

These principles reflect the intention in the 1989 Act, that parents should be encouraged to exercise their responsibility for their child's welfare in a constructive way and that where compulsory intervention in the family is necessary it should, where possible, support rather than undermine the parental role. The 1989 Act places a strong emphasis on the local authority working in partnership with parents when undertaking their statutory functions.

The child's wishes and feelings

Section 22(4) of the 1989 Act, consistent with Article 12 of the UNCRC, provides that, before making any decision with respect to a child whom the local authority are looking after or proposing to look after, the authority must, so far as reasonably practicable, ascertain the wishes and feelings of the child and any other relevant person. Section 22(5) provides that, in making any decision in relation to the child, it should give due consideration to those wishes and feelings, having regard to the child's age and understanding. Children should feel that they are active participants and engaged in the process when adults are trying to solve problems and make decisions about them. When plans are being made for the child's future, s/he is likely to feel less fearful if s/he understands what is happening and has been listened to from the beginning.

The functions (including powers and duties) of local authorities in relation to children who are looked after by them are set out in the 1989 Act as principally amended by the Children (Leaving Care) Act 2000, the Adoption and Children Act 2002 and the Children and Young Persons Act 2008, and the associated Regulations and guidance in relation to those functions.

Section 22(3) of the 1989 Act sets out the general duty of the local authority looking after a child to safeguard and promote the welfare of the child. This duty underpins all activity by the local authority in relation to looked after children.

Section 17 – Provision of Services for Children in Need

Section 17(1) of the 1989 Act imposes on local authorities a general duty to safeguard and promote the welfare of children in their area who are in need by providing a range and level of services appropriate to those children's needs. A child 'in need' includes a disabled child (section 17(10)). 'For the purpose principally of facilitating the discharge of' that general duty, every local authority 'shall have the specific duties and powers set out in Part 1 of Schedule 2' to the 1989 Act (section 17(2)).

A child in need is defined under the Children Act 1989 as a child who is unlikely to achieve or maintain a satisfactory level of health or development, or their health and development will be significantly impaired, without the provision of services; or a child who is disabled. In these cases, assessments by a social worker are carried out under section 17 of the Children Act 1989.

Children in need may be assessed under section 17 of the Children Act 1989, in relation to their special educational needs, disabilities, or as a carer (for any need for support under s.17ZA and s.17ZB and must consider such assessment under s.17ZC), or because they have committed a crime. The process for assessment should also be used for children whose parents are in prison

and for asylum seeking children. The definition will include any child or young person under the age of 18.

The provision of services under s.17 may also be arranged where a parent carer's needs assessment has been carried out and considered under sections 17ZD to 17ZF

The services provided by a Local Authority under this section may include providing accommodation, giving assistance in kind, or in exceptional circumstances, in cash and can be subject to conditions as to the repayment of the assistance of its value (in whole or in part) subject to means testing.

Section 47 – Duty to Investigate

Where there is reasonable cause to suspect that a child is suffering, or likely to suffer, significant harm, the local authority is required under s47 of the Children Act 1989 to make enquiries, to enable it to decide whether it should take any action to safeguard and promote the welfare of the child.

The Children Act 1989 places a statutory duty on health, education and other services to help the local authority carry out its social services functions under Part 3 of the Children Act 1989 and section 47 enquiries. All agencies then have a duty to assist and provide information in support of child protection enquiries.

Section 44 – Emergency Protection Powers

The court may make an emergency protection order under section 44 of the Children Act 1989, if it is satisfied that there is reasonable cause to believe that a child is likely to suffer significant harm if the child:

- is not removed to different accommodation provided by the applicant; or
- does not remain in the place in which the child is then being accommodated.

Where the applicant is the local authority, an emergency protection order (EPO) may also be made if enquiries (for example, made under section 47) are being frustrated by access to the child being unreasonably refused to a person authorised to seek access, and the applicant has reasonable cause to believe that access is needed as a matter of urgency. An emergency protection order gives authority to remove a child, and place the child under the protection of the applicant.

Section 20 - Co-operative Agreement Into Care

Some children in need may require accommodation because there is no one who has parental responsibility for them, because they are lost or abandoned or because the person who has been caring for them is prevented from providing them with suitable accommodation or care.

Under section 20 of the Children Act 1989, the local authority has a duty to accommodate such children in need in their area. An Accommodated Child is looked after under Section 20 of the Children Act. This is a voluntarily arranged, co-operative agreement, between the local authority and the parents (or the young person if they are aged over 16). The parents retain full parental responsibility.

Section 31 - Care Orders

Under section 31 of the Children Act 1989, the local authority or any authorised person can apply to the court for a child or young person to become the subject of a care order. Once a care order is made, the local authority obtains parental responsibility in addition to the other parental responsibility holders. Following an application for a care order under section 31A, , the local

authority, , must assess the child's needs and draw up a care plan (or a proposed care plan) which sets out the services which will be provided to meet the child's identified needs.

Both children under Section 20 and those under Section 31 are deemed 'Looked After Children' (LAC).

Independent Reviewing Officer (IRO)

Section 25B sets out the functions of IROs to improve care planning and secure better outcomes for looked after children. IROs have responsibility for monitoring the performance by the local authority of their functions in relation to a child's case, as well as specific duties in relation to the review function. There are now two clear and separate aspects to the function of the IRO:

- chairing the child's review; and
- monitoring the child's case on an ongoing basis including whether any safeguarding issues arise.

The intention is to enable the IRO to have an effective and independent oversight of the child's case to ensure that the care plan represents an effective response to the assessed needs of the child and that progress is being made towards achieving the identified outcomes.

The responsibilities of the IRO include:

- ensuring that care plans for looked after children are based on a detailed and informed assessment, are up to date, effective and provide a real and genuine response to each child's needs;
- identifying any gaps in the assessment process or provision of service;
- offering a safeguard to prevent any 'drift' in care planning and the delivery of services;
- monitoring the activity of the local authority acting as a good corporate parent in taking all reasonable steps to ensure that care plans have given proper consideration and weight to the child's current views, wishes and feelings and that the child fully understands the implications of any changes to their care plan; and
- making sure that the child understands how an advocate could help and his/her entitlement to one.

As part of the monitoring function, the IRO also has a duty to monitor the performance of the local authority's function as a corporate parent and to identify any areas of poor practice. This should include identifying patterns of concerns emerging not just around individual children but also more generally in the collective experience of their looked after children. Where these more general concerns around service delivery are identified, the IRO should immediately alert senior managers to these concerns.

Contact arrangements for a child looked after under a care order

Where a child is in care there is a requirement to promote contact with their family and specific requirements are placed on the local authority in relation to the refusal of contact, departure from the terms of an order made under section 34 (as regards contact with the child's family) and notification, variation or supervision of contact arrangements made under such a section 34 order.

The responsible authority must allow reasonable contact with a child's parents, any guardian and any other person with whom s/he was living under a court order immediately before the care order was made, provided that contact is consistent with the LA's duty to safeguard and promote the welfare of the child

Section 26A of the Children Act 1989 was inserted by section 119 of the Adoption and Children Act 2002. The Advocacy Services and Representations Procedure (Children)(Amendment) Regulations 2004

Advocacy

All local authorities with social services responsibilities should ensure that advocacy services are provided for children and young people making or intending to make a complaint under section 24D or section 26 of the Children Act 1989.

There are further duties imposed on a local authority to publish information about their services, maintain registers and to take reasonable steps to reduce the need for care by local authorities.

Children Act 2004

Section 10 Co-operation to improve well-being

(1) Each children's services authority in England must make arrangements to promote co-operation between—

- (a) the authority;
- (b) each of the authority's relevant partners; and
- (c) such other persons or bodies as the authority consider appropriate, being persons or bodies of any nature who exercise functions or are engaged in activities in relation to children in the authority's area.

(2) The arrangements are to be made with a view to improving the well-being of children in the authority's area so far as relating to—

- (a) physical and mental health and emotional well-being;
- (b) protection from harm and neglect;
- (c) education, training and recreation;
- (d) the contribution made by them to society;
- (e) social and economic well-being.

(3) In making arrangements under this section a children's services authority in England must have regard to the importance of parents and other persons caring for children in improving the well-being of children.

Section 11(2) of the 2004 Act imposes a duty to make arrangements for ensuring that when exercising any function in a way which affects a child are discharged having regard to the need to safeguard and promote the welfare of children.

Childcare Act 2006

The Childcare Act 2006 imposes **general duties upon a local authority in relation to the well-being of young children**. By section 1(1) an "English local authority must (a) improve the well-being of young children in their area and (b) reduce inequalities between young children in their area in relation to the matters mentioned in sub-section (2)..."

By section 3, specific duties are imposed in relation to early childhood services. By section 3(2) those are to "...make arrangements to secure that early childhood services in [a local authority's] area are provided in an integrated manner which is calculated to – (a) facilitate access to those

services, and (b) maximise the benefit of those services to parents, prospective parents and young children". Further subsections require local authorities to take reasonable steps to encourage parents or prospective parents to take advantage of services. They must also involve parents and prospective parents, early years providers and other persons engaged in activities which may improve the well being of young children in the area in the making and implementation of arrangements under s.3. When deciding what arrangements to make the local authority must have regard to the quantity and quality of early childhood services available or that the authority expect to be available in their area, where they are within the area, any information about the views of young children that is available and any guidance given by the Secretary of State.

By section 5A it is provided that:

"(1) Arrangements made by an English local authority under section 3(2) must, so far as is reasonably practicable, include arrangements for sufficient provision for children's centres to meet local need.

(2) "Local need" is the need of parents, prospective parents and young children in the authority's area."

There are further sections relating to the provision of children's centres which should be followed.

By Section 5D it is provided that:-

"(1) An English local authority must secure that such consultation as they think appropriate is carried out -

(a) before making arrangements under section 3(2) for the provision of a children's centre;

(b) before any significant change is made in the services provided through a relevant children's centre;

(c) before anything is done that would result in a relevant children's centre ceasing to be a children's centre."

...

(3) For the purposes of this section a change in the manner in which, or the location at which, services are provided is to be treated as a change in the services.

Section 5A of the 2006 Act is augmented by statutory guidance published by the Secretary of State. It seeks to emphasise that local authorities should ensure that a network of children's centres is accessible to all families with young children in their area; that children's centres and their services are within reasonable reach of all families with young children in urban and rural areas, taking into account distance and availability of transport; and that opening times and availability of services meet the needs of families in their area.

Section 6 Duty to secure sufficient childcare for working parents

(1) An English local authority must secure, so far as is reasonably practicable, that the provision of childcare (whether or not by them) is sufficient to meet the requirements of parents in their area who require childcare in order to enable them—

(a) to take up, or remain in, work, or

(b) to undertake education or training which could reasonably be expected to assist them to obtain work.

(2) In determining for the purposes of subsection (1) whether the provision of childcare is sufficient to meet those requirements, a local authority—

(a) must have regard to the needs of parents in their area for—

(i) the provision of childcare in respect of which the child care element of working tax credit is payable, and

- (ii) the provision of childcare which is suitable for disabled children, and
 - (b) may have regard to any childcare which they expect to be available outside their area.
-

Working together to safeguard children 2015 – HM Government

<http://www.gov.uk/government/publications/working-together-to-safeguard-children--2>

Early help

Providing early help is more effective in promoting the welfare of children than reacting later. Early help means providing support as soon as a problem emerges, at any point in a child's life, from the foundation years through to the teenage years. Early help can also prevent further problems arising, for example, if it is provided as part of a support plan where a child has returned home to their family from care.

Effective early help relies upon local agencies working together to:

- identify children and families who would benefit from early help;
- undertake an assessment of the need for early help; and
- provide targeted early help services to address the assessed needs of a child and their family which focuses on activity to significantly improve the outcomes for the child. Local authorities, under section 10 of the Children Act 2004, have a responsibility to promote inter-agency cooperation to improve the welfare of children

Identifying children and families who would benefit from early help

Local agencies should have in place effective ways to identify emerging problems and potential unmet needs for individual children and families. This requires all professionals, including those in universal services and those providing services to adults with children, to understand their role in identifying emerging problems and to share information with other professionals to support early identification and assessment.

Professionals should, in particular, be alert to the potential need for early help for a child who:

- is disabled and has specific additional needs;
- has special educational needs;
- is a young carer;
- is showing signs of engaging in anti-social or criminal behaviour;
- is in a family circumstance presenting challenges for the child, such as substance abuse, adult mental health problems and domestic violence;
- has returned home to their family from care; and/or
- is showing early signs of abuse and/or neglect.

Provision of effective early help services

The early help assessment carried out for an individual child and their family should be clear about the action to be taken and services to be provided (including any relevant timescales for the assessment) and aim to ensure that early help services are coordinated and not delivered in a piecemeal way.

Local areas should have a range of effective, evidence-based services in place to address assessed needs early. The early help on offer should draw upon the local assessment of need and the latest evidence of the effectiveness of early help and early intervention programmes. In addition to high quality support in universal services, specific local early help services will typically

include family and parenting programmes, assistance with health issues and help for problems relating to drugs, alcohol and domestic violence. Services may also focus on improving family functioning and building the family's own capability to solve problems; this should be done within a structured, evidence-based framework involving regular review to ensure that real progress is being made. Some of these services may be delivered to parents but should always be evaluated to demonstrate the impact they are having on the outcomes for the child.

EDUCATION FUNCTIONS OF LOCAL AUTHORITIES

The Education Act 1996 (as amended) outlines a number of specific duties and powers of the local authority as follows:

13A Duty to promote high standards and fulfilment of potential

(1) A local authority in England must ensure that their relevant education functions and their relevant training functions are (so far as they are capable of being so exercised) exercised by the authority with a view to--

- (a) promoting high standards,
- (b) ensuring fair access to opportunity for education and training, and
- (c) promoting the fulfilment of learning potential by every person to whom this subsection applies.

(2) Subsection (1) applies to the following--

- (a) persons under the age of 20;
- (b) persons aged 20 or over and for whom an EHC plan is maintained.

...

(5) In this section--

"education" and "training" have the same meanings as in section 15ZA;

"relevant education function", in relation to a local authority in England, means a function relating to the provision of education for--

- (a) persons of compulsory school age (whether at school or otherwise);
- (b) persons (whether at school or otherwise) who are over compulsory school age and to whom subsection (1) applies;
- (c) persons who are under compulsory school age and are registered as pupils at schools maintained by the authority;

...

"relevant training function" means a function relating to the provision of training.

S.14 of the Education Act 1996 places a duty on the local authority to secure that sufficient schools are available for the provision of appropriate primary and secondary education.

S.14(3A) requires that a local authority exercises its functions in respect of the provision of primary and secondary schools with a view to:

- “(a) securing diversity in the provision of schools, and
- (b) increasing opportunities for parental choice.”

14A Duty of local education authority to consider parental representations

(1) Where a local authority in England receive any representation from a parent of a qualifying child as to the exercise by the authority of their functions under section 14, the authority shall—

- (a) consider the representation and what action (if any) to take in response to it, and
- (b) within a reasonable time provide the parent with a statement setting out—
 - (i) any action which the authority propose to take in response to the representation, or
 - (ii) where the authority are of the opinion that no such action is necessary, their reasons for being of that opinion.

Sections 15A and 18A of the Education Act 1996 (and Part 3 of the Children and Families Act 2014 – see below) requires local authorities to secure sufficient suitable education and training provision for all young people in their area who are over compulsory school age but under 19 or aged 19 to 25 and for whom an Education, Health and Care (EHC) plan is maintained.

436A Duty to make arrangements to identify children not receiving education

(1) A local education authority must make arrangements to enable them to establish (so far as it is possible to do so) the identities of children in their area who are of compulsory school age but—

- (a) are not registered pupils at a school, and
- (b) are not receiving suitable education otherwise than at a school.

(2) In exercising their functions under this section a local authority must have regard to any guidance given from time to time by the Secretary of State.

(3) In this Chapter, “suitable education”, in relation to a child, means efficient full-time education suitable to his age, ability and aptitude and to any special educational needs he may have.

507A LEAs in England: functions in respect of recreational and training facilities for children under 13

(1) A local authority in England must secure that the facilities for primary and secondary education provided for their area include adequate facilities for recreation and social and physical training for children who have not attained the age of 13.

(2) For the purposes of subsection (1) a local authority may—

- (a) establish, maintain and manage, or assist the establishment, maintenance and management of—
 - (i) camps, holiday classes, playing fields, play centres, and
 - (ii) other places, including playgrounds, gymnasiums and swimming baths not appropriated to any school or other educational institution, at which facilities for recreation and social and physical training are available for persons receiving primary or secondary education;
- (b) organise games, expeditions and other activities for such persons; and
- (c) defray, or contribute towards, the expenses of such games, expeditions and other activities.

(3) When making arrangements for the provision of facilities or the organisation of activities in the exercise of their powers under subsection (2), a local authority must, in particular, have regard to the expediency of co-operating with any voluntary societies or bodies whose objects include the provision of facilities or the organisation of activities of a similar character.

507B Local Authorities

(1) A local authority in England must, so far as reasonably practicable, secure for qualifying young persons in the authority’s area access to—

- (a) sufficient educational leisure-time activities which are for the improvement of their well-being, and sufficient facilities for such activities; and
- (b) sufficient recreational leisure-time activities which are for the improvement of their well-being, and sufficient facilities for such activities.
- (2) “Qualifying young persons”, for the purposes of this section, are—
- (a) persons who have attained the age of 13 but not the age of 20; and
- (b) persons who have attained the age of 20 but not the age of 25 and have a learning difficulty or disability (within the meaning of section 15ZA(6)(a) and (7)).
- (3) For the purposes of subsection (1)(a)—
- (a) “sufficient educational leisure-time activities” which are for the improvement of the well-being of qualifying young persons in the authority's area must include sufficient educational leisure-time activities which are for the improvement of their personal and social development, and
- (b) “sufficient facilities for such activities” must include sufficient facilities for educational leisure-time activities which are for the improvement of the personal and social development of qualifying young persons in the authority's area.
- (4) References in the remaining provisions of this section to “positive leisure-time activities” are references to any activities falling within paragraph (a) or (b) of subsection (1).
- (5) For the purposes of subsection (1) a local authority may—
- (a) provide facilities for positive leisure-time activities;
- (b) assist others in the provision of such facilities;
- (c) make arrangements for facilitating access for qualifying young persons to such facilities;
- (d) organise positive leisure-time activities;
- (e) assist others in the organisation of such activities;
- (f) make arrangements for facilitating access for qualifying young persons to such activities;
- (g) enter into agreements or make arrangements with any person in connection with anything done or proposed to be done under any of paragraphs (a) to (f);
- (h) take any other action which the authority think appropriate.
- (6) For the purposes of subsection (5)—
- (a) the provision mentioned in paragraph (a) may include establishing, maintaining and managing places at which facilities for positive leisure-time activities are provided;
- (b) the assistance mentioned in paragraphs (b) and (e) may include the provision of financial assistance;
- (c) the arrangements mentioned in paragraphs (c) and (f) may include the provision of transport, of financial assistance or of information to any person.
- (7) Before taking any action for the purposes of subsection (1) (“the proposed action”), a local authority must—
- (a) consider whether it is expedient for the proposed action to be taken by another person, and
- (b) where the authority consider that it is so expedient, take all reasonable steps to enter into an agreement or make arrangements with such a person for that purpose.
- (8) For the purposes of subsection (7)(a) a local authority must consult such persons as the authority think appropriate as to whether it is expedient for the proposed action to be taken by another person.
- (9) In exercising their functions under this section a local authority must—
- (a) take steps to ascertain the views of qualifying young persons in the authority's area about—
- (i) positive leisure-time activities, and facilities for such activities, in the authority's area;
- (ii) the need for any additional such activities and facilities;
- and
- (iii) access to such activities and facilities; and
- (b) secure that the views of qualifying young persons in the authority's area are taken into account.
- (10) A local authority in England must—
- (a) publicise information about positive leisure-time activities, and facilities for such activities, in the authority's area, and
- (b) keep the information publicised under paragraph (a) up to date.
- (11) A local authority may charge in respect of anything provided by the authority under this section where the provision is to a qualifying young person (whether or not in the authority's area).

(12) In exercising their functions under this section a local authority must have regard to any guidance given from time to time by the Secretary of State.

(13) In this section—

“recreation” includes physical training (and “recreational” is to be construed accordingly);

“sufficient”, in relation to activities or facilities, means sufficient having regard to quantity;

“well-being”, in relation to a person, means his well-being so far as relating to—

(a) physical and mental health and emotional well-being;

(b) protection from harm and neglect;

(c) education, training and recreation;

(d) the contribution made by him to society;

(e) social and economic well-being.”

508A Local authorities

(1) A local authority in England must—

(a) prepare for each academic year a document containing their strategy to promote the use of sustainable modes of travel to meet the school travel needs of their area (“a sustainable modes of travel strategy”),

(b) publish the strategy in such manner and by such time as may be prescribed, and

(c) promote the use of sustainable modes of travel to meet the school travel needs of their area.

(2) Before preparing a sustainable modes of travel strategy, an authority must in particular—

(a) assess the school travel needs of their area, and

(b) assess the facilities and services for sustainable modes of travel to, from and within their area.

(3) “Sustainable modes of travel” are modes of travel which the authority consider may improve either or both of the following—

(a) the physical well-being of those who use them;

(b) the environmental well-being of the whole or a part of their area.

(4) The “school travel needs” of a local authority's area are—

(a) the needs of children and persons of sixth form age in the authority's area as regards travel mentioned in subsection (5), and

(b) the needs of other children and persons of sixth form age as regards travel mentioned in subsection (6).

(5) The needs of children and persons of sixth form age in the authority's area as regards travel referred to in subsection (4)(a) are their needs as regards travel to and from—

(a) schools at which they receive or are to receive education or training,

(b) institutions within the further education sector, or 16 to 19 Academies, at which they receive or are to receive education or training, or

(c) any other places where they receive or are to receive education by virtue of arrangements made in pursuance of section 19(1).

(6) The needs of other children and persons of sixth form age as regards travel referred to in subsection (4)(b) are their needs as regards travel to and from—

(a) schools at which they receive or are to receive education or training,

(b) institutions within the further education sector, or 16 to 19 Academies, at which they receive or are to receive education or training, or

(c) any other places where they receive or are to receive education by virtue of arrangements made in pursuance of section 19(1),

in so far as that travel relates to travel within the authority's area.

(7) The Secretary of State must issue, and may from time to time revise, guidance in relation to the discharge by a local authority of their duties under this section.

...

(9) In discharging their duties under this section an authority must—

(a) consult such persons as they consider appropriate, and

(b) have regard to any guidance given from time to time by the Secretary of State under subsection (7).

(10) References in this section to persons of sixth form age are to be construed in accordance with subsection (1) of section 509AC.

(11) In this section, “academic year” has the same meaning as in section 509AC in the case of local authorities in England.

The Education and Skills Act 2008 (as updated)

This Act requires local authorities to make available to all young people aged 13-19 and those between 20-25 with special educational needs and disabilities, support that will encourage, enable or assist them to participate in education or training under s.68 of the Act (ie a duty to make available such services as considered appropriate to encourage, enable or assist the effective participation of those persons in education or training).

The Act also places duties on local authorities to promote the effective participation in education and training of 16 and 17 year olds in their area with a view to ensuring that those persons fulfil the duty to participate in education or training (s.10 Education and Skills Act 2008) and to also identify those 16 and 17 year olds who are not participating in education or training (s.12 Education and Skills Act 2008).

Duties under the **Education and Inspections Act 2006** include:

60 Performance standards and safety warning notice

(1) A maintained school is by virtue of this section eligible for intervention if—

(a) a relevant authority have given the governing body a warning notice in accordance with subsection (2),

(b) the period for compliance specified in the notice (“the compliance period”) has expired,

(c) the governing body have failed to comply, or secure compliance, with the notice to the relevant authority's satisfaction by the end of the compliance period, and

(d) the relevant authority have given reasonable notice in writing to the governing body that the authority proposes to exercise the authority's powers under any one or more of sections 63 to 69 (whether or not the notice is combined with a notice under section 62(2A)(c) of SSFA 1998).

(2) A relevant authority may give a warning notice to the governing body of a maintained school where the authority are satisfied—

(a) that the standards of performance of pupils at the school are unacceptably low, and are likely to remain so unless the authority exercise their powers under this Part, or

(b) that there has been a serious breakdown in the way the school is managed or governed which is prejudicing, or likely to prejudice, such standards of performance, or

(c) that the safety of pupils or staff of the school is threatened (whether by a breakdown of discipline or otherwise).

(3) For the purposes of subsection (2)(a) the standards of performance of pupils at a school are low if they are low by reference to any one or more of the following—

(a) the standards that the pupils might in all the circumstances reasonably be expected to attain,

(b) where relevant, the standards previously attained by them, or

(c) the standards attained by pupils at comparable schools.

(4) For the purposes of this section a “warning notice” is a notice in writing by the relevant authority setting out—

(a) the matters on which the conclusion mentioned in subsection (2) is based,

(b) the action which they require the governing body to take in order to remedy those matters,

(c) the compliance period for the purposes of subsection (1)(c), and

(d) the action which the relevant authority are minded to take (under one or more of sections 63 to 69 or otherwise) if the governing body fail to take the required action.

(4A) If a local authority are notified that the Secretary of State has given a warning notice to the governing body of a maintained school the local authority may not give a warning notice unless or until the Secretary of State informs them that they may.

(4B) If the Secretary of State gives a warning notice to the governing body of a maintained school, any earlier warning notice given to the maintained school by the local authority ceases to have effect from that time.

...

(6) The relevant authority must, at the same time as giving the governing body the warning notice, give a copy of the notice to each of the following persons—

- (a) the Chief Inspector,
- (b) the head teacher of the school,
- (c) in the case of a Church of England school or a Roman Catholic Church school, the appropriate diocesan authority, and
- (d) in the case of a foundation or voluntary school, the person who appoints the foundation governors.

(6A) If a local authority give a warning notice to the governing body of a maintained school they must, at the same time, give a copy of it to the Secretary of State.

(6B) If the Secretary of State gives a warning notice to the governing body of a maintained school the Secretary of State must, at the same time, give a copy of it to the local authority.

(10) In this section “relevant authority” means—

- (a) the local authority, or
- (b) the Secretary of State.

63 Power of local authority to require governing body to enter into arrangements

(1) If at any time a maintained school is eligible for intervention other than by virtue of section 60A, then (subject to subsection (3)) the local authority may, with a view to improving the performance of the school, give the governing body of the school a notice requiring the governing body—

- (a) to enter into a contract or other arrangement with a specified person (who may be the governing body of another school) for the provision to the governing body of specified services of an advisory nature,
- (b) to make specified arrangements authorised by section 26 of EA 2002 (collaboration between schools) with the governing body of such other school as may be specified,
- (c) to make specified arrangements authorised by regulations under section 166 of this Act (collaboration arrangements: maintained schools and further education bodies) with a further education body within the meaning of that section, or
- (d) to take specified steps for the purpose of creating or joining a federation, as defined by section 24(2) of EA 2002.

(2) Before exercising the power conferred by subsection (1), the local authority must consult—

- (a) the governing body of the school,
- (b) in the case of a foundation or voluntary school which is a Church of England school or a Roman Catholic Church school, the appropriate diocesan authority, and
- (c) in the case of any other foundation or voluntary school, the person or persons by whom the foundation governors are appointed.

(3) Where the school is eligible for intervention by virtue of section 60 (school subject to performance standards and safety warning), the power conferred by subsection (1) is only exercisable within the period of two months following the end of the compliance period (as defined by section 60(1)(b)).

(4) A notice under subsection (1)(a) may require the contract or other arrangement to contain specified terms and conditions.

64 Power of local authority etc. to appoint additional governors

(1) If at any time a maintained school is eligible for intervention, then (subject to subsection (2)) the local authority may appoint such number of additional governors as they think fit.

Subsection (2) relates to when the power can be exercised.

There are further requirements relating to the exercise of intervention powers contained within the Act.

Children and Families Act 2014

CHILDREN AND YOUNG PEOPLE IN ENGLAND WITH SPECIAL EDUCATIONAL NEEDS OR DISABILITIES

19 Local authority functions: supporting and involving children and young people

In exercising a function under this Part in the case of a child or young person, a local authority in England must have regard to the following matters in particular—

- (a) the views, wishes and feelings of the child and his or her parent, or the young person;
- (b) the importance of the child and his or her parent, or the young person, participating as fully as possible in decisions relating to the exercise of the function concerned;
- (c) the importance of the child and his or her parent, or the young person, being provided with the information and support necessary to enable participation in those decisions;
- (d) the need to support the child and his or her parent, or the young person, in order to facilitate the development of the child or young person and to help him or her achieve the best possible educational and other outcomes.

22 Identifying children and young people with special educational needs and disabilities

A local authority in England must exercise its functions with a view to securing that it identifies—

- (a) all the children and young people in its area who have or may have special educational needs, and
- (b) all the children and young people in its area who have a disability

24 When a local authority is responsible for a child or young person

(1) A local authority in England is responsible for a child or young person if he or she is in the authority's area and has been—

- (a) identified by the authority as someone who has or may have special educational needs, or
- (b) brought to the authority's attention by any person as someone who has or may have special educational needs.

25 Promoting integration

(1) A local authority in England must exercise its functions under this Part with a view to ensuring the integration of educational provision and training provision with health care provision and social care provision, where it thinks that this would—

- (a) promote the well-being of children or young people in its area who have special educational needs or a disability, or
- (b) improve the quality of special educational provision—
 - (i) made in its area for children or young people who have special educational needs, or
 - (ii) made outside its area for children or young people for whom it is responsible who have special educational needs.

(2) The reference in subsection (1) to the well-being of children and young people is to their well-being so far as relating to—

- (a) physical and mental health and emotional well-being;

- (b) protection from abuse and neglect;
- (c) control by them over their day-to-day lives;
- (d) participation in education, training or recreation;
- (e) social and economic well-being;
- (f) domestic, family and personal relationships;
- (g) the contribution made by them to society.

26 Joint commissioning arrangements

- (1) A local authority in England and its partner commissioning bodies must make arrangements (“joint commissioning arrangements”) about the education, health and care provision to be secured for—
- (a) children and young people for whom the authority is responsible who have special educational needs, and
 - (b) children and young people in the authority’s area who have a disability.
- (2) In this Part “education, health and care provision” means—
- (a) special educational provision;
 - (b) health care provision;
 - (c) social care provision.
- (3) Joint commissioning arrangements must include arrangements for considering and agreeing—
- (a) the education, health and care provision reasonably required by—
 - (i) the learning difficulties and disabilities which result in the children and young people within subsection (1)(a) having special educational needs, and
 - (ii) the disabilities of the children and young people within subsection (1)(b);
 - (b) what education, health and care provision is to be secured;
 - (c) by whom education, health and care provision is to be secured;
 - (d) what advice and information is to be provided about education, health and care provision;
 - (e) by whom, to whom and how such advice and information is to be provided;
 - (f) how complaints about education, health and care provision may be made and are to be dealt with;
 - (g) procedures for ensuring that disputes between the parties to the joint commissioning arrangements are resolved as quickly as possible.
- (4) Joint commissioning arrangements about securing education, health and care provision must in particular include arrangements for—
- (a) securing EHC needs assessments;
 - (b) securing the education, health and care provision specified in EHC plans;
 - (c) agreeing personal budgets under section 49.
- (5) Joint commissioning arrangements may also include other provision.
- (6) The parties to joint commissioning arrangements must—
- (a) have regard to them in the exercise of their functions, and
 - (b) keep them under review.
- (7) Section 116B of the Local Government and Public Involvement in Health Act 2007 (duty to have regard to assessment of relevant needs and joint health and wellbeing strategy) applies in relation to functions exercisable under this section.
- (8) A local authority’s “partner commissioning bodies” are—
- (a) the National Health Service Commissioning Board, to the extent that it is under a duty under section 3B of the National Health Service Act 2006 to arrange for the provision of services or facilities for—
 - (i) any children and young people for whom the authority is responsible who have special educational needs, or
 - (ii) any children and young people in the authority’s area who have a disability, and
 - (b) each clinical commissioning group that is under a duty under section 3 of that Act to arrange for the provision of services or facilities for any children and young people within paragraph (a).

(9) Regulations may prescribe circumstances in which a clinical commissioning group that would otherwise be a partner commissioning body of a local authority by virtue of subsection (8)(b) is to be treated as not being a partner commissioning body of the authority.

27 Duty to keep education and care provision under review

(1) A local authority in England must keep under review—

- (a) the educational provision, training provision and social care provision made in its area for children and young people who have special educational needs or a disability, and
- (b) the educational provision, training provision and social care provision made outside its area for—

- (i) children and young people for whom it is responsible who have special educational needs, and
- (ii) children and young people in its area who have a disability.

(2) The authority must consider the extent to which the provision referred to in subsection (1)(a) and (b) is sufficient to meet the educational needs, training needs and social care needs of the children and young people concerned.

(3) In exercising its functions under this section, the authority must consult—

- (a) children and young people in its area with special educational needs, and the parents of children in its area with special educational needs;
- (b) children and young people in its area who have a disability, and the parents of children in its area who have a disability;
- (c) the governing bodies of maintained schools and maintained nursery schools in its area;
- (d) the proprietors of Academies in its area;
- (e) the governing bodies, proprietors or principals of post-16 institutions in its area;
- (f) the governing bodies of non-maintained special schools in its area;
- (g) the advisory boards of children's centres in its area;
- (h) the providers of relevant early years education in its area;
- (i) the governing bodies, proprietors or principals of other schools and post-16 institutions in England and Wales that the authority thinks are or are likely to be attended by—
 - (i) children or young people for whom it is responsible, or
 - (ii) children or young people in its area who have a disability;
- (j) a youth offending team that the authority thinks has functions in relation to—
 - (i) children or young people for whom it is responsible, or
 - (ii) children or young people in its area who have a disability;
- (k) such other persons as the authority thinks appropriate.

(4) Section 116B of the Local Government and Public Involvement in Health Act 2007 (duty to have regard to assessment of relevant needs and joint health and wellbeing strategy) applies in relation to functions exercisable under this section.

(5) “Children's centre” has the meaning given by section 5A(4) of the Childcare Act 2006.

28 Co-operating generally: local authority functions

(1) A local authority in England must co-operate with each of its local partners, and each local partner must co-operate with the authority, in the exercise of the authority's functions under this Part.

(2) Each of the following is a local partner of a local authority in England for this purpose—

- (a) where the authority is a county council for an area for which there is also a district council, the district council;
- (b) the governing body of a maintained school or maintained nursery school that is maintained by the authority or provides education or training for children or young people for whom the authority is responsible;
- (c) the proprietor of an Academy that is in the authority's area or provides education or training for children or young people for whom the authority is responsible;
- (d) the proprietor of a non-maintained special school that is in the authority's area or provides education or training for children or young people for whom the authority is responsible;

- (e) the governing body of an institution within the further education sector that is in the authority's area, or is attended, or likely to be attended, by children or young people for whom the authority is responsible;
 - (f) the management committee of a pupil referral unit that is in the authority's area, or is in England and is or is likely to be attended by children or young people for whom the authority is responsible;
 - (g) the proprietor of an institution approved by the Secretary of State under section 41 (independent special schools and special post 16 institutions: approval) that is in the authority's area, or is attended, or likely to be attended, by children or young people for whom the authority is responsible;
 - (h) any other person (other than a school or post-16 institution) that makes special educational provision for a child or young person for whom the authority is responsible;
 - (i) a youth offending team that the authority thinks has functions in relation to children or young people for whom it is responsible;
 - (j) a person in charge of relevant youth accommodation—
 - (i) in which there are detained persons aged 18 or under for whom the authority was responsible immediately before the beginning of their detention, or
 - (ii) that the authority thinks is accommodation in which such persons are likely to be detained;
 - (k) the National Health Service Commissioning Board;
 - (l) a clinical commissioning group—
 - (i) whose area coincides with, or falls wholly or partly within, the authority's area, or
 - (ii) which is under a duty under section 3 of the National Health Service Act 2006 to arrange for the provision of services or facilities for any children and young people for whom the authority is responsible;
 - (m) an NHS trust or NHS foundation trust which provides services in the authority's area, or which exercises functions in relation to children or young people for whom the authority is responsible;
 - (n) a Local Health Board which exercises functions in relation to children or young people for whom the authority is responsible.
- (3) A local authority in England must make arrangements for ensuring co-operation between—
- (a) the officers of the authority who exercise the authority's functions relating to education or training,
 - (b) the officers of the authority who exercise the authority's social services functions for children or young people with special educational needs, and
 - (c) the officers of the authority, so far as they are not officers within paragraph (a) or (b), who exercise the authority's functions relating to provision which is within section 30(2)(e) (provision to assist in preparing children and young people for adulthood and independent living).
- (4) Regulations may prescribe circumstances in which a clinical commissioning group that would otherwise be a local partner of a local authority by virtue of subsection (2)(l)(ii) is to be treated as not being a local partner of the authority.

29 Co-operating generally: governing body functions

- (1) This section applies where an appropriate authority for a school or post-16 institution mentioned in subsection (2) has functions under this Part.
- (2) The schools and post-16 institutions referred to in subsection (1) are—
 - (a) mainstream schools;
 - (b) maintained nursery schools;
 - (c) 16 to 19 Academies;
 - (d) institutions within the further education sector;
 - (e) pupil referral units;
 - (f) alternative provision Academies.
- (3) The appropriate authority must co-operate with each responsible local authority, and each responsible local authority must co-operate with the appropriate authority, in the exercise of those functions.

- (4) A responsible local authority, in relation to an appropriate authority for a school or post-16 institution mentioned in subsection (2), is a local authority in England that is responsible for any child or young person who is a registered pupil or a student at the school or post-16 institution.
- (5) The “appropriate authority” for a school or post-16 institution is—
- (a) in the case of a maintained school, maintained nursery school, or institution within the further education sector, the governing body;
 - (b) in the case of an Academy, the proprietor;
 - (c) in the case of a pupil referral unit, the management committee.

30 Local offer

- (1) A local authority in England must publish information about—
- (a) the provision within subsection (2) it expects to be available in its area at the time of publication for children and young people who have special educational needs or a disability, and
 - (b) the provision within subsection (2) it expects to be available outside its area at that time for—
 - (i) children and young people for whom it is responsible, and
 - (ii) children and young people in its area who have a disability.
- (2) The provision for children and young people referred to in subsection (1) is—
- (a) education, health and care provision;
 - (b) other educational provision;
 - (c) other training provision;
 - (d) arrangements for travel to and from schools and post-16 institutions and places at which relevant early years education is provided;
 - (e) provision to assist in preparing children and young people for adulthood and independent living.
- (3) For the purposes of subsection (2)(e), provision to assist in preparation for adulthood and independent living includes provision relating to—
- (a) finding employment;
 - (b) obtaining accommodation;
 - (c) participation in society.
- (4) Information required to be published by an authority under this section is to be known as its “local offer”.
- (5) A local authority must keep its local offer under review and may from time to time revise it.
- (6) A local authority must from time to time publish—
- (a) comments about its local offer it has received from or on behalf of—
 - (i) children and young people with special educational needs, and the parents of children with special educational needs, and
 - (ii) children and young people who have a disability, and the parents of children who have a disability, and
 - (b) the authority's response to those comments (including details of any action the authority intends to take).
- (7) Comments published under subsection (6)(a) must be published in a form that does not enable the person making them to be identified.
- (8) Regulations may make provision about—
- (a) the information to be included in an authority's local offer;
 - (b) how an authority's local offer is to be published;
 - (c) who is to be consulted by an authority in preparing and reviewing its local offer;
 - (d) how an authority is to involve—
 - (i) children and young people with special educational needs, and the parents of children with special educational needs, and
 - (ii) children and young people who have a disability, and the parents of children who have a disability,
 in the preparation and review of its local offer;

- (e) the publication of comments on the local offer, and the local authority's response, under subsection (6) (including circumstances in which comments are not required to be published).
- (9) The regulations may in particular require an authority's local offer to include—
 - (a) information about how to obtain an EHC needs assessment;
 - (b) information about other sources of information, advice and support for—
 - (i) children and young people with special educational needs and those who care for them, and
 - (ii) children and young people who have a disability and those who care for them;
 - (c) information about gaining access to provision additional to, or different from, the provision mentioned in subsection (2);
 - (d) information about how to make a complaint about provision mentioned in subsection (2).

32 Advice and information

- (1) A local authority in England must arrange for children and young people for whom it is responsible, and the parents of children for whom it is responsible, to be provided with advice and information about matters relating to the special educational needs of the children or young people concerned.
- (2) A local authority in England must arrange for children and young people in its area with a disability, and the parents of children in its area with a disability, to be provided with advice and information about matters relating to the disabilities of the children or young people concerned.
- (3) The authority must take such steps as it thinks appropriate for making the services provided under subsections (1) and (2) known to—
 - (a) the parents of children in its area;
 - (b) children in its area;
 - (c) young people in its area;
 - (d) the head teachers, proprietors and principals of schools and post-16 institutions in its area.
- (4) The authority may also take such steps as it thinks appropriate for making the services provided under subsections (1) and (2) known to such other persons as it thinks appropriate.

Powers and duties relating to the assessment, preparation and finalising an EHC plan and the provision of services under an EHC plan are detailed in Part 3 of the Children and Families Act 2014 including sections 33 to 48.

Academies Act 2010

S5B provides that where a school is subject to an academy order the governing body and its relevant local authority must work towards the school's successful conversion into an academy by taking all reasonable steps necessary.

Section 3 of the Local Government Act 1999 ('the 1999 Act')

Section 3(1) of the 1999 Act imposes a duty on a local authority 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'.

Section 3(2) requires a local authority to **consult various people** 'for the purpose of' deciding how to fulfil the duty imposed by section 3(1). In deciding how to fulfil that duty, and in making decisions about consultation, a local authority must have regard to guidance issued by Secretary of State.

The statutory guidance is short. It is aimed specifically at, and 'sets out clear expectations for' councils which are 'considering changing funding to local voluntary or community groups'. Paragraph 7 of the guidance says that '**Authorities should seek to avoid passing on**

disproportionate reductions – by not passing on larger reductions to the voluntary and community sector and small businesses as a whole than they take on’.

The Statutory Framework for Care Planning

as detailed in statutory guidance: The Children Act 1989 guidance and regulations
Volume 2: care planning, placement and case review Issued by the Department of Education June 2015

Overarching Framework	Work Area	Useful Documents
Care Planning, Placement, and Case Review Regulations and statutory guidance	Social care standards and guidance	<ul style="list-style-type: none"> - Children Act 1989: care planning, placement and case review - Children Act 1989: court orders - Directors of children's services: roles and responsibilities - Children's social care: getting the best from complaints - Information sharing for practitioners and managers
	Health and wellbeing	<ul style="list-style-type: none"> - Promoting the health and wellbeing of looked-after children - Care of unaccompanied and trafficked children - Children who run away or go missing from home or care - Working together to safeguard children
Care Planning	Support in education	<ul style="list-style-type: none"> - Promoting the education of looked-after children - Designated teacher for looked-after children - SEND: guide for social care professionals
	Financial support	<ul style="list-style-type: none"> - Pupil premium: virtual school heads' responsibilities - Junior Individual saving accounts for looked-after children
Placements	Accommodation	<ul style="list-style-type: none"> - Children's homes regulations amendments 2014 - Provision of accommodation for 16 and 17 year olds who may be homeless and/or require accommodation - Securing sufficient accommodation for looked-after children
	Friends and family care	<ul style="list-style-type: none"> - Children Act 1989: family and friends care
	Special guardianship	<ul style="list-style-type: none"> - Special guardianship guidance
	Social care standards and guidance	<ul style="list-style-type: none"> - Placement of looked-after children in EU member states
Adoption Fostering Children's Homes	National Minimum Standards	<ul style="list-style-type: none"> - Children's homes: national minimum standards - Adoption: national minimum standards - Fostering services: national minimum standards
	Regulations	<ul style="list-style-type: none"> - The Fostering Services (England) Regulations 2011 - The Children's Homes (England) Regulations 2015
Case Review	Advocacy	<ul style="list-style-type: none"> - Advocacy services for children and young people - Independent reviewing officers' handbook - Supporting looked-after children with communication needs
	Social care standards and guidance	<ul style="list-style-type: none"> - Children's social care: getting the best from complaints
Ceasing to be looked after	Care leavers and former looked-after children	<ul style="list-style-type: none"> - Children Act 1989: transition to adulthood for care leavers - Care leaver strategy
Short breaks	Short break care	<ul style="list-style-type: none"> - Short breaks for disabled children
Case records	Records	<ul style="list-style-type: none"> - Data protection Act 1998
Arrangements in youth justice system	Youth Justice	<ul style="list-style-type: none"> - Children Act 1989: former looked-after children in custody

Equality Act 2010 duties

Any proposals which relate to a change to e-forms or a change to the processes/procedures (including electronic) the need to ensure universal access to all service users remains and appropriate impact assessments and actions should be taken to ensure the Equality Act 2010 is complied with.

Charging for services

There are various general powers to carry out and charge for discretionary services provided to external bodies and to service users:

S.111 Local Government Act 1972 allows the Council to do anything “*which is calculated to facilitate, or is conducive or incidental to, the discharge of any of [its] functions*” and S.1 Local Authorities (Goods and Services) Act 1970 allows local authorities to trade with other public bodies by agreement.

The Local Government Act 2003 allows the Council to charge for discretionary services unless expressly prohibited from doing so (S.93) although it also limits the power to ensure that the income from such charges does not exceed the cost of provision.

In addition, the Localism Act 2011 gives Local Authorities the power to do anything which an individual would be able to do provided the Local Authority is not otherwise prohibited from taking such action (the general power of competence).

The Localism Act also gives the power to charge for any services provided under the general power of competence although the charges made should not exceed the cost of provision of those services.

The basis of the power to provide and charge for a service should be determined so the appropriate charges can be calculated correctly according to the relevant legislation.

Statutory Requirements - Community Services

Transport - The Transport Acts 1985 and 2008,

Section 57 Passenger Transport Areas, Authorities and Executives.

9A General functions of Passenger Transport Authorities and Executives.

- (1) It shall be the duty of the Authority for any passenger transport area to formulate from time to time general policies with respect to the descriptions of public passenger transport services they consider it appropriate for the Executive for their area to secure for the purpose of meeting any public transport requirements within their area which in the view of the Authority would not be met apart from any action taken by the Executive for that purpose.
- (2) The Authority shall seek and have regard to the advice of the Executive for their area in formulating their policies under subsection (1) of this section.
- (3) It shall be the duty of the Executive for any passenger transport area to secure the provision of such public passenger transport services as they consider it appropriate to secure for meeting any public transport requirements within their area in accordance with policies formulated by the Authority for their area under subsection (1) of this section.
- (4) The Executive shall have power to enter into an agreement providing for service subsidies for the purpose of securing the provision of any service under subsection (3) of this section; but their power to do so—
 - (a) shall be exercisable only where the service in question would not be provided without subsidy; and
 - (b) is subject to sections 89 to 92 of the Transport Act 1985 (tendering for local services, etc.).
- (5) Where it appears to the Authority for any passenger transport area that it would be appropriate for the Executive for that area to take any measures for the purpose of or in connection with promoting, so far as relates to that area—
 - (a) the availability of public passenger transport services other than subsidised services and the operation of such services, in conjunction with each other and with any available subsidised services, so as to meet any public transport requirements the Authority consider it appropriate to meet; or
 - (b) the convenience of the public (including persons who are elderly or disabled) in using all available public passenger transport services (whether subsidised or not);the Authority may from time to time formulate general policies with respect to the description of such measures to be taken by the Executive for that area, and the Executive shall take such measures for the purpose or in the connection mentioned above as appear to them to be appropriate for carrying out those policies.
- (6) It shall be the duty—
 - (a) of the Authority for any passenger transport area, in formulating any such policies; and
 - (b) of the Executive for any passenger transport area, in carrying out any such policies; so to conduct themselves as not to inhibit competition between persons providing or seeking to provide public passenger transport services in their area.
- (7) It shall be the duty both of the Authority and of the Executive for any passenger transport area, in exercising or performing any of their functions under the preceding provisions of this section, to have regard to the transport needs of members of the public who are elderly or disabled.

The Travel Concessions (Eligibility) Act 2002

The Council has a duty as a Travel Concession Authorities (TCA) under the Transport Act 2000 and the Travel Concessions (Eligibility) Act 2002 to issue statutory travel concession permits, on request and without charge, to older people on public passenger transport (until 31 March 2010 this was defined as aged 60, but is now tied to the date at which a woman of the applicant's age would be eligible to receive a state pension) and disabled people. Originally applying to travel within the Council's area, from April 2008 this was extended to apply to travel throughout England.

School Transport

Section 508B of the Education Act 1996 requires local authorities to make such school travel arrangements as they consider necessary for children within their area, for the purpose of facilitating the attendance of persons (not of sixth form age) receiving education or training at an institution. **Such arrangements must be provided free of charge.**

“Statutory walking distance” is two miles for children aged under eight, and three miles for children aged eight and over. The measurement of the “statutory walking distance” is not necessarily the shortest distance by road. It is measured by the shortest route along which a child, accompanied as necessary, may walk with reasonable safety. As such, the route measured may include footpaths, bridleways, and other pathways, as well as recognised roads.

Section 508C of the Act gives local authorities discretionary powers to make school travel arrangements for other children not covered by section 508B. **Such transport does not have to be provided free of charge.**

Examples of other bodies or persons making travel arrangements might include: a parent consenting to use of their car in return for a mileage allowance; a school, or group of schools reaching an agreement with a local authority to provide transport in minibuses owned by the school; or a transport authority providing free passes for all children on public transport.

Subsection (4) of 508B and 508C of the Act list some of the travel and transport arrangements that may be made. These might include: provision of a seat on a bus or minibus provided by the local authority; provision of a seat in a taxi where more individualised arrangements are necessary; and provision of a pass for a public service bus, or other means of public transport.

On condition that the relevant parental consent has been obtained by the local authority, a number of allowances and other arrangements might be considered to meet the local authority duty relating to travel arrangements. Examples include:

- a mileage allowance paid to a parent driving their “eligible child” to school in lieu of the local authority making arrangements for a taxi to transport the child;
- a cycling allowance paid by the local authority where the parent agreed for their child to cycle to and from school instead of catching a bus for, say a three mile journey; and
- local authority provision of an escort to enable a child with SEN to walk a short distance to school in reasonable safety, instead of making arrangements for a taxi to take them to and from school.

Some children with SEN and/or a disability may, by reason of their SEN and/or disability, be unable to walk even relatively short distances to school. Similarly, children with a mobility problem caused, for example, by a temporary medical condition such as a broken leg, may also be unable to walk to school.

Where such children attend a qualifying school, which is within “statutory walking distance”, and no suitable arrangements have been made by the Local Authority for enabling them to become a registered pupil at a qualifying school nearer to their home, they will be “eligible children”. This

means that local authorities must make suitable travel arrangements for children with SEN, a disability, or mobility problem (including temporary medical conditions) if their SEN, disability, or mobility problem means that they could not reasonably be expected to walk to the school (or other place where they might be receiving education under section 19(1) of the Act.

Where children live within “statutory walking distance” of their nearest qualifying school (or other place where education is provided under section 19(1)), local authorities will be under a duty to make travel arrangements where the nature of the route is such that a child can not reasonably be expected to walk (accompanied as necessary) in reasonable safety.

SEND Code of Practice 2015

Transport can be an important factor in the support for children and young people with SEN or disabilities. The Local Offer **must** include information about arrangements for transport provision, including for those up to age 25 with an EHC plan, and this should include local authorities’ policy statements.

Local authorities **must** ensure that suitable travel arrangements are made where necessary to facilitate an eligible child’s attendance at school.

Local authorities **must** publish a transport policy statement each year setting out the travel arrangements they will make to support young people aged 16-19 and learners with learning difficulties and/or disabilities (LDD) aged up to 25, to access further education. This should include any arrangements for free or subsidised transport

Post 16

The Education Act 1996 and the Apprenticeship, Skills, Children and Learning Act (2009) a local authority has a statutory responsibility to consider how it will assist learners to access the appropriate post 16 provision. Through the Education and Skills Act 2008, from 2014 the age of participation has been raised so that young people will be required to stay in education or training until their 18th birthday.

Libraries

Section 7(1) of the Public Libraries and Museums Act 1964 (“the 1964 Act”)

Section 7 of the 1964 Act imposes a statutory duty on library authorities to “provide a comprehensive and efficient library service” to everyone who lives, works or attends full time education in the library area. The duty is contained in Section 7(1) which provides as follows:-

“(1) It shall be the duty of every library authority to provide a comprehensive and efficient library service for all persons desiring to make use thereof ...

Provided that although a library authority shall have power to make facilities for the borrowing of books and other materials available to any person it shall not by virtue of this subsection be under a duty to make such facilities available to persons other than those whose residence or place of work is within the library area of the authority or who are undergoing full time education within that area”.

Section 7(2) provides further statutory instruction as to the factors which a library authority must take into account in order to fulfil its duty under Section 7(1):

“(2) In fulfilling its duty under the preceding subsection, a library authority shall in particular have regard to the desirability:

- (a) of securing, by the keeping of adequate stocks, by arrangements with other library authorities, and by any other appropriate means, that facilities are available for the borrowing of, or reference to, books and other printed matter, and pictures, gramophone records, films and other materials, sufficient in number, range and quality to meet the general requirements and any special requirements both of adults and children; and
- (b) of encouraging both adults and children to make full use of the library service, and of providing advice as to its use and of making available such bibliographical and other information as may be required by persons using it; and
- (c) of securing, in relation to any matter concerning the functions both of the library authority as such and any other authority whose functions are exercisable within the library area, that there is full co-operation between the persons engaged in carrying out those functions”.

The expression “library service” is not defined nor are the concepts “comprehensive” and “efficient”. Library facilities are referred to but not defined but they are clearly not the same as library premises which are defined (in Section 8(7)).

Section 9(1) confers a power on a library authority to contribute towards the expenses of “any other person” providing “library facilities for the public” and Section 20 empowers local authorities to generate revenue by allowing library premises to be used for holding meetings, performances and the like in return for payment.

Public Protection Various

Trading Standards, Environmental Health and Licensing provide statutory public protection in relation to a wide range of environmental and health issues – such as air quality, noise, health and safety, protecting the food chain, alcohol, fair trading and consumer protection matters, animal welfare and from businesses and rogue traders who unwittingly or deliberately breach acceptable standards set down in legislation.

Community Safety:

Crime and Disorder Act 1998

Section 6 Formulation and implementation of strategies.

(1)The responsible authorities for a local government area shall, in accordance with the provisions of section 5 above and this section, formulate and implement, for each relevant period,

- (i) a strategy for the reduction of crime and disorder in the area

Waste

Waste collection – Waste collection authorities are obliged to arrange collection of household waste under section 45 of the Environmental Protection Act.

Street cleansing - CBC is a principle litter authority who has responsibility for keeping land and highways clean and free of litter as far as is practicable as specified in sections 86 and 89 of the Environmental Protection Act 1990.

Household Waste Recycling Centres (HWRC) – The Environmental Protection Act 1990 section 51 require all waste disposal authorities to provide at least one location where residents can dispose of their household waste.

Food waste – There is no obligation to collect food waste separately, but it contributes towards the national 50% recycling rate by 2020 and reduction in biodegradable waste sent to landfill as required of each member state under the Landfill Directive 2008.

Grounds maintenance – The Highways Act 1980 places an obligation on the local Highway authority to protect the highway to allow the public to enjoy it (section 130).

Highways

The Highways Act 1980

Section 41 imposes a duty on the authority who are for the time being the highway authority for a highway maintainable at the public expense to maintain the highway.

The Road Traffic Act 1984

Section 26 states that (1) Arrangements may be made by the appropriate authority for the patrolling of places where children cross roads on their way to or from school, or from one part of a school to another, by persons appointed by or on behalf of the appropriate authority, other than constables.

Best Value

Section 3 of the Local Government Act 1999

Section 3(1) of the 1999 Act imposes a duty on a local authority 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'.

Section 3(2) requires a local authority to **consult various people** 'for the purpose of' deciding how to fulfil the duty imposed by section 3(1). In deciding how to fulfil that duty, and in making decisions about consultation, a local authority must have regard to guidance issued by Secretary of State.

The statutory guidance is short. It is aimed specifically at, and 'sets out clear expectations for' councils which are 'considering changing funding to local voluntary or community groups'. Paragraph 7 of the guidance says that '**Authorities should seek to avoid passing on disproportionate reductions – by not passing on larger reductions to the voluntary and community sector and small businesses as a whole than they take on**'.

Summary Community Services Statutory Requirements and Budget Proposals

Community Services – Budget Proposals

The Environmental Protection Act 1990 details a number of obligations as regards waste collection and control.

Where an occupier of premises in the area requests the collection of dry recyclable waste or food waste, subject to some conditions such as excluding domestic premises, such waste should be collected (s.45(c) Environmental Protection Act 1990)

‘relevant land’ in relation to the duty to keep land and highways clear of litter is land which is not excluded land and is open to the air and is land (but not a highway) which is under the direct control of a litter authority to which the public are entitled or permitted to have access with or without payment.

The Council as owner of land may have duties under the Occupiers Liability Acts 1957 and 1984 (as amended by the Countryside and Rights of Way Act 2000) in relation to the upkeep and management of its land and also in relation to the removal of any waste or litter which may cause injury to visitors or trespassers.

S.35 of the Road Traffic Regulation Act 1984 allows the council to make a charge for the parking spaces provided.

Charging and trading:

There are various general powers to carry out and charge for discretionary services provided to external bodies and to service users:

S.111 Local Government Act 1972 allows the Council to do anything “*which is calculated to facilitate, or is conducive or incidental to, the discharge of any of [its] functions*” and S.1 Local Authorities (Goods and Services) Act 1970 allows local authorities to trade with other public bodies by agreement by establishing a shared service or joint arrangements.

The Local Government Act 2003 allows the Council to charge for discretionary services unless expressly prohibited from doing so (S.93) although it also limits the power to ensure that the income from such charges does not exceed the cost of provision.

In addition, the Localism Act 2011 gives Local Authorities the power to do anything which an individual would be able to do provided the Local Authority is not otherwise prohibited from taking such action (the general power of competence).

The Localism Act also gives the power to charge for any services provided under the general power of competence although the charges made should not exceed the cost of provision of those services.

The basis of the power to provide and charge for a service should be determined so the appropriate charges can be calculated correctly according to the relevant legislation.

A specific power to charge for a particular service will generally detail the methods and calculation of the charge and further legal advice should be sought for specific charges to be made.

Under s.95 Local Government Act 2003 the Council has power to trade (on a commercial basis) in function related activities through a company in which it has an interest.

Statutory Requirements – Resources

Local Government Act 1972

Section 151 of the Local Government Act requires local authorities to make arrangements for the proper administration of their financial affairs and secure that one of their officers has responsibility for the administration of those affairs”.

Local Government Finance Act 1988

Section 113 requires the responsible officer under Section 151 of the 1972 Act to be a member of a specified accountancy body.

Section 114 requires a report to all the Authority’s members to be made by that officer, in consultation with the Council’s Monitoring Officer, if there is, or is likely to be unlawful expenditure or an unbalanced budget.

Section 114(7) requires authorities in England and Wales to provide their CFO (CFO) with ‘such staff, accommodation and other resources as are in his opinion sufficient to allow his duties under this section (ie s114) to be performed’.

Local Government Finance Act 1992

Section 1—(l) As regards the financial year beginning in 1993 and subsequent financial years, each billing authority shall, in accordance with this Part, levy and collect a tax, to be called council tax, which shall be payable in respect of dwellings situated in its area.

Sections 32 and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

Local Government Act 2003

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.

General Governance Requirements - Chartered Institute of Public Finance and Accounting (CIPFA)

- Establish a medium term business and financial planning process to deliver the authority’s strategic objectives, including:
 - a medium term financial strategy to ensure sustainable finances;
 - a robust annual budget process that ensures financial balance; and
 - a monitoring process that enables this to be delivered.
- Ensure that these are subject to regular review to confirm the continuing relevance of assumptions used.
- Ensure that professional advice on matters that have financial implications is available and recorded well in advance of decision making and used appropriately.
- Ensuring that budget calculations are robust and reserves adequate, in line with CIPFA’s guidance.
- Ensure that those making decisions are provided with information that is fit for purpose – relevant, timely and giving clear explanations of financial issues and their implications.

- Ensure that timely, accurate and impartial financial advice and information is provided to assist in decision making and to ensure that the authority meets its policy and service objectives and provides effective stewardship of public money and value for money in its use.
- Ensure that the authority maintains a prudential financial framework; keeps its commitments in balance with available resources; monitors income and expenditure levels to ensure that this balance is maintained and takes corrective action when necessary.
- Ensure that advice is provided on the levels of reserves and balances in line with good practice guidance
- Ensure compliance with CIPFA's Code on a Prudential Framework for Local Authority Capital Finance and CIPFA's Treasury Management Code.
- Ensure that appropriate management accounting systems, functions and controls are in place so that finances are kept under review on a regular basis. These systems, functions and controls should apply consistently to all activities including partnerships arrangements, outsourcing or where the authority is acting in an enabling role.
- Ensure the provision of clear, well presented, timely, complete and accurate information and reports to budget managers and senior officers on the budgetary and financial performance of the authority.

Social Security Administration Act 1992

An Act to consolidate certain enactments relating to the administration of social security and related matters.

Social Security Administration (Fraud) Act 1997

An Act to amend the law relating to social security offences and to make other amendments of the law relating to the administration of social security.

The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 made under section 13 and 105 of the Local Government Act 2000 before the Localism Act 2011 inserted the new Part 1A, remain in force until revoked pursuant to the Interpretation Act 1978.

The Localism Act includes a 'general power of competence' It gives councils more freedom to work together with others in new ways to drive down costs.

The Tribunals Courts and Enforcement Act 2007

The Tribunals Courts and Enforcement Act 2007 and regulations aim to introduce a new legislative regime that is simple to understand and which is applied consistently across all debt types. The Act introduces the term "Enforcement Agent" (EA), which is in effect the new term for Certificated Bailiffs. Only a certificated EA may take control of goods. There is a new certification procedure, which, whilst similar to the previous regime, includes new requirements for training & competency and the application process has been modernised. A certificate will be required for all forms of enforcement action. A new, revised complaints process will be introduced as part of the reforms.

An Enforcement Agent is an individual authorised under s46 of the Tribunals Courts and Enforcement Act 2007, who acts on behalf of Local Authorities or Magistrates' Courts enforcing unpaid council tax and non-domestic rate liability orders, warrants for unpaid penalty charge notices and warrants for unpaid Court fines.

Statutory Instrument 2008 No 907 The Bedfordshire (Structural Changes) Order 2008;

The Order provides for the establishment, on 1st April 2009, of a single tier of local government for the borough of Bedford and a single tier of local government for the remainder of the county of

Bedfordshire (articles 3 to 5).

Lord-Lieutenants are the personal representatives of the Sovereign in their areas. They co-ordinate Royal visits and liaise with the Royal Households on a range of matters. Lord-Lieutenants are unpaid and bear certain office-related costs themselves.

Coroners and Justice Act 2009

The relevant authority for a coroner has to balance the level of staffing need, as advised by the Coroner, with both the efficiency and outcomes of the service.

Statutory Instrument 2008 No 3248 The Local Authorities (England) (Charges for Property Searches) Regulations 2008;

Charges for access to property records

5.—(1) This regulation applies where a local authority grants access to property records to a person (including to another local authority).

(2) The authority may impose a charge on that person for granting such access if it makes or proposes to make an internal recharge (analogous to a charge) for internal transactions.

(3) The charges and recharges made under this regulation must be calculated in accordance with regulations 6 and 7.

Calculation of charges for access to property records

6.—(1) This regulation and regulation 7 make provision for the charges and internal recharges made under regulation 5(2) to be no more than the costs to the local authority of granting access to property records.

(2) Subject to paragraph (3), each charge or recharge (the “unit charge”) for access to property records made during a financial year must be calculated by—

(a) dividing a reasonable estimate of the likely total costs to the local authority in granting access to property records (and performing internal transactions) during the financial year; by

(b) a reasonable estimate of the number of requests for access to property records likely to be received (from another person or different departments of the authority) over that same financial year.

(3) A local authority must take all reasonable steps to ensure that over the course of any period of three consecutive financial years, the total income (including notional income from internal transactions) from such charges and recharges does not exceed the total costs of granting access to property records.

(4) Where under paragraph (2), a local authority makes an overestimate or underestimate of the unit charge for a financial year, it must take this into account in determining the unit charge for the following financial year.

(5) Each unit charge made during a financial year must be the same amount and must be applied on equal terms, regardless of whether it is made in relation to granting access to property records or internal transactions (although multiple unit charges may be made in respect of multiple requests for access or multiple transactions).

Interpretation of costs under regulation 6(1)

7.—(1) In regulation 6(1), “costs” means any costs to the local authority (including related salary costs and the costs of the creation and maintenance of records) reasonably incurred in connection with complying with a request for access to property records.

(2) In regulation 6(1), “costs” does not include—

- (a) such costs as the local authority incurs in granting access to free statutory information; or
- (b) such costs to the authority as are directly referable to the maintenance of free statutory information.

Summary Resources Statutory Requirements and Budget Proposals

CRE-1617-01

s.151 Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs, including the appointment of an officer with responsibility for such administration. S.114A(6) of the Local Government Finance Act 1988 requires the Chief Finance Officer to be provided with such staff, accommodation and other resources as are in his opinion sufficient to allow him to report on any decision which involves or would involve incurring unlawful expenditure, a course of action which is unlawful or there is about to be entered an item of account that is unlawful.

CRE-1617-13

There are various general powers to carry out and charge for discretionary services provided to external bodies and to service users:

S.111 Local Government Act 1972 allows the Council to do anything “*which is calculated to facilitate, or is conducive or incidental to, the discharge of any of [its] functions*” and S.1 Local Authorities (Goods and Services) Act 1970 allows local authorities to trade with other public bodies by agreement.

The Local Government Act 2003 allows the Council to charge for discretionary services unless expressly prohibited from doing so (S.93) although it also limits the power to ensure that the income from such charges does not exceed the cost of provision.

In addition, the Localism Act 2011 gives Local Authorities the power to do anything which an individual would be able to do provided the Local Authority is not otherwise prohibited from taking such action (the general power of competence).

The Localism Act also gives the power to charge for any services provided under the general power of competence although the charges made should not exceed the cost of provision of those services.

Whether the basis of the power to provide the services is under a specific or a general power and the appropriate charges to be made.

Internal Recovery Agents

The Tribunals, Courts and Enforcement Act 2007 and the Certification of Enforcement Agents Regulations 2014 provide a procedure for the certification of an Enforcement Agent in relation to the enforcement of debts under a Court Judgement.

There are various general powers to carry out and charge for discretionary services provided to external bodies and to service users:

S.111 Local Government Act 1972 allows the Council to do anything “*which is calculated to facilitate, or is conducive or incidental to, the discharge of any of [its] functions*” and S.1 Local Authorities (Goods and Services) Act 1970 allows local authorities to trade with other public bodies by agreement.

The Local Government Act 2003 allows the Council to charge for discretionary services unless expressly prohibited from doing so (S.93) although it also limits the power to ensure that the income from such charges does not exceed the cost of provision.

In addition, the Localism Act 2011 gives Local Authorities the power to do anything which an individual would be able to do provided the Local Authority is not otherwise prohibited from taking such action (the general power of competence).

The Localism Act also gives the power to charge for any services provided under the general power of competence although the charges made should not exceed the cost of provision of those services.

Any service which is for a commercial purpose can only be done via a company which can be set up under the general power of competence. Procurement and employment issues would then need to be considered as would governance arrangements.

Whether the basis of the power to provide the services is under a specific or a general power and the appropriate charges to be made must also be considered.

ICSE-1718-12

The Council's functions include the provision of officers and staff as are needed by the coroners to carry out their functions. The Council must also provide or secure the provision of appropriate accommodation taking into account the views of the Senior Coroner for the area.

S.24 Coroners and Justice Act 2009

(1) The relevant authority for a coroner area—

(a) must secure the provision of whatever officers and other staff are needed by the coroners for that area to carry out their functions;

(b) must provide, or secure the provision of, accommodation that is appropriate to the needs of those coroners in carrying out their functions;

(c) must maintain, or secure the maintenance of, accommodation provided under paragraph (b).

...

(4) In deciding how to discharge its duties under subsection (1)(b) and (c), the relevant authority for a coroner area must take into account the views of the senior coroner for that area.

ICSE-1718-13 and 15

The Local Authorities (England)(Charges for Property Searches) Regulations 2008 allow the Council to recover only the cost of providing searches or personal searches in respect of property searches and set out how such charges or recharges should be calculated.

In addition, Schedule 3 of the Land Charge Rules 1977 set out the prescribed charges to be made in respect of Local Land Charge searches.

As there are specific powers to charge for property searches and Local Land Charges searches the general powers to charge (including the general power of competence) does not apply.

General

Where any proposals which relate to a change to e-forms or electronic processes/procedures the need to ensure universal access to all service users remains and appropriate impact assessments and actions should be taken to ensure the Equality Act 2010 is complied with.

Statutory Requirements – Public Health

Advice in relation to planning, consultation, decision making and proposed implementation for individual proposals should be obtained once the specifics of a proposal have been decided upon.

Health and Social Care Act 2012 and National Health Service Act 2006

The Act amended the National Health Service Act 2006 and thereby conferred duties on local authorities to improve public health. Local authorities have a duty to take such steps as they consider appropriate for improving the health of the people in their areas. Local authorities also inherited responsibility for a range of public health services previously provided by the NHS including most sexual health services and services to address drug or alcohol misuse. Section 2B of the Act lists some of the steps to improve public health that local authorities and the Secretary of State are able to take, including:

- carrying out research into health improvement, providing information and advice (for example giving information to the public about healthy eating and exercise);
- providing facilities for the prevention or treatment of illness (such as smoking cessation clinics);
- providing financial incentives to encourage individuals to adopt healthier lifestyles (for instance by giving rewards to people for stopping smoking during pregnancy); and,
- providing assistance to help individuals minimise risks to health arising from their accommodation or environment (for example a local authority may wish to improve poor housing where this impacts on health).

Local authorities are also given powers to make grants or lend money to organisations or individuals in order to improve public health; it is for the local authority to determine the appropriate terms of such grants or loans (S.2B(4)).

Regulations made under Section 6C of the NHS Act 2006 require local authorities to take particular steps in exercise of their public health functions, or aspects of the Secretary of State's public health functions.

Part 2 of the Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013 (SI 2013/351) makes provision for the steps to be taken by local authorities in exercising their public health functions. In particular:

- **Regulation 3** requires local authorities to provide for the **weighing and measuring** of certain children in their area (including age and school type).

Regulations 4 and 5 relate to the duties of local authorities to provide or make arrangements to provide **for health checks** for eligible people (depending upon age and health status). The regulations specify the type of information to be recorded. Local authorities must also provide information about dementia to older people.

- **Regulation 6** requires local authorities to provide, or make arrangements to secure the provision of open access **sexual health** services in their area (including in relation to contraceptive services and preventing the spread of sexually transmitted infections, the treating, testing and caring for people with such infections and notifying sexual partners of people with such infections). HIV treatment and care, abortion, vasectomy and sterilisation services will continue to be commissioned by the NHS.
- **Regulation 7** creates a duty on local authorities to provide or make arrangements to secure the provision of a **public health advice service**, in relation to their powers and duties to commission health services, to any Clinical Commissioning Groups (CCGs) in their area. The

matters covered by the advice service is to be kept under review and should be agreed between local authorities and CCGs

- **Regulation 8** imposes a duty on local authorities to provide **information and advice** to certain persons and bodies within their area in order to promote the preparation of, or participation in, health protection arrangements against threats to the health of the local population, including infectious disease, environmental hazards and extreme weather events.

Duty to have regard to guidance: Public Health Outcomes Framework

Local authorities must have regard to guidance from the Secretary of State when exercising their public health functions; in particular this requires local authorities to have regard to the Department of Health's Public Health Outcomes Framework (PHOF). A public health outcomes framework for England sets out the Government's overarching vision for public health, the desired outcomes and the indicators that will be used to measure improvements to and protection of health. Improving outcomes and supporting transparency, provides a summary technical specifications of public health indicators.

Section 237 of the 2012 Act also requires local authorities to comply with National Institute for Health and Care Excellence (NICE) recommendations to fund treatments under their public health functions as set out in the National Institute for Health and Care Excellence (Constitution and Functions) and the Health and Social Care Information Centre (Functions) Regulations 2013.

Responsibility for sexual health services

Local authorities commission:

- comprehensive sexual health services including most contraceptive services and all prescribing costs, but excluding GP additionally-provided contraception
- sexually transmitted infections (STI) testing and treatment, chlamydia screening and HIV testing
- specialist services, including young people's sexual health, teenage pregnancy services, outreach, HIV prevention, sexual health promotion, services in schools, college and pharmacies

One of the aims of transferring public health responsibilities to local authorities was to better integrate health and social care services and other activities that affect health such as housing and maintenance of public spaces.

A public health grant has been provided to:

- improve significantly the health and wellbeing of local populations
- carry out health protection functions delegated from the Secretary of State
- reduce health inequalities across the life course, including within hard to reach groups
- ensure the provision of population healthcare advice

Guidance to support the commissioning of the Healthy Child Programme 0-19: Health Visiting and School Nursing services Public Health England

The guidance is designed to support local authorities in commissioning 'public health services for children and young people' and in particular delivering the Healthy Child Programme 0-5 (Health Visitors) and 5-19 (School Nurses). The Healthy Child Programme aims to bring together health, education and other key partners to deliver an effective programme for prevention and support. The Programme (0-19) aims to:

- help parents develop and sustain a strong bond with children
- encourage care that keeps children healthy and safe

- protect children from serious disease, through screening and immunisation
- reduce childhood obesity by promoting healthy eating and physical activity
- identify health issues early, so support can be provided in a timely manner
- ensure children are prepared for / supported in all child care, early years and education settings and especially supported to be 'ready for to learn at two and ready for school by five

The core public health offer for all children includes:

- child health surveillance (including infant physical examination) and development reviews
- child health protection, immunisation and screening
- information, advice and support for children, young people and families
- early intervention and targeted support for families with additional needs
- health promotion and prevention by the multi-disciplinary team
- defined support in early years and education settings for children with additional and complex health needs
- additional or targeted public health nursing support as identified in the Joint Strategic Needs Assessment, e.g. support for looked after children, young carers, or children of military families

Charges for Local Authority Functions may be made and recovered under Regulations 9 of the Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013 in relation to providing information and advice, facilities or services to promote healthy living, providing training for persons working or seeking to work in the field of health improvement and making available the services of any person of any facilities provided the steps do not relate to the improvement of an individuals health.

Charging for services

Where there are no existing powers to charge for services or functions, there are various general powers to carry out and charge for discretionary services provided to external bodies and to service users:

S.111 Local Government Act 1972 allows the Council to do anything "which is calculated to facilitate, or is conducive or incidental to, the discharge of any of [its] functions" and S.1 Local Authorities (Goods and Services) Act 1970 allows local authorities to trade with other public bodies by agreement.

The Local Government Act 2003 allows the Council to charge for discretionary services unless expressly prohibited from doing so (S.93) although it also limits the power to ensure that the income from such charges does not exceed the cost of provision.

In addition, the Localism Act 2011 gives Local Authorities the power to do anything which an individual would be able to do provided the Local Authority is not otherwise prohibited from taking such action (the general power of competence).

The Localism Act also gives the power to charge for any services provided under the general power of competence although the charges made should not exceed the cost of provision of those services.

The basis of the power to provide and charge for a service should be determined so the appropriate charges can be calculated correctly according to the relevant legislation.

Equality Act 2010 duties

Before proceeding with the implementation of any proposals which relate to a change to e-forms or a change to the processes/procedures (including electronic) need to ensure universal access to all service users remains and appropriate impact assessments and actions should be taken to ensure the Equality Act 2010 is complied with.

Statutory Requirements –Regeneration

SC151

S.206 Planning Act 2008 gives a local planning authority the power to charge a Community Infrastructure Levy

Before such charges can be implemented further provisions of the Planning Act setting out the process for calculation of the rates and criteria for charging, publication of a charging schedule and approval of the schedule by members by reference to the Community Infrastructure Levy Regulations 2010 which must be complied with

The Planning Act 2008 was amended by the Localism Act 2011 to include within the Community Infrastructure Levy includes the additional costs, besides infrastructure costs, that development places on an area and the money raised can be used to fund the improvement, replacement, operation or maintenance of infrastructure as well as its provision. The Act specifies how planning decisions can be legally enforced and allows planning authorities to decline to process planning applications which include any region affected by a planning enforcement notice.

RG401

The Council is required to produce a Local Plan under the Planning and Compulsory Purchase Act 2004 which sets out its development plan for its area.

RG404

The Building (Local Authority) Charges Regulations 2010

Provides the power to recover charges for carrying out certain functions relating to Building Regulations. The chargeable functions, calculating the charge, payment are all detailed in the Regulations. An Authority should only charge the cost of providing the services and should not charge for the first hour of advice. The s.151 officer is to issue a statement every year detailing the charges made

S.3 Authorisation to fix and recover charges by way of a scheme

- (1) A local authority are authorised by means of a scheme made under these Regulations (a “charging scheme”) to—
 - (a) fix such charges as they may determine, from time to time and in accordance with these Regulations, for or in connection with the performance of their functions relating to building regulations; and
 - (b) recover those charges, to the extent provided for by these Regulations, from relevant persons.
- (2) The authorisation given by paragraph (1) is subject to the exception in regulation 4 [*relates to building work solely required for disabled persons*].

S.5 Principles of charging scheme: chargeable functions and advice

- (1) A local authority are authorised, by means of a charging scheme, to make a charge for or in connection with each of the following functions carried out by them—
 - (a) the passing or rejection of plans of proposed building work which have been deposited with the local authority, in accordance with section 16 of the Act (a “plan charge”);
 - (b) the inspection of building work for which plans have been deposited in accordance with the Principal Regulations and with section 16 of the Act (an “inspection charge”);
 - (c) the consideration of a building notice which has been given to the local authority in accordance with the Principal Regulations (a “building notice charge”);
 - (d) the consideration of building work reverting to local authority control under the Approved Inspectors Regulations (a “reversion charge”); and
 - (e) the consideration of an application under regulation [18] of the Principal Regulations and the inspection of any building work to which that application relates (a “regularisation charge”).
- (2) A local authority are authorised by means of a charging scheme, to make a charge in relation to a request for advice as regards any particular case (in these Regulations called “chargeable advice”) where such a charge is made in anticipation of the future exercise of their chargeable functions in relation to that case; but no charge may be made for the first hour of time spent by an officer of the authority in providing chargeable advice.

S.6 Principles of charging scheme: overriding objective in determining charges

- (1) In determining the amount of the charges to be made within a charging scheme, a local authority shall have regard to the overriding objective in paragraph (3).
- (2) At the end of the financial year in which a local authority first make a charging scheme, and of each subsequent financial year, the authority shall conduct a review of the level of charges set under their charging scheme in accordance with regulation 7, for the purpose of achieving the overriding objective.
- (3) The overriding objective is that the authority must ensure that, taking one financial year with another, the income derived by the authority from performing chargeable functions and providing chargeable advice (“chargeable income”) as nearly as possible equates to the costs incurred by the authority in performing chargeable functions and providing chargeable advice (“chargeable costs”).
- (4) Immediately following the review mentioned in paragraph (2) a local authority shall prepare a statement which sets out, as regards the financial year to which it relates—
 - (a) the chargeable costs;
 - (b) the chargeable income; and
 - (c) the amount of any surplus or deficit.
- (5) The statement prepared in accordance with paragraph (4) shall be published not more than six months after the end of the financial year to which the statement relates.
- (6) The statement to be published under this regulation must be approved by the person having responsibility for the administration of the financial affairs of the local authority under—
 - (a) section 151 of the Local Government Act 1972; or
- ...
- (7) Paragraph (8) applies where—
 - (a) an authority first makes a charging scheme under these Regulations, and
 - (b) that scheme first takes effect at any time other than at the beginning of a financial year.
- (8) Where this paragraph applies, in determining the charges under their charging scheme, an authority shall have regard to any estimated surplus or deficit arising for that part of the financial year for which an existing scheme made under the Building (Local Authority Charges) Regulations 1998 continues to have effect.
- (9) A financial year is the period of 12 months beginning with 1st April.

Charging for services

There are various general powers to carry out and charge for discretionary services provided to external bodies and to service users:

S.111 Local Government Act 1972 allows the Council to do anything “*which is calculated to facilitate, or is conducive or incidental to, the discharge of any of [its] functions*” and S.1 Local Authorities (Goods and Services) Act 1970 allows local authorities to trade with other public bodies by agreement.

The Local Government Act 2003 allows the Council to charge for discretionary services unless expressly prohibited from doing so (S.93) although it also limits the power to ensure that the income from such charges does not exceed the cost of provision.

In addition, the Localism Act 2011 gives Local Authorities the power to do anything which an individual would be able to do provided the Local Authority is not otherwise prohibited from taking such action (the general power of competence).

The Localism Act also gives the power to charge for any services provided under the general power of competence although the charges made should not exceed the cost of provision of those services.

The basis of the power to provide and charge for a service should be determined so the appropriate charges can be calculated correctly according to the relevant legislation.

Equality Act 2010 duties

Before proceeding with the implementation of any proposals which relate to a change to e-forms or a change to the processes/procedures (including electronic) need to ensure universal access to all service users remains and appropriate impact assessments and actions should be taken to ensure the Equality Act 2010 is complied with.

This page is intentionally left blank

Appendix G

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 2017/18 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, the Retained Business Rates (NNDR) system and also the way in which education is funded will 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.

Robustness of Estimates

Overall Approach

- 5) The 2017/18 Budget setting process formally commenced with the approval of the process and Budget Strategy at the Executive meeting on 2 August 2016. The Strategy assessed the assumptions in the existing Medium Term Financial Plan (MTFP), approved by Council in February 2016, in light of the continued challenging economic situation and the Government's commitment to reduce overall public spending.
- 6) The 2017/18 Budget process was based on a refinement of the process undertaken for 2016/17. This included a series of reviews at Assistant Director (AD) level at an early stage during the process.
- 7) Also as part of the MTFP process for 2017/18 – 2020/21 in determining the strategy for efficiencies over the next four years, the Council developed both a thematic approach and also a focus on key specific issues. These are covered in detail in the main Budget report.

- 8) 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;
- 9) 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.
- 10) The baseline position for the budget reviews was the 2016/17 agreed budget.
- 11) This process allowed for savings proposals to be developed across the late summer and early autumn. During January 2017 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).
- 12) Public consultation commenced with the residents of Central Bedfordshire on the 4th January 2017. Staff have also had the opportunity to input into the savings proposals as they have been assessed within Directorates.
- 13) The Chancellor of the Exchequer delivered the Autumn Statement on the 23 November 2016 with the subsequent announcement of the Provisional Finance Settlement on 15 December 2016.
- 14) The implications arising from both this years Provisional Settlement and also last years Settlement and the November 2016 Autumn Statement are covered in detail in the Budget report.

Budget Assumptions

- 15) 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

- 16) The main funding sources are Revenue Support Grant (RSG), Retained Business Rates (NNDR), specific grants and Council Tax.
- 17) 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.
- 18) Last years Settlement 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. CBC successfully applied, so the MTFP assumed that those figures remain valid. This was confirmed in the Provisional Financial Settlement in December 2016.
- 19) Also last year it was announced that a review of the structure of business rates will be carried out by the Government, reporting by Budget 2016 (still awaited). The review will be fiscally neutral and consistent with the Government's agreed financing of local authorities at national level. 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, c.2020.
- 20) New Homes Bonus (NHB) amounts for future years of the MTFP are still subject to further assessment. The Provisional Financial Settlement announced that further consultation on New Homes Bonus reforms will take place in 2018-19.
- 21) The Provisional Financial Settlement in December 2016 advised a reduction in the number of payment years for the New Homes Bonus from 6 years to 5 years in 2017-18 and to 4 years in 2018-19. Bonus will also only be paid above a 0.4% housing growth baseline.
- 22) In line with currently announced intentions, Central Bedfordshire is still expecting to continue to benefit significantly from the New Homes Bonus for the next two years.
- 23) However, 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 costs incurred as a result of growth and to mitigate budget pressures. Thereafter, the MTFP assume the loss of NHB funding over the final two years of the MTFP.
- 24) Historically, CBC had frozen Council Tax, however, the Financial Settlement last year was based on an assumption by Government that all upper tier local authorities would 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. This change

in Policy now forms the basis of the new MTFP and the budget consultation which commenced in January 2017 broadly reflected this.

- 25) Last years Financial Settlement introduced an Adult Social Care Precept which allowed Councils to raise Council Tax by 2% in 2016/17 and the subsequent three years.
- 26) The Provisional Financial Settlement in December 2016 amended this to allow Councils the option to continue to raise up to 2% over each of the next three years or to increase Council tax by up to 3% over two of the next three years.
- 27) Overall, Councils are limited to a total of a 6% increase in Council Tax over three years (2017/18 – 2019/20), with discretion on the phasing, though no one year can exceed 3%.
- 28) An increase of 3.0% in 2017/18 and 2018/19 (zero in 2019/20 and 2020/21) to provide funding for Adult Social is proposed in this MTFP.
- 29) 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
- 30) 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.
- 31) The financial estimates are complicated by a series of grants received from Government to compensate for nationally imposed restrictions and discounts (reliefs). Prudent assumptions relating to the value of these grants in future years have been made.
- 32) The Council's plans for NNDR are 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.
- 33) This potential volatility identified above adds uncertainty to financial estimates and makes long term planning more difficult. Figure 1 in the Budget report sets out the funding anticipated to be received from various sources over the life of the MTFP.

Inflation

- 34) The key assumptions are set out in the main body of the report and cover pay award and non pay inflation.
- 35) 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 2017/18 and 2018/19. Provision has been made in the latter years of the MTFP for a more general impact of inflation being higher than the specific provisions made above. All pay awards are subject to national negotiations.
- 36) Last year the Government introduced a National Living Wage of £7.20 from April 2016 with the aim to achieve a minimum hourly rate of £9.00 by 2020. The Autumn Statement in November 2016 increased the rate for 2017/18 by £0.30 to £7.50. This will put further pressure on Council costs.
- 37) 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.
- 38) The November 2016 Quarterly Inflation Report issued by the Bank of England advised that inflation is projected to rise above the 2% target within the next twelve months, and the fall in sterling since the EU referendum suggests inflation could reach 2.7% in 2018. The most recent official figures showed that inflation is running at 0.9%.
- 39) The Bank does not expect inflation to return to its 2% target until 2020.
- 40) The Bank increased its prediction for economic growth from 0.8% to 1.4% 2017, but cut the 2018 forecast from 1.8% to 1.5% (note the 2016 Autumn Statement cites growth of 1.4% for 2018 picking up to 1.7% the following year).
- 41) The Council's treasury management advisers, Arlingclose Ltd, do not expect the Bank of England to raise its base rate from its current level of 0.25% over the next three years given the weakness of global growth and a low risk of inflation.

Service Expenditure

- 42) 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.

- 43) The Base Budget build provides assurance that budget and activity are aligned and that budgets are at the correct level for 1 April 2017. 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.
- 44) There is an Efficiencies Implementation Group in place, chaired by the Director of Resources (and s151 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 £15.2M of savings in 2017/18, is a significant challenge.
- 45) This successful track record demonstrates a sound corporate approach to the delivery of budgeted savings and gives a measure of confidence that the 2017/18 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.
- 46) The Revenue budget for 2017/18 also includes a contingency of £2.1M which should help to mitigate any unforeseen pressures, or risks that might materialise.
- 47) Expected capital receipts exceeds the budgeted amount in order to allow for the fact that not all disposals will be completed in the full year. If realised, these will also help to reduce the Council's need to borrow to fund the Capital Programme.

Risk Assessment

- 48) The above assessment of the robustness of estimates has identified a number of risks in the budget.
- 49) The Efficiencies Implementation Group chaired by the Director of Resources (and s151 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.
- 50) 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 s151 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 s151 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 s151 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 • The strength of the financial monitoring and reporting processes

	<ul style="list-style-type: none"> • 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 of this appendix 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 s151 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 GF reserve closing balance for 2016/17 is £15.5M which is 4% of gross income and within the recommended range. Additionally it is expected that £30.3M will be set aside as General Fund earmarked reserves for specific identified purposes (October 2016 forecast). 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 2017/18.</p> <p>As part of the Financial Settlement for 2016/17, councils were made an offer of a four year settlement subject to certain conditions. CBC applied for this offer which was accepted. The MTFP assumed RSG levels as advised in last years Settlement and this was confirmed in the Provisional Financial Settlement in December 2016.</p> <p>The MTFP has been updated against a background of significant challenges. On the 23rd June 2016, the United Kingdom (UK) voted to leave the European Union (EU). At the time of this report, the required process to trigger the UK leaving the EU (Article 50 of the Treaty on European Union) has not been invoked although the Government has issued a statement that it will start the formal process by March 2017.</p> <p>Once Article 50 is invoked, the exit process is expected to last for up to two years although the political and economic ramifications will probably be felt for many years.</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. This Grant is expected to be removed over two years (2017/18 and 2018/19) and 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 £15.5M as at 31 March 2016, which is 4% of gross income. This reflects continuous improvement in the financial strength of the Council.</p>	<p>£0M</p>	<p>£1M</p>

	<p>Additionally the Council at 31 March 2016 had £28.4M in General Fund earmarked reserves set aside for specific purposes. A balanced budget has been set for 2017/18.</p>		
<p>Estimates of level of locally raised income</p>	<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 in the Budget report, there is a risk that NNDR could be impacted by both the NNDR consultation and the Rebasing of Rateable Value in 2017.</p>	<p>£1M</p>	<p>£3M</p>
<p>The treatment of planned efficiency savings/productivity gains</p>	<p>The Council has set a balanced budget for 2017/18 which includes £15.2M of efficiencies. A further £31.3M 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 Director of Resources.</p>	<p>£1M</p>	<p>£2M</p>
<p>The treatment of inflation and interest rates</p>	<p>Limited inflation has currently been included in the 2017/18 budget and price inflation has remained low. However, there do remain specific risks in relation to contracts and fuel.</p>	<p>£2M</p>	<p>£3M</p>

	<p>The November 2016 Quarterly Inflation Report issued by the Bank of England advised that inflation is projected to rise above the 2% target within the next twelve months, and the fall in sterling since the referendum suggests inflation could reach 2.7% in 2018. The most recent official figures showed that inflation is running at 0.9%.</p> <p>Low interest rates have been in place for a number of years, with the Bank of England base rate at 0.25%, resulting in the Council receiving low returns on its investments, which has been factored into the budget.</p> <p>As at 31 March 2016 the Council's total borrowing was £338.0M. Of this amount, £268.6 was with the Public Works Loan Board (PWLB), £55.9M was Short-Term Temporary Debt from other local authorities and £13.5M was market debt from banks.</p> <p>To manage interest rate risk, the profile of debt is split so that overall the Council has 64% fixed rate PWLB debt, 15% variable rate PWLB debt, 17% short-term temporary debt, and 4% fixed rate market (LOBO) debt.</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 £104M 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>£1M</p>	<p>£2M</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.		
The treatment of demand led pressures	<p>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 17.3% since the 2001 census and a further 7.6% increase is forecast between 2015 and 2021.</p> <p>Population growth will be highest in the 90 + age group, 38% growth by 2021. Significant growth is also anticipated in the 85+ age group of 33% and 65 + age group of 18%.</p> <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>	£1M	£2M
The financial risks inherent in any major capital developments	<p>The Capital Programme includes expenditure over the next 4 years of over £309M with substantial investment in schools places, enhanced waste disposal facilities and the Woodside Link. A further £30M 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	Capital Receipts are forecast to be £40.0M 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.	£2M	£3M
The availability of reserves, Government grants and other funds to deal with major	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	£0M	£0.5M

contingencies and the adequacy of provisions	budget on repairs and thus may incur direct costs as a result.		
The Council's capacity to manage in year budget pressures, and its strategy for managing both demand and service delivery in the longer term	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 2017/18 budget includes a £2.1M contingency to potentially support any in year issues.	£0M	£1M
Miscellaneous	<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>	£1M	£2M
Total		£11.5M	£25M

This page is intentionally left blank

Central Beds Council - Taxbase calculation 2017-18 Summary

Appendix H

		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	69.64	283.01	690.85	655.25	620.63	588.25	214.17	18.00	3,139.80	31.4	3,108.40	3,108
101	Arlesey	110.59	355.83	689.14	292.67	280.04	145.44	23.33	0.00	1,897.04	18.97	1,878.07	1,878
102	Aspley Guise	16.34	24.01	231.96	93.36	126.50	210.46	288.75	72.50	1,063.88	10.64	1,053.24	1,053
103	Aspley Heath	2.50	17.78	24.17	31.44	40.57	75.83	141.67	37.00	370.96	3.71	367.25	367
104	Astwick	0.00	0.00	0.00	2.50	1.22	5.78	4.58	0.00	14.08	0.14	13.94	14
105	Battlesden	0.00	0.78	0.00	4.50	5.81	1.44	6.25	2.00	20.78	0.21	20.57	21
106	Biggleswade	306.20	1,469.97	1,675.86	1,567.20	1,252.25	444.31	70.62	5.50	6,791.91	67.92	6,723.99	6,724
107	Blunham	9.52	16.01	72.20	51.47	99.13	75.47	109.58	10.00	443.38	4.43	438.95	439
108	Brogborough	2.23	49.58	44.01	9.00	5.19	1.44	3.33	0.00	114.78	1.15	113.63	114
109	Campton/Chicksands	0.00	5.20	349.78	96.27	44.61	48.03	28.33	41.50	613.72	6.14	607.58	608
110	Clifton	68.53	62.91	275.02	211.78	277.14	197.53	131.65	3.50	1,228.06	12.28	1,215.78	1,216
111	Clophill	10.03	12.52	142.28	110.19	162.71	164.06	142.87	2.00	746.66	7.47	739.19	739
112	Cranfield	59.67	136.85	471.44	421.10	461.77	235.96	60.42	2.00	1,849.21	18.49	1,830.72	1,831
113	Dunton	2.33	21.89	70.48	31.25	61.11	46.94	42.08	0.00	276.08	2.76	273.32	273
114	Edworth	1.17	2.33	6.16	6.00	4.89	1.08	5.00	2.00	28.63	0.29	28.34	28
115	Eversholt	1.57	6.21	34.48	21.74	33.98	38.28	56.25	10.00	202.51	2.03	200.48	200
116	Everton	0.00	5.25	50.80	38.53	42.95	33.27	38.33	4.00	213.13	2.13	211.00	211
117	Eyeworth	0.00	0.00	5.39	5.75	3.67	16.97	17.50	0.00	49.28	0.49	48.79	49
118	Flitton/Greenfield	3.17	16.29	62.02	87.82	118.16	132.12	202.50	24.00	646.08	6.46	639.62	640
119	Flitwick	86.73	781.35	1,441.18	839.73	1,014.79	467.80	88.33	1.50	4,721.41	47.21	4,674.20	4,674
120	Gravenhurst	1.33	8.16	46.11	46.49	44.33	46.58	49.17	3.50	245.67	2.46	243.21	243
121	Harlington	14.93	18.71	215.70	278.38	174.19	122.06	74.58	0.00	898.55	8.99	889.56	890
122	Haynes	13.00	23.87	61.08	70.28	118.86	89.92	140.83	6.00	523.84	5.24	518.60	519
123	Henlow	41.33	149.33	423.09	337.71	279.42	208.03	90.00	7.50	1,536.41	15.36	1,521.05	1,521
124	Houghton Conquest	9.39	57.09	163.21	121.99	120.58	88.83	55.00	4.00	620.09	6.2	613.89	614
125	Hulcote & Salford	3.00	5.07	9.76	13.75	10.69	17.69	30.83	7.50	98.29	0.98	97.31	97
126	Husborne Crawley	1.17	1.75	26.24	29.44	8.25	17.43	22.92	8.00	115.20	1.15	114.05	114
127	Langford	15.18	100.73	265.48	321.17	251.46	239.55	150.88	2.00	1,346.45	13.46	1,332.99	1,333
128	Lidlington	7.79	99.30	139.11	53.60	85.80	56.41	32.50	4.00	478.51	4.79	473.72	474
129	Marston Moretaine	43.91	339.19	467.47	530.27	427.07	163.93	84.58	2.00	2,058.42	20.58	2,037.84	2,038
130	Maulden	37.01	78.54	164.33	133.38	325.17	312.72	219.62	10.00	1,280.77	12.81	1,267.96	1,268
131	Meppershall	5.43	35.40	105.63	137.83	140.73	205.33	73.75	7.00	711.10	7.11	703.99	704
132	Millbrook	1.83	1.56	9.33	15.06	9.78	5.06	13.33	6.00	61.95	0.62	61.33	61
133	Milton Bryan	0.67	1.80	8.22	10.67	8.56	4.33	37.50	10.00	81.75	0.82	80.93	81
134	Mogerhanger	4.39	24.78	52.23	47.51	41.40	56.23	15.00	4.00	245.54	2.46	243.08	243

Central Beds Council - Taxbase calculation 2017-18 Summary

Appendix H

		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	3.71	17.31	119.12	75.91	153.33	66.44	32.50	2.00	470.32	4.7	465.62	466	
136	Northill NLA	10.46	35.96	40.42	79.01	94.49	110.80	125.00	24.00	520.14	5.2	514.94	515	
137	Old Warden	7.33	3.11	23.41	20.06	25.02	21.54	30.40	5.50	136.37	1.36	135.01	135	
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	112.82	234.85	481.24	339.86	386.92	226.19	124.17	4.00	1,910.05	19.1	1,890.95	1,891	
140	Pulloxhill	2.00	9.50	78.10	46.57	74.53	126.75	123.65	3.50	464.60	4.65	459.95	460	
141	Ridgmont	4.33	16.74	31.10	33.68	25.59	26.00	19.17	6.00	162.61	1.63	160.98	161	
142	Sandy	170.20	934.09	885.26	765.95	824.98	311.75	104.58	6.00	4,002.81	40.03	3,962.78	3,963	
143	Shefford	124.20	258.46	572.37	435.38	673.26	283.83	89.17	0.00	2,436.67	24.37	2,412.30	2,412	
144	Shillington	16.91	50.91	155.05	150.08	168.01	172.25	95.42	14.50	823.13	8.23	814.90	815	
145	Silsoe	7.50	39.04	185.18	223.78	230.07	278.78	278.33	9.50	1,252.18	12.52	1,239.66	1,240	
146	Southill	4.96	16.93	135.57	54.00	95.94	111.97	48.33	8.00	475.70	4.76	470.94	471	
147	Steppingley	2.17	3.29	4.89	27.50	9.78	17.33	40.00	2.00	106.96	1.07	105.89	106	
148	Stondon	106.51	94.50	226.17	106.69	105.39	240.83	146.25	7.00	1,033.34	10.33	1,023.01	1,023	
149	Stotfold	68.07	335.50	740.47	972.02	690.27	346.31	98.33	0.00	3,250.97	32.51	3,218.46	3,218	
150	Sutton	0.67	7.19	23.57	11.00	19.56	29.21	37.50	4.00	132.70	1.33	131.37	131	
151	Tempsford	2.00	12.94	45.10	46.25	43.52	32.69	46.67	4.00	233.17	2.33	230.84	231	
152	Tingrith	0.50	0.78	4.89	12.25	4.58	16.61	43.33	5.50	88.44	0.88	87.56	88	
153	Westoning	7.73	45.77	169.44	162.68	101.57	149.50	210.00	25.50	872.19	8.72	863.47	863	
154	Woburn	4.96	21.85	110.88	77.27	56.87	56.33	95.42	16.50	440.08	4.4	435.68	436	
155	Wrestlingworth & Cockayne Hatley	2.00	2.35	59.80	48.62	95.15	59.94	72.08	4.00	343.94	3.44	340.50	341	
156	Fairfield	1.67	12.99	164.20	361.90	281.55	124.94	213.33	0.00	1,160.58	11.61	1,148.97	1,149	
AE	Barton Le Clay	14.17	55.28	511.68	542.52	335.37	297.30	202.50	8.00	1,966.82	19.67	1,947.15	1,947	
BW	Billington	26.51	2.72	20.22	22.26	19.25	15.53	66.67	5.50	178.66	1.79	176.87	177	
CE	Caddington	73.08	27.52	384.36	361.30	322.40	239.69	90.42	4.00	1,502.77	15.03	1,487.74	1,488	
DW	Chalgrave	5.83	6.06	39.50	32.18	25.97	33.58	63.75	4.00	210.87	2.11	208.76	209	
EE	Dunstable	899.07	1,889.75	3,608.25	3,861.03	1,403.05	608.05	287.50	4.00	12,560.70	125.61	12,435.09	12,435	
FW	Eaton Bray	11.74	49.78	187.33	145.48	181.56	319.02	258.87	6.00	1,159.78	11.6	1,148.18	1,148	
GW	Eggington	1.67	3.11	5.11	24.50	27.81	20.96	37.08	6.00	126.24	1.26	124.98	125	
HW	Heath & Reach	5.91	37.54	127.84	115.01	89.67	144.44	76.25	30.00	626.66	6.27	620.39	620	
JW	Hockliffe	8.07	42.51	124.37	80.16	69.06	19.50	16.25	8.00	367.92	3.68	364.24	364	
KW	Houghton Regis	322.33	2,271.74	1,089.71	651.16	287.49	81.26	27.92	5.00	4,736.61	47.37	4,689.24	4,689	
LE	Hyde	1.00	0.97	39.06	38.90	33.02	22.03	23.33	8.00	166.31	1.66	164.65	165	
ME	Kensworth	14.20	8.28	123.21	89.94	139.31	98.94	106.25	26.00	606.13	6.06	600.07	600	
NW	Leighton-Linslade	528.11	2,479.63	4,198.76	2,965.08	2,582.81	1,084.13	419.68	26.00	14,284.20	142.84	14,141.36	14,141	
PW	Stanbridge	2.07	7.02	11.72	39.39	98.55	98.67	95.00	2.00	354.42	3.54	350.88	351	
QE	Streatley	0.67	40.58	223.42	140.82	122.67	92.08	65.42	8.00	693.66	6.94	686.72	687	

**Central Beds Council - Taxbase
calculation 2017-18 Summary**

Appendix H

		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	4.83	4.86	16.20	55.07	54.51	158.89	348.92	13.50	656.78	6.57	650.21	650
SE	Sundon	6.27	19.88	64.28	14.50	20.40	28.89	13.33	2.00	169.55	1.7	167.85	168
TW	Tilsworth	1.46	9.21	30.30	26.71	24.65	30.33	43.33	4.00	169.99	1.7	168.29	168
UE	Toddington	30.45	106.22	456.28	307.25	395.50	274.44	239.10	10.00	1,819.24	18.19	1,801.05	1,801
VE	Totternhoe	36.63	14.16	102.11	56.50	106.44	111.58	70.83	2.00	500.25	5	495.25	495
WW	Whipsnade	51.30	1.56	2.44	10.75	8.25	22.75	105.42	28.50	230.97	2.31	228.66	229
XE	Chalton	1.17	3.65	31.11	73.76	61.72	28.17	32.08	0.00	231.66	2.32	229.34	229
YE	Slip End	109.83	10.50	108.14	217.35	147.16	91.72	18.33	0.00	703.03	7.03	696.00	696
		3,768.32	13,459.64	24,255.84	20,649.91	17,422.55	11,299.39	7,554.14	685.00	99,094.79	990.98	98,103.81	98,104

Central Beds Council - Taxbase
calculation 2017-18 Summary

Appendix H

	Parish	2016/2017 band D equivalents	2017/2018 band D equivalents	Difference in Tax base	% difference
100	Ampt Hill	3,070	3,108	38	1.24%
101	Arlesey	1,872	1,878	6	0.32%
102	Aspley Guise	1,047	1,053	6	0.57%
103	Aspley Heath	369	367	-2	-0.54%
104	Astwick	15	14	-1	-6.67%
105	Battlesden	20	21	1	5.00%
106	Biggleswade	6,266	6,724	458	7.31%
107	Blunham	437	439	2	0.46%
108	Brogborough	113	114	1	0.88%
109	Campton/Chicksands	601	608	7	1.16%
110	Clifton	1,207	1,216	9	0.75%
111	Clophill	736	739	3	0.41%
112	Cranfield	1,650	1,831	181	10.97%
113	Dunton	273	273	0	0.00%
114	Edworth	28	28	0	0.00%
115	Eversholt	202	200	-2	-0.99%
116	Everton	210	211	1	0.48%
117	Eyeworth	47	49	2	4.26%
118	Flitton/Greenfield	637	640	3	0.47%
119	Flitwick	4,643	4,674	31	0.67%
120	Gravenhurst	246	243	-3	-1.22%
121	Harlington	884	890	6	0.68%
122	Haynes	518	519	1	0.19%
123	Henlow	1,531	1,521	-10	-0.65%
124	Houghton Conquest	610	614	4	0.66%
125	Hulcote & Salford	96	97	1	1.04%
126	Husbourne Crawley	111	114	3	2.70%
127	Langford	1,252	1,333	81	6.47%
128	Lidlington	467	474	7	1.50%
129	Marston Moretaine	1,863	2,038	175	9.39%
130	Maulden	1,258	1,268	10	0.79%
131	Meppershall	702	704	2	0.28%
132	Millbrook	61	61	0	0.00%
133	Milton Bryan	80	81	1	1.25%
134	Mogerhanger	236	243	7	2.97%
135&136	Northill	974	981	7	0.72%
137	Old Warden	134	135	1	0.75%
138	Potsgrove	20	20	0	0.00%
139	Potton	1,861	1,891	30	1.61%
140	Pulloxhill	455	460	5	1.10%
141	Ridgmont	156	161	5	3.21%
142	Sandy	3,949	3,963	14	0.35%
143	Shefford	2,347	2,412	65	2.77%
144	Shillington	814	815	1	0.12%
145	Silsoe	1,174	1,240	66	5.62%
146	Southill	467	471	4	0.86%
147	Steppingley	105	106	1	0.95%
148	Stondon	982	1,023	41	4.18%
149	Stotfold	3,144	3,218	74	2.35%
156	Fairfield	1,143	1,149	6	0.52%
150	Sutton	131	131	0	0.00%
151	Tempsford	229	231	2	0.87%
152	Tingrith	88	88	0	0.00%
153	Westoning	866	863	-3	-0.35%
154	Woburn	434	436	2	0.46%
155	Wrestlingworth & Cockayne Hatley	332	341	9	2.71%
	Totals:	53,163.00	54,522.00	1,359	2.56%

Central Beds Council - Taxbase
calculation 2017-18 Summary

Appendix H

	Parish	2016/2017 band D equivalents	2017/2018 band D equivalents	Difference in Tax base	% difference
AE	Barton Le Clay	1,939	1,947	8	0.41%
BW	Billington	178	177	-1	-0.56%
CE	Caddington	1,461	1,488	27	1.85%
DW	Chalgrave	207	209	2	0.97%
XE	Chalton	230	229	-1	-0.43%
EE	Dunstable	12,084	12,435	351	2.90%
FW	Eaton Bray	1,151	1,148	-3	-0.26%
GW	Eggington	124	125	1	0.81%
HW	Heath & Reach	625	620	-5	-0.80%
JW	Hockliffe	367	364	-3	-0.82%
KW	Houghton Regis	4,624	4,689	65	1.41%
LE	Hyde	165	165	0	0.00%
ME	Kensworth	599	600	1	0.17%
NW	Leighton-Linslade	13,826	14,141	315	2.28%
YE	Slip End	697	696	-1	-0.14%
PW	Stanbridge	344	351	7	2.03%
QE	Streatley	688	687	-1	-0.15%
RE	Studham	636	650	14	2.20%
SE	Sundon	170	168	-2	-1.18%
TW	Tilsworth	166	168	2	1.20%
UE	Toddington	1,784	1,801	17	0.95%
VE	Totternhoe	489	495	6	1.23%
WW	Whipsnade	228	229	1	0.44%
	Totals:	42,782	43,582	800	1.87%
	Grand Totals	95,945	98,104	2,159	2.25%

This page is intentionally left blank

Central Bedfordshire Council Major Grant Schedule

Appendix I

Grant	2016/17	2017/18	2016/17	2017/18	
Non-passported Grant	Non-passported Grant		Passported Grant		
	£'000	£'000	£'000	£'000	
Formula funding					
Revenue Support Grant	20,150	10,599	-	-	Based on announced allocation
Estimated Retained Business Rates	29,446	34,311	-	-	As per latest estimates
Section 31 Grant NNDR Compensation	2,568	1,636	-	-	
Total Formula funding	52,164	46,546	-	-	
Social Care Health & Housing					
Local Reform and Community Voices DH Revenue Grant	118	118	-	-	Awaiting notification of allocation.
Independent Living Fund	458	443	-	-	Based on DCLG allocation.
Better Care Fund	10,221	10,221	-	-	Awaiting notification of allocation.
Total SCH&H	10,797	10,782	-	-	
Children's Services					
Dedicated Schools Grants (DSG include Recoupment)			195,578	204,025	
Education Services Grant (ESG)	2,079	524			
Pupil Premium Grant			4,088	3,857	
PE & Sports Grant			712	690	
Universal Infant Free School Meal (UIFSM)			2,640	2,684	
Music Grant	374	374			
Asylum Seekers	808	808			TBA. Based on numbers of UASC.
SEND Implementation (New Burdens) Grant	174	196			Confirmed 21/12/16.
Troubled Families	511	511			TBA. Depends on numbers of families.
Adoption Support Fund	143	143			TBA Criteria changed November 2016
Adoption Inter Agency Grant	154	154			TBA Criteria changed November 2016
Total Children's	4,243	2,710	203,018	211,256	
Community Services					
Bus Subsidy Grant	136	136	-	-	Awaiting notification.
Access Fund STARS	-	793	-	-	
Extended Rights to Free Travel	168	168	-	-	Awaiting notification.
PFI	1,886	1,886	-	-	Same value over life of project.
Total Community Services	2,190	2,983	-	-	
Regeneration and Business Support					
Skills Funding Agency	1,214	1,214	-	-	Awaiting notification.
ERDF	-	-			Awaiting notification/based on expenditure.
Total Regeneration	1,214	1,214	-	-	
Corporate Resources					
NNDR Cost of Collection	312	312	-	-	Latest estimate
New Homes Bonus	6,947	6,947	-	-	As per 2016/17, any growth will be put into a reserve.
Housing Benefit Admin Subsidy	875	618	-	-	Indicative figure received 21/12/16. Actual figure to be confirmed early in the new year.
Total Corporate Resources	8,134	7,877	-	-	
Public Health					
Public Health Grant	12,909	12,591	-	-	Based on announced allocation
Total Public Health	12,909	12,591	-	-	
Total other funding	91,651	84,703	203,018	211,256	
Change in grant funding	Non-passported (6,949)		Passported 8,238		
TOTAL (Non-Passported + Passported Grants)	2016/17 294,669	2017/18 295,959			

This page is intentionally left blank

2017/18 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Opening BASE BUDGET £'000	Virements and income reallocations £'000	Inflation £'000	Pressures £'000	Efficiencies £'000	2017/18 NET BUDGET £'000
Social Care, Health & Housing						
5000 Director of Social Care, Health, Housing						
50000 Director of Social Care Health & Housing	198	-	2	-	-	201
50010 Managing Accom Needs of Older	5	44	4	-	-	53
	203	44	6	-	-	253
5050 Procurement & Customer Services						
22200 Head of Customer Services	-	1,830	19	-	(300)	1,550
27000 Procurement	-	(405)	6	-	(131)	(530)
	-	1,426	25	-	(431)	1,020
5150 Housing Solutions (GF)						
51500 Housing Solutions	2,308	100	15	(45)	(46)	2,332
51600 Private Sector Housing options (GF)	(253)	-	-	-	(47)	(300)
51700 Housing Management (GF)	1,586	(100)	3	-	(435)	1,054
	3,642	-	17	(45)	(528)	3,086
5200 Adult Social Care						
52000 Assistant Director Adult Social Care	1,745	-	7	276	-	2,028
52100 Older People and Physical Disability Mgt	317	-	3	-	-	320
52140 Older People - Day Care	703	(69)	11	2	(50)	598
52160 Enablement	1,257	-	22	-	-	1,279
52180 OPPD Care Management - Central	967	-	8	-	-	975
52185 OPPD Care Management - North	9,664	42	9	1,699	(618)	10,796
52190 OPPD Care Management - South	11,260	441	9	1,750	(811)	12,650
52300 LD and MH Management	608	(49)	4	-	-	563
52301 Under 65 Mental Health Packages	919	-	-	22	(2)	939
52420 Learning Disabilities - A&C	19,617	-	55	1,761	(943)	20,490
52440 Learning Disabilities - Direct Services	3,932	-	32	2	-	3,965
52460 Sheltered Employment	142	-	4	10	(142)	14
52500 Drug Action Team	-	-	-	-	-	-
52600 Emergency Duty Team	246	-	8	-	-	254
52700 Residential Homes for Older People	2,847	(404)	81	680	-	3,204
	54,223	(38)	254	6,202	(2,567)	58,074
5300 Commissioning						
53000 Assistant Director Commissioning	165	(149)	-	-	-	16
53300 Contracts	2,872	-	-	-	-	2,872
53301 LD Transfer	4,102	38	620	517	-	5,278
53400 Housing Support Service	146	(80)	-	-	-	66
53600 Contracting	666	(38)	3	-	-	630
53700 Carers Service & Service Users Involvement	506	-	-	-	(13)	493
53800 Commissioning	483	-	3	-	-	487
	8,940	(229)	627	517	(13)	9,842
5400 Resources - SCH&H						
54000 Asst Director - Business and Performance	(1,070)	361	1	750	(512)	(470)
54100 Business Systems	211	-	2	-	-	212
54100.2 Business Systems	946	(946)	-	-	-	0
54200 Partnership & Performance	787	(166)	9	-	-	630
	873	(751)	12	750	(512)	372
Total Social Care, Health and Housing	67,880	452	942	7,425	(4,050)	72,649
Children's Services						
4000 Director of Children's Services						
40000 Directors Cost Centre	719	30	4	-	(78)	674
	719	30	4	-	(78)	674
4100 Children's Services Operations						
41000 AD - CSS	1,257	-	6	-	(300)	963
41200 Children in Care & Care Leavers	3,264	-	16	28	(81)	3,227
41205 LAC Placement Costs	8,841	10	60	699	(756)	8,854
41210 Intake and Family Support	5,909	-	32	-	(147)	5,794
41300 Children with Disabilities Service Manager	2,821	(10)	13	0	-	2,825
41400 Quality Assurance CRS Service Manager	1,220	-	9	60	(52)	1,237
41500 Fostering & Adoption Service Manager	3,955	-	13	-	(30)	3,938
43300 Early Intervention / Prevention Serv Manager	4,208	-	24	1	(81)	4,152
	31,474	-	174	789	(1,447)	30,990
4200 Commissioning & Partnerships						
42000 AD - Commissioning & Partnerships	234	204	3	-	(10)	431
41600 Local Safeguarding Children's Board	124	-	2	-	-	126
42300 Children's Services Commissioning	295	-	2	-	(164)	132
43100 Youth Service	1,816	-	6	-	(24)	1,798
44500 Head of Partnerships & Workforce Dev	816	144	5	1	(292)	674
44650 Head of Performance	237	149	3	-	(6)	383
	3,522	497	20	1	(496)	3,544
4400 Partnerships						
44000 Partnerships	555	-	2	-	(35)	523
	555	-	2	-	(35)	523

2017/18 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Opening BASE BUDGET £'000	Virements and income reallocations £'000	Inflation £'000	Pressures £'000	Efficiencies £'000	2017/18 NET BUDGET £'000
4500 Education Services						
44300 Education Services	1,031	348	18	-	(220)	1,177
45000 AD Education Services	204	240	5	-	(54)	395
45600 Music Service	34	1	8	-	(18)	25
45700 School Organisation & Capital Planning	290	322	6	-	-	618
	1,560	911	37	-	(292)	2,216
4950 Central DSG/YPLA						
49500 Central Retained Funds	(1,356)	(1,442)	-	875	-	(1,924)
44400 Other School Budgets						-
	(1,356)	(1,442)	-	875	-	(1,924)
Total Children's Services	36,473	(5)	238	1,665	(2,348)	36,023
Community Services						
6200 Community Services Director						
62000 Community Services Director	359	(9)	2	-	(134)	218
	359	(9)	2	-	(134)	218
6400 Highways Transportation						
64000 AD Highways & Transportation	(5)	5	-	-	-	-
64001 Highways Contracts	4,908	-	71	212	(145)	5,046
64003 Passenger Transport Services	5,984	-	173	2	(744)	5,415
65003 Transport Strategy	(349)	(369)	4	(348)	(25)	(1,086)
42350 Educational Transport	7,461	-	151	107	(736)	6,982
	17,999	(364)	398	(26)	(1,650)	16,357
6800 Environmental Services						
63005 Libraries	2,665	-	41	0	(53)	2,654
68001 Emergency Planning	160	-	1	-	(10)	152
68002 Public Protection	912	-	16	3	(160)	770
68003 Community Safety	1,352	-	10	15	(70)	1,307
68004 Waste Services	19,122	-	276	522	(595)	19,325
68005 Leisure & Active Lifestyles	418	-	10	241	(250)	419
68006 Parking	(517)	-	4	-	(190)	(704)
	24,111	-	359	781	(1,328)	23,923
7600 Chief Assets Officer						
76050 Chief Assets Officer	142	-	3	-	(101)	44
76000 Corporate Assets	(714)	-	29	-	(100)	(785)
76300 Hd of Facilities, Maintenance & Development	4,915	-	113	55	(118)	4,965
16000 Working Smarter	-	(2)	-	-	-	(2)
	4,343	(2)	145	55	(319)	4,222
Total Community Services	46,812	(376)	905	810	(3,431)	44,720
Regeneration and Business Support						
6100 Service Development						
66000 Regeneration & Business Support Director	872	(5)	6	-	(11)	862
	872	(5)	6	-	(11)	862
6300 Business and Investment						
63000 Group Manager - Business and Investment	703	-	21	-	(1)	723
63001 Business and Employment - Economy	119	-	-	-	(8)	112
63002 Investment	43	-	0	-	-	44
63004 Employment & Skills	16	-	7	-	(2)	20
	881	-	29	-	(11)	899
6500 Development Infrastructure						
65000 Group Manager - Business and Investment	222	-	2	-	-	223
65001 Development Plan & Strategic Housing	1,577	-	10	-	(12)	1,574
65002 Development Management	866	369	23	(66)	(601)	591
65004 Building Control	1,095	-	7	-	(76)	1,027
65005 Archaeology	(19)	-	0	-	-	(19)
65006 Minerals and Waste	241	-	4	-	(2)	243
	3,981	369	46	(66)	(691)	3,639
Total Regeneration and Business Support	5,734	364	81	(66)	(713)	5,400

2017/18 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD		Opening BASE BUDGET £'000	Virements and income reallocations £'000	Inflation £'000	Pressures £'000	Efficiencies £'000	2017/18 NET BUDGET £'000
Public Health							
8000 Director of Public Health							
81000 Director of Public Health	(12,060)	-	-	1,001	-	(11,059)	
	(12,060)	-	-	1,001	-	(11,059)	
8010 Asst Director of Public Health							
80100 AD (Shared Srvc/Mngmnt Tm/Doolittle Mill/Other)	1,298	(5)	3	-	(180)	1,116	
80101 Bedfordshire Drugs Action Team	2,498	-	1	-	(60)	2,438	
80102 Children and Young People	7,086	-	2	-	(409)	6,679	
80103 Adults and Older People	1,219	-	2	-	(352)	869	
	12,100	(5)	8	-	(1,001)	11,102	
Total Public Health	40	(5)	8	1,001	(1,001)	43	
Chief Executive's							
1100 Chief Executive (OH)							
11000 Chief Executive	311	(5)	3	-	-	308	
	311	(5)	3	-	-	308	
2100 Communications (OH)							
21000 Communications	88	-	1	-	(0)	89	
21100 Corporate Communications	432	33	4	-	(3)	467	
21400 Consultation & Intelligence	182	-	2	-	-	184	
23000 Knowledge and Insight	287	-	2	-	(91)	198	
23400 Corporate Subscriptions	98	-	-	-	-	98	
	1,088	33	9	-	(95)	1,036	
7410 Information Technology (OH)							
74000 IT Operations	2,421	-	22	-	(177)	2,266	
74001 IT Corporate	3,124	-	-	413	(565)	2,972	
	5,545	-	22	413	(742)	5,238	
Total Chief Executive's	6,943	29	34	413	(837)	6,582	
Resources							
7200 Chief Finance Officer							
72000 Chief Finance Officer	90	(5)	2	-	64	151	
22400 Head of Revenues & Benefits	1,135	-	24	200	(328)	1,032	
22400.1 Housing Benefit Transactions	-	-	-	-	-	-	
72020 Financial Performance and Support	1,403	-	14	-	(100)	1,318	
72010 Financial Control	1,348	-	8	-	(290)	1,066	
77000 Head of Audit	604	-	4	-	(27)	581	
54100.1 Business Systems (from SCH&H to Resources)	-	968	10	1	-	979	
	4,580	964	62	201	(681)	5,127	
1500 Director of Improvement & Corporate Services (OH)							
15000 Director of Improvement & Corporate Services	99	-	-	-	(97)	2	
	99	-	-	-	(97)	2	
2500 Governance (OH)							
25000 Policy & Strategy	202	-	2	-	-	204	
75200 Head of Democratic Services	1,654	-	5	-	(153)	1,507	
75210 Committee Services	237	-	2	-	(35)	205	
75300 Registration & Coroner Service (Not OH)	320	-	8	116	(17)	427	
	2,413	-	18	116	(205)	2,342	
7300 People (OH)							
73000 Operational HR	2,199	-	24	-	(254)	1,970	
73010 TU Facilities	77	-	1	-	-	78	
73020 Corporate Development	305	-	-	-	(100)	205	
73020.1 Member Development	-	-	-	-	-	-	
	2,582	-	25	-	(354)	2,253	
7500 Legal Services (OH)							
75110 LGSS Contract	2,026	(0)	1	1	(206)	1,822	
	2,026	(0)	1	1	(206)	1,822	
Total Resources	11,701	964	105	319	(1,542)	11,546	

2017/18 BUDGET BY HEADS OF SERVICE BY BUDGET BUILD	Opening BASE BUDGET £'000	Virements and income reallocations £'000	Inflation £'000	Pressures £'000	Efficiencies £'000	2017/18 NET BUDGET £'000
Directorate movements (e.g. formerly within ICS)						
27000.1 Procurement (from ICS to SCH&H)	(405)	405	-	-	-	-
22200.1 Head of Customer Services (from ICS to SCH&H)	1,830	(1,830)	-	-	-	-
16000.1 Working Smarter (from ICS to Community Serv)	(2)	2	-	-	-	-
TOTAL	1,423	(1,423)	-	-	-	-
Total other	1,423	(1,423)	-	-	-	-
Corporate Costs						
7800 Corporate Costs						
78000 Corporate Costs	15,781	-	-	1,705	(1,071)	16,415
78050 Nominated Council Costs	15,781	-	-	1,705	(1,071)	16,415
7900 Contingency & Reserves						
79100 Contingency & Reserves	(3,595)	-	50	(50)	(201)	(3,796)
	(3,595)	-	50	(50)	(201)	(3,796)
Total Corporate Costs	12,186	-	50	1,655	(1,272)	12,619
Landlord Business						
51000 Assistant Director Housing Service (HRA)	17,817	103	21	95	(991)	17,044
51100 Housing Management (HRA)	(24,374)	86	62	736	(286)	(23,777)
51200 Asset Management (HRA)	5,965	171	17	101	(130)	6,123
51300 Financial Inclusion (HRA)	487	(12)	9	156	(110)	530
51350 Housing Investment	107	(1)	18	-	(45)	78
	2	345	127	1,088	(1,562)	0
Total Landlord Business	2	345	127	1,088	(1,562)	0
Schools						
45500 PVIs	5,309	-	-	-	-	5,309
30000 Nursery School Control Account	638	-	-	-	-	638
60000 Lower School Control Account	55,135	-	-	-	-	55,135
70000 Middle School Control Account	8,993	-	-	-	-	8,993
80000 Upper School Control Account	9,462	-	-	-	-	9,462
90000 Special School Control Account	6,759	-	-	-	-	6,759
49000 School ISB Funding	(86,296)	-	-	-	-	(86,296)
Total Schools	(0)	-	-	-	-	(0)
TOTAL (including HRA and Schools)	189,194	345	2,489	14,309	(16,756)	189,581
TOTAL (excluding HRA and Schools)	189,192	0	2,362	13,221	(15,194)	189,581

N.B. The above Pressures & Efficiencies differ marginally to the detailed schedules as a result of internal structural changes since the Draft Budget, with no impact on the bottom-line figures.

2017/18 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE							
	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2017/18 NET BUDGET £'000
Social Care, Health & Housing							
5000 Director of Social Care, Health, Housing							
50000 Director of Social Care Health & Housing	255	10	266	-	(65)	(65)	201
50010 Managing Accom Needs of Older	403	11	413	-	(361)	(361)	53
	658	21	679	-	(425)	(425)	253
5050.2 Procurement & Customer Services							
22200.2 Head of Customer Services	1,667	86	1,753	-	(203)	(203)	1,550
27000.2 Procurement	460	(60)	400	(895)	(35)	(930)	(530)
	2,127	26	2,153	(895)	(238)	(1,133)	1,020
5150 Housing Solutions (GF)							
51500 Housing Solutions	1,581	1,260	2,841	(27)	(483)	(510)	2,332
51600 Private Sector Housing options (GF)	-	(47)	(47)	(207)	(45)	(252)	(300)
51700 Housing Management (GF)	457	1,336	1,793	(254)	(485)	(739)	1,054
	2,038	2,548	4,587	(488)	(1,013)	(1,501)	3,086
5200 Adult Social Care							
52000 Assistant Director Adult Social Care	2,242	71	2,312	-	(284)	(284)	2,028
52100 Older People and Physical Disability Mgt	305	15	320	-	-	-	320
52140 Older People - Day Care	599	172	771	(137)	(36)	(173)	598
52160 Enablement	2,665	384	3,049	-	(1,770)	(1,770)	1,279
52180 OPPD Care Management - Central	1,171	214	1,385	-	(410)	(410)	975
52185 OPPD Care Management - North	1,375	13,819	15,194	(3,327)	(1,071)	(4,399)	10,796
52190 OPPD Care Management - South	1,493	16,011	17,505	(3,778)	(1,077)	(4,855)	12,650
52300 LD and MH Management	547	16	563	-	-	-	563
52301 Under 65 Mental Health Packages	-	1,032	1,032	(54)	(39)	(93)	939
52420 Learning Disabilities - A&C	1,199	21,889	23,087	(1,712)	(885)	(2,597)	20,490
52440 Learning Disabilities - Direct Services	3,759	231	3,990	(25)	-	(25)	3,965
52460 Sheltered Employment	14	-	14	-	-	-	14
52500 Drug Action Team	-	-	-	-	-	-	-
52600 Emergency Duty Team	646	11	657	(404)	-	(404)	254
52700 Residential Homes for Older People	3,853	968	4,822	(1,618)	-	(1,618)	3,204
	19,869	54,833	74,703	(11,055)	(5,573)	(16,628)	58,074
5300 Commissioning							
53000 Assistant Director Commissioning	15	1	16	-	-	-	16
53300 Contracts	-	5,935	5,935	(568)	(2,495)	(3,063)	2,872
53301 LD Transfer	-	5,625	5,625	(76)	(271)	(347)	5,278
53400 Housing Support Service	-	66	66	-	-	-	66
53600 Contracting	392	239	630	-	-	-	630
53700 Carers Service & Service Users Involvement	2	1,346	1,348	(204)	(651)	(855)	493
53800 Commissioning	482	105	587	-	(100)	(100)	487
	890	13,317	14,207	(848)	(3,516)	(4,365)	9,842
5400 Resources - SCH&H							
54000 Asst Director - Business and Performance	150	31	182	-	(651)	(651)	(470)
54100 Business Systems	159	58	217	-	(5)	(5)	212
54100.2 Business Systems	0	-	0	-	-	-	0
54200 Partnership & Performance	907	17	923	-	(294)	(294)	630
	1,216	106	1,322	-	(950)	(950)	372
Total Social Care, Health and Housing	26,799	70,852	97,650	(13,286)	(11,715)	(25,002)	72,649
Children's Services							
4000 Director of Children's Services							
40000 Directors Cost Centre	467	307	774	-	(100)	(100)	674
	467	307	774	-	(100)	(100)	674
4100 Children's Services Operations							
41000 AD - CSS	816	147	963	-	-	-	963
41200 Children in Care & Care Leavers	2,186	1,127	3,313	-	(86)	(86)	3,227
41205 LAC Placement Costs	979	9,008	9,987	(599)	(534)	(1,133)	8,854
41210 Intake and Family Support	5,473	321	5,794	-	-	-	5,794
41300 Children with Disabilities Service Manager	1,686	1,239	2,925	-	(100)	(100)	2,825
41400 Quality Assurance CRS Service Manager	1,201	35	1,237	-	-	-	1,237
41500 Fostering & Adoption Service Manager	1,845	2,216	4,061	(123)	-	(123)	3,938
43300 Early Intervention / Prevention Serv Manager	2,537	3,637	6,174	-	(2,022)	(2,022)	4,152
	16,722	17,731	34,453	(722)	(2,742)	(3,463)	30,990
4200 Commissioning & Partnerships							
42000 AD - Commissioning & Partnerships	399	32	431	-	-	-	431
41600 Local Safeguarding Children's Board	113	13	126	-	-	-	126
42300 Children's Services Commissioning	163	9	172	(40)	-	(40)	132
43100 Youth Service	684	1,157	1,842	(16)	(28)	(44)	1,798
44500 Head of Partnerships & Workforce Dev	576	612	1,188	(480)	(34)	(514)	674
44650 Head of Performance	368	33	402	(18)	-	(18)	383
	2,303	1,857	4,160	(554)	(62)	(616)	3,544
4400 Partnerships							
44000 Partnerships	187	335	523	-	-	-	523
	187	335	523	-	-	-	523
4500 Education Services							
44300 Education Services	1,666	12,314	13,980	(300)	(12,502)	(12,802)	1,177
45000 AD Education Services	553	-	553	-	(157)	(157)	395
45600 Music Service	620	407	1,027	(627)	(374)	(1,002)	25
45700 School Organisation & Capital Planning	618	296	914	(36)	(260)	(296)	618
	3,457	13,017	16,474	(963)	(13,295)	(14,258)	2,216
4950 Central DSG/YPLA							
49500 Central Retained Funds	-	-	-	-	(1,924)	(1,924)	(1,924)
44400 Other School Budgets	-	4,648	4,648	-	(4,648)	(4,648)	-
	-	4,648	4,648	-	(6,571)	(6,571)	(1,924)
Total Children's Services	23,136	37,895	61,031	(2,239)	(22,770)	(25,008)	36,023

2017/18 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE							
	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2017/18 NET BUDGET £'000
Community Services							
6200 Community Services Director							
62000 Community Services Director	258	(40)	218	-	-	-	218
	258	(40)	218	-	-	-	218
6400 Highways Transportation							
64000 AD Highways & Transportation	-	-	-	-	-	-	-
64001 Highways Contracts	2,049	4,482	6,531	(1,485)	-	(1,485)	5,046
64003 Passenger Transport Services	1,741	4,359	6,100	(639)	(46)	(685)	5,415
65003 Transport Strategy	267	-	267	-	(1,354)	(1,354)	(1,086)
42350 Educational Transport	127	7,098	7,226	(121)	(122)	(243)	6,982
	4,185	15,939	20,124	(2,245)	(1,522)	(3,767)	16,357
6800 Environmental Services							
63005 Libraries	1,988	1,119	3,108	(450)	(3)	(454)	2,654
68001 Emergency Planning	280	32	313	(161)	-	(161)	152
68002 Public Protection	1,440	81	1,520	(580)	(170)	(750)	770
68003 Community Safety	1,081	401	1,482	(113)	(62)	(175)	1,307
68004 Waste Services	925	18,838	19,763	(438)	-	(438)	19,325
68005 Leisure & Active Lifestyles	958	1,107	2,065	(1,356)	(291)	(1,646)	419
68006 Parking	536	476	1,012	(1,712)	(4)	(1,716)	(704)
	7,209	22,054	29,263	(4,810)	(530)	(5,340)	23,923
7600 Chief Assets Officer							
76050 Chief Assets Officer	281	(97)	184	-	(140)	(140)	44
76000 Corporate Assets	1,018	669	1,687	(2,442)	(29)	(2,471)	(785)
76300 Hd of Facilities, Maintenance & Development	728	7,941	8,669	(1,778)	(1,926)	(3,704)	4,965
16000 Working Smarter	1	(3)	(2)	-	-	-	(2)
	2,027	8,510	10,537	(4,221)	(2,095)	(6,315)	4,222
Total Community Services	13,679	46,463	60,142	(11,275)	(4,147)	(15,422)	44,720
Regeneration and Business Support							
6100 Service Development							
66000 Regeneration & Business Support Director	828	34	862	-	-	-	862
	828	34	862	-	-	-	862
6300 Business and Investment							
63000 Group Manager - Business and Investment	619	104	723	-	-	-	723
63001 Business and Employment - Economy	-	122	122	-	(10)	(10)	112
63002 Investment	41	23	64	-	(20)	(20)	44
63004 Employment & Skills	669	691	1,360	-	(1,340)	(1,340)	20
	1,330	939	2,269	-	(1,370)	(1,370)	899
6500 Development Infrastructure							
65000 Group Manager - Business and Investment	217	6	223	-	-	-	223
65001 Development Plan & Strategic Housing	1,344	259	1,604	-	(30)	(30)	1,574
65002 Development Management	3,390	746	4,135	(3,431)	(113)	(3,544)	591
65004 Building Control	1,015	804	1,819	(786)	(6)	(792)	1,027
65005 Archaeology	1,323	426	1,749	(1,768)	-	(1,768)	(19)
65006 Minerals and Waste	463	18	481	(238)	-	(238)	243
	7,753	2,258	10,011	(6,223)	(149)	(6,372)	3,639
Total Regeneration and Business Support	9,910	3,232	13,142	(6,223)	(1,519)	(7,742)	5,400
Public Health							
8000 Director of Public Health							
81000 Director of Public Health	-	1,556	1,556	(24)	(12,591)	(12,615)	(11,059)
	-	1,556	1,556	(24)	(12,591)	(12,615)	(11,059)
8010 Asst Director of Public Health							
80100 AD (Shared Svcs/Mngmnt Tm/Doolittle Mill/Other)	282	1,007	1,288	(135)	(38)	(173)	1,116
80101 Bedfordshire Drugs Action Team	57	4,029	4,087	(1,648)	-	(1,648)	2,438
80102 Children and Young People	210	9,319	9,529	(2,850)	-	(2,850)	6,679
80103 Adults and Older People	388	481	869	-	-	-	869
	938	14,835	15,773	(4,632)	(38)	(4,670)	11,102
Total Public Health	938	16,391	17,329	(4,656)	(12,629)	(17,285)	43
Chief Executive's							
1100 Chief Executive (OH)							
11000 Chief Executive	301	8	308	-	-	-	308
	301	8	308	-	-	-	308
2100 Communications (OH)							
21000 Communications	148	(11)	137	-	(47)	(47)	89
21100 Corporate Communications	459	48	508	(33)	(8)	(41)	467
21400 Consultation & Intelligence	142	41	184	-	-	-	184
23000 Knowledge and Insight	267	(70)	198	-	-	-	198
23400 Corporate Subscriptions	-	98	98	-	-	-	98
	1,017	107	1,124	(33)	(55)	(88)	1,036
7410 Information Technology (OH)							
74000 IT Operations	2,875	(235)	2,640	-	(374)	(374)	2,266
74001 IT Corporate	-	4,336	4,336	(753)	(611)	(1,364)	2,972
	2,875	4,101	6,975	(753)	(985)	(1,738)	5,238
Total Chief Executive's	4,192	4,216	8,408	(786)	(1,040)	(1,826)	6,582

2017/18 BUDGET BY HEADS OF SERVICE BY EXPENDITURE TYPE							
	Payroll related £'000	Running Costs £'000	TOTAL SPEND £'000	Sales, Fees and Charges £'000	Grants and other income £'000	TOTAL INCOME £'000	2017/18 NET BUDGET £'000
Resources							
7200 Chief Finance Officer							
72000 Chief Finance Officer	282	41	323	-	(172)	(172)	151
22400 Head of Revenues & Benefits	3,041	57,312	60,353	(1,885)	(57,437)	(59,322)	1,032
22400.1 Housing Benefit Transactions	-	-	-	-	-	-	-
72020 Financial Performance and Support	1,494	(51)	1,443	(15)	(110)	(125)	1,318
72010 Financial Control	760	1,258	2,017	(743)	(209)	(952)	1,066
77000 Head of Audit	408	206	614	-	(33)	(33)	581
54100.1 Business Systems (from SCH&H to Resources)	1,096	81	1,177	(86)	(112)	(197)	979
	7,081	58,847	65,928	(2,729)	(58,072)	(60,801)	5,127
1500 Director of Improvement & Corporate Services (OH)							
15000 Director of Improvement & Corporate Services	2	-	2	-	-	-	2
	2	-	2	-	-	-	2
2500 Governance (OH)							
25000 Policy & Strategy	193	11	204	-	-	-	204
75200 Head of Democratic Services	1,898	166	2,064	(551)	(7)	(557)	1,507
75210 Committee Services	248	(18)	231	(10)	(16)	(26)	205
75300 Registration & Coroner Service (Not OH)	879	707	1,586	(615)	(544)	(1,159)	427
	3,219	866	4,084	(1,176)	(567)	(1,743)	2,342
7300 People (OH)							
73000 Operational HR	2,247	(97)	2,150	-	(180)	(180)	1,970
73010 TU Facilities	90	-	90	-	(12)	(12)	78
73020 Corporate Development	157	48	205	-	-	-	205
73020.1 Member Development	-	-	-	-	-	-	-
	2,494	(49)	2,445	-	(192)	(192)	2,253
7500 Legal Services (OH)							
75110 LGSS Contract	147	1,917	2,064	(146)	(96)	(242)	1,822
	147	1,917	2,064	(146)	(96)	(242)	1,822
Total Resources	12,942	61,581	74,523	(4,050)	(58,927)	(62,977)	11,546
Corporate Costs							
7800 Corporate Costs							
78000 Corporate Costs	2,927	14,489	17,416	-	(1,001)	(1,001)	16,415
78050 Nominated Council Costs	-	-	-	-	-	-	-
	2,927	14,489	17,416	-	(1,001)	(1,001)	16,415
7900 Contingency & Reserves							
79100 Contingency & Reserves	-	3,150	3,150	-	(6,947)	(6,947)	(3,797)
	-	3,150	3,150	-	(6,947)	(6,947)	(3,797)
Total Corporate Costs	2,927	17,639	20,567	-	(7,948)	(7,948)	12,619
Landlord Business							
51000 Assistant Director Housing Service (HRA)	601	16,565	17,165	(121)	-	(121)	17,044
51100 Housing Management (HRA)	2,822	1,950	4,771	(54)	(28,494)	(28,548)	(23,777)
51200 Asset Management (HRA)	1,062	5,088	6,150	(17)	(10)	(27)	6,123
51300 Financial Inclusion (HRA)	279	372	651	-	(121)	(121)	530
51350 Housing Investment	528	(450)	78	-	-	-	78
	5,292	23,524	28,816	(191)	(28,625)	(28,816)	0
Total Landlord Business	5,292	23,524	28,816	(191)	(28,625)	(28,816)	0
Schools							
45500 PVIs	-	171	171	-	5,138	5,138	5,309
30000 Nursery School Control Account	-	-	-	-	638	638	638
60000 Lower School Control Account	-	-	-	-	55,135	55,135	55,135
70000 Middle School Control Account	-	-	-	-	8,993	8,993	8,993
80000 Upper School Control Account	-	-	-	-	9,462	9,462	9,462
90000 Special School Control Account	-	-	-	-	6,759	6,759	6,759
49000 School ISB Funding	-	245	245	-	(86,541)	(86,541)	(86,296)
	-	416	416	-	(416)	(416)	(0)
Total Schools	-	416	416	-	(416)	(416)	(0)
TOTAL (including HRA and Schools)	99,815	282,208	382,024	(42,708)	(149,735)	(192,443)	189,581
TOTAL (excluding HRA and Schools)	94,524	258,268	352,792	(42,517)	(120,695)	(163,211)	189,581

This page is intentionally left blank

Central Bedfordshire Council

EXECUTIVE

7 February 2017

CAPITAL PROGRAMME 2017/18 TO 2020/21

Report of Cllr Richard Wenham, Executive Member for Corporate Resources
(richard.wenham@centralbedfordshire.gov.uk)

Advising Officer: Charles Warboys, Director of Resources 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

The purpose of this report

1. To seek Member approval for a Capital Programme for the Medium Term Financial Plan (MTFP) period 2017/18 to 2020/21 to facilitate effective financial management and planning.
2. The report proposes the Capital Programme for the four years from 1st April 2017. 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 2017/18 to 2020/21**

Overview and Scrutiny Comments/Recommendations

3. Overview and Scrutiny Committees considered the budget proposals in their January 2017 cycle of meetings. Comments are included in Appendix J of the Revenue MTFP paper.

Background

4. 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.
5. The Capital Programme continues to be dominated by a few large schemes including the requirement to provide New School Places, M1/A421 Junction 13 – Milton Keynes Magna Park, M1/A6 Phase 1 and 2, Highways Structural Maintenance, Dunstable Leisure Centre and Library, and Broadband infrastructure.
6. 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.

Capital Budget Strategy

7. From the Council's five-year plan there are a number of broad outcomes which capital investment plays a role in delivering:
 - Improved town centres and facilities
 - Great quality, appropriate and affordable housing
 - Great infrastructure including transport and broadband
 - Improved roads and pavements, parks and leisure
 - Educational success
 - Allowing people to live independently or in suitable specialist accommodation
 - Operational efficiency.
8. In order to deliver those outcomes and in common with the General Fund Revenue MTFP, the Capital Programme was built up thematically as follows:
9. Theme 1 - Replacing and renewing operational assets:

Buildings, roads, IT systems and streetlights etc. have a finite life and the Council needs to have a programme to maintain, improve and replace assets used for operational delivery.

The Council also needs to ensure that the Capital Programme is checked for relevance, statutory compliance, value for money and opportunities to deliver efficiencies at the point of renewal but also recognise that there will be a base level of need to keep services running.

10. Theme 2 - Investing to save:

Capital investment can be the key that unlocks new income streams and capital receipts or helps manage demand:

Managing demand, through the Managing the Needs of Older People (MANOP) programme for instance, is key to the Council's strategic thinking to contain costs and offer better outcomes.

Upfront investment in some assets can either trigger improved income generation opportunities, as in CCTV or enhance the value of assets prior to sale, as in work to prepare for disposal of sites such as Thorn Turn.

11. Theme 3 - Capturing the benefits of growth for all:

Growth brings opportunities to deliver new capital infrastructure alongside additional revenue through Council Tax, NNDR and the New Homes Bonus. Growth is often the trigger to access Government funding for key infrastructure.

CBC needs to ensure it is capturing the full benefits of being a Council that supports growth, and critically that these are benefits for both new and existing communities.

This is key to CBC's investment plans for school places, transport and new leisure facilities.

12. Theme 4 - Protecting and enhancing Central Bedfordshire:

As custodians of the public realm and significant landowners, CBC has a role to play in ensuring the environment which makes Central Bedfordshire such an attractive place to live, work and invest is protected.

An increasing population creates additional pressure on urban and rural open spaces and this requires continued capital investment to maintain, such as bridges on public footpaths but beyond this there are opportunities to improve existing facilities such as Houghton Hall Park.

13. Theme 5 - Responding to new opportunities:

As an effective and resilient authority CBC is in a position to respond to change proactively and to investigate and take opportunities.

Examples include the provision and delivery of Health Care hubs; working with health providers to create a more seamless service. This has been put into practice, at a modest scale but further opportunities in Dunstable and Biggleswade are being investigated.

New opportunities to make the most of our assets, whether it is a rural exception site for key worker housing or building our own care homes also warrant investigation.

14. Also, as part of the MTFP process for 2017/18 – 2020/21 the Council focussed on a number of specific issues and used an internal resource which was released for three months on secondment to undertake a series of reviews. Those reviews (known as the MTFP Workstreams) covered nine areas. One of those was Income from Assets, the outputs of which are captured in the Capital Programme. Specifically, two projects are proposed as part of this workstream; a) build a Crematorium, and b) build a Children's Home and Assessment Centre. Both of these schemes may deliver financial benefits to General Fund revenue, and would only be pursued if such benefits are identified.
15. The Capital Budget proposed in this report reduces revenue liabilities against those previously identified in the MTFP for 2016/17 to 2019/20. The reduction is partly due to revised cost of borrowing assumptions identified 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), and the timing of movements in interest rates (if increases occur earlier than assumed then interest liabilities will be greater than estimated). Any capital overspends or shortfalls in capital receipts which cannot be mitigated would result in a revenue pressure as additional borrowing would be necessary.
16. 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.
17. Capital receipts projections for the 2017/18 to 2020/21 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.
18. 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 2017/18 to 2020/21

19. Capital investment is required to ensure the delivery of the Council's priorities but the programme needs to be both affordable and sustainable. Capital expenditure that is not financed through existing capital resources (e.g., grants, developer contributions and capital receipts) will reduce revenue resources available for other services over the longer term by incurring additional capital financing costs.
20. 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. Based on current monitoring of the 2016/17 Capital Programme an overall slippage to 2017/18 of 30% has been assumed followed by 20% to 2018/19 and 15% per annum thereafter. The assumed slippage profile reflects the fact that a number of high value schemes are expected to complete in 2017/18 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 – 2017/18 to 2020/21 Medium Term Financial Plan Capital Programme (assuming annual programme slippage)

	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000
Gross Expenditure	94,931	90,983	96,834	57,940
Funded by:				
Grants/Contributions	(42,997)	(46,440)	(63,522)	(43,350)
Capital Receipts	(12,000)	(10,000)	(10,000)	(8,000)
Borrowing	(39,934)	(34,543)	(23,312)	(6,590)
Total Funding	(94,931)	(90,983)	(96,834)	(57,940)

21. 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

22. The revenue financing costs of the proposed Capital Programme, including what has been previously built into the previous MTFP are:

Table 2 – 2017/18 to 2020/21 Annual Revenue Implications of proposed Capital Programme compared to Previous MTFP

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Previous MTFP	16,150	17,736	19,103	-
Additional Charge / (Reduction) to original MTFP	(1,580)	(2,366)	(2,523)	-
Revised MTFP	14,570	15,370	16,580	17,680
Year on Year Increase in the revenue consequences of the proposed programme		800	1,210	1,100

Estimated revenue costs are lower than the previous base budget for 2017/18 to 2019/20 reflecting updated assumptions in respect of the timing of interest rate movements and amendments to the Capital Programme.

23. 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

24. 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 derive from the Council's reserves, grants received in advance and amounts due to creditors. As at 31 March 2016, the Council had borrowed £122.0M 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.

25. 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 2016/17 to 2019/20 period.
26. 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 – 2017/18 to 2020/21 Additional costs over the MTFP period of an unexpected increase in the Interest Rate

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
1% point higher	1,120	1,430	1,620	1,710
2% points higher	2,240	2,860	3,240	3,420

27. 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.
28. The Council's treasury management advisers, Arlingclose Ltd, do not expect the Bank of England to raise its Base Rate from its current level of 0.25% over the next three years.
29. The Council's MTFP assumes variable interest rate forecasts as follows:

	2017/18	2018/19	2019/20	2020/21
Rate %	0.50%	0.50%	0.50%	0.63%

This forecast includes a 0.1% prudent allowance for uncertainty above the assumptions provided by Arlingclose Ltd.

30. Taking into account the 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:

	2017/18	2018/19	2019/20	2020/21
Weighted average interest rate on borrowing %	2.50%	2.28%	2.38%	2.60%

31. 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, medium term 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.

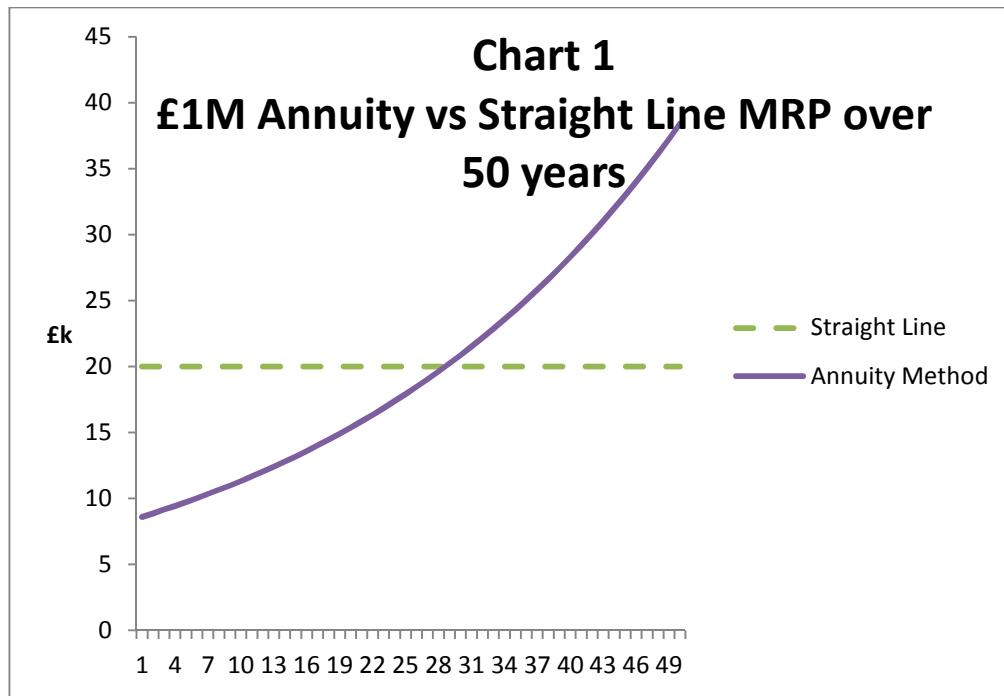
Minimum Revenue Provision (MRP)

32. 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).
33. 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.

34. 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

- 35. 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.
- 36. The Council has historically not achieved approved estimates for capital receipts within the MTFP.
- 37. 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.
- 38. **Table 4 – Capital Receipts movement between previous MTFP and current MTFP**

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Total £000
Previous MTFP Capital Receipts	9,500	7,500	6,000	-	23,000
Revised MTFP Capital Receipts	12,000	10,000	10,000	8,000	40,000
Total Change Increase/ (Decrease) in Capital Receipts	2,500	2,500	4,000	8,000	17,000

Reserve List

39. Appendix B includes a list of reserve schemes, which the Council may progress if the revenue impacts can be accommodated within the revenue budget.
40. 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.
41. 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 2017/18 to 2020/21

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	Total £000
Net Capital Cost of Reserve List Schemes	7,747	7,520	4,120	626	20,013

Major Capital Schemes

New School Places - £71M gross (£15M net) expenditure over the MTFP period

42. 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 - £21M gross (£3M net) expenditure over the MTFP period

43. The Council is 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. This scheme will be largely funded through Department of Transport grants with the remaining cost met by Central Bedfordshire Council and Milton Keynes Council according to a cost sharing agreement which has been adopted by both Councils.

M1/A6 Phase 1 and 2 - £56M gross (net nil) expenditure over the MTFP period

44. The proposed M1-A6 Link is a new 4.4km long dual 2-lane carriageway link between the M1 in the west (at a new M1 Junction 11a to be open in Spring 2017) and the A6 in the east, to effectively form a northern bypass for Luton and open up land for the potential development of up to 4,000 dwellings, up to 60 hectares of employment land, and provision of a new sub-regional rail freight interchange. It is anticipated that this scheme will be largely funded through developer contributions and Department of Transport grant.

Highways Structural Maintenance - £24M gross (£8M net) expenditure over the MTFP period

45. This is the expenditure on highway resurfacing works, rebuilding, surface dressing and reconstruction. The Council receives 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 - £19M gross (£16M net) expenditure over the MTFP period

46. The current Dunstable Leisure Centre and Library buildings are reaching the end of their lives and are becoming increasingly expensive and difficult to maintain. The Council is 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.

Broadband - £11M gross (£2M net) expenditure over the MTFP period

47. Funding for the next phase of delivery of the successful broadband programme, which has already supported over 16,000 premises. £3M of external funding secured to match the £2M Council contribution are being invested to accelerate rollout and extend superfast broadband availability, bringing coverage to over 97% by 2018/19.

Reason for Decision

48. To approve the Council's Capital Programme for the MTFP period 2017/18 to 2020/21 to facilitate effective financial management and planning.

Council Priorities

49. 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

50. 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.
51. 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. This is contained in Appendix G of the Revenue Budget report.

Financial Implications

52. 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.

Risk Management

53. The financial implications of the proposed changes to the Capital Programme are set out within the body of the report.

Equalities Implications

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

Implications for Work Programming

55. There are no work programming implications to this report.

Appendices

Appendix A – Summary of changes against previous MTFP

Appendix B – Full Capital Programme 2017/18 to 2020/21 and Reserve List

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

Background papers

None.

This page is intentionally left blank

Appendix A - Capital Programme Summary of changes

Existing 2016-17 Capital MTFP

Directorate	2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			2020/21 Capital Budget			Total Budget 2017/18 - 2020/21		
	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	28,032	(27,432)	600	20,213	(19,613)	600	18,022	(14,034)	3,988	0	0	0	66,267	(61,079)	5,188
Community Services	38,079	(22,739)	15,340	36,205	(8,987)	27,218	20,226	(12,087)	8,139	0	0	0	94,510	(43,813)	50,697
ICS	4,500	0	4,500	3,500	0	3,500	3,000	0	3,000	0	0	0	11,000	0	11,000
Regeneration & Business Support	12,678	(6,407)	6,271	3,668	(2,465)	1,203	1,762	(725)	1,037	0	0	0	18,108	(9,597)	8,511
Social Care, Health & Housing	5,400	(778)	4,622	2,950	(778)	2,172	2,900	(778)	2,122	0	0	0	11,250	(2,334)	8,916
Total	88,689	(57,356)	31,333	66,536	(31,843)	34,693	45,910	(27,624)	18,286	0	0	0	201,135	(116,823)	84,312

Revised 2017-18 MTFP

Directorate	2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			2020/21 Capital Budget			Total Budget 2017/18 - 2020/21		
	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	13,084	(12,544)	540	16,061	(15,021)	1,040	42,026	(24,872)	17,154	14,106	(13,566)	540	85,277	(66,003)	19,274
Community Services	31,604	(10,493)	21,111	52,665	(18,689)	33,976	18,215	(9,842)	8,373	15,180	(8,577)	6,603	117,664	(47,601)	70,063
Chief Executive Team	3,500	0	3,500	3,500	0	3,500	3,000	0	3,000	3,000	0	3,000	13,000	0	13,000
Regeneration & Business Support	15,350	(8,604)	6,746	13,142	(12,519)	623	32,183	(30,944)	1,239	16,181	(16,355)	(174)	76,856	(68,422)	8,434
Social Care, Health & Housing	5,400	(778)	4,622	5,450	(778)	4,672	2,472	(778)	1,694	2,422	(778)	1,644	15,744	(3,112)	12,632
Total	68,938	(32,419)	36,519	90,818	(47,007)	43,811	97,896	(66,436)	31,460	50,889	(39,276)	11,613	308,541	(185,138)	123,403

Change

Directorate	2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			2020/21 Capital Budget			Total Budget 2017/18 - 2020/21		
	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	(14,948)	14,888	(60)	(4,152)	4,592	440	24,004	(10,838)	13,166	14,106	(13,566)	540	19,010	(4,924)	14,086
Community Services	(6,475)	12,246	5,771	16,460	(9,702)	6,758	(2,011)	2,245	234	15,180	(8,577)	6,603	23,154	(3,788)	19,366
Chief Executive Team	(1,000)	0	(1,000)	0	0	0	0	0	0	3,000	0	3,000	2,000	0	2,000
Regeneration & Business Support	2,672	(2,197)	475	9,474	(10,054)	(580)	30,421	(30,219)	202	16,181	(16,355)	(174)	58,748	(58,825)	(77)
Social Care, Health & Housing	0	0	0	2,500	0	2,500	(428)	0	(428)	2,422	(778)	1,644	4,494	(778)	3,716
Total	(19,751)	24,937	5,186	24,282	(15,164)	9,118	51,986	(38,812)	13,174	50,889	(39,276)	11,613	107,406	(68,315)	39,091

This page is intentionally left blank

Appendix B - Capital Programme Summary by Category

Directorate	2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			2020/21 Capital Budget			Total Budget 2017/18 - 2020/21		
	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
A - Replacing and renewing operational assets	28,428	(11,545)	16,883	49,720	(21,736)	27,984	23,373	(12,580)	10,793	19,746	(7,789)	11,957	121,267	(53,650)	67,617
B - Investing to save through managing demand or generating income	14,497	(3,778)	10,719	18,020	(8,778)	9,242	33,492	(30,778)	2,714	18,267	(17,133)	1,134	84,276	(60,467)	23,809
C - Capturing the benefits of growth	24,492	(16,793)	7,699	20,690	(16,390)	4,300	38,629	(23,075)	15,554	12,126	(14,354)	(2,228)	95,937	(70,612)	25,325
D - Protecting and enhancing Central Bedfordshire	1,521	(303)	1,218	1,888	(103)	1,785	902	(3)	899	750	0	750	5,061	(409)	4,652
E - Responding to new opportunities	0	0	0	500	0	500	1,500	0	1,500	0	0	0	2,000	0	2,000
Total	68,938	(32,419)	36,519	90,818	(47,007)	43,811	97,896	(66,436)	31,460	50,889	(39,276)	11,613	308,541	(185,138)	123,403

Appendix B - Capital Programme

Directorate	Category	Category Description	Scheme Title	2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			2020/21 Capital Budget			Total Budget 2017/18 - 2020/21		
				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	C	Capturing the benefits of growth	New School Places	10,094	(10,094)	0	12,571	(12,571)	0	37,536	(22,422)	15,114	11,116	(11,116)	0	71,317	(56,203)	15,114
Children's Services	A	Replacing and renewing operational assets	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	A	Replacing and renewing operational assets	Schools Devolved Formula Capital	450	(450)	0	450	(450)	0	450	(450)	0	450	(450)	0	1,800	(1,800)	0
Children's Services	A	Replacing and renewing operational assets	Temporary Accommodation	360	0	360	360	0	360	360	0	360	360	0	360	1,440	0	1,440
Children's Services	D	Protecting and enhancing Central Bedfordshire	Schools Access Initiative	180	0	180	180	0	180	180	0	180	180	0	180	720	0	720
Children's Services	E	Responding to new opportunities	Children's Home and Assessment Centre	0	0	0	500	0	500	1,500	0	1,500	0	0	0	2,000	0	2,000
Community Services	A	Replacing and renewing operational assets	Highways Structural Maintenance Block	6,020	(4,296)	1,724	6,020	(4,109)	1,911	6,020	(3,959)	2,061	6,020	(3,959)	2,061	24,080	(16,323)	7,757
Community Services	A	Replacing and renewing operational assets	Library and Leisure Centre renewal in Dunstable	4,684	(419)	4,265	13,285	0	13,285	913	(2,000)	(1,087)	0	0	0	18,882	(2,419)	16,463
Community Services	C	Capturing the benefits of growth	Woodside Link	3,558	(1,095)	2,463	152	(300)	(148)	0	0	0	1,010	(3,238)	(2,228)	4,720	(4,633)	87
Community Services	A	Replacing and renewing operational assets	A421-M1 Junction 13- Milton Keynes Magna Park	3,000	(3,000)	0	15,757	(12,797)	2,960	2,500	(2,500)	0	0	0	0	21,257	(18,297)	2,960
Community Services	A	Replacing and renewing operational assets	CBC Built Asset Improvement Programme	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000	1,550	0	1,550	7,550	0	7,550
Community Services	B	Investing to save through managing demand or generating income	Crematorium	2,000	0	2,000	3,000	0	3,000	0	0	0	0	0	0	5,000	0	5,000
Community Services	A	Replacing and renewing operational assets	Highways Planned Maintenance	1,540	0	1,540	1,540	0	1,540	1,540	0	1,540	1,540	0	1,540	6,160	0	6,160
Community Services	A	Replacing and renewing operational assets	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	B	Investing to save through managing demand or generating income	Biggleswade Property Regeneration	1,000	0	1,000	1,000	0	1,000	0	0	0	0	0	0	2,000	0	2,000
Community Services	B	Investing to save through managing demand or generating income	New Car Parks	650	0	650	650	0	650	0	0	0	0	0	0	1,300	0	1,300
Community Services	B	Investing to save through managing demand or generating income	Enhancement work to prepare for disposals	641	0	641	750	0	750	750	0	750	750	0	750	2,891	0	2,891
Community Services	B	Investing to save through managing demand or generating income	Westbury Phase 2 Industrial units (income generation)	625	0	625	0	0	0	0	0	0	0	0	0	625	0	625
Community Services	A	Replacing and renewing operational assets	Highways Bridge Assessment and Maintenance	600	0	600	600	0	600	600	0	600	600	0	600	2,400	0	2,400
Community Services	A	Replacing and renewing operational assets	Highways Street Lighting	500	0	500	500	0	500	400	0	400	400	0	400	1,800	0	1,800
Community Services	A	Replacing and renewing operational assets	Fleet replacement programme	500	0	500	0	0	0	0	0	0	0	0	0	500	0	500

Directorate	Category	Category Description	Scheme Title	2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			2020/21 Capital Budget			Total Budget 2017/18 - 2020/21		
				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	A	Replacing and renewing operational assets	Highways Flooding & Drainage	400	0	400	400	0	400	400	0	400	400	0	400	1,600	0	1,600
Community Services	B	Investing to save through managing demand or generating income	CCTV	360	0	360	200	0	200	0	0	0	0	0	0	560	0	560
Community Services	A	Replacing and renewing operational assets	Waste & Recycling Containers - Provision of Replacement bins & containers.	309	(15)	294	323	(15)	308	340	(15)	325	360	(15)	345	1,332	(60)	1,272
Community Services	B	Investing to save through managing demand or generating income	Energy Efficiency Improvements	300	0	300	300	0	300	300	0	300	300	0	300	1,200	0	1,200
Community Services	D	Protecting and enhancing Central Bedfordshire	Sundon / Bluewater Landfill Sites	300	(300)	0	100	(100)	0	100	0	100	0	0	0	500	(400)	100
Community Services	A	Replacing and renewing operational assets	Farm Compliance Work	270	0	270	270	0	270	135	0	135	135	0	135	810	0	810
Community Services	A	Replacing and renewing operational assets	Leisure Centre Stock Condition/Asset Management Plan	250	0	250	200	0	200	200	0	200	150	0	150	800	0	800
Community Services	D	Protecting and enhancing Central Bedfordshire	Outdoor Access and Countryside Works	245	0	245	245	0	245	245	0	245	245	0	245	980	0	980
Community Services	D	Responding to new opportunities	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	A	Replacing and renewing operational assets	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	D	Protecting and enhancing Central Bedfordshire	Pix Brook Flood Alleviation	80	0	80	950	0	950	50	0	50	0	0	0	1,080	0	1,080
Community Services	D	Protecting and enhancing Central Bedfordshire	match funding for HRA schemes to alleviate parking problems	50	0	50	50	0	50	50	0	50	50	0	50	200	0	200
Community Services	A	Replacing and renewing operational assets	additional gritting vehicle due to A5 and Woodside routes	30	0	30	0	0	0	0	0	0	0	0	0	30	0	30
Community Services	D	Protecting and enhancing Central Bedfordshire	Houghton Hall Urban County Park	21	(3)	18	3	(3)	0	2	(3)	(1)	0	0	0	26	(9)	17
Community Services	B	Investing to save through managing demand or generating income	LITC contract renegotiation	1	0	1	0	0	0	0	0	0	0	0	0	1	0	1
Community Services	B	Investing to save through managing demand or generating income	Stratton 5 new industrial units for revenue	0	0	0	2,700	0	2,700	0	0	0	0	0	0	2,700	0	2,700
Chief Executive Team	A	Replacing and renewing operational assets	IT	3,500	0	3,500	3,500	0	3,500	3,000	0	3,000	3,000	0	3,000	13,000	0	13,000
Regeneration	B	Investing to save through managing demand or generating income	M1-A6 Phase 1 and 2	4,520	(1,500)	3,020	6,520	(8,000)	(1,480)	30,020	(30,000)	20	14,795	(16,355)	(1,560)	55,855	(55,855)	0
Regeneration	A	Replacing and renewing operational assets	East West Rail (Western Section)	500	0	500	1,000	(1,000)	0	1,000	(291)	709	1,266	0	1,266	3,766	(1,291)	2,475
Regeneration	C	Capturing the benefits of growth	Dunstable A5/M1 Link Road Strategic Infrastructure	20	0	20	10	0	10	0	0	0	0	0	0	30	0	30
Regeneration	D	Protecting and enhancing Central Bedfordshire	Strategic infrastructure schemes	20	0	20	85	0	85	0	0	0	0	0	0	105	0	105
Regeneration	C	Capturing the benefits of growth	Strategic infrastructure schemes	150	0	150	0	0	0	0	0	0	0	0	0	150	0	150

Directorate	Category	Category Description	Scheme Title	2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			2020/21 Capital Budget			Total Budget 2017/18 - 2020/21		
				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
Regeneration	D	Protecting and enhancing Central Bedfordshire	HGV SS & Road Reclassification	250	0	250	0	0	0	0	0	0	0	0	0	250	0	250
Regeneration	C	Capturing the benefits of growth	Broadband	4,579	(4,491)	88	5,407	(3,519)	1,888	1,043	(653)	390	0	0	0	11,029	(8,663)	2,366
Regeneration	C	Capturing the benefits of growth	Market Towns	3,591	(1,113)	2,478	0	0	0	0	0	0	0	0	0	3,591	(1,113)	2,478
Regeneration	D	Protecting and enhancing Central Bedfordshire	Land Drainage Flood defence	120	0	120	120	0	120	120	0	120	120	0	120	480	0	480
Regeneration	B	Investing to save through managing demand or generating income	Dunstable Highway De-Trunking and Redevelopment	1,500	(1,500)	0	0	0	0	0	0	0	0	0	0	1,500	(1,500)	0
Regeneration	D	Protecting and enhancing Central Bedfordshire	Dunstable Highway/High Street Feasibility	100	0	100	0	0	0	0	0	0	0	0	0	100	0	100
SCH & H	B	Investing to save through managing demand or generating income	Disabled Facilities Grants Scheme	2,390	(668)	1,722	2,390	(668)	1,722	1,912	(668)	1,244	1,912	(668)	1,244	8,604	(2,672)	5,932
SCH & H	B	Investing to save through managing demand or generating income	Empty Homes	210	(10)	200	210	(10)	200	210	(10)	200	210	(10)	200	840	(40)	800
SCH & H	B	Investing to save through managing demand or generating income	Renewal Assistance	300	(100)	200	300	(100)	200	300	(100)	200	300	(100)	200	1,200	(400)	800
SCH & H	C	Capturing the benefits of growth	MANOP: Non-HRA Extra Care Schemes	2,500	0	2,500	2,550	0	2,550	50	0	50	0	0	0	5,100	0	5,100
Total (Excluding HRA)				68,938	(32,419)	36,519	90,818	(47,007)	43,811	97,896	(66,436)	31,460	50,889	(39,276)	11,613	308,541	(185,138)	123,403

Appendix B - Capital Programme Reserve List

Directorate	Scheme Title	2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			2020/21 Capital Budget			Total Budget 2017/18 - 2020/21		
		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	Footway Programme	1,000	0	1,000	1,000	0	1,000	0	0	0	0	0	0	2,000	0	2,000
Community Services	Carriageway Surface Dressing Programme	2,000	0	2,000	2,000	0	2,000	0	0	0	0	0	0	4,000	0	4,000
Community Services	Outdoor Access and Countryside Works	100	0	100	100	0	100	100	0	100	0	0	0	300	0	300
Community Services	Leisure Strategy - delivery with stakeholders	250	0	250	200	0	200	0	0	0	0	0	0	450	0	450
Community Services	CAROL safety car	50	0	50	0	0	0	0	0	0	0	0	0	50	0	50
Community Services	New Camera Sites	100	0	100	100	0	100	100	0	100	100	0	100	400	0	400
Community Services	Street Lighting							100		100	100		100	200	0	200
Regeneration	Commercial Centre - Market Square Biggleswade	500	0	500	800	0	800		0	0	0	0	0	1,300	0	1,300
Regeneration	A507 Upgrade works	0	0	0	0	0	0	1,000	0	1,000	10,000	(10,000)	0	11,000	(10,000)	1,000
Regeneration	Dunstable Highway De-Trunking and Redevelopment	1,500	0	1,500	0	0	0	0	0	0	0	0	0	1,500	0	1,500
Regeneration	Dunstable High Street - additional to existing scheme	0	0	0	3,000	0	3,000	2,500	0	2,500	106	0	106	5,606	0	5,606
Regeneration	Fitwick Transport Interchange	1,450	(337)	1,113	0	0	0	0	0	0	0	0	0	1,450	(337)	1,113
Regeneration	Market Towns	812	0	812	0	0	0	0	0	0	0	0	0	812	0	812
Childrens Services	Temporary Accommodation	40	0	40	40	0	40	40	0	40	40	0	40	160	0	160
Childrens Services	Schools Access Initiative	20	0	20	20	0	20	20	0	20	20	0	20	80	0	80
SCH & H	Empty Homes	200	0	200	200	0	200	200	0	200	200	0	200	800	0	800
SCH & H	Integrated Care/Health Hub - Dunstable	1	0	1	0	0	0	0	0	0	0	0	0	1	0	1
SCH & H	Integrated Care/Health Hub - Biggleswade	1	0	1	0	0	0	0	0	0	0	0	0	1	0	1
SCH & H	Disabled Facilities Grants Scheme	60	0	60	60	0	60	60	0	60	60	0	60	240	0	240
Total		8,084	(337)	7,747	7,520	0	7,520	4,120	0	4,120	10,626	(10,000)	626	30,350	(10,337)	20,013

This page is intentionally left blank

Appendix C - Reconciliation of MTFP to slippage inclusive MTFP used for calculating Revenue implications

	MTFP and forecast slippage 2016-2020				
	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000
Gross Expenditure as per Appendix B	132,601	68,938	90,818	97,896	50,889
Less estimated slippage to next year		(13,788)	(13,623)	(14,684)	(7,633)
Add slippage from previous year		39,780	13,788	13,623	14,684
Gross Expenditure for Revenue implications		94,931	90,983	96,834	57,940
Funded by:					
Gross Income as per Appendix B	(56,873)	(32,419)	(47,007)	(66,436)	(39,276)
Less estimated slippage to next year		6,484	7,051	9,965	5,891
Add slippage from previous year		(17,062)	(6,484)	(7,051)	(9,965)
Gross Income for Revenue implications		(42,997)	(46,440)	(63,522)	(43,350)
Capital Receipts		(12,000)	(10,000)	(10,000)	(8,000)
Borrowing		(39,934)	(34,543)	(23,313)	(6,590)
Total Funding		(94,931)	(90,983)	(96,834)	(57,940)

Slippage assumptions	30.00%	20.00%	15.00%	15.00%	15.00%
----------------------	--------	--------	--------	--------	--------

This page is intentionally left blank

Central Bedfordshire Council

EXECUTIVE

7 February 2017

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); Charles Warboys, Director of Resources (charles.warboys@centralbedfordshire.gov.uk)

This report relates to a non-Key Decision

Purpose of this report

1. The report sets out the Housing Revenue Account (HRA) Landlord Business Plan Budget for 2017/18, with proposals that respond to legislative changes; make best use of the investment potential; account for the rent reduction; and align to the debt strategy in the context of long term Business Planning.

RECOMMENDATIONS

The Executive is asked to recommend Council to approve the HRA budget proposals for 2017/18, and to:

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 2016/17;**
3. **note the intention to commence principal debt repayments from 2017/18, as approved previously by Council in February 2016;**
4. **approve the Landlord Business Investment Plan, which proposes HRA investment throughout the Council area;**
5. **approve the HRA Revenue Budget for 2017/18 and the Landlord Business Plan summary at Appendix A and B;**

- 6. approve the 2017/18 to 2020/21 HRA Capital Programme at Appendix C; and**
- 7. approve the average rent decrease of 1% for Council tenancies for 2017/18 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 2017 meetings. Comments are included in Appendix J of the General Fund Revenue Medium Term Financial Plan (MTFP).

Executive Summary

3. The Council's Housing Revenue Account remains in a strong financial position, as we approach the end of the fifth financial year since the introduction of Self Financing. Reserves of circa £20M are predicted for the 2016/17 financial year end. Having completed a large scale, mixed use Independent Living development at Priory View there is confidence and ambition to deliver further new build schemes which, directly and through chains of moves, meet local housing need. As well as helping to regenerate communities and promote economic growth, the HRA is assisting the Council's General Fund (GF) to make efficiency savings through an invest to save approach, that responds to housing demand pressures and demographic change.
4. The HRA continues to operate against a backdrop of uncertainty and potential challenges to the Business Plan. Government legislation requires a further 3 years of social rent reductions. A void levy is also being applied by Government, although this will not be implemented until 2018/19. The extension of Local Housing Allowance (LHA) to the social sector could impact on the ability to fully recoup rent via Housing Benefit in certain circumstances. These risks are being managed, mainly through a robust approach to business planning.
5. The HRA Business Plan has been reviewed, to fully reflect current economic indicators, such as debt interest rates, thereby ensuring that assumptions within the General Fund MTFP are applied consistently to the HRA. Revenue efficiencies in 2017/18 of £0.750M have been identified to mitigate the effect of reduced income. Reserves are being maintained to address the requirement to pay a 'Voids levy', which in effect re-opens the Self Financing settlement.
6. Taking a strategic and balanced approach to long term investment, there is commitment to repay the Self Financing debt of £165M. To date there have been no principal repayments, but previous reports have set out that debt repayment would commence from 2017/18.

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. Adopting this strategy reduces the risk from refinancing at a potentially higher rate of interest than the HRA Business Plan is currently benefiting from.

7. The Sheltered Housing Review identified several schemes that need to be modernised, or entirely renewed. There is commitment to delivering the outcomes from the review and resources have been identified to enhance the existing stock and estates, with a value of £11.5M over 6 years. This represents additional funding above that required to maintain the stock in good condition, estimated at £36.7M.
8. As in previous years, it is proposed to focus investment on delivering Independent Living solutions, to address demographic pressures and enable efficiencies to General Fund (GF) Social Care budgets. Houghton Regis Central (estimated at a build cost of £34M), is the main programme within the HRA Investment Plan; incorporating 168 apartments for older people; a strong retail offer; re-ablement suites; a Community Hub and improved heritage offer, complementary to the Houghton Hall Park project. It will also be possible to regenerate the Croft Green and Crescent Court Sheltered schemes, increasing the number of apartments overall.
9. There are increasing homelessness pressures, which are impacting upon GF temporary accommodation (TA) budgets. The approach being taken is to create “system resilience” for the future, establishing flexible provision across Central Bedfordshire, to be managed intensively as either TA and/or supported housing; thereby to enable the Council to avoid the high level of costs that is seen in other local authority areas. Aligned to this approach is an increased focus on cost reduction and maximising income through a modernisation approach that includes technologically enabled services and business process re-engineering.

Budget Objectives

10. The primary objectives of the 2017/18 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 in the Business Plan at the estimated CPI+1% from year 4 for rental income, and year 5 for revenue expenditures. Debt interest rates have been assumed at 3.5% from year 5 (based on the latest longer term forecasts);

- iii. Taking into account the items above, produce a sustainable Business 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;
 - vi. A continuing commitment to a value for money approach; underpinned by strong performance, delivering reduced unit costs, increased income and enhanced business efficiency; mainly through technologically enabled services and business process review.
11. The Budget is based upon a range of economic, financial, operational and external assumptions that are presented separately in Appendix D.

Background

12. 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 an HRA Budget, the strategy is benefits optimisation, thereby to achieve "win, win" solutions that have tenant support, whilst being aligned to the Council's strategic priorities.
13. The HRA Budget for 2017/18 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.
14. The brought forward balance of unapplied Capital Receipts was £2.996M as at 1 April 2016. The brought forward balances for other HRA reserves was £19.452M as at 1 April 2016, split between contingencies of £2.2M, an Independent Living Development Reserve of £9.004M and a Strategic Reserve of £8.248M.

15. By not repaying principal debt in the first 5 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.
16. The Council has also been able to embark upon a major investment strategy, supported by the use of Right to Buy (RTB) receipts, that addresses the aspirations of existing tenants whilst expanding our offer to residents across the whole of Central Bedfordshire. This strategy is tied to an exacting timeline, given that RTB receipts are subject to an agreement with Government to replace homes sold through the Right to Buy with new homes. It is important that the Council maintains momentum to deliver or, if necessary, to acquire new homes as part of the approach to create system resilience across Central Bedfordshire.

Self Financing Loan Portfolio and Debt Strategy

17. **Table 1** below shows the constituent loans and interest rates applicable in 2016/17:

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	0.57 (variable)	0.258
TOTAL	164.995		2.41 (average)	3.974

18. 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 0.57% for the year. This is considerably lower than any of the fixed rate debt.

19. The current expectation in financial markets is for rates to remain very low in the short to medium term (1 to 4 years), and for longer term debt (30 years) to be available for the Council to borrow at an average 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.
20. 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.
21. As a means to reinforce the longer term viability of the HRA 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 27 years, which is the year 2043/44.
22. In order to avoid early redemption penalties, debt repayments in the period to 2022 will be made from the variable rate portion (£44.995M).

Housing Investment Plan

23. The HRA 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; Right to Buy (RtB) sales; sales of shared ownership and outright sales; whilst also delivering annual surpluses for continued investment.
24. The HRA is forecast to have sufficient funds available to undertake approximately £47M of additional investment, over and above that required to maintain the stock in good condition (circa £37M), in the next 6 years. A substantial portion is likely to be receipts from sales and/or investment by the HCA – Homes and Communities Agency. The Investment Plan is a 6 year budget projection for the HRA Capital programme The Tenant Investment Panel (TIP) has been consulted on the Plan, to ensure it is supportive of the proposed split of funding between stock protection and future investment.

25. Whilst recent stock condition surveys give assurance that our portfolio of Council housing is generally in good condition, there are areas where the stock would benefit from modernisation, or improvement. The Sheltered Housing Review, undertaken in partnership with tenants, has revealed that several schemes require additional investment and therefore, a total of £1.369M has been provisionally allocated within the Investment Plan over 6 years.
26. There are opportunities to improve car parking on many estates and to enhance the estates including communal green spaces surrounding blocks. A programme to improve the efficiency of lighting in communal areas, including the installation of Passive Infra Red (PIR) sensors to save energy, is due to complete in 2017/18. This will save tenants on their service charges and by reducing electricity usage will also reduce impact on the environment. £1.723M of expenditure is earmarked against these 3 projects over the 6 year period.
27. Other significant areas of spend within the Stock Protection programme are Kitchen and Bathroom replacement (£5.829M), Central Heating installations (£4.744M), Aids and Adaptations to properties to help sustain tenancies (£2.681M), and an Energy Conservation programme (£2.586M) which will significantly improve thermal insulation at many of the Council's least thermally efficient homes. A programme of window replacements (£1.297M) will involve updating older windows with units that provide improved levels of thermal and noise insulation. In total £24.093M is set aside for Stock Protection over 4 years, rising to £36.672M over the 6 year Investment Plan period.
28. Construction work at Croft Green, Dunstable, is due to commence in the Spring of 2017, with completion due in Autumn 2018. 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 24 and the scheme will provide a central facility for the use of tenants of other schemes. The proposed budget in the Investment Plan is £2.720M, before slippage of circa £2M from 2016/17.
29. The Sheltered Housing Review identified several schemes that require modernisation. It is proposed that the next sheltered project to be redeveloped would be the Crescent Court site. Crescent Court is a 21 unit Sheltered scheme, built in the 1960s, that is no longer fit for purpose but is situated on a large site in an excellent location in Toddington, close to local amenities and services. At the time of last year's budget report it was not expected that this project would commence before 2020, but careful examination of cash flows within the Business Plan demonstrate that, subject to HCA funding, work to bring forward a proposal could commence in the next financial year.

30. Initial design work suggests that a modern, well designed facility with excellent communal space and facilities could increase capacity to 45 units. Latest estimates point to a total cost of circa £9.5M. In early January 2017 the HCA approved a bid for grant funding of £1.35M towards the scheme. It is proposed to further assist the financing of the scheme by offering 24 apartments for shared ownership, with 21 homes for affordable rent. Recent marketing of the 31 shared units at Priory View suggests there is a great demand for shared ownership, with an average purchase percentage of circa 65%. This approach enables a proportion of the build cost, potentially £3.5M, to be recycled quickly enabling continued and sustained investment in future years.
31. Over the 4 years of the MTFP the proposed investment in schemes relating to existing HRA stock, over and above that defined as Stock Protection, amounts to £11.218M, and over 6 years it totals £11.49M. 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 respond to the challenges posed by demographic changes and increasing homelessness pressures, which translate into demand for temporary accommodation on an emergency basis.
32. The Priory View Independent Living development in Dunstable, which opened in April 2016, demonstrates the potential for HRA investment to extend the Council's portfolio of housing, mitigate the effect of Right to Buy (RtB) sales on the Business Plan, 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.
33. The HRA Budget report from last year approved a proposal in principle to bring forward a new Independent Living scheme at Houghton Regis. This is a more ambitious project than Priory View, as the site available is central to Houghton Regis and could deliver 168 apartments with at least 6 retail units; two re-ablement suites; a community hub and an improved heritage offer, aligned to the Houghton Hall Park project.
34. Last year the Investment Plan made provision for a net spend (after potential HCA funding) of £29.476M. After a process of consultation, adjustments to the design, and a thorough costing assessment, it is proposed to increase this provision to £30M net. A bid for £4.26M of funding from the HCA was approved in January 2017. The Business Plan has been modelled on the basis of a significant proportion (71, or 42%) of the apartments being made available for shared ownership. For the first time in the history of the Council's HRA it is proposed to build units for outright sale, offering 26 apartments (15%) on this basis.

35. On the basis of a projected £34.26M total scheme cost, the financing of the project is potentially: £4.26M of HCA funding, £17M sales receipts and £13M financed by the HRA over the long term. These are prudent sales value assumptions and could be improved, depending on house price inflation over the next four years. A key learning point from Priory View is to maintain quality, to properly allow for Whole Life Building Costs, as well as to achieve the optimum sales and rental values.
36. The advantage of this approach is that a large proportion of the initial cost of the scheme can be recycled (enabling continued investment in future years), with current estimates (which will vary depending upon actual valuations and percentages purchased at the time) suggesting circa £17M of the net cost of £30M could be recycled in this way. These sales receipts are at the heart of the Housing Investment Plan approach, forming an intrinsic part of the Business Plan over the 30 year period; and without them the Council would not be able to pursue all of the programmes referred to in this report. The approach to HRA investment is strategic, balanced and makes best use of resources.
37. A further opportunity has emerged on HRA land in Windsor Drive, Houghton Regis, where there is the potential to develop a 20 unit, 3 storey supported bedsit accommodation scheme that can be used for a variety of client groups, for example single homeless entitled to emergency temporary accommodation, and let on an affordable rent basis. The estimated build cost is circa £2.2M.
38. During 2016/17 the Council has budgeted £3.31M for the purchase of properties in the private sector, with spend of £2.015M achieved and 7 properties purchased across the Council area up to December 2016. Purchasing properties in this way has several advantages. The purchase can be part funded (30%) by the use of RtB receipts retained for one for one replacement (see Appendix D). After any necessary conversion the properties can very quickly be used to supply accommodation for vulnerable clients presenting as homeless, thereby saving General Fund expenditure on costly temporary accommodation where only a proportion of the rent would be paid for by Housing Benefit. Purchasing properties in this way also offsets some of the reduction in stock occurring as a result of RtB. It is proposed that this programme continues, with £1M over 4 years (£1.75M over 6 years).
39. There is a continuing, albeit modest, provision related to other site developments, totalling £0.288M over 4 years and £1.144M over a 6 year period. This relates to 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.

In addition, provision has been for a small scale development (2 units) at Havelock Road in Biggleswade, on land transferred from the General Fund in 2016/17, at a cost of £0.2M.

40. Over the MTFP period, the amount proposed to fund new build and regeneration is £33.7M, and £35.3M over the 6 year Investment Plan period, inclusive of £30M provisionally allocated to Houghton Regis Central. When combined with proposals for spend on stock protection and new funding for existing stock, the programme totals £69.0M over 4 years and £83.5M over 6 years. At a time of significant housing pressures, where housing supply is constrained, this level of investment will enhance and increase the housing stock, whilst being aligned to and supporting the achievement of all of the Council's strategic priorities.

Housing Revenue Account Business Plan & Reserves

41. **Table 2** below shows a summary of the Plan for the period of the Council's MTFP.

£M	2017/18	2018/19	2019/20	2020/21
Income	(28.6)	(28.4)	(28.3)	(29.0)
Spending on Revenue	15.6	15.6	15.5	15.5
Direct Revenue Financing*	2.3	2.3	0.3	0.0
Debt costs (interest)	3.9	3.9	3.9	4.0
Debt repayment (principal)	1.5	1.6	2.8	3.8
Efficiency Savings	(0.8)	(0.5)	(0.3)	(0.2)
Contribution to ILDR**	5.8	3.1	2.4	4.9
Contribution to SR***	0.3	2.4	3.7	1.0
Net Balance	0.0	0.0	0.0	0.0

* Financing of Capital programme by Revenue

** Independent Living Development Reserve

*** Strategic Reserve

42. **Table 3** below shows a summary of the balances forecast to be available in Reserves as at 1 April 2017, together with transfers to and from Reserves over the period of the MTFP.

£M	2017/18	2018/19	2019/20	2020/21
<i>Independent Living Development</i>				
Balance b/fwd	13.8	17.6	9.7	3.1
Contributions to Reserve	5.8	3.1	2.4	4.9
Allocations from Reserve	(2.0)	(11.0)	(9.0)	(8.0)
Balance c/fwd	17.6	9.7	3.1	0.0
<i>Strategic</i>				
Balance b/fwd	3.7	2.0	0.9	2.2
Contributions to Reserve	0.3	2.4	3.7	1.0
Allocations from Reserve	(2.0)	(3.5)	(2.4)	(0.9)
Balance c/fwd	2.0	0.9	2.2	2.3
<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	21.8	12.8	7.5	4.5

HRA Debt

43. The HRA Business turnover, or annual rent debit (before void loss), was £30.575M in 2015/16 (£30.370M in 2014/15). Total current and former tenant arrears were £0.910M at the year end (£0.926M in 2014/15), with current arrears at £0.428M or 1.40% of the annual rent debit (£0.5M or 1.7% at March 2015). The figure of 1.40% is a 0.4% positive variance against a target of 1.8%, which has decreased from a target of 2% in 2014/15. Former tenant arrears (FTA) were £0.482M, or 1.58% of the annual rent debit, against a target of 1.0% (£0.426M or 1.45% at March 2015).
44. A significant proportion of the current tenant arrears (£0.263M or 61%) was less than 8 weeks old, and generally relates to minor timing issues between rents becoming due and payments being made. With the background of welfare reform, the Housing Operations Team have implemented a pro-active approach to managing the impact on rent arrears, known as Tenancy Sustainment. This includes early intervention; 'Right-sizing' where appropriate; 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.
45. Relationships with other Registered Providers of social housing have enabled us to benchmark, research good practice, and ensure genuine unrecoverable debts are presented for write off quarterly. This ensures the FTA officer is concentrating their time on cases with the highest probability of recovery. Since 2015 recovery of FTA debt has taken on a completely different approach from previous years as research has shown that the probability of recovery can actually increase with the age of the debt. For example, if a family is evicted from one of our properties it can take between 3 to 12 months for the family to resettle, enabling a trace to be made and thus the debt can be pursued.
46. Debt recovery plans may be put in place and take several years to settle. An affordable payment plan reviewed on a regular basis increases the probability of full recovery. Where contact is maintained, debt can be recovered up to 6 years after becoming an FTA, however where a period of 2 to 3 years has elapsed and no contact or trace has been possible the debt will be put forward for write off. The current approach to FTA debt has resulted in recovery in the previous year exceeding £0.130M, compared to the previous two years total recovery not exceeding £0.020M. The service is confident with the current approach and anticipates further improvements in recovery rates. This performance is strong compared with other Registered Providers.

47. 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 £0.541M at year end 2015/16. However, the efficiency savings related to the Tenancy Sustainment approach and strong performance generally, has resulted in this provision being only partially utilised during the last 3 years, with £0.064M written off in 2013/14, £0.051M in 2014/15, and only £0.015M in 2015/16. As result, the contribution to the provision in 2015/16 was only £0.042M, a saving on the budget of £0.119M of £0.077M.

Business Efficiency and System Resilience

48. As well as financial uncertainties relating to interest rates, inflation on rents and expenditures, and the financial implications of Government legislation, there are risks to the Business Plan posed by potential problems with labour supply and supply chains within the Construction and Repairs/Maintenance sector. The Housing Service is reliant upon construction/maintenance contractors for repairs and capital works, and with such an ambitious new build programme the prevailing market conditions for these skills is a key element to achieving those aims.
49. A significant component of the efficiency programme identified for the HRA relates to the Repairs service, with a view to creating a new Repairs Delivery model by bringing together several contracts in late 2018, whilst considering a range of delivery options. The starting point is to implement a 'self serve' customer interface using First Touch apps aligned to 'end to end' system integration between contractor and Council systems, all of which is in progress.
50. By late 2018, the aim is to create a Repairs Delivery model that is better able to respond to the problems within the labour market, so as to retain a sustainable, skilled workforce, in terms of maintenance and repair type operations. The project is therefore 'two-stage'. Initially, to create a lean, fit for purpose, mainly self service customer interface across all repairs type operations; aligned to the creation of a sustainable model to deliver high quality repairs and servicing. This will be developed through an Options Appraisal process, to include the potential for a Joint Venture model, offering the Council greater control; the aim being to improve the sustainability of the workforce, whilst partnering with Repairs contractors to benefit from their expertise.
51. Complementing this approach is the continued investment in learning and development, to support successful and sustained recruitment across the Housing Service. The Housing Service benefits from strength in depth, particularly at Team Leader and Manager level, with managers who are bringing through new, well trained talent.

There is succession planning and a commitment to provide employment opportunities for those aged 18-24 (through the apprentice programme), increasingly across a range of skills levels. There is an increasing focus on tenancy sustainment; a capable, experienced work force will be able to get closer to the customer, achieving great results.

52. The Council has reacted to increasing homelessness demand by allocating properties within the HRA for temporary accommodation (TA) usage. From 2015 onwards it has actively purchased properties in the private sector, throughout the Council area, converting them into social housing for single person households and also to be used as supported housing for vulnerable persons, as part of the Independent Living offer. Up to December 2016, 8 properties have been purchased for this intent, with further purchases proposed before the year end.
53. The strategic approach is to create 'System Resilience', which will enable the Council to avoid the high level of costs relating to temporary accommodation that is being seen in other local authority areas. As part of the approach, the Housing Service is creating an Intensive Property Management Team (within the HRA) that will manage all of the properties and rooms that are used for TA on a 'hotel-style' basis, in part to maximise income; but more importantly, to avoid cost at the level seen in neighbouring local authorities.
54. Over time, it is envisaged that this provision will increase to circa 250 units (homes, single rooms, shared accommodation). The use of this 'circa 250 units' will function flexibly, as both TA and accommodation based supported housing, the main aim being to avoid cost to the system. Whilst management and maintenance costs are significantly higher for this type of accommodation, the greater concentration of tenancies will also generate additional income for the HRA.
55. More importantly, this approach directly facilitates the Housing General Fund (GF) efficiencies, to reduce TA Budget provision over a three year period. As part of last year's MTFP process it was agreed to reverse out the additional budget provision that was allocated in the GF for TA, in response to the large increase in demand seen in 2014-15 and 2015-16. The measures implemented by the Housing Service will enable this to occur, thanks to a joined up approach across the Housing Service, between the HRA and Housing Solutions (GF) where benefits are achieved as a direct result of a clear pathway through the Service, as well as 'end to end' system resilience.
56. At the point of first contact with customers, whether our own tenants or customers presenting in housing need or homeless, the approach is 'prevention' led, whether through tenancy sustainment; or actions that extend the client's existing housing arrangement. This includes greater use of modern media methods (such as YouTube videos); and a focus on the outcome in each case, avoiding distraction, with a philosophy that "...every penny, every minute and every action counts...".

57. This mind-set will help to eliminate waste by achieving the right result, on a first time basis. This is being achieved through a comprehensive modernisation approach that includes review and re-engineering of business processes to eliminate waste and ensure the housing system is 'fit for purpose'. A sustained approach to efficiency and re-investment, in particular to create 'system resilience', is imperative.
58. Efficiency in this context is not simply about doing more for less, but about the effective management of our stock and our staff resources; which unlike many Registered Landlords, includes significant investment in Tenancy Support and accommodation based support models. For example, the Housing Service has created a 'Children's Offer' using a first property for Unaccompanied Asylum Seeker Children, aged under 18 years, which includes support and is a progression model towards permanent settled accommodation.
59. In order to maximise the best use of our properties, there is a strategy to incentivise "Rightsizing" that encourages tenants who are under occupying properties to vacate larger homes and move to properties that will be easier to manage for them and more appropriate for their needs. In turn this frees up accommodation for those on the Housing Register. Priory View is a good example of this scenario where residents have freed up either Council or non Council properties. This approach is vital during a period in which supply is constrained and where demand for accommodation has outstripped supply.
60. The Independent Living model is therefore much more than just schemes like Priory View, or Houghton Regis Central, although these projects will provide solutions to help address the demographic pressure and a growing older population. The flexible model of circa 250 units (homes and rooms) will provide supported housing to a range of vulnerable client groups. In addition, the progression model through the system will in time become the default approach. This will be aided through the Council's Tenancy Strategy, which introduced Introductory and Fixed Term Tenancies in 2013 where previously the Council had offered open ended, secure, tenancies.
61. The latest MTFP includes efficiency savings for General Fund Housing Budgets of £1.633M (equivalent to 45%). £0.605M of this efficiency relates to reduced spend on temporary accommodation, with a further £0.3M related to generating income via business initiatives, £0.25M arising from a reduction in Supported Housing funding, and £0.201M from savings connected to intensive property management. This can only be achieved as a result of a joined up approach within a single Housing service, and as one Council, to avoid cost as well as to generate income. Put simply, reducing cost on front line Homelessness could result in more cost elsewhere – 'cost shunt'. So, our approach is always to function as a single Housing Service, operating within a 'one council' joined up approach.

62. There are risks and uncertainties in the economic environment. The strategy being proposed, choosing expansion rather than contraction, does involve an additional dimension to core activities that will require new skill sets and pose its own challenges. The approach will take time to develop. However, taking this direction will see cost in the GF being avoided and reduced as the HRA expands and enhances its asset base, whilst at the same time expanding and developing the skills of staff who will deliver a wider range of accommodation options and also new services. There are risks, however these risks are being managed.
63. The Housing Service is changing perceptions of what council housing is – and what is offered – aligned to the Council’s core social purpose. Both the HRA and Housing General Fund include income/surplus targets, with the first GF target of £0.1M being on track to be achieved in 2016/17. The second GF target for new income/surplus in 2017/18 is set at a further £0.3M; and whilst this target is considered a ‘stretch’ target (and ambitious in the short term), the Housing Service will identify short term compensatory savings, so as to mitigate the impact – yet remain focused upon bringing forward new income streams. This approach is aligned to an efficiency strategy where the main saving is cost avoidance through effective demand management.

Rent reduction and Service Charges

64. Rental and service charge income are the main funding sources for the HRA. The Business Plan has been adapted to accommodate the 1% reduction in rent for the first 3 years of the MTFP, in accordance with legislation. The former Chancellor announced that after the 4 years of rent reductions, which commenced in 2016/17, the guidance will return to CPI + 1%. However, the rent reduction has led to increased caution surrounding the longer term future of rent setting. The assumptions within the HRA Business Plan are prudent, assuming that future increases are 2% from year 4 to 30, equivalent to CPI at 1% plus 1%.
65. The policy interrupts the journey towards all tenants paying a rent for their home that is determined by a ‘formula’. This approach to rent setting had already been diluted for 2015/16 as all rents increased by CPI+1%, regardless of whether a tenant was on the formula or the lower, transitional rent. However re-lets continue to be made at formula rent, with approximately 36% of tenants now paying a rent determined by the ‘formula’. Still, national Rent Policy is unclear.
66. Approximately 37% of all the Council’s tenancies are funded entirely by Housing Benefit. This group will gain no benefit from rent reduction. Whilst other tenants will benefit, this will lead to a widening of the gap between Council and Private Rented Sector (PRS) rents, where supply has not kept pace with demand and rent increases over the next 3 years are likely.

Council rents are approximately 50% of private sector rents (depending on property size), but by 2020 it is likely that the gap between private sector and Council rents will have increased further.

67. It is proposed that rents are set in line with Government statute, a reduction of 1% for Central Bedfordshire Council tenants, for 2017/18. The proposed rent reduction will result in an average decrease per week of £1.09 from the 2016/17 average weekly rent of £109.68 to £108.59. At a time of significant investment in the Housing stock, amounting to £69M over the MTFP, the current level of rent and the proposed reduction represent excellent value for money for tenants.
68. The Housing Service undertook a full review of charging during 2013, to determine whether the level of service charges for communal services recouped the actual cost of providing those services. The review found that in total there was a shortfall of £0.149M annually between what was charged and the cost. From 2014/15 the Council started to close this gap, limited to a maximum increase of £1.10 per week for each tenant's total communal service charges.
69. This protection is limited to existing tenants. The true cost is charged for all new tenancies, including those who are already Council tenants but are transferring to another Council property. This approach has succeeded in reducing the shortfall to £0.055M, as at the beginning of the financial year 2016/17. However, as the base data for actual costs relates to 2012/13 another full review has now been undertaken to assess the current gap, based on the actual cost for the year 2015/16.
70. The revised actual cost data has been used to calculate the current difference between what the Council is paying and the tenant is being charged, so that service charges can be adjusted in 2017/18. However, it is proposed that the policy of limiting the maximum increase to £1.10 per week will continue. Provided this approach is approved for 2017/18, it is estimated that the gap between the cost to the Council and the amount recouped will drop to circa £0.026M, which represents a considerable improvement from the position in 2013/14.

Sale of High Value Void Properties, Pay to Stay and changes to LHA

71. Government has announced the extension of RtB to Housing Association tenants. This involves offering qualifying Housing Associations tenants a discount, which may be funded via the sale of high value void properties by stock retained Authorities. The legislation does 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.

72. During 2016/17 a limited pilot of the scheme took place. Government have decided to expand this pilot in 2107/18 and will fund the cost of Housing Association discounts during this period. Therefore, the Council will not now be required to make any payments in relation to the Sale of High Value Voids in 2017/18. However this policy still represents a significant long term risk as it is unknown how many Housing Association tenants will execute the RtB each year, and therefore the sum that will be required from each stock retained authority. At this point, the formula that will be used to make future determinations is unknown, so the amounts that may be due from Central Bedfordshire are also unknown. As with any estimation of future activity, the actual void rate and financial value of voids will differ from the calculation made by Government.
73. 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. 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.
74. The Government established powers in the Housing and Planning Act 2016 to require local authorities to set higher rents for higher income council tenants (households earning over £40,000 a year in London and £31,000 a year in the rest of the country). The extra income was to be transferred to Government to assist with deficit reduction. This policy is known as "Pay to Stay". In a statement on 21 November 2016 the Minister of State for Housing and Planning announced that Government have decided not to proceed with this policy; the Council will therefore not be required to implement it.
75. In the Autumn Statement of November 2015 the Chancellor announced that Local Housing Allowance (LHA) caps would apply to social housing from April 2018, for tenancies that commenced after April 2016. The effect would be to limit housing benefit payments to LHA rates for Council tenancies. Whilst the vast majority of Council rents are well below LHA levels, newly built properties are generally charged an affordable rent which would generally exceed the LHA rate.
76. The Council's new build programme mainly comprises supported accommodation for older/vulnerable tenants, for example Priory View or Houghton Regis Central. A further announcement in September 2016 indicated that the policy would not be applied to supported accommodation until April 2019, at which point Government will bring in a new funding model which will "*...ensure the supported housing sector continues to be funded at current levels...*".

This is an important assurance from Government which will devolve funding to English local authorities to provide additional top-up funding to Providers, from a 'ring fenced pot'. This should ensure that vulnerable people continue to be supported, avoiding the cost of more expensive options.

77. There is a fear within the Housing sector that the top up fund will not fully compensate social housing providers for the differential between LHA and the affordable rent. A consultation is currently underway (concluding February 2017) concerning the future funding of supported housing. This area is being monitored; and the Council will seek to influence the Government's thinking, thereby to ensure sustained, long term commitment to supported housing, as being more cost effective than alternative options.

HRA Capital Programme

78. The 2017/18 – 2020/21 HRA detailed Capital programme is attached at Appendix C. The programme is expected to be financed by Homes and Communities Agency grant funding; contributions from retained rentals (revenue contributions), capital receipts from Right to Buy (RtB); capital receipts from shared ownership and outright sales, as well as land sales, and contributions from Reserves. A breakdown of financing is shown in Appendix A. The overall position on financing within the Housing Revenue Account is increasingly varied.

Engagement with Overview & Scrutiny Committees and Tenants

79. The draft HRA budget report was presented to the Social Care, Health & Housing and Corporate Resources Overview & Scrutiny Committees during January 2017. Comments from these meetings are reported in appendix J to the General Fund budget reports. Consultation with the Tenant Investment Panel (TIP) over the Investment Plan occurred during the autumn of 2016, with full tenant approval of all project lines.
80. 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 approved by a joint meeting of the Way Forward Panel, Sheltered Tenants Action Group (STAG) and TIP on 10 January 2017. Tenants emphasised the importance of engagement with tenants and residents over plans for retail units at Houghton Regis Central, and in relation to the redevelopment of garage sites. The Housing Service will ensure that in both cases regular briefings and consultation will take place with tenant groups, and the communities concerned.

Council Priorities

81. The proposed actions support the Council's priority to enhance Central Bedfordshire by providing great resident services, 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 wellbeing of the more vulnerable members of the community.
82. The Housing Service approach clearly demonstrates and supports the journey towards being a more efficient and responsive council.

Corporate Implications

Legal Implications

83. The Budget sets out the resources that are required to enable the authority to discharge its statutory obligations as a Housing Authority.

Financial Implications

84. These are set out within the report. The HRA 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

85. 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

86. 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.
87. 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 4 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.

88. The opening balances on Reserves, over and above the contingency of £2.2M, are predicted to be £17.5M as at 1 April 2017, with contributions from Reserves amounting to only £4M to fund investment in the year 2017/18. The estimated balance in Reserves, excluding contingency, as at 31 March 2018, is £19.6M. Whilst most of this amount is provisionally earmarked for the schemes proposed in the future years of the Investment Plan, it could (if required) be diverted to address shortfalls in amounts due to Government in relation to the void levy, or to repay debt if the interest rate environment changed.
89. Another key risk is in relation to the HRA Debt Strategy. The current average rate of interest on HRA debt is 2.41%. 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 HRA Business Plan.
90. 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 impact of the spare room subsidy is a proactive approach being taken to enable tenants to move. During the current year, 7 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 responsive; customer focussed; and supporting community self reliance through provision of a high quality housing management service that mitigates risk in this area.
91. The Housing Service is informing tenants of Benefit changes; allocating additional staff resources to controlling arrears and supporting tenants to manage their income. The Housing Service performs well on income collection and re-letting properties. The Housing Service is getting closer to customers, having established the approach known as "tenancy sustainment". Whilst this approach incurs higher revenue costs, the approach is a benefit to tenants and saves money to the whole system, benefitting the Council as well as the Health system.
92. 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.
93. 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.

94. Whilst there has been an increase in RtB sales since April 2012, with 33 sales in 2015/16 and 19 in the financial year up to the end of December 2016, this represents a small percentage of the stock of approximately 5,200 rented homes. For further information, see Appendix D.
95. In terms of strategic direction, it is imperative that the replacement of homes sold through Right to Buy is maintained through an ambitious new build and/or acquisition programme that maintains 'pace'. Were the stock level (circa 5,500 including Leasehold managed properties) to reduce substantially, the Business Plan (and all that we are able to do) would need to contract. Therefore, the pace of progress (new build or acquisitions) must be maintained; to avoid the immediate risk of having to repay RtB receipts to Government, or the risk of having to contract.

Community Safety

96. The options set out in the report provide opportunities to work with community safety partners to ensure the best outcomes. There is a pro-active approach to casework as well as close monitoring of performance, which ensures Anti Social Behaviour is well managed by the Housing Service.

Sustainability

97. 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; as well as significant town centre impact. The investment in Crescent Court, Toddington supports the sustainability of the village.

Conclusion

98. It is forecast that the HRA will have a total of £19.644M in its Reserves as at 31 March 2017, comprising £13.778M in the Independent Living Development Reserve, £3.666M in the Strategic Reserve, and £2.200M of contingencies. In addition it is forecast that £4.896M will be available for capital investment from unapplied Capital Receipts.
99. The Priory View Independent Living scheme demonstrates the opportunities afforded to the Council under Self Financing. Several more large scale developments are planned, generating approximately 260 homes over the MTFP period. This portfolio of investment will help regenerate communities; promote economic growth; and provide good quality housing for our more vulnerable residents.

100. 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 future determinations related to the sale of high value voids).
101. This has been addressed through close 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.
102. 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.
103. 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 2044.
104. Not only is the Housing Service seeking to expand its stock but it is also embarking on new areas of business activity, principally an Intensive Property Management approach that will co-ordinate lettings across a stock of properties, the intent being to address homelessness pressures. This shows no sign of abating and poses a threat to General Fund revenue budgets. At the same time, the Housing Service will identify cost savings and reconfigure business processes to drive out waste and avoid failure demand.
105. As a modern business and complete Housing Service, operating in the self financing era, the Council has good reason to be confident, whilst proactively managing uncertainty and risk. The Housing Service is providing a contemporary and responsive customer offer (known as Independent Living). The teams perform well; and they are ambitious, as they seek to innovate and develop new business opportunities, thereby to mitigate the impact of changes to Government Policy; the rent reduction; and to avoid General Fund cost. The Council's Housing offer is aligned to the Council's core social purpose and affords tight grip and close management of the local housing system.

Next Steps

106. A period of public consultation commenced from January 2017.

Appendices

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 2017-2023
- iii. Appendix C: 2017/18 – 2020/21 Housing Revenue Account (HRA) detailed Capital programme
- iv. Appendix D: HRA Budget Assumptions

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

LANDLORD BUSINESS PLAN

Revenue Account	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	2021/22 £'000s	2022/23 £'000s	2023/24 £'000s	2024/25 £'000s	2025/26 £'000s	2026/27 £'000s	2027-47 £'000s	TOTAL £'000s
Income	(28,639)	(28,457)	(28,372)	(29,009)	(29,588)	(30,179)	(30,782)	(31,397)	(32,024)	(32,664)	(809,355)	(1,110,466)
Expenditure												
Housing Operations	7,696	7,878	7,855	7,840	7,874	7,904	7,930	7,952	7,970	7,984	152,640	
Financial Inclusion	461	422	463	504	514	524	535	546	556	568	14,066	
Housing Investment	123	83	89	94	96	98	99	101	103	106	2,616	
Corporate Services	2,063	2,008	2,008	2,008	2,048	2,089	2,131	2,173	2,217	2,261	56,033	
Maintenance	5,084	5,047	5,052	4,977	5,047	5,025	5,000	4,973	4,943	4,910	85,865	
Debt Related Costs	119	103	88	73	74	76	77	79	80	82	2,035	
Direct Revenue Financing	2,327	2,370	300	0	1,560	3,243	3,257	4,875	4,900	5,416	176,198	
Landlord Service Efficiency Programme	(750)	(481)	(321)	(246)	(255)	(264)	(273)	(282)	(292)	(302)	(8,851)	
Total Expenditure	17,123	17,430	15,533	15,249	16,958	18,695	18,757	20,417	20,478	21,024	480,602	662,266
Net Operating Expenditure	(11,516)	(11,027)	(12,839)	(13,759)	(12,630)	(11,485)	(12,025)	(10,980)	(11,546)	(11,640)	(328,753)	(448,200)
Interest payments	3,941	3,934	3,926	3,958	5,434	5,306	5,167	5,011	4,888	4,751	48,403	94,718
Debt Repayment	1,460	1,580	2,850	3,840	3,665	3,979	4,459	3,519	3,909	3,990	131,745	164,995
Net surplus	(6,115)	(5,513)	(6,063)	(5,961)	(3,531)	(2,200)	(2,400)	(2,450)	(2,750)	(2,900)	(148,605)	(188,488)
Memorandum												
Debt Repayment Profile												
Capital Financing Requirement (CFR) b/fwd	164,995	163,535	161,955	159,105	155,265	151,600	147,621	143,163	139,643	135,734	131,745	
Increase in CFR (int/ext borrowing)	0	0	0	0	0	0	0	0	0	0	0	
Reduction in CFR (principal repayment)	(1,460)	(1,580)	(2,850)	(3,840)	(3,665)	(3,979)	(4,459)	(3,519)	(3,909)	(3,990)	(131,745)	
CFR c/fwd	163,535	161,955	159,105	155,265	151,600	147,621	143,163	139,643	135,734	131,745	0	
Independent Living Development Reserve												
Balance Brought Forward	(13,778)	(17,574)	(9,707)	(3,111)	0	0	0	0	0	0	0	
Contribution to Reserve (from Net Surplus)	(5,796)	(3,133)	(2,404)	(4,889)	0	0	0	0	0	0	0	(16,222)
Contribution from Reserve (to fund expenditure)	2,000	11,000	9,000	8,000	0	0	0	0	0	0	0	
Balance Carried Forward	(17,574)	(9,707)	(3,111)	0	0	0	0	0	0	0	0	
Strategic Reserve												
Balance Brought Forward	(3,666)	(1,979)	(870)	(2,121)	(2,339)	(5,544)	(5,916)	(5,460)	(4,954)	(4,644)	(4,376)	
Contribution to Reserve (from Net Surplus)	(319)	(2,380)	(3,659)	(1,072)	(3,531)	(2,200)	(2,400)	(2,450)	(2,750)	(2,900)	(89,879)	(113,540)
Contribution from Reserve (to fund expenditure)	2,006	3,489	2,408	854	326	1,828	2,856	2,956	3,060	3,168	91,536	
Balance Carried Forward	(1,979)	(870)	(2,121)	(2,339)	(5,544)	(5,916)	(5,460)	(4,954)	(4,644)	(4,376)	(2,719)	
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)	0
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	(58,726)	(58,726)
Balanced Carried Forward	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(60,726)	
												(188,488)
Unapplied HRA Capital Receipts												
Unapplied Capital Receipts b/fwd	(4,896)	(2,896)	(136)	(422)	(7,619)	(3,719)	(2,319)	(919)	(919)	(919)	(919)	
Contribution (to) Capital Receipts	(2,000)	(2,000)	(10,500)	(13,500)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(22,000)	
Use of Capital Receipts	4,000	4,760	10,214	6,303	5,000	2,500	2,500	1,100	1,100	1,100	22,000	
Unapplied Capital Receipts c/fwd	(2,896)	(136)	(422)	(7,619)	(3,719)	(2,319)	(919)	(919)	(919)	(919)	(919)	
Capital Programme												
Independent Living Development	2,000	11,000	9,000	8,000	0	0	0	0	0	0	0	30,000
Stock Protection & Other New Build/Regeneration	8,333	10,619	12,922	7,157	6,886	7,571	8,613	8,931	9,060	9,684	289,734	379,510
Total Capital programme	10,333	21,619	21,922	15,157	6,886	7,571	8,613	8,931	9,060	9,684	289,734	409,510
Financed by:												
Capital Receipts	4,000	4,760	10,214	6,303	5,000	2,500	2,500	1,100	1,100	1,100	22,000	60,577
Revenue Contributions	2,327	2,370	300	0	1,560	3,243	3,257	4,875	4,900	5,416	176,198	204,446
Contributions from Reserves	4,006	14,489	11,408	8,854	326	1,828	2,856	2,956	3,060	3,168	91,536	144,487
Total Capital programme	10,333	21,619	21,922	15,157	6,886	7,571	8,613	8,931	9,060	9,684	289,734	409,510

This page is intentionally left blank

LANDLORD BUSINESS PLAN

<u>Revenue Account</u>	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s	2020/21 £'000s	2021/22 £'000s	2022/23 £'000s	TOTAL £'000s
Income	(28,639)	(28,457)	(28,372)	(29,009)	(29,588)	(30,179)	(174,244)
Expenditure	17,123	17,430	15,533	15,249	16,958	18,695	100,989
Net Operating Expenditure	(11,516)	(11,027)	(12,839)	(13,759)	(12,630)	(11,485)	(73,255)
Interest payments	3,941	3,934	3,926	3,958	5,434	5,306	26,499
Debt Repayment	1,460	1,580	2,850	3,840	3,665	3,979	17,373
Net surplus	(6,115)	(5,513)	(6,063)	(5,961)	(3,531)	(2,200)	(29,383)
Memorandum							
<u>Independent Living Development Reserve</u>							
Balance Brought Forward	(13,778)	(17,574)	(9,707)	(3,111)	0	0	
Contribution to Reserve (from Net Surplus)	(5,796)	(3,133)	(2,404)	(4,889)	0	0	(16,222)
Contribution from Reserve (to fund expenditure)	2,000	11,000	9,000	8,000	0	0	
Balance Carried Forward	(17,574)	(9,707)	(3,111)	0	0	0	
<u>Strategic Reserve</u>							
Balance Brought Forward	(3,666)	(1,979)	(870)	(2,121)	(2,339)	(5,544)	
Contribution to Reserve (from Net Surplus)	(319)	(2,380)	(3,659)	(1,072)	(3,531)	(2,200)	(13,161)
Contribution from Reserve (to fund expenditure)	2,006	3,489	2,408	854	326	1,828	
Balance Carried Forward	(1,979)	(870)	(2,121)	(2,339)	(5,544)	(5,916)	
<u>Major Repairs Reserve</u>							
Balance Carried Forward	(200)	(200)	(200)	(200)	(200)	(200)	
<u>HRA Balances</u>							
Balanced Carried Forward	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	
							(29,383)
<u>Unapplied HRA Capital Receipts</u>							
Unapplied Capital Receipts b/fwd	(4,896)	(2,896)	(136)	(422)	(7,619)	(3,719)	
Contribution (to) Capital Receipts	(2,000)	(2,000)	(10,500)	(13,500)	(1,100)	(1,100)	(30,200)
Use of Capital Receipts	4,000	4,760	10,214	6,303	5,000	2,500	
Unapplied Capital Receipts c/fwd	(2,896)	(136)	(422)	(7,619)	(3,719)	(2,319)	
<u>Capital Programme</u>							
Independent Living Development	2,000	11,000	9,000	8,000	0	0	30,000
Stock Protection & Other New Build/Regeneration	8,333	10,619	12,922	7,157	6,886	7,571	53,488
Total Capital programme	10,333	21,619	21,922	15,157	6,886	7,571	83,488
Financed by:							
Capital Receipts	4,000	4,760	10,214	6,303	5,000	2,500	32,777
Revenue Contributions	2,327	2,370	300	0	1,560	3,243	9,800
Contributions from Reserves	4,006	14,489	11,408	8,854	326	1,828	40,911
Total Capital programme	10,333	21,619	21,922	15,157	6,886	7,571	83,488

This page is intentionally left blank

Housing Revenue Account (HRA) Capital Schemes

Stock Protection

Directorate	Scheme Title	2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			2020/21 Capital Budget			Total Budget 2017/18 - 2020/21		
		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	105		105	107		107	109		109	111		111	432	0	432
HRA	Garage Refurbishment	111		111	115		115	120		120	126		126	472	0	472
HRA	Paths & Fences Siteworks	110		110	112		112	114		114	117		117	453	0	453
HRA	Estate & Green Space Improvements	205		205	214		214	224		224	237		237	880	0	880
HRA	Energy Conservation	450		450	459		459	499		499	527		527	1935	0	1935
HRA	Roof Replacement	555		555	566		566	577		577	589		589	2287	0	2287
HRA	Central Heating Installation	738		738	724		724	739		739	807		807	3008	0	3008
HRA	Rewiring	233		233	240		240	260		260	287		287	1020	0	1020
HRA	Kitchens and Bathrooms	777		777	882		882	1042		1042	1065		1065	3766	0	3766
HRA	Central Heating communal	26		26	28		28	29		29	31		31	114	0	114
HRA	Door Replacement	290		290	296		296	302		302	308		308	1196	0	1196
HRA	Lift Replacement	0		0	0		0	62		62	64		64	126	0	126
HRA	Structural Repairs	200		200	204		204	208		208	212		212	824	0	824
HRA	Aids and Adaptations	425		425	434		434	442		442	451		451	1752	0	1752
HRA	Capitalised Salaries	510		510	520		520	531		531	541		541	2102	0	2102
HRA	Asbestos Management	234		234	245		245	260		260	276		276	1015	0	1015
HRA	Drainage and Water Supply	36		36	39		39	42		42	45		45	162	0	162
HRA	Fire Safety & Alarm Systems	104		104	108		108	52		52	53		53	317	0	317
HRA	Assisted Living Technology	13		13	51		51	52		52	53		53	169	0	169
HRA	Communal/PIR Lighting	40		40	0		0	0		0	0		0	40	0	40
HRA	New Windows	138		138	141		141	211		211	218		218	708	0	708
HRA	Targeted Door Replacement	6		6	6		6	6		6	6		6	24	0	24
HRA	Parking Schemes	120		120	50		50	50		50	50		50	270	0	270
HRA	Investment Panel Programme	50		50	50		50	50		50	50		50	200	0	200
HRA	Sheltered Housing Refurbishment	0		0	300		300	256		256	265		265	821	0	821
Subtotal - Stock Protection		5476	0	5476	5891	0	5891	6237	0	6237	6489	0	6489	24093	0	24093

Directorate	Scheme Title	2017/18 Capital Budget			2018/19 Capital Budget			2019/20 Capital Budget			2020/21 Capital Budget			Total Budget 2017/18 - 2020/21		
		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

Future Investment

HRA	Stock Remodelling	130		130	130		130	30		30	79		79	369	0	369
HRA	Houghton Regis Central	4130	-2130	2000	11000		11000	9000		9000	10130	-2130	8000	34260	-4260	30000
HRA	Crescent Court	313		313	2502	-675	1827	5700		5700	964	-675	289	9479	-1350	8129
HRA	Windsor Drive	158		158	1409		1409	665		665	0		0	2232	0	2232
HRA	Site Development	86		86	112		112	40		40	50		50	288	0	288
HRA	Havelock Road	200		200			0			0			0	200	0	200
HRA	Croft Green	1720		1720	1000		1000	0		0			0	2720	0	2720
HRA	New Build & Acquisitions	250		250	250		250	250		250	250		250	1000	0	1000
Subtotal - Future Investment		6987	-2130	4857	16403	-675	15728	15685	0	15685	11473	-2805	8668	50548	-5610	44938
Subtotal - Stock Protection		5476	0	5476	5891	0	5891	6237	0	6237	6489	0	6489	24093	0	24093
Grand Total		12463	-2130	10333	22294	-675	21619	21922	0	21922	17962	-2805	15157	74641	-5610	69031

APPENDIX D

BUDGET ASSUMPTIONS: HRA BUDGET

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

Economic

- i. For 2017/18, inflation of 1% on pay, inflation on supplies and services where contractually agreed, -1% on rental income in line with the latest Government legislation, and 1% on other (services) income;
- ii. Inflation of 1% on pay, inflation on supplies and services where contractually agreed, and 1% on other (services) income, up until 2020/21, with 2% increases in income and expenditure in the following years of the Landlord Business Plan;
- iii. Inflation of -1% on rental income up until 2019/20, with a 2% increase in rental income in the following years
- iv. An average interest rate on debt of 2.39% in 2017/18, 2.41% in 2018/19, 2.42% in 2019/20 and 2.49% for 2020/21. This reflects the known average interest on fixed rate loans and forecasts for variable interest rates used in the Council's Treasury Management Strategy. From 2021/22 an average interest rate of 3.5% is assumed.

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 £0.750M against the cost of the Housing Service in 2017/18, 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; 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 2016/17 the Council has useable HRA capital receipts of £7.461M, of which £2.817M is reserved for investment in one for one replacements. The Council has 3 years from the retention of these monies (assessed on a quarterly basis) until it is required under legislation to spend them on new build, with the receipt comprising 30% of the total expenditure. Receipts cannot be matched against schemes in receipt of Homes and Communities Agency (HCA) funding. The Future Investment capital programme is reviewed regularly to assess which schemes the receipts will be matched against, and at what time.
- 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. If annual RtB sales were to make up a significant percentage of the Housing Stock, such that it diminished by 10% or more (approximately 500 units) over the period to 31 March 2021, 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).

This page is intentionally left blank

Central Bedfordshire Council

EXECUTIVE

7 February 2017

Fees and Charges 2017/18 – Social Care, Health & Housing

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), Charles Warboys, Director of Resources (charles.warboys@centralbedfordshire.gov.uk)

This report relates to a non-Key Decision

Purpose of this report

1. The report proposes the revised Social Care Health & Housing (SCHH) Fees and Charges prices for 2017/18; identifies new services for which it is proposed that Fees or Charges will be levied; and identifies those charges where proposed increases are significantly different from the 1% advisory increase as per the 2017/18 Budget Strategy.

RECOMMENDATIONS

The Executive is asked to

1. **agree the Fees & Charges prices for 2017/18 (Appendix A & B) and recommend to Council;**
2. **agree the new Fees & Charges that are proposed to be introduced for 2017/18 (Appendix C); and**
3. **note the comments from the Overview & Scrutiny Committees (Appendix D).**

Overview and Scrutiny Comments/Recommendations

2. The proposed Fees & Charges proposals for SCHH were presented to the SCHH Overview & Scrutiny and Corporate Resources Committees in January 2017 for comment. See Appendix D (circulated separately).

Background

3. 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. The Director of Resources will provide Directorates with guidance each year as to the maximum inflation rate that may be applied.'
4. 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.
5. The Director of Resources has advised that the inflation rate to be applied in line with the Corporate Budget Strategy is 1%. Where there have been significant variations from this advisory level these have been identified at Appendix B.

Pricing for 2017/18

6. The review of prices proposed for 2017/18 reflect three pricing options:
 - Prices remain at their 2016/17 level either because they are in line with other providers (Local Authorities) or because there is insufficient data available to support a price change.
 - Prices increased with inflation.
 - Prices increased by more than inflation if there is sufficient information to justify an increase.
7. A list of those Fees & Charges proposed to increase in line with inflation or to be held at 2016/17 prices is at Appendix A.
8. Those that it is proposed change by more than inflation are identified in Appendix B with the rationale explained in paragraphs 10 to 19.
9. New proposed services for 2017/18 along with a recommended price are shown at Appendix C.

Proposed Prices other than 1% (rounded) or held at 2016/17 charges.

Social Care

10. The government has confirmed that the "triple lock" will be applied again for 2017/18 for the state pension.

This is a guarantee to increase the state pension every year by the higher of inflation, average earnings or a minimum of 2.5%. The proposal is therefore to increase all old persons' fees and charges by 2.5% from April 2017.

11. Hot meals – The Council currently subsidises hot meals by approximately £43K per year. The proposal is therefore to reduce the subsidy over a 3 year period until it is removed. It is therefore suggested that the cost of meals rises by 50p to £4.50 from April 2017. Central Bedfordshire Council's meals contract is the same that Bedford Borough Council use. £4.50 is the current 2015/16 fee that Bedford Borough Council charge for the cost of meals.
12. Care Homes – weekly bed price. Charge to residents. It is proposed to increase the cost by 3%. This reflects the increase to the current 'Good' rate paid by the Council.
13. Care Homes – weekly bed price. Charge to Other Local Authorities. As with last year, it is proposed to add 5% to the previous charge. This is to cover management costs.

Housing

Communal Services

14. The Housing Service undertook a full review of charging during 2013, to determine whether the current level of service charges for communal services (heating, domestic hot water, cleaning) recouped the actual cost of providing those services at Council properties. The review found that in total there was a shortfall of £0.149M annually between what was charged and the cost. From 2014/15 the Council has started to close this gap, limited to a maximum increase of £1.10 per week for each tenant's total communal service charges.
15. This protection is limited to existing tenants. The true cost is charged for all new tenancies, including those who are already Council tenants but are transferring to another Council property.
16. This approach has succeeded in reducing the shortfall to £0.055M, as at the beginning of the financial year 2016/17. However, as the base data for actual costs relates to 2012/13 another full review has now been undertaken to assess the current gap, based on the actual cost for the year 2015/16. The revised actual cost data has been used to calculate the current difference between what the Council is paying and the tenant is being charged, so that service charges can be adjusted in 2017/18.

17. In many cases this will result in a reduction in the charge to the tenant, however in some instances the cost is higher than the current charge paid by the tenant, so an increase in the charge will be required. It is proposed that the policy of limiting the maximum overall increase to £1.10 per week would continue. Provided this approach is approved for 2017/18, it is estimated that the gap between the cost to the Council and the amount recouped will drop to circa £0.026M, a considerable improvement from the position in 2013/14.
18. This impact the communal services identified under Homelessness Hostels and also Service Charges as identified in the Housing Appendix B.

Traveller Site Pitch Fees

19. During 2016/17 the Council completed a 2 plot extension at its Potton traveller site, drawing down grant funding from the Homes and Communities Agency (HCA) to assist with the capital cost. As a result rents for these 2 units are calculated on an affordable rent basis, and therefore differ marginally from the other Traveller pitch rents. Due to government legislation on these rents, these 2 units will see a reduction in rent of 1%, resulting in a charge of £95.

New Services Offered by Housing from 2017/18

Temporary Accommodation

20. For those occasions where the Council has to source temporary accommodation solutions for eligible clients who present as homeless, there are clearly defined rates of Housing Benefit available for the Council to claim against the cost of the rent. These rates are set by Central Government and represent the amount that the client will be charged by the Council. These charges are shown in the schedule for the first time this year.

Sheltered Accommodation

21. The current approach relating to Houses of Multiple Occupation does not differentiate in property size. As such a property with a large number of units would benefit from the 'one fee' for all approach. Where additional income is generated a stepped approach would better reflect fairness in charging, and this is therefore proposed for 2017/18.
22. Currently guest room rates are based on bedroom sizes. It is proposed that the approach is realigned to reflect the services provided, for example shower facilities. On this basis the revised approach of tier 1, tier 2 and 3 has been put forward with charges reflecting the market rates based on the services accompanying the rooms.

Leaseholders / Landlords / Mutual Exchange

23. There are a range of proposed new charges where a leaseholder may request a service from Housing. The most common types of request are listed in the schedule but it is proposed that where other services are requested and can be provided using our existing contractors we will endeavour to offer this service and recoup the cost.

Consultation

24. It is not necessary to consult on Fees & Charges where:
- the price change is limited to a 1% inflationary uplift only, and;
 - there is no change to the service provided nor the type of customers that would access the service (no equality impact).
25. Should the price change (increase) by more than an inflationary increase, the nature of the service change, or the make up of customers that could access the service change then it is recommended that a consultation is undertaken for those particular fees and charges. It is also deemed as good practice to consult if new services are offered.
26. The Knowledge and Insight Service have reviewed the Social Care and Housing proposals and have advised that given a) the modest nature of any price increases, and b) the fact that the Council is moving to a cost reflective price over a number of years to minimise the increase and c) the new services are either set nationally or are at market rate, then consultation is not required.
27. It should also be noted that the Housing charges are covered off in the Housing Revenue Account Medium Term Financial Plan paper on the same agenda and have been through their tenant consultation process.

Reason/s for decision

28. To agree the Fees & Charges prices for 2017/18 as part of delivering a balanced budget for 2017/18.

Council Priorities

29. The annual review and setting of the Council's Fees and Charges are integral to the Council's Budget Strategy and the legal requirement to deliver a balanced budget. The review ensures a rigorous, responsible and realistic approach is taken to determine the appropriateness and relevance of the Council's schedule of Fees and Charges. Setting a balanced budget ensures the Council allocates its resources to deliver the priorities.

These are:

- Enhancing Central Bedfordshire
- Improving Education and Skills
- Protecting the Vulnerable; Improving Wellbeing
- Creating Stronger Communities
- Great Resident Services
- A More Efficient and Responsive Council

Corporate Implications

Legal Implications

30. 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.

Financial Implications

31. These are contained in the report.

Equalities Implications

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

Conclusion and next Steps

33. If recommended by the Executive, the proposed charges for 2017/18 will be presented to Council at its meeting of 23 February 2017 for approval.

Appendices

Appendix A – Fees & Charges Schedules – proposed prices 1% increase or held at 2016 prices

Appendix B – Proposed price increases of more than 1% (rounded)

Appendix C – New Charges

Appendix D – Comments from Overview & Scrutiny (circulated separately)

Appendix A – price increase of 1% (with roundings) or other increase

2017/18 Fees & Charges – Social Care Health and Housing. Charges with effect from 1st April 2017

Name of F&C	Charge for 2016/17 (£)	Proposed charge for 2017/18 (£)	Percentage Increase
Housing			
Charges for reference to banks & building societies (VAT n/a)	29.30	29.60	1%
Consent for Cable Installations (VAT n/a)	127.50	128.80	1%
Private Sector Housing: Immigration survey request - per survey	206.00	208.10	1%
Sheltered Housing: Sheltered Communal Lounge hire (per hour)	13.60	13.70	1%
Non Homeless Hostels: Communal Television, (VAT N/A) - per week (48 week basis).	0.30	0.30	0%
Homeless Hostels:			
Scheme Manager	37.20	37.20	0%
Communal Electric	3.10	3.10	0%
TV	0.30	0.30	0%
Window Cleaning	0.40-0.50	0.50	0%
Sheltered Accommodation			
Sheltered Housing: Lifeline Response Charge, (VAT N/A - per response)	21.40	21.60	1%
Well Being Charge: Provision of emergency care 24/7 at Priory View, (per person)	1.00 per person	1.00 per person	0%

Name of F&C	Charge for 2016/17 (£)	Proposed charge for 2017/18 (£)	Percentage Increase
Supporting People Charges, (VAT N/A) - per week, (48 week basis):			
Red House Court	20.10	20.30	1%
Other sheltered accommodation	20.00	20.20	1%
Designated elderly person dwellings	7.10	7.20	1%
Community Alarm Scheme:			
Community Alarm System : Not in Council sheltered accommodation, (includes VAT).	3.95	4.00	1%
Community Alarm System : Not in Council sheltered accommodation, (includes VAT).	4.65	4.70	1%
Lifeline 1: Lifeline Emergency Response (VAT N/A) - per week, (48 week basis) - existing customers as at 31.03.2014.	2.95	3.00	1%
Lifeline 2: Lifeline Emergency Response, (VAT N/A) - per week, (48 week basis) - new customers as from 01.04.2014:			
Weekly rental	3.65	3.70	1%
Installation Cost	25.80	26.10	1%
Supply of additional pendant	51.50	52.00	1%
No Fault Call Out Fee	25.80	26.10	1%
Supply and fit key safe	82.40	83.20	1%
Lifeline One Call Set Up Cost	31.00	31.30	1%
Annual Subscription	14.90	15.00	1%

Name of F&C	Charge for 2016/17 (£)	Proposed charge for 2017/18 (£)	Percentage Increase
Lifeline 3 (Lifeline+):			
Lifeline + 1 visit from Sheltered Housing Officer per week	6.20	6.30	1%
Lifeline + 2 visits from Sheltered Housing Officer per week	8.30	8.40	1%
Lifeline + 3 visits from Sheltered Housing Officer per week	10.30	10.40	1%
Garages:			
Garages - per week exclusive of rates, (48 week basis): Council Tenant	10.10	10.20	1%
Garages - per week exclusive of rates, (48 week basis): Not Council Tenant, (includes VAT).	12.20	12.30	1%
Housing Solutions Enforcement (including Housing Act 2004 and Park Homes):			
Recipient of Housing Act or Park Homes Enforcement Notice, (per person)	214.40	216.50	1%
Admin charge for undertaking Works in Default in relation to all enforcement activity carried out by Housing Solutions - per Enforcement Notice	20% of cost	20% of cost	n/a
Houses of Multiple Occupation: Licensing Scheme, (per property) - license granted for 5 years	409.60	(199 per property and 129 per flat or per lettable room)	n/a
Traveller site pitch fees (VAT N/A) - per week (52 weeks):			
Single pitch	100.00	95.00 – 101.00	1% (max)
Double pitch	109.10	110.20	1%
Service charges (where levied)	9.90	10.00	1%

Name of F&C	Charge for 2016/17 (£)	Proposed charge for 2017/18 (£)	Percentage Increase
Service Charges (VAT N/A) - per week, (48 week basis):			
Door Entry Systems	0.20	0.20	0%
District Heating	3.90 - 37.00	3.90 – 20.60	0%
Communal Cleaning	0.60 -14.30	0.60 -14.30	0%
Communal Electric	0.10 - 9.90	0.10 – 8.90	0%
Window Cleaning	0.30 - 0.50	0.30 - 0.50	0%
General Management for Sheltered and Mini Schemes	0.10 - 3.00	0.10 - 3.00	0%
Staircase Lighting - General Dwellings	0.10 - 6.80	0.10 – 3.00	0%
Water supply (where property not metered)	5.20	3.20 – 5.20	0%
Park Homes Charges (per pitch unless otherwise stated):			
Initial Licence Fee	55.30	55.90	1%
Amendment or transfer fee, (per site/application)	257.50	260.10	1%
Site Expansion Amendment Fee	257.50 per application plus 9.00 per additional pitch	260.10 plus 9.10 per additional pitch	1%
Annual Fee per pitch	12.00	12.10	1%
Fit and Proper Persons Register Application, (per application)	109.00	110.10	1%
Fee for Depositing Site Rules, (per Deposit)	31.90	32.20	1%
Private Sector Housing:			
Fee for technical assistance with a Disabled Facilities Grant - % of cost, (for grants not exceeding £27,000)	12%	12%	n/a
Fee for technical assistance with a Renewals Grant - % of cost	10%	10%	n/a
Fee chargeable in relation to Empty Homes cases - % of cost	10%	10%	n/a
Housing Solutions Land Charge Enquiries	41.20	41.60	1%
Early Redemption Grant / Loan Assistance or Works in Default - Land Registry Charge removal	50.00	50.50	1%

Appendix A – price increase of 1% (with roundings) or held at 2016 prices

2017/18 Fees & Charges – Adult Social Care. Charges with effect from 1st April 2017

Name of F&C	Charge for 2016 (£)	Proposed charge for 2017 (£)	Percentage Increase
Adult Social Care			
Home Care (per hour) (VAT n/a) Dom Care	17.00	17.00	0.0%
Care provided in Supported Living units (per hour) (VAT n/a) Dom Care	17.00	17.00	0.0%
Care provided in Extra Care Sheltered Housing (per hour) (VAT n/a)	17.00	17.00	0.0%
Fee for issue of a Blue Badge (statutory maximum charge)	10.00	10.00	0.0%

This page is intentionally left blank

Appendix B – price increase of other than 1% (with roundings) or held at 2016 prices

2017/18 Fees & Charges – Social Care Health and Housing. Charges with effect from 1st April 2017

Name of F&C	Charge for 2016/17 (£)	Proposed charge for 2017/18 (£)	Percentage Increase
Housing			
Homeless Hostels:			
Communal Heating	1.50	1.50 – 1.80	20% (max)
Heating & Domestic Hot Water	3.90-5.80	3.90 – 6.80	17% (max)
Communal Cleaning	4.40-6.20	5.90 – 7.20	16% (max)
Service Charges (VAT N/A) - per week, (48 week basis):			
Communal Heating	0.10 - 5.70	0.10 – 6.20	8.8% (max)

This page is intentionally left blank

Appendix B – price increase of other than 1% (with roundings) or held at 2016 prices

2017/18 Fees & Charges – Adult Social Care. Charges with effect from 1st April 2017

Name of F&C	Charge for 2016 (£)	Proposed charge for 2017 (£)	Percentage Increase
Adult Social Care			
Day Opportunities and Social Centres for older people (per day)	31.50	32.50	2.5%
Day Opportunities – Travel to Day Centre (per journey)	1.65	1.70	2.5%
Other LAs and Orgs: Day centres for older people – per day incl. transport (per day) (VAT n/a)	48.20	50.00	2.5%
Other LAs and Orgs: Day centres for older people excl. transport (per day) (VAT n/a)	33.10	34.00	2.5%
Telecare Service provided to meet eligible social care needs per week (VAT n/a)	4.45	4.60	2.5%
Telecare Service provided outside social care eligibility criteria where customer has VAT exemption (VAT n/a)	4.45	4.60	2.5%
Telecare service provided outside social care eligibility criteria	5.25	5.40	2.5%
Meals – Hot meal (per meal)	4.00	4.50	12.5%
Meals – Meals at day centres (per meal)	4.00	4.50	12.5%
Laundry charges per washing load	4.00	4.10	2.5%

Name of F&C	Charge for 2016 (£)	Proposed charge for 2017 (£)	Percentage Increase
Weekly price per bed Abbotsbury	489.87	504.57	3.0%
Weekly price per bed Allison House	489.87	504.57	3.0%
Weekly price per bed Ferndale	489.87	504.57	3.0%
Weekly price per bed The Birches	489.87	504.57	3.0%
Weekly price per bed Westlands	489.87	504.57	3.0%
Other LA Weekly price per bed Abbotsbury	514.50	530.00	3.0%
Other LA Weekly price per bed Allison House	514.50	530.00	3.0%
Other LA Weekly price per bed Ferndale	514.50	530.00	3.0%
Other LA Weekly price per bed The Birches	514.50	530.00	3.0%
Other LA Weekly price per bed Westlands	514.50	530.30	3.0%

Appendix C – New services proposed for 2017/18

2017/18 Fees & Charges – Social Care Health and Housing. Charges with effect from 1st April 2017

Name of F&C	Charge for 2016 (£)	Proposed charge for 2017 (£)	Percentage Increase
Housing			
Temporary Accommodation Rental Charges (VAT n/a):			
Bed & Breakfast	n/a	One Bed Local Housing Allowance (LHA) rate + charge equal to Department of Works and Pensions (DWP) allowance for services, utilities etc + water charge of £3.84 per week (plus £2.07 per week per additional person past the first) where appropriate	n/a
Non HRA, non-self contained	n/a	90% One Bed LHA rate + £60 + charge equal to DWP allowance for services, utilities etc + water charge of £3.84 per week (plus £2.07 per week per additional person past the first) where appropriate	n/a
Non-HRA, self contained	n/a	90% appropriate LHA rate + £60 + charge equal to DWP allowance for services, utilities etc + water charge of £3.84 per week (plus £2.07 per week per additional person past the first) where appropriate	n/a

Name of F&C	Charge for 2016 (£)	Proposed charge for 2017 (£)	Percentage Increase
Sheltered Accommodation			
Guest Rooms per night: Tier 1 (e.g. Crescent Court, Furness Ave, Gale Court)	n/a	21.00	n/a
Guest Rooms per night: Tier 2 (e.g. Tudor Crt, Red House Crt)	n/a	35.00	n/a
Guest Rooms per night: Tier 3 (e.g. Priory View)	n/a	56.00	n/a
Laundry costs for wash and dry	n/a	8.00	n/a
Leaseholders / Landlords / Mutual Exchange			
Gas Boiler Safety Check and Test	n/a	68.00	n/a
Energy Performance Certificate	n/a	74.00	n/a
Mortice Lock Replacement	n/a	39.00	n/a
Eurolock Replacement	n/a	54.00	n/a
Portable Appliance Test (PAT test) per item, maximum 10	n/a	7.00	n/a
Consumer unit (renewal /replacement)	n/a	224.00	n/a
Electrical Unoccupied Property Cert	n/a	154.00	n/a
Renew pair of basin pillar taps	n/a	75.00	n/a
Renew 40mm pipe and bath trap	n/a	92.00	n/a
FREQUENT WORKS QUOTES ABOVE OTHER WORKS REQUESTS ARE AVAILABLE UPON REQUEST			

Central Bedfordshire Council

EXECUTIVE

7 February 2017

Treasury Management Strategy and Treasury Policy

Report of Cllr Richard Wenham, Executive Member for Corporate Resources
(Richard.wenham@centralbedfordshire.gov.uk)

Advising Officer: Charles Warboys, Director of Resources 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

The purpose of this report

1. To seek Member approval for a Treasury Management Policy, Treasury Management Strategy Statement, Minimum Revenue Provision policy and Prudential Indicators for 2017/18 to facilitate effective financial management and planning.
2. This report outlines the Treasury Policy and Treasury Management Strategy for 2017/18. 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 recommend to Council that:

1. the Treasury Management Policy, Treasury Management Strategy Statement and Prudential Indicators for 2017/18 be approved.
2. the adoption, subject to the Council's external audit opinion, of the Minimum Revenue Provision policy as set out at Appendix D (Option 4) to replace the policy approved by Council on 25th February 2016 in order to allow the change in approach to MRP to be applied with effect from the financial year ending 31 March 2017; and

3. the MRP policy as outlined in Appendix D (Option 4) be adopted in respect of the Council's financial year ending 31 March 2018, subject to the Council's external audit opinion.

Overview and Scrutiny Comments/Recommendations

3. This report was considered by the Corporate Resources Overview & Scrutiny Committee on 24 January 2017 and this Committee 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. Any comments and recommendations made by the Corporate Resources Overview & Scrutiny Committee are set out at Appendix F (circulated separately).

Issues

4. The Council's Treasury Management Strategy Statement (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.
5. 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. No changes are proposed to the Treasury Management Policy Statement.
6. A revised Treasury Management Strategy Statement (TMSS) is attached at Appendix B with updated Prudential Indicators (PIs) at Appendix C.
7. A revised Minimum Revenue Provision (MRP) policy is proposed at Appendix D. The proposed revision sets out a prudent approach for calculating the annual MRP in respect of capital expenditure financed by debt prior to 1st April 2011. The proposal is in line with guidance issued by the National Audit Office and meets the criteria for prudence set out therein. Currently this charge is based on a 4% reducing balance of the outstanding debt. No changes are proposed to the approach for calculating MRP in respect of capital expenditure that has been financed by debt from 1st April 2011.
8. The Code requires the TMSS for the year to be approved by Council, and it will be submitted for approval on 23rd February 2017. Local arrangements require the Corporate Resources Overview & Scrutiny Committee to scrutinise the proposed revised strategy on an annual basis. Both the Policies and the Strategy documents are presented to the Executive for recommendation to Council.

Treasury Management Policy Statement

9. 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.
10. The Treasury Management Policy Statement sets out the objectives and the regulatory requirements of the Council's treasury management function.
11. 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

12. 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.
13. 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.

14. 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

15. The CIPFA *Prudential Code for Capital Finance in Local Authorities (2011 Edition)* requires performance against specified key indicators to be measured and reported. The purpose of these indicators is to demonstrate prudence, affordability and sustainability.
16. Explanations of the prudential indicators 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.
17. 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.

Minimum Revenue Provision Statement

18. Appendix D includes a statement of the Council's Minimum Revenue Provision (MRP) policy which is how the Council calculates the annual amount set aside towards repaying any borrowing used in the past to finance capital expenditure. 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.

19. The CLG Guidance in respect of MRP requires the Council to approve an annual MRP statement each year, and recommends a number of options for calculating a prudent amount of MRP. The Council, however, is entitled to depart from the Guidance if it has good reason to do so. The approaches identified in Appendix D are considered by the Chief Finance Officer as being consistent with the Guidance. The MRP policy and annual calculation are subject to the annual external audit opinion. It is not expected that there will be any issues with external audit in respect of the proposals, but should that not be the case, the existing MRP policy would remain in place and officers will review the policy and make further recommendations at the next policy review.

Reason for decisions

20. The reason for the decisions is to retain an effective treasury management framework for the Council and to adopt a more consistent approach to the calculation of MRP in respect of debt financed capital expenditure which pre-dates 1st April 2011. The proposal is in line with guidance issued by the National Audit Office and meets the criteria for prudence set out therein.

Council Priorities

21. The effective management of the combined activities of debt and investments and the associated risks contribute to the Council's financial resources and is a cornerstone to the delivery of the Council's priorities.

Corporate Implications

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

Legal Implications

23. 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

24. 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.
25. 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.'
26. If the proposed revision to MRP as outlined in Appendix D is adopted by the Council, subject to external audit of the 2016/17 Statement of Accounts, there are ongoing financial implications in respect of the current financial year's contribution and an adjustment to an element of previous years' contributions as set out in Appendix E. The recommended revised approach (Appendix D Option 4) is considered by the Chief Financial Officer to be both consistent and prudent as it ensures all the pre 2011 debt is provided for by 2060 and the degree of historic overprovision is rescheduled over an appropriate period.
27. This approach conforms to the National Audit Office guidance AGN 06, issued in February 2016, which states in paragraph 40: "Paragraph 5 of DCLG's MRP guidance states that the broad aim of prudent provision is to ensure that debt is repaid over a period that is either:
 - a) reasonably commensurate with that over which the capital expenditure provides benefits; or
 - b) in the case of borrowing supported by Revenue Support Grant (RSG), reasonably commensurate with the period implicit in that grant.
28. It goes on to say that b) above is no longer relevant to new borrowing and "therefore, in such circumstances local authorities should be setting MRP over a reasonably commensurate period which matches the benefit of the asset."
29. Paragraph 42 states: "Paragraph 3 of the DCLG Guidance requires local authorities to approve an annual MRP statement before the start of each financial year and permits changes to this in year. Therefore local authorities may change their MRP policy provided it meets the requirement for it to be a prudent amount and meets the aims of the DCLG Guidance.

30. Paragraph 45 states: “In respect of the first question [can the revised MRP charge be backdated?], MRP is a statutory annual charge rather than a provision made under accounting standards and therefore cannot be credited back to the general fund. However in making the MRP charge, authorities will need to use a prudent technique. Changes in such techniques are not the correction of errors and therefore are not treated as prior period adjustments. Instead, any change in an amount previously calculated has to be applied prospectively. However, this does not preclude authorities from estimating what they would have charged in previous years as MRP, and then adjusting future years’ MRP to take account of any under or over charge arising in previous years.
31. It is proposed to reschedule the majority of the £28M past over provision to offset future MRP in respect of the PFI liability (£18M) over the period to 2036 and PWLB Debt modification charges (£2M) over the period to 2029. It is proposed the remaining balance of £8M of past provision should be adjusted over seven years on a straight line basis from 2016/17.
32. Continuing revenue savings arising from the change in MRP policy must be applied with sensitivity to the Council’s long term financial position and should not be used to off set the commitment to deliver ongoing efficiency savings. Instead, it is intended to set aside the resulting reduction in financing charges into an earmarked reserve(s) to be used, for example, to support business transformation, investment in systems and processes that will deliver future benefits, and additions to insurance provisions and other balance sheet items that will strengthen the Council’s financial resilience. Flexibility around the use of the reserve will be maintained, as needed.

Risk Management

33. The proposed strategy aims to manage the risks to the Council’s finances from instability in financial markets. The effective identification and management of risk are integral to the Council’s treasury management activities, as detailed throughout this report.

Equalities Implications

34. There are no equalities implications to this report.

Implications for Work Programming

35. There are no work programming implications to this report.

Conclusion and next steps

36. Overall responsibility for treasury management remains with the Council.
37. The purpose of the proposed TMSS is to ensure that an effective treasury management framework is in place for 2017/18. 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 10th January 2017 sets out more information on the revenue implications of interest rates should they be in excess of current assumptions.
38. A revised policy in respect of the MRP has been recommended to achieve, in line with the Central Government guidance, a more prudent and consistent approach. The various MRP policy options considered, all of which in the view of the Chief Finance Officer reflect this approach, are set out in Appendices D and E. The recommended Option 4 would create amount of £28M historic provision to reschedule over current and future years. The statutory guidance requires a prudent approach to these matters and rescheduling proposed is specifically designed to meet that requirement. To allow the rescheduling to commence in the current financial year, it is recommended that the Council replaces the current MRP policy with effect from 2016/17.
39. The Treasury Management Policy, Treasury Management Strategy Statement, Prudential Indicators and Minimum Revenue Provision Statement for 2017/18 as outlined in this report will be reported to Council for approval in line with statutory requirements.

Appendices

- Appendix A – Treasury Management Policy
- Appendix B – Treasury Management Strategy Statement
- Appendix C – Prudential Indicators
- Appendix D – Minimum Revenue Provision Statement
- Appendix E – Financial impact of MRP options for pre 1st April 2011
Debt Funded Capital Expenditure
- Appendix F – Overview and Scrutiny Comments.

Background papers

None.

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:

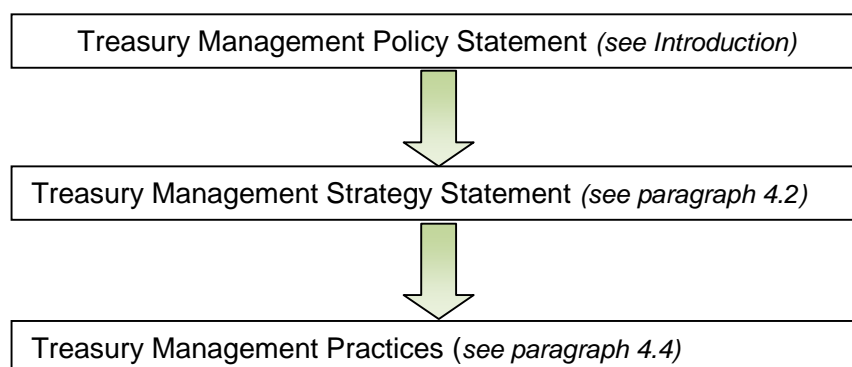
- i) risks which might affect the Council's ability to fulfil its responsibilities or which might jeopardise its financial security, can be identified and managed
- ii) borrowing costs can be minimised whilst ensuring the long term security and stability of the Council's financial position
- iii) investment 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)' (www.bankofengland.co.uk).

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.

This page is intentionally left blank

Appendix B - Treasury Management Strategy Statement (TMSS) 2017/18

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: The major external influence on the Council's treasury management strategy for 2017/18 will be the UK's progress in negotiating a smooth exit from the European Union (EU). Negotiations are expected to start once the UK formally triggers exit in early 2017 and last for at least two years. Uncertainty over future economic prospects will therefore remain throughout 2017/18.

The fall and continuing weakness in sterling and the near doubling in the price of oil in 2016 have combined to drive inflation expectations higher. The Bank of England is forecasting that Consumer Price Index (CPI) inflation will breach its 2.0% target in 2017, the first time since 2013. 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 CPI inflation rate of 2.0%, within a range of plus or minus 1.0%, i.e., between 1.0% and 3.0%. The Bank is expected to look through inflation overshoots over the course of 2017 when setting interest rates so as to avoid derailing the economy given the pressure on household spending and business investment.

Looking overseas, with the US economy and its labour market showing steady improvement, the market has priced in a high probability of the Federal Reserve increasing interest rates in December 2016. The Eurozone meanwhile has continued to struggle with very low inflation and lack of momentum in growth, and the European Central Bank has left the door open for further Quantitative Easing (QE).

Interest rate forecast: The Council's treasury advisers, Arlingclose, do not expect the Bank of England to raise its Base Rate from its current level of 0.25% over the next three years.

Gilt yields have risen sharply, but remain at low levels. Arlingclose expect yields to decline when the Government triggers Article 50 of the Treaty of Lisbon by the end of March 2017 to formally give notice of its intention to exit from the EU. Long-term economic fundamentals remain weak, and further Quantitative Easing (QE) in support of the UK economy in 2017/18 remains a possibility, to keep long-term interest rates low.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at *Schedule 1*.

For the purpose of setting the 2017/18 budget, it has been assumed that new investments will be made at an average rate of 0.3%, and that new short-term loans will be borrowed on an average variable interest rate of 0.5% based on the forecast prevailing Base Rate plus a prudent allowance for uncertainty and brokerage fees.

Local Context

At 30th November 2016, the Council held £336.2M of borrowing and £24.4M of investments. This is set out in further detail at *Schedule 2*. Forecast changes in these sums are shown in the balance sheet analysis in Table 1 below.

Table 1: Balance Sheet Summary and Forecast

	31/3/16 Actual £M	31/3/17 Estimate £M	31/3/18 Estimate £M	31/3/19 Estimate £M	31/3/20 Estimate £M
General Fund CFR	310.8	347.4	377.8	402.0	414.6
HRA CFR	165.0	165.0	163.5	162.0	159.1
Total CFR	475.8	512.4	541.3	564.0	573.7
Less: Other long-term liabilities *	(15.7)	(17.7)	(17.2)	(16.5)	(15.9)
Borrowing CFR	460.1	494.7	524.1	547.5	557.8
Less: External borrowing **	338.1	275.6	275.6	275.6	275.6
Internal (over) borrowing	122.0	219.1	248.5	271.9	282.2
Less: Usable reserves	85.6	88.7	92.7	90.4	79.4
Less: Working capital	36.4	25.0	25.0	25.0	25.0
New borrowing ***	0.0	(105.4)	(130.8)	(156.5)	(177.8)

* PFI liabilities that form part of the Council's debt which includes an upward restatement in 2016/17

** 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 2016 was £15.5M.

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 £122.0M as at 31st March 2016. 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 2017/18.

Following the external audit of the 2015/16 accounts the longstanding model used to calculate PFI contract related entries within the Council's accounts was restated. As reported to the 26th September 2016 Audit Committee agenda item 8, the PFI financial liability (short and long term) disclosed in the accounts of £15.733M has been understated by £1.929M and the unusable Capital Adjustment Account Reserve of £550.790M has been overstated by the same amount. There is no financial impact on either the Council's General Fund or the two academy schools who use the PFI funded facilities. The difference has not been adjusted on the grounds that the change would not materially impact on the presentation of the Council's financial position at 31st March 2016 and that the adjustment will be made in the year ended 31st March 2017.

Borrowing Strategy

At 30th November 2016, the Council held external borrowing of £336.2M. The Balance Sheet forecast in Table 1 shows that it is estimated that net borrowing will increase by £34.6M in 2016/17 (new gross borrowing of £41.2M less £6.6M 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 modestly. Arlingclose 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 2017/18 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 minimal cash levels for operational purposes to minimise investment counterparty risk and source its borrowing needs from other UK local authorities, police and fire authorities on a short term rolling basis. This strategy is expected to achieve significant revenue cost savings over the more traditional route of long term fixed rate borrowing from the PWLB.

The revenue implications of the Capital Programme over 2017/18 to 2020/21 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 who do not expect the Bank of England to raise its Base Rate from its current level of 0.25% over the next three years. However, the Council will continue to monitor long term rates with a view to fixing a portion of its borrowing if rates are favourable.

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 minimal 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 2017/18, 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 a reduction in risk.

Investment Strategy

At 30th November 2016, the Council held £24.4M of invested funds, (excludes an external investment in the Aviva Investors' Lime Property Fund Unit Trust valued at £5.3M as at 30th November 2016). 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 £2M and £36M. 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.

If the UK enters into a recession in 2017/18, there is a small chance that the Bank of England could set its Base Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

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.

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 the 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. 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 UK commercial property, inherited from one of the legacy councils (the "Lime Fund"). This investment is monitored regularly with our treasury management adviser, Arlingclose, 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.

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, 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, police or fire 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. Non-specified investments will therefore include the existing investment in the Lime Fund and 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-	£10M
Total investments (except MMFs and other pooled funds) 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 £15.5M on 31st March 2017. 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 (irrespective of credit rating)	unlimited
UK Local Authorities, Police and Fire Authorities (irrespective of credit rating)	unlimited
Any group of organisations under the same ownership	£7M per group
Any group of pooled funds under the same management	£10M per manager
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 30/11/2016	2016/17	2017/18	2018/19	2019/20
	%	%	%	%	%
Upper limit on fixed rate exposure	69	100	100	100	100
Upper limit for variable rate exposure	31	50	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 during 2017/18.

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 30/11/2016 %	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	14	100	0
10 years - 20 years	53	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:

	2017/18	2018/19	2019/20
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 based on a "risk free" rate sourced from HM Treasury's Debt Management Account Deposit Facility (DMADF).

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 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 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 2017/18 of £578.2M. 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 Director of Resources, 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 chance of losses from credit related defaults, but any such losses may 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 may 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 may be more certain

Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income. Unable to deliver the full Capital Programme.	Reduced investment balance leading to a lower impact in the event of a default; however long term interest costs may be less certain

Schedule 1 – Arlingclose Economic & Interest Rate Forecast November 2016

Underlying assumptions:

- The medium term outlook for the UK economy is dominated by the negotiations to leave the EU. The long-term position of the UK economy will be largely dependent on the agreements the Government is able to secure with the EU and other countries.
- The global environment is also riddled with uncertainty, with repercussions for financial market volatility and long-term interest rates. Donald Trump's victory in the US general election and Brexit are symptomatic of the popular disaffection with globalisation trends. The potential rise in protectionism could dampen global growth prospects and therefore inflation. Financial market volatility will remain the norm for some time.
- However, following significant global fiscal and monetary stimulus, the short term outlook for the global economy is somewhat brighter than earlier in the year. US fiscal stimulus is also a possibility following Trump's victory.
- Recent data present a more positive picture for the post-Referendum UK economy than predicted due to continued strong household spending.
- Over the medium term, economic and political uncertainty will likely dampen investment intentions and tighten credit availability, prompting lower activity levels and potentially a rise in unemployment.
- The currency-led rise in CPI inflation (1.6% in the year to December 2016) will continue, breaching the Bank of England's 2.0% target in 2017, which will act to slow real growth in household spending due to a sharp decline in real wage growth.
- The depreciation in sterling will, however, assist the economy rebalance away from spending. The negative contribution from net trade to GDP growth is likely to diminish, largely due to weaker domestic demand. Export volumes will increase marginally.
- Given the pressure on household spending and business investment, the rise in inflation is highly unlikely to prompt monetary tightening by the Bank of England, with policymakers looking through import-led spikes to the negative effects of Brexit on economic activity and, ultimately, inflation.
- Bank of England policymakers have, however, highlighted that excessive levels of inflation will not be tolerated for sustained periods. Given this view and the current inflation outlook, further monetary loosening looks less likely.

Forecast:

- Globally, the outlook is uncertain and risks remain weighted to the downside. The UK domestic outlook is uncertain, but likely to be weaker in the short term than previously expected.
- The likely path for Bank Rate is weighted to the downside. Arlingclose expect the Bank of England Base Rate to remain at 0.25%, but there is a 25% possibility of a drop to close to zero, with a very small chance of a reduction below zero.
- Gilt yields have risen sharply, but remain at low levels. Arlingclose expect yields to decline when the Government triggers Article 50.

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Average
Official Bank Rate														
Upside risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.12
Arlingclose Central Case	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.40
3-month LIBID rate														
Upside risk	0.05	0.05	0.10	0.10	0.10	0.15	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.18
Arlingclose Central Case	0.25	0.25	0.25	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.29
Downside risk	-0.20	-0.25	-0.25	-0.25	-0.30	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.34
1-yr LIBID rate														
Upside risk	0.10	0.10	0.15	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.23
Arlingclose Central Case	0.60	0.50	0.50	0.50	0.50	0.50	0.50	0.60	0.70	0.85	0.90	0.90	0.90	0.65
Downside risk	-0.10	-0.15	-0.15	-0.15	-0.20	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.24
5-yr gilt yield														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	0.50	0.40	0.35	0.35	0.35	0.40	0.40	0.40	0.45	0.50	0.55	0.60	0.65	0.45
Downside risk	-0.30	-0.45	-0.45	-0.45	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.47
10-yr gilt yield														
Upside risk	0.30	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	1.15	0.95	0.85	0.85	0.85	0.85	0.85	0.90	0.95	1.00	1.05	1.10	1.15	0.96
Downside risk	-0.30	-0.45	-0.45	-0.45	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.47
20-yr gilt yield														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	1.70	1.50	1.40	1.40	1.40	1.40	1.40	1.45	1.50	1.55	1.60	1.65	1.70	1.75
Downside risk	-0.40	-0.55	-0.55	-0.55	-0.55	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.57
50-yr gilt yield														
Upside risk	0.25	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.39
Arlingclose Central Case	1.60	1.40	1.30	1.30	1.30	1.30	1.30	1.35	1.40	1.45	1.50	1.55	1.60	1.41
Downside risk	-0.40	-0.55	-0.55	-0.55	-0.55	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.57

Schedule 2 – Existing Investment & Debt Portfolio Position

	30/11/16 Actual Portfolio £M
External Borrowing:	
PWLB – Fixed Rate	217.1
PWLB – Variable Rate	51.6
LOBO Loans	13.5
Local Government Loans	54.0
Total External Borrowing	336.2
Other Long Term Liabilities:	
PFI	18.0
Total Gross External Debt	354.2
Investments:	
<i>Managed in-house</i>	
Short-term investments	24.4
Pooled Funds (<i>Lime Fund</i>)	5.3
Total Investments	29.7
Net Debt	324.5

This page is intentionally left blank

Appendix C – Prudential Indicators

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	2016/17 Estimate £M	2017/18 Estimate £M	2018/19 Estimate £M	2019/20 Estimate £M
General Fund	92.8	94.9	91.0	96.8
HRA	12.8	14.6	22.3	21.9
Total Expenditure	105.6	109.5	113.3	118.7
Capital Receipts	(10.5)	(12.0)	(10.0)	(10.0)
Grants and Contributions	(39.8)	(43.0)	(46.4)	(63.5)
Revenue	-	-	-	-
Borrowing	(42.5)	(39.9)	(34.6)	(23.3)
General Fund sub-total	(92.8)	(94.9)	(91.0)	(96.8)
Capital Receipts	(4.0)	(4.0)	(4.7)	(10.2)
Reserves	(3.7)	(6.2)	(14.5)	(11.4)
Revenue	(5.1)	(2.3)	(2.1)	-
Grants and Contributions	-	(2.1)	(1.0)	(0.3)
HRA sub-total	(12.8)	(14.6)	(22.3)	(21.9)
Total Financing	(105.6)	(109.5)	(113.3)	(118.7)

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	31/03/17 Estimate £M	31/03/18 Estimate £M	31/03/19 Estimate £M	31/03/20 Estimate £M
General Fund	347.4	377.8	402.0	414.6
HRA	165.0	163.5	162.0	159.1
Total CFR	512.4	541.3	564.0	573.7

The CFR is forecast to rise by £61.3M over the next three years as capital expenditure financed by debt outweighs resources put aside for debt repayment.

Gross Debt and the Capital Financing Requirement

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	31/03/17 Estimate £M	31/03/18 Estimate £M	31/03/19 Estimate £M	31/03/20 Estimate £M
Borrowing	380.6	420.5	455.1	478.3
PFI liabilities	17.7	17.2	16.5	15.9
Total Debt	398.3	437.7	471.6	494.2

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	2016/17 Estimate £M	2017/18 Estimate £M	2018/19 Estimate £M	2019/20 Estimate £M
Borrowing	528.3	549.2	573.0	583.8
Other long-term liabilities	18.2	17.7	17.0	16.4
Total Debt	546.5	566.9	590.0	600.2

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 2017/18 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	2016/17 Estimate £M	2017/18 Estimate £M	2018/19 Estimate £M	2019/20 Estimate £M
Borrowing	538.3	559.2	583.0	593.8
Other long-term liabilities	18.7	18.2	17.5	16.9
Total Debt	557.0	577.4	600.5	610.7

Ratio of Financing Costs to Net Revenue Stream

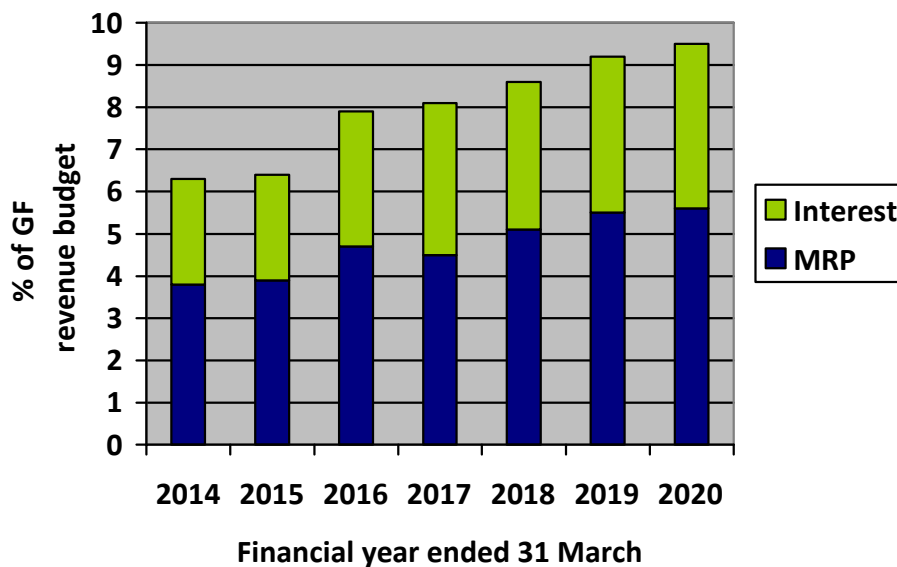
This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2017/18 Estimate %	2018/19 Estimate %	2019/20 Estimate %
General Fund	8.6	9.2	9.5
HRA	13.7	13.7	13.7

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.

Central Bedfordshire's ratio is expected to increase given the Council's significant commitment to capital investment over the next few years.

The growing impact of borrowing to fund new capital expenditure is shown below, with Minimum Revenue Provision (MRP) and interest costs taking up an increasingly greater proportion of the Council's net revenue budget over time:



* 2015/16 includes a Voluntary Revenue Provision of £0.7M within the Minimum Revenue Provision figure

The figures in the above chart are based on the current Medium Term Financial Plan. The Council will need to carefully consider this increasing cost when determining its future plans for capital expenditure.

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	2017/18 Estimate £	2018/19 Estimate £	2019/20 Estimate £
General Fund - increase in annual band D Council Tax	11.87	20.03	25.67
HRA - increase in average weekly rents	0.12	0.32	0.52

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).

	2016/17 Estimate £	2017/18 Estimate £	2018/19 Estimate £	2019/20 Estimate £
HRA Debt Cap (as prescribed by the DCLG)	165.0	165.0	165.0	165.0
HRA CFR	165.0	163.5	162.0	159.1
Difference	0.0	1.5	3.0	5.9

Appendix D – Minimum Revenue Provision Statement

Introduction

1. Where the Council finances capital expenditure by debt there is a statutory requirement to put aside resources to repay that debt in later years. The amount charged annually to the revenue budget for the repayment of debt is known as the 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.
2. The CLG Guidance is intended to ensure that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits. The CLG Guidance requires the Council to approve an annual MRP statement of their policy each year, and recommends a number of options for calculating a prudent amount of MRP. The Council, however, is entitled to depart from the Guidance if it has good reason to do so.
3. Currently the Council's annual MRP charge comprises two calculations, one based on debt financed capital expenditure prior to 1st April 2011 and one based on debt financed capital expenditure from 1st April 2011.
4. In respect of debt financed capital expenditure from 1 April 2011, the method currently 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 debt financed capital expenditure is being incurred, starting in the year after the asset becomes operational. For example, capital expenditure incurred during 2017/18 will not be subject to an MRP charge until 2018/19.
5. The annuity method makes provision for an annual charge to the General Fund which, unlike the straight line method, takes account of the time value of money (whereby paying £100 in 10 years' time is less of a burden than paying £100 now). The schedule of charges produced by the annuity method thus results in a consistent charge over an asset's life, taking into account the real value of the annual charges when they fall due.
6. 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. There are no proposals to change this existing methodology for MRP in respect of new capital expenditure financed by debt.

7. In respect of debt financed capital expenditure prior to 1st April 2011 since the Council's inception, the 'Regulatory Method' as prescribed by the CLG Guidance has been used for calculating MRP, i.e., a 4% reducing balance of outstanding debt.
8. 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.
9. No MRP will be charged in respect of assets held within the Housing Revenue Account.
10. The calculation is reviewed annually by the Council's external auditors as part of the audit of the Statement of Accounts.
11. The proposals in this Appendix D are, in the judgement of the Chief Finance Officer, consistent with the Guidance.

Proposed changes to the Council's Minimum Revenue Provision Policy

12. An increasing number of local authorities are revising the MRP policy in respect of their historic outstanding indebtedness, given that the Regulatory Method currently in use applies a reducing balance to the outstanding indebtedness which results in the debt never being completely repaid because each year a charge of 4% is applied to the outstanding balance.
13. For example, if the Council were to continue to apply the current Regulatory Method to its outstanding debt accumulated prior to 1st April 2011, £13.5M of the debt would remain outstanding in 50 years' time.
14. It is the view of the Chief Finance Officer that the omission to make provision for the full repayment of this debt is not the most prudent financial management. The options identified in this Appendix D ensure that all of the debt is repaid over a shorter 50-year finite timeframe, thus conforming to the guidance on prudence.
15. New Government regulations for calculating MRP were introduced by the *Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008*. Under these regulations, the Council started using an annuity method for calculating MRP in respect of capital expenditure incurred after 31st March 2011. Given that these new regulations took effect on 31st March 2008, the Council can choose to retrospectively apply a revised policy for calculating MRP on its historic outstanding indebtedness since its inception from 1st April 2009.

16. Four options have been identified for consideration as follows:

	Reduced MRP charge in 2016/17	On-going reductions in MRP until:	Excess sum charged in prior years
Option 1	£2.1M	2032/33	n/a
Option 2	£3.3M	2037/38	n/a
Option 3	£1.4M	2025/26	£15.1M
Option 4	£3.0M	2031/32	£27.9M

17. Appendix E outlines the MRP charges over the life of the 4 options to fully provide for the repayment of the outstanding debt accumulated prior to 1st April 2011. These differ from the existing MRP charges based on the Regulatory Method where £13.5M of the debt would remain outstanding in 50 years' time. Appendix E also shows the extent of increase or reduction in MRP charge over the life of the 4 options relative to the existing Regulatory Method.

18. The four options can be summarised as follows:

- **Option 1**

Fixed, straight line MRP charge over 50 years commencing in 2016/17, with the repayment of debt fully provided for over a shorter timeframe. MRP charge reduced by £2.1M in 2016/17, with on-going MRP reductions until 2032/33.

- **Option 2**

Annuity method MRP charge over 50 years commencing in 2016/17, with the repayment of debt fully provided for over a shorter timeframe. MRP charge reduced by £3.3M in 2016/17, with on-going MRP reductions until 2037/38. Consistent with method used for calculating MRP for debt financed capital expenditure from 1st April 2011.

- **Option 3**

Fixed, straight line MRP charge over 50 years commencing in 2009/10, with the repayment of debt fully provided for over a shorter timeframe. MRP charge reduced by £1.4M in 2016/17, with on-going MRP reductions until 2025/26. An excess sum of £15.1M charged in the years between 2009/10 and 2015/16.

- **Option 4**

Annuity method MRP charge over 50 years commencing in 2009/10, with the repayment of debt fully provided for over a shorter timeframe. MRP charge reduced by £3.0M in 2016/17, with on-going MRP reductions until 2031/32. An excess sum of £27.9M charged in the years between 2009/10 and 2015/16. Consistent with method used for calculating MRP for debt financed capital expenditure from 1st April 2011.

Proposed approach for applying historic MRP overprovision (Option 4)

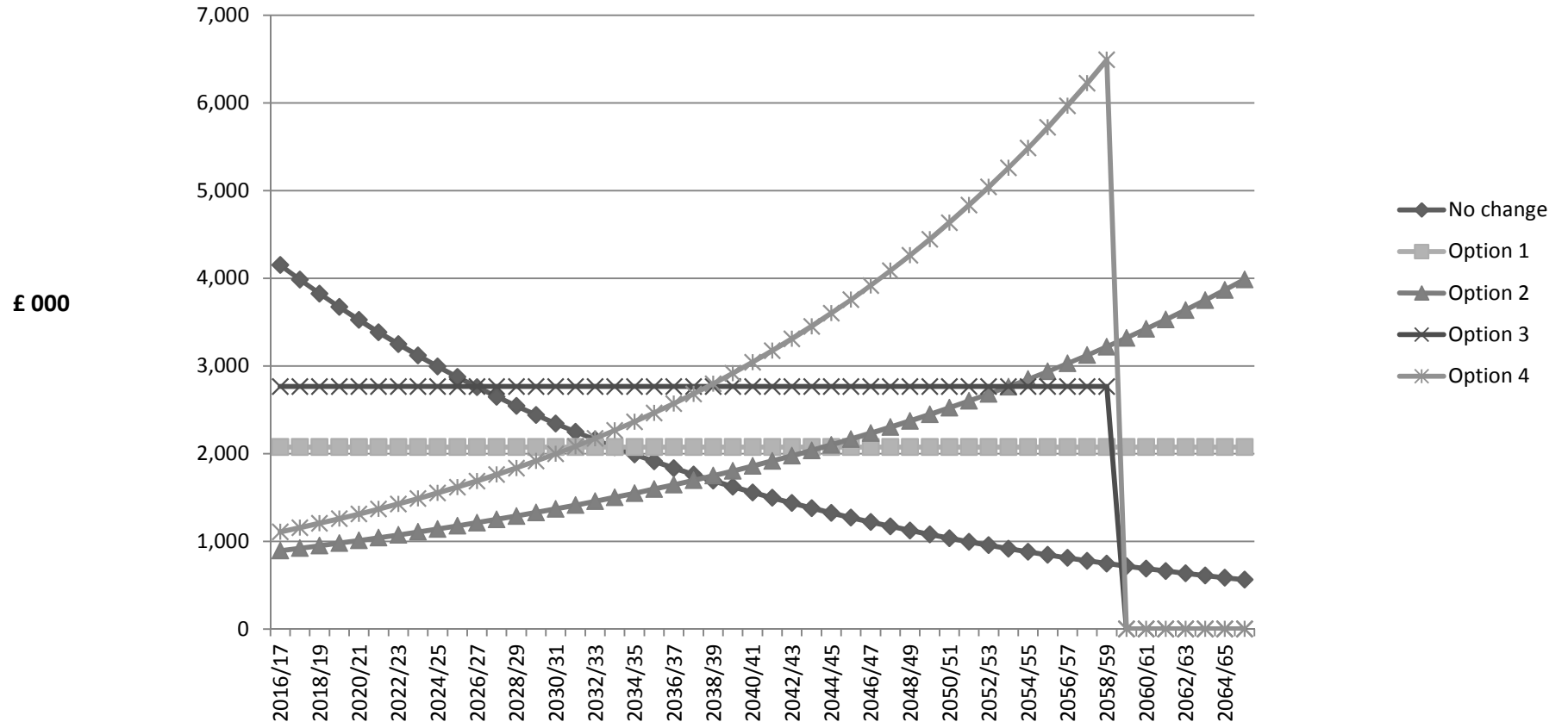
19. The Council would need to adopt a prudent approach to this amount and it is proposed to apply it over reasonable timescales to predominantly offset the annual financial impact on the General Fund of the outstanding Private Finance Initiative (PFI) liability and accounting requirements associated with historic rescheduling of Public Works Loan Board (PWLB) loans. These two financing items would absorb £19.8M of the rescheduling item over appropriate timescales and it is proposed to reschedule the remaining amount of £8.1M on a straight line basis over 7 years (number of financial years since the Council was created) to offset the annual MRP from 2016/17 by approximately £1.2M per year.
20. Continuing revenue savings arising from the change in MRP policy must be applied with sensitivity to the Council's long term financial position and should not be used to off set the commitment to deliver ongoing efficiency savings. Instead, it is intended to set aside the resulting reduction in financing charges into an earmarked reserve(s) to be used, for example, to support business transformation, investment in systems and processes that will deliver future benefits, and additions to insurance provisions and other balance sheet items that will strengthen the Council's financial resilience. Flexibility around the use of the reserve will be maintained, as needed.

Appendix E - MRP charges over the life of the 4 options Pre 1 April 2011 Debt Funded Capital Expenditure

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39		
	£000	£000	£000	£000	£000	£000	£000	£000	£001	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
No change	4,483	6,475	5,086	4,549	5,003	4,537	4,356	4,150	3,984	3,825	3,672	3,525	3,384	3,249	3,119	2,994	2,874	2,759	2,649	2,543	2,441	2,343	2,250	2,160	2,073	1,990	1,911	1,834	1,761	1,691		
Option 1	4,483	6,475	5,086	4,549	5,003	4,537	4,356	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075		
Option 2	4,483	6,475	5,086	4,549	5,003	4,537	4,356	893	921	949	979	1,009	1,040	1,072	1,106	1,140	1,175	1,212	1,249	1,288	1,328	1,369	1,412	1,455	1,501	1,547	1,595	1,644	1,695	1,748		
Option 3	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765		
Option 4	825	860	897	936	976	1,018	1,062	1,107	1,155	1,205	1,257	1,311	1,367	1,426	1,487	1,551	1,618	1,687	1,760	1,835	1,914	1,997	2,082	2,172	2,265	2,363	2,464	2,570	2,681	2,796		
PFI liability								380	418	711	787	492	348	757	412	787	568	781	1,162	1,049	626	901	1,481	1,213	1,418	1,898	1,146	707	-	-		
Debt premia								137	144	154	166	175	185	196	173	127	134	76	59	34	-	-	-	-	-	-	-	-	-	-		
Cont'd:																																
	2039/40	2040/41	2041/42	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53	2053/54	2054/55	2055/56	2056/57	2057/58	2058/59	2059/60	2060/61	2061/62	2062/63	2063/64	2064/65	2065/66	Total	Debt o/s 50 years			
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		
No change	1,623	1,558	1,496	1,436	1,378	1,323	1,270	1,220	1,171	1,124	1,079	1,036	994	955	916	880	845	811	778	747	717	689	661	635	609	585	562	124,767	13,476			
Option 1	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	138,244	Nil			
Option 2	1,802	1,858	1,916	1,975	2,036	2,099	2,164	2,232	2,301	2,372	2,446	2,521	2,600	2,680	2,763	2,849	2,937	3,028	3,122	3,219	3,319	3,422	3,528	3,637	3,750	3,866	3,986	138,244	Nil			
Option 3	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	2,765	-	-	-	-	-	-	-	138,244	Nil			
Option 4	2,916	3,042	3,173	3,309	3,451	3,600	3,755	3,916	4,084	4,260	4,443	4,634	4,834	5,041	5,258	5,484	5,720	5,966	6,223	6,490	-	-	-	-	-	-	-	138,244	Nil			
PFI liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18,042			
Debt premia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,760			

£13.5M debt remains as outstanding in 50 years' time if no change is made to the existing MRP policy.

**Minimum Revenue Annual Charges Profiles from 2016/17
Pre 1 April 2011 Debt Funded Capital Expenditure**

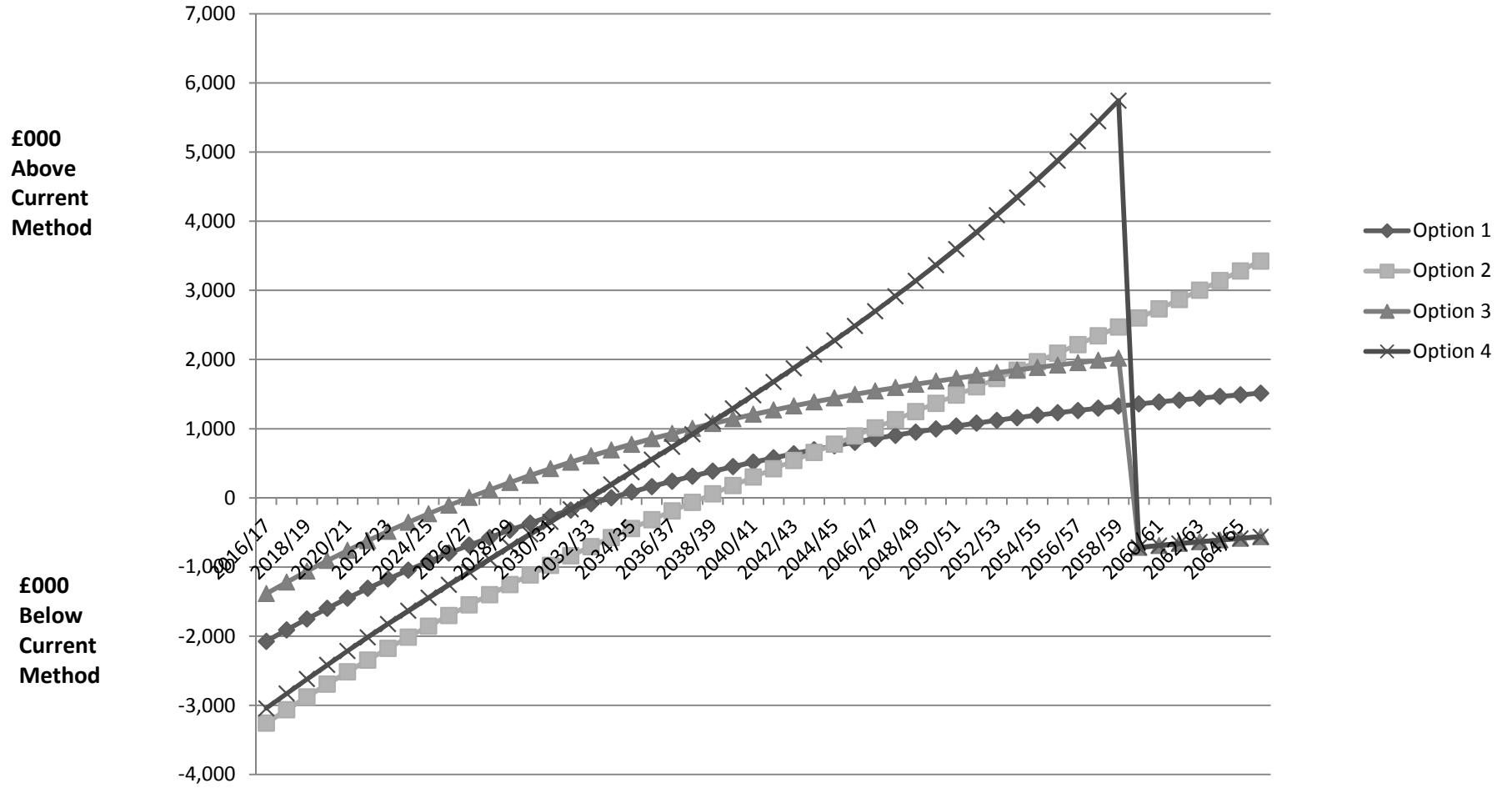


Increase / (reduction) in MRP charge over the life of the 4 options Pre 1 April 2011 Debt Funded Capital Expenditure

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'001	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
No change	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Option 1	-	-	-	-	-	-	-	(2,075)	(1,909)	(1,750)	(1,597)	(1,450)	(1,309)	(1,173)	(1,044)	(919)	(799)	(684)	(574)	(468)	(366)	(268)	(175)	(85)	2	85	164	241	314	385
Option 2	-	-	-	-	-	-	-	(3,257)	(3,064)	(2,876)	(2,693)	(2,516)	(2,344)	(2,176)	(2,013)	(1,854)	(1,699)	(1,547)	(1,399)	(1,255)	(1,113)	(974)	(838)	(704)	(573)	(443)	(316)	(190)	(66)	57
Option 3	(1,718)	(3,710)	(2,321)	(1,784)	(2,238)	(1,772)	(1,591)	(1,385)	(1,219)	(1,060)	(907)	(760)	(619)	(484)	(354)	(229)	(109)	6	116	222	324	421	515	605	691	774	854	930	1,004	1,074
Option 4	(3,658)	(5,615)	(4,189)	(3,613)	(4,027)	(3,519)	(3,294)	(3,043)	(2,829)	(2,620)	(2,415)	(2,214)	(2,017)	(1,823)	(1,632)	(1,443)	(1,257)	(1,072)	(889)	(707)	(527)	(347)	(167)	12	192	372	554	736	920	1,106
Cont'd:																														
	2039/40	2040/41	2041/42	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53	2053/54	2054/55	2055/56	2056/57	2057/58	2058/59	2059/60	2060/61	2061/62	2062/63	2063/64	2064/65	2065/66	Total	Debt o/s 50 years	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
No change	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,476	
Option 1	452	517	579	639	697	752	805	856	904	951	996	1,039	1,081	1,120	1,159	1,195	1,231	1,264	1,297	1,328	1,358	1,386	1,414	1,440	1,466	1,490	1,514	13,476	Nil	
Option 2	179	300	420	539	658	776	894	1,012	1,130	1,248	1,367	1,486	1,605	1,725	1,847	1,969	2,093	2,217	2,344	2,472	2,601	2,733	2,867	3,002	3,140	3,281	3,424	13,476	Nil	
Option 3	1,142	1,207	1,269	1,329	1,386	1,442	1,494	1,545	1,594	1,641	1,686	1,729	1,770	1,810	1,848	1,885	1,920	1,954	1,987	2,018	(717)	(689)	(661)	(635)	(609)	(585)	(562)	13,476	Nil	
Option 4	1,293	1,484	1,677	1,873	2,073	2,276	2,484	2,696	2,914	3,136	3,364	3,598	3,839	4,087	4,342	4,604	4,875	5,155	5,444	5,743	(717)	(689)	(664)	(635)	(609)	(585)	(562)	13,476	Nil	

£13.5M debt remains as outstanding in 50 years' time if no change is made to the existing MRP policy.

**Schedule of differences in MRP charges from 2016/17 compared to the current method
Pre 1 April 2011 Debt Funded Capital Expenditure**



Central Bedfordshire Council

EXECUTIVE

7 February 2017

Improving Care Home Provision for Older People in Central Bedfordshire

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. For the Executive to consider the new opportunity in Ivel Valley to further improve care home provision and to authorise the commencement of consultation on the proposals contained within this report.

RECOMMENDATIONS

The Executive is asked to:

1. recognise and respond to the opportunities to improve care home provision for older people in Ivel Valley by authorising the commencement of formal consultation on proposals for the future of The Birches Older Persons' Home (OPH) as set out in paragraphs 38 to 48 of this report; and
2. request that a report is submitted to a future meeting of the Executive advising of the outcome of the consultation and making recommendations about the future of the home.

Overview and Scrutiny Comments/Recommendations

2. It is proposed that the outcome of the consultation process set out in this report will be reported to a future meeting of the Social Care Health and Housing Overview and Scrutiny Committee prior to a decision being made by the Executive on the future of The Birches OPH.

Background

3. 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.
4. 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.
5. 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 for independent living that are able to deliver a high level of flexible care options to support residents as and when they need it.
6. 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 home¹ 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.
7. The Council's response to these twin 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.
8. In response to the challenges set out above the Council has undertaken the following:
 - a. Increased 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. Developed 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. Commenced the development of extra care housing schemes for independent living in Dunstable (Priory View) and Leighton Buzzard (Greenfields) and is planning to deliver a further four schemes of this type over the next four years.

¹ In this report the term 'care home' is used to describe all types of regulated care home for older people. These homes can be divided into those which provide nursing care – which are referred to as 'nursing homes' and those which do not which are referred to as 'residential homes'.

9. The final challenge in this programme is the reconfiguration of care home provision for older people to deliver higher standards. This is the most challenging as such changes inevitably mean a degree of disruption to the lives of residents of the homes affected.
10. At the start of this programme the Council owned seven care homes for older people that were constructed by the former Bedfordshire County Council between 1968 and 1982. These homes did not meet physical and environmental standards that modern homes do.
11. In November 2012 the Executive considered a report and approved an overall approach in relation to these homes as part of a wider strategy for managing and contracting with the care home market. This set out the principles of a phased transition away from the homes whilst maintaining existing capacity in the market as a whole. It also set out the approach to stimulate the independent sector market to provide this capacity rather than the Council delivering it directly.
12. Following this the Director of Social Care, Health and Housing held meetings with residents, relatives and staff at the homes setting out the overall approach and indicating the possibility that the homes could be reprovided. This intention was reiterated to residents, relatives and staff when a further round of meetings was held prior to the ending of the contract with BUPA in 2014.
13. Further information underlying the approach is set out in Appendix A.
14. In February 2015 the Executive was advised of the construction of a new care home, Dukeminster Court, Dunstable and approved a consultation on the future of Caddington Hall in Markyate. The outcome of this consultation was reported to the Executive in July 2015 where it approved the closure of the home and transfer of residents to alternative homes. When this process was completed the home closed in November 2015 and was subsequently decommissioned.
15. Similarly, in October 2015 the Executive was advised of the construction of another new care home, Rosewood Court, Dunstable and approved a consultation on the future of Greenacre in Dunstable. The outcome of this consultation was reported to the Executive in February 2016 where it approved the closure of the home and transfer of residents to alternative homes. When this process was completed the home closed in October 2016 and was subsequently decommissioned.

Older Persons Care Home Provision in Ivel Valley

16. The Ivel Valley locality encompasses the towns of Biggleswade, Sandy Shefford, and the smaller settlements of Arlesey, Pottton and Stotfold and the surrounding villages. This is shown in Diagram 1.

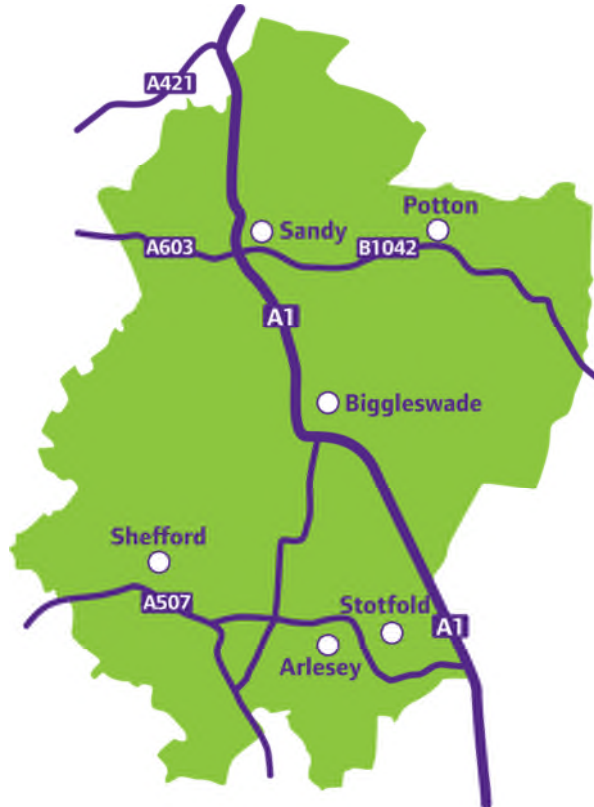


Diagram 1 Ivel Valley Locality and Principal Settlements

17. There are ten older person's homes in Ivel Valley providing 341 places in total. Three of these homes owned and operated by Central Bedfordshire Council, the remainder being operated by independent organisations.
18. Whilst the prevalence of en-suite bathrooms is by no means a complete test of how up to date the facilities in a home are, it is a reasonably good indicator. This information is also easily measured and publicly available.
19. This information is set out in Table 1, below.

Name	Location	Provider Name	Nursing Care	No of Places	No of En Suite Places	% En Suite Places
Abbotsbury Residential Home	Biggleswade	Central Bedfordshire Council	No	32	0	0%
Allison House Residential Home	Sandy	Central Bedfordshire Council	No	42	0	0%

Name	Location	Provider Name	Nursing Care	No of Places	No of En Suite Places	% En Suite Places
Beaumont Park Nursing and Residential Home	Biggleswade	Healthcare Homes Group Limited	Yes	46	0	0%
Chase House	Arlesey	Chase House Limited	Yes	50	50	100%
New Meppershall Care Home	Meppershall	Pressbeau Limited	Yes	28	18	64%
Park House Nursing Care Centre	Sandy	Park House Care (Sandy) Limited	Yes	30	12	40%
Potton House	Biggleswade	Health & Care Services (NW) Limited	Yes	24	24	100%
The Birches Residential Home	Shefford	Central Bedfordshire Council	No	30	0	0%
The Limes	Henlow	The Limes Care Home Limited	No	27	25	93%
Wren Park Care Home	Shefford	Pressbeau Limited	Yes	31	0	0%
				340	129	38%

Table 1 Older Persons Homes in Ivel Valley

20. There are currently three new care homes planned or being developed in Ivel Valley. These are set out in the Table 2 below.

Site	Location	Developer / Provider Name	Number of Places	Current Status
Oak Manor, Ivel Road	Shefford	Castleoak / MHA	64	Construction commenced
Kings Reach	Biggleswade	Octopus Healthcare / Magnum Care	60	Construction due to commence 1/17
Hitchin Road	Stotfold	Frontier Estates / No operator identified	70	Planning consent granted. Construction due to commence Spring 2017

Table 2 Planned New Older Persons Homes in Ivel Valley

21. The operators of the Kings Reach home have indicated that their intention is to only make a small number of places available to Council-placed customers and therefore it does not seem likely that the development of this home will allow the Council to consider the future of one of its homes.

22. The home being constructed in Ivel Road, Shefford is to be called Oak Manor and will be owned and operated by MHA².
23. As this is a new-build home it will have modern standards of provision including en-suite bathroom facilities for each resident. This is significantly better than the standards of accommodation in the Council's homes, which do not have these facilities.
24. Estimates of demand for care home places are based on a 'capitation' model using the number of people in the area over 75 years of age. This had proven to be a reasonably good indicator of demand.

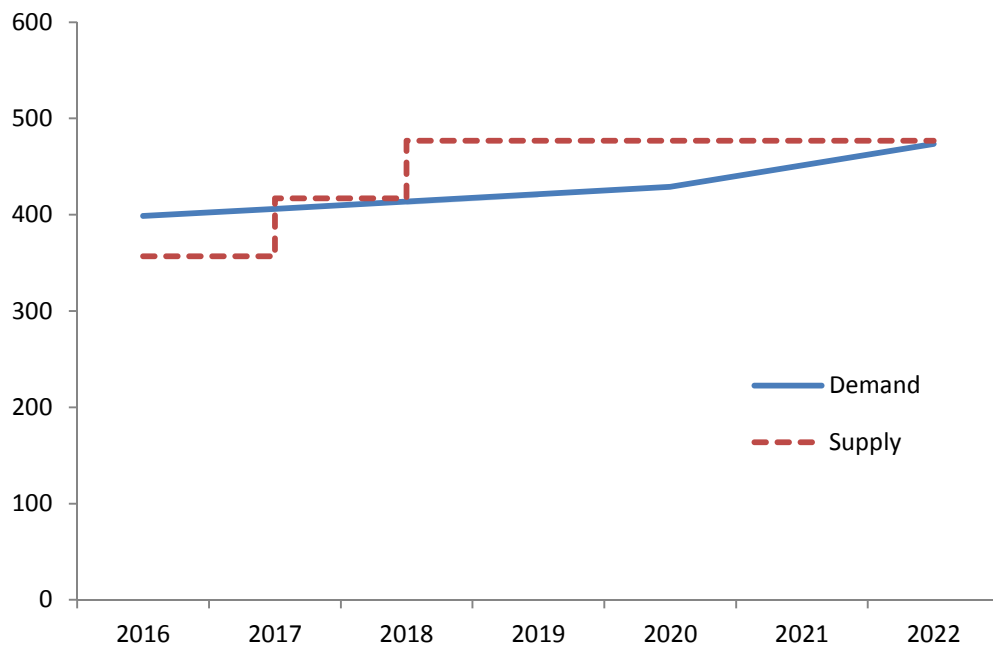


Figure 1 Care Home Supply and Demand Forecast for Ivel Valley

25. Based on population forecasts and the information in paragraphs 19 to 21 care home demand and supply in the area over the period 2016-2022 is illustrated in the chart above.
26. This estimate assumes that all existing capacity is retained and the new homes in Ivel Rd, Shefford and Kings Reach, Biggleswade come on stream in 2017 and 2018 respectively. No assumptions have been made about the Hitchin Rd, Stotfold development.
27. In its role of managing the overall market for care home provision, the aim of the Council is to attempt to influence supply so that it is reasonably balanced against demand. An excess of supply can lead to care homes becoming unviable and potentially failing. Undersupply can lead to customers being placed a long way from their original home.

² MHA is a group structure comprising the charity, Methodist Homes, Methodist Homes Housing Association and MHA Auchlochan.

28. Given the current and forecast supply and demand the delivery of a new care home during 2017 is a good opportunity to look to further pursue the Council's stated objectives and to replace the capacity in one of the homes that the Council operates in the locality.

Oak Manor, Shefford

29. Oak Manor is due to open in September or October 2017. It is being built by Castleoak, an organisation that specialises in this type of accommodation. Once completed it will be operated by MHA.
30. MHA was formed by the Methodist church in 1943 as a charitable organisation to provide homes for older people. As well as providing extra care and home care it has more than 5000 care home places across the UK.
31. MHA has stated that it is prepared to make half of the capacity in the home available to Council customers which would be sufficient to allow consideration of the future of one of the Council's existing homes.

The Birches Older Persons Home

32. The home nearest to Oak Manor is The Birches in Hitchin Rd, Shefford.
33. The Birches has 28 permanent residents and 2 vacancies. The 30 places at Oak Manor offered by MHA would allow all of the residents at The Birches to have the choice of a place there.
34. In fact it is likely that not all of these places would be taken up by residents as some may choose to go to alternative homes (for example, to be nearer to relatives).
35. Whilst The Birches is not a nursing home, the experience with Caddington Hall and Greenacre was that when planning a move to a new home a small number of residents were assessed as having needs that would be most appropriately met in a nursing home as their condition had deteriorated or was likely to do so in the near future. This may also be the case with some of The Birches residents, in which case a place would be sought in an appropriately-located nursing home of which there are six in the area.
36. Therefore the summary of the proposed offer to residents of The Birches is:
 - a. The Council is proposing to close the home and find suitable alternative accommodation for the existing residents.

- b. Residents will be given a choice of homes to move to within a reasonable distance. These choices would be of homes which offer a good quality of 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.
- c. There will be places available at Oak Manor to facilitate residents wishing to stay in the immediate area and/or living as a group to do so.
- d. Any resident who wished to move further away (for example to be closer to a relative) would be assisted to do so.

37. This is set out in more detail in Appendix B.

Consulting with residents, relatives, staff and other stakeholders

- 38. The proposals set out require a detailed programme of communication, engagement and consultation. The planned phases of this process and timescales are set out below.
- 39. An initial series of communications and meetings will be organised with residents, relatives and staff to explain the background to the consultation, the timescales and how they can be involved. It is planned to hold these meetings to coincide with the publication of this report.
- 40. Following this there will be a consultation period which is planned to commence on 17th February 2017 and end on 18th May 2017. This period is 12 weeks with an additional three working days added to take account of the Easter and May Day bank holidays. The consultation period can be extended if required.
- 41. During the consultation all those affected will be provided with written details of the proposals along with other options and asked their views. A series of events to do this will take place during the consultation period and will facilitate residents, day care customers and their relatives to input into the process in a way that best suits them. This could be through an individual consultation, as part of a small group, or as part of a larger group. Independent advocacy support will be available for all who need it. Consultation will take place in an atmosphere that aims to provide service-users, their representatives and/or their relatives with support and reassurance.
- 42. The proposals will also be publicised, published on the Council's website and made available to stakeholders and relevant organisations for their feedback. These would include Older Person's Network, Healthwatch Central Bedfordshire, local health services and Age UK. Individual members of the public and other interested parties would also be able to participate.

43. As well as setting out the detail of the Council's preferred option the proposal document will identify other options considered in the development of the proposals and the reasons why they are not preferred. Consultees will also be able to propose alternatives and these will be considered.
44. Whilst there would be direct communication with the care home providers that could be in a position to offer places to the residents of The Birches, there would also be engagement with the wider group of care home providers to advise them of the proposals and seek their feedback.
45. Where possible, questions and options that arise during the consultation period will be responded to before the end of the consultation and made public. Where responses lead to additional options being considered then further feedback will be sought from consultees.
46. During the consultation period the Council will seek to obtain the views of residents (and their representatives and/or relatives) about the proposals and also their own preferences as this will help to focus in on preferred options. However it will be emphasised to service-users (and their representatives) that they are not being asked to make any personal decision about their future during the consultation.
47. All consultation feedback will be collated. Where questions are raised during the consultation period these will be responded to if possible in the time frame. The aim is to be as transparent and responsive as possible so feedback will be made public whilst preserving individual confidentiality.
48. The response to the consultation will be used to compile a report for the Executive with recommendations about the future of The Birches. This report will be considered by the Social Care Health and Housing Overview and Scrutiny Committee prior to consideration by the Executive. It is envisaged that these meetings would take place in July and August 2017.
49. By following this timetable then it is envisaged that a decision about the future of The Birches would have been made at around the same time as Oak Manor is opening. Should there be a delay in the decision-making process for any reason then the places available to the Council at Oak Manor would be reserved until a decision on the future of The Birches is known.

Coming to a decision about the future of The Birches

50. In coming to a decision about the future of The Birches, the Executive will need to weigh a number of factors. These include:

- a. The benefits and risks to current residents of The Birches and the degree to which any risks can be mitigated.
 - b. The outcome of the consultation and any recommendations arising from it.
 - c. The Equality Impact Assessment (EIA) and any recommendations arising from it.
 - d. The benefits to future residents.
 - e. The overall impact on the care home market.
 - f. The degree to which any decision contributes to the Council's priorities.
51. The report to Executive will therefore have the information required within it to weigh these matters.
52. As MHA does not have any care homes currently in operation in Central Bedfordshire then it will be appropriate for MHA to be aligned to the Council's Framework Agreement for Accommodation Services in Care Homes and issued with the ADASS Contract for Accommodation Services in Care Homes. Officers will carry out due diligence checks on the operator in accordance with the Council's policies and, if the outcome of the checks is satisfactory, will put in place the contractual arrangements ahead of the Executive coming to a determination about the future of The Birches. The addition of MHA to the Council's contractual arrangements with care homes would not in any way oblige the Council to place residents in any of MHA's homes.
53. Whilst the Council can make contractual arrangements with operators prior to a home opening, the home can only start to accept residents once it has satisfied the Care Quality Commission's requirements and achieved registration. It is usual for a new home to receive registration immediately before it opens.
54. The six months prior to opening a new home and the first few months of operation are important and, in addition to the matters in paragraphs 50 to 52 above, drawing on lessons learned from previous home closures officers will make available to the Executive information about the operator's preparations for opening. It is expected that the information provided will include the following:
- a. The operator's previous experience of opening a new home.
 - b. The operator's plans for the recruitment, training and support of staff in the home.

- c. A description of how the operator's staff will manage the intake of new residents to ensure that not only are their care needs met but that they are also helped to settle in and get to know the building, staff and other residents.
 - d. The operator's plans for moving from the opening day to being completely full including the planned rate of occupancy and how staffing levels will match this.
 - e. The operator's plans for how they would respond to critical scenarios and issues if they occur prior to or after the home opens.
55. It is expected that this information will provide assurance for the Executive and allow officers to ensure as far as possible that the home is successful during the first few months of its operation.

Following a decision about the future of The Birches

56. If the Executive determines that the alternative care offers should be pursued and that The Birches should close then work would commence with the existing residents, their relatives and advocates to make a decision about their future home. This activity would be supported and managed by the Council and would include the following:
- a. Social work, Mental Capacity Act 2005³ and medical assessments of each resident.
 - b. Discussion with each resident, any representative they have, their relatives and any advocate about their preferences.
 - c. Identification of suitable alternative homes, along with information about the homes and number of vacancies.
 - d. Matching of resident's needs and preferences with the choices available.
 - e. Visits to potential alternative homes and/or 'virtual visits'.
 - f. Individual decisions about preferred home.
 - g. Arranging and implementing transfers.
57. Research has shown the importance of conducting the activities above, sensitively and at a pace that the residents are comfortable with but without any undue delay.

³ Assessments under the Mental Capacity Act 2005 would include assessment of mental capacity in relation to the closure of the home and a 'Best Interests' decision where appropriate.

58. It is envisaged that staff in the home concerned would be available to go with residents to their new home and help them settle in over the course of their first few days there. It may be also possible to make reciprocal arrangements (where staff members from the new home(s) spend time getting to know the residents prior to them moving). This would be explored further depending on the outcome of the consultation and decisions made.
59. If the best practice approach set out above is followed in relation to the consultation, assessment and transfer of residents then it is possible to undertake such changes without detriment or undue distress for those concerned.
60. The officers who lead these processes are a multi-disciplinary team that has already undertaken successful transfers of residents from two previous homes.

Reason/s for decision

61. To ensure that prior to making a decision about the future of the home, the Executive will have as much information as possible about the options available and the views of interested parties.

Council Priorities

62. The actions proposed in this report support the Council's priority to promote health and well being and protect the vulnerable.

Corporate Implications

63. Whilst the welfare of the residents of the home is the Council's highest priority, it will also be important to have regard to the needs of the staff who will be affected by these proposals.
64. At the point where formal consultation commences with staff and their representatives, the Council will state its understanding of the position with regard to TUPE and the consequences for the staff affected.

Legal Implications

65. If the recommendations in this report are approved, it is important that the consultation complies with government guidance and case law otherwise the Council is at risk of successful challenge through the complaints procedure, by way of judicial review or other challenge.
66. The Council must ensure that the Care Act 2014 is considered (where appropriate) and adhered to when making decisions relating to the provision of care.

67. The Council will need to consider employment law issues, including TUPE, in respect of staff at The Birches.
68. If residents are to move, then the Council will need to ensure that it complies with the relevant law relating to the making of decisions in respect of individual residents and that the appropriate deprivation of liberty safeguards are in place.

Financial Implications

69. There are no financial implications arising from the decision to commence consultation. The costs associated with this process will be met from existing budgets. The financial issues arising from the outcome of the consultation and recommendation(s) will be addressed in a future report.

Equalities Implications

70. 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. The Equality Act 2010 requires public bodies to:
 - a. Remove or minimise disadvantages suffered by people.
 - b. Take steps to meet the needs of people from protected groups.
 - c. Encourage people to participate in public life or other activities where participation is low.
71. Public bodies must be able to demonstrate that consideration of this legal duty has been engaged during all stages of the decision making process from beginning to end and that decision makers are aware of their legal obligations. Decision making must be exercised “in substance, with rigour and with an open mind.”

Sustainability Implications

72. The existing care home does not meet many of the latest Building Regulations or the environmental standards of the National Care Standards. Seeking to replace capacity as proposed provides an opportunity to meet the needs of the aging population in a way that is more environmentally sound in the longer term and which better provides for the needs of residents.

Risk Management

73. Current risks and issues associated with the proposals have been referred to in the body of this report, along with the mitigating action already taken or proposed. Risks associated with the proposals will be managed throughout the process through a project risk register.

Appendices

Appendix A: Background Information on Care Homes for Older People in Central Bedfordshire

Appendix B: The offer to existing care home residents when closure is proposed.

Background Papers

None

Appendix A

Background Information on Care Homes for Older People in Central Bedfordshire

Regulatory and historical context

1. The care home market is a mixed economy with homes being provided by 'not for profit' organisations, commercial operations and local authorities. Organisations range from those operating a single home to those who operate nationally (or even internationally) and have homes that in total have thousands of places. Prior to the late 1980's local authorities were significant providers of care homes but since then the trend has been for councils to move out of providing care directly and focusing on commissioning activity so that care was delivered by other providers.
2. Previously the required standards of accommodation and care in care homes were set out in the Care Standards Act 2000, Care Homes Regulations 2001 and the National Minimum Standards for Care Homes for Older People (published by the Secretary of State for Health under section 23(1) of the Care Standards Act 2000). The main impact of these standards was to require that resident's rooms in new homes had en-suite bathroom facilities.
3. Very few homes built prior to the introduction of these standards were compliant and, acknowledging the cost and logistical difficulties that achieving physical compliance would entail, there was no compulsion for existing homes to comply. However the knowledge that all new homes would need to provide a higher standard of accommodation led many homes (and their parent organisations) to embark on refurbishment, rebuilding and development programmes that would ultimately lead to full compliance.
4. The required standards of accommodation and care in care homes is now set out in the Health and Social Care Act 2008, the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010 and the Care Quality Commission (Registration) Regulations 2009. Care homes are inspected and regulated against these standards by the Care Quality Commission (CQC) who can order improvements to be made or even require a home to close. The outcomes of inspections are available as public documents.
5. These acts repealed the previous acts and regulations set out in paragraph 2 and there is no longer a strict regulatory requirement for any home (newly-built or otherwise) to have en-suite facilities. However the popularity and desirability of this type of facility means that for new-build homes it is now a 'de facto' standard with no new homes being planned or built without en-suites.
6. The Council's predecessor authority, Bedfordshire County Council (BCC), built thirteen care homes for older people between 1962 and 1982. The delivery of care within these homes was contracted out to BUPA in 1998. Following the Local Government reorganisation in Bedfordshire in 2009, the

ownership of seven of the homes transferred to Central Bedfordshire Council and BUPA continued to provide the care. In 2014 BUPA gave the Council notice that they intended to withdraw from the contract and on 1st August 2014 and from this date the responsibility for the delivery of care in the homes was transferred to the Council.

7. The homes referred to in paragraph 6 are:
 - a. Serving the Chiltern Vale locality:
 - i. Caddington Hall, Markyate, Herts
 - ii. Greenacre, Dunstable
 - b. Serving the Ivel Valley locality:
 - i. Abbotsbury, Biggleswade
 - ii. Allison House, Sandy
 - iii. The Birches, Shefford
 - c. Serving the Leighton Buzzard locality:
 - i. Westlands, Leighton Buzzard
 - d. Serving the West Mid Beds locality:
 - i. Ferndale, Flitwick
8. Due to the age of the buildings, the homes do not meet the standards set out in paragraph 2. The challenges faced by the Council (and its predecessor) in dealing with the physical standards in its care homes have been acknowledged since the 2001 regulations first came into force on 1st April 2002.
9. Alongside the responsibility the Council has for its own care homes, the Care Act 2014 sets out duties and responsibilities to manage the care market in the local authority's area. This requires the Council to work with providers of all types of care services to ensure there is an adequate supply and that this is of an acceptable quality.
10. In its role as commissioner of care services in 2012 the Council implemented a framework agreement with providers of care homes which set fee rates and incentivised homes to improve the quality of care and develop the facilities to meet the needs of people with dementia. This agreement includes the regular appraisal of the quality of care in each home and categorises this into bands of 'Excellent', 'Good', 'Adequate' and 'Poor', it also includes Dementia Care Accreditation.

Analysis of Care Home Supply and Demand in Central Bedfordshire

11. Fundamental to the Council's approach to the challenge faced by the seven homes is their contribution to capacity in the care home market in Central Bedfordshire.

12. Estimates of the numbers of care home places required can be calculated using a ratio of places to the population of people over 75 set out in the study "More Choice, Greater Voice".¹
13. Since 2009 considerable work has been undertaken to assess the capacity within the sector. A full analysis based on current and forecast population levels can be found in the background papers. Alongside the development of extra care housing to provide an attractive and appropriate alternative to entering a care home, the analysis concluded that, whilst there are some differences across Central Bedfordshire, in the period to 2020 it will be necessary to maintain the existing care home capacity.
14. The variation across Central Bedfordshire arises as the Chiltern Vale and Leighton Buzzard localities have or are developing sufficient capacity to meet current and forecast demand, whilst the West Mid Beds and Ivel Valley localities have less capacity than forecast demand. This is particularly the case in West Mid Beds.
15. Whilst forecasting is important it is essential to acknowledge that it is only part of the overall picture because there is considerable movement across administrative boundaries that can affect both demand and supply. For example, people outside of the area may choose to live or be placed within the Central Bedfordshire area and *vice versa*.
16. Prior to embarking on the programme the situation was expressed as follows: *Central Bedfordshire currently has 1,187 care home places of which the seven homes contribute 249 (21%) places. Of those 1,187 the Council takes up 655 (55%) with people it places and funds, the remainder being taken up by people who place themselves and contract directly with the homes as individuals ('self-funders'), people whose places are funded by NHS and people placed by other local authorities. In addition at any one time the Council is also funding about 196 older people in care homes outside Central Bedfordshire.*
17. In addition to forecasting demand, the Council monitors the development of new capacity and any changes to existing capacity in the sector. After a long period where no new care home capacity was being developed, two new homes were completed one in 2015 and another 2016. A third home is currently under construction and another is due to commence in early 2017. A further two sites have planning permission for a care home and development is likely to commence during 2017.

¹ More Choice, Greater Voice: a toolkit for producing a strategy for accommodation with care for older people. Published by the Housing Learning and Improvement Network at the Care Services Improvement Partnership at the Department of Health and the Department of Communities and Local Government. February 2008

18. In response to lack of new capacity in Leighton Buzzard and West Mid Beds the Council has identified two sites in its ownership that can be used to deliver new care homes.

The Council's Approach

19. In response to drivers and analysis set out above, the approach being taken for the period to the end of 2020 can be summarised as:
 - a. The continued development and enhancement of home care and reablement services.
 - b. The development of further extra care independent living schemes for older people.
 - c. Maintenance of the overall existing number of care home places in care homes.
 - d. Within the maintenance of overall capacity seek to transfer the provision of places from the Council's seven homes to alternative homes that meet modern expectations.
20. As new care home development in England and Wales is currently being delivered almost exclusively by the independent sector, the logical approach is that the provision of additional and replacement capacity will be led by the market. Only in the situation where the market was failing to provide a solution would the Council need to intervene, and in such cases the degree of intervention would be at the minimum level necessary to secure a solution.
21. Taken together these responses seek to address the challenges of an ageing population whilst improving the quality and range of services available to older people resulting in better health and an improved quality of life.
22. However, it is acknowledged that changes in the provision of the service provided by a care home which may result in the closure of a care home will undoubtedly be unsettling for those involved and it will be important to ensure that the needs of those affected the most are taken into account and remain at the forefront of the decision making and any subsequent change process.
23. To this end it is proposed that an offer of an improved residential care is provided to affected residents based on the following principles:
 - a. **Choice:** residents will be able to choose a placement in an alternative home provided that this is within a reasonable distance from their current home. We would also seek to respect the wishes of residents who may wish to move as a group. Should a resident prefer to move to a different area to be close to a relative or to move as a group with their existing friends, the Council would try to accommodate this if at all possible.

- b. **Quality:** new and alternative placements would only be offered in homes offers an improved experience for each individual, in terms of the physical and environmental standards, and which can also meet their care needs.
- c. **Value:** new and alternative placements will be at rates which are affordable for both the resident and the Council.
- d. **Support to move:** the Council will provide all the support a resident requires both to choose a new home and also to make arrangements for and carry out the move itself.
- e. **Minimal disruption:** the change to accommodation arrangement for residents would only require a single move in order to ease the process of change.

Other Options Available

- 24. In coming to its preferred approach consideration has been given to the options set out below:
 - a. Do nothing.
 - b. A programme of refurbishment and/or remodelling of the existing homes.
 - c. A programme of rebuilding of homes on existing sites.
 - d. Provide the places in replacement care homes, the development and/or running of which is undertaken directly by Central Bedfordshire Council (as opposed to other organisations).
- 25. There are a number of reasons why the 'do nothing' option is not recommended at this time:
 - a. The continued provision of care in homes that do not meet modern standards would mean that older people who currently use our homes and those who use them in the future would have a poorer quality of life than otherwise.
 - b. The existing buildings would need significant investment to extend their useful lives by more than a few years.
 - c. 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.

- d. It would represent a missed opportunity when new care homes are being built and there is capacity within the market to provide alternative placements to residents in the seven homes. When this opportunity arises it will not remain indefinitely.
26. The Council has explored options for adaptation to meet the current standards and concluded that in none of the homes would this be a preferred solution as:
- a. Refurbishment or remodelling to meet the current standards would result in a reduction in capacity of the homes which would mean that it would not be a complete solution and would also impact on the economic viability of the homes.
 - b. Refurbishment and remodelling could prove just as disruptive to residents as re-provision.
27. The Council has explored the option of rebuilding homes on the existing sites concluded that in none of the homes would this be a preferred solution as:
- a. Some of the sites are not large enough to accommodate a home to modern standards.
 - b. Rebuilding on site would in most cases require the closure of a home and the transfer of residents to allow for demolition and rebuilding.
 - c. One or two homes may have enough space on the site for a building to be contracted whilst residents remained 'in situ' but the noise and disturbance caused by construction would be disruptive and the outcome may be a building that is not well located within its site.
28. An alternative to being 'market-led' is the Council itself funding and delivering the re-provision, albeit on different sites to the current homes. This option is not favoured in the circumstances where the independent sector is able to deliver new care homes without direct intervention or subsidy by the Council. In the circumstances where this is not happening at the pace desired by the Council then it will consider a degree of intervention necessary to secure a solution. As has already been mentioned, this intervention could include the acquisition of one or more sites for new care homes.
29. Whilst these options are not considered to be preferred as an approach to the homes as a whole, at the point where the re-provision of a specific home is being consulted on, these and any other appropriate options will need to be further reviewed and analysed as part of the consultation process.

Appendix B

The offer to existing care home residents when closure is proposed

The approach of each consultation and the details of the offer to existing residents will be tailored to local circumstances and individual needs, but the principles are:

- a. Residents would be accommodated in a home that meets standards as set out in Health and Social Care Act 2008 (Regulated Activities) Regulations 2010 and the Care Quality Commission (Registration) Regulations 2009.
- b. Residents would be accommodated in a home that can meet their assessed needs.
- c. Residents would be accommodated in a home that can offer them a good quality of care¹.
- d. Residents would be accommodated in a home at fee rates within the range paid by the Local Authority whose area the homes are 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.

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.

¹ Where a home is part of the Council's Framework Agreement then this is defined as having been assessed as 'Excellent' or 'Good' under the terms of that Agreement. Where a home is not then a judgement will be made based on available evidence such as CQC inspection reports. In the case of newly-opened homes (which will not yet have had a CQC inspection or assessment under the Council's Framework Agreement) then a judgement will be made based on the Council's monitoring to date along with any other relevant information.

This page is intentionally left blank

Central Bedfordshire Council

Executive

7 February 2017

Proposal to make a prescribed alteration to Robert Peel Foundation Lower School, Sandy, St Swithuns VC Lower School, Sandy and John Donne C of E Lower School, Blunham

Report of Cllr Steve Dixon, Executive Member for Education and Skills
(steven.dixon@centralbedfordshire.gov.uk)

Advising Officers: Sue Harrison, Director of Children's Services
(sue.harrison@centralbedfordshire.gov.uk)
Helen Redding, Assistant Director, School Improvement, Children's Services
(helen.redding@centralbedfordshire.gov.uk)

This report relates to a non Key Decision

Purpose of this report

1. To seek Executive approval to commence the statutory consultation required for the proposed prescribed alterations for Robert Peel Foundation Lower School, St Swithuns VC Lower School and John Donne C of E Lower School.
2. The schools referred to within the report serve the Ward of Sandy.

RECOMMENDATION

The Executive is asked to:

1. **approve the commencement of the statutory consultation process for the proposed prescribed alterations for Robert Peel Foundation Lower School, Sandy, St Swithuns VC Lower School, Sandy and John Donne C of E Lower School, Blunham.**

Overview and Scrutiny Comments/Recommendations

3. This report was presented to the Children's Services Overview and Scrutiny Committee at its meeting on the 17 January 2017 and the Committee was asked to indicate its support for the recommendation set out within the report.

The Committees recommendations, which included the need to ensure that there is an overarching communication strategy for the consultation documents, are set out at Appendix C (circulated separately).

Background

4. Executive considered a report on the 11 October 2016 for the proposed change of age range at Everton Lower School in the ward of Potton. In the report the Executive were also informed that Robert Peel Foundation Lower School, St Swithuns VC Lower School and John Donne C of E Lower School which are in the same school planning area, were also considering a change to their age range. These 3 schools have consulted on their proposal and are now required to make a prescribed alteration by following a statutory consultation. Appendix A shows the location of the 3 schools in relation to Sandy Upper School.
5. The report to the Executive on the 11 October 2016 also highlighted that Moggerhanger Lower School and Sandy Upper School were considering a change of age range but with no significant additional accommodation required on the school site. These 2 schools are therefore not required to proceed with a statutory consultation process for a prescribed alteration.
6. Prior to April 2016 as a consequence of changes introduced by the 2013 Regulations and Statutory Guidance, Governing Bodies were able to propose a range of changes to their schools without following a formal statutory process.
7. Governing Bodies were given the powers to propose and determine a proposed change but had 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.
8. In April 2016, the Department of Education (DfE) revised the guidance. This can be viewed at: www.gov.uk/government/publications/school-organisationmaintained-schools
9. The new guidance states that governing bodies of foundation and voluntary schools can still propose, consult upon and determine a change of age range of up to 2 years (except for adding or removing a sixth-form) by following the non-statutory process. A change in age range of 1 year or more for a community school would require a statutory process.

10. In light of the revised guidance, the governing bodies of Robert Peel Foundation Lower School, St Swithuns VC Lower School and John Donne C of E Lower School consulted on a proposed change of age range for each school from 3-9 years to 3-11 years, to be implemented from September 2017.
11. The 3 schools proposed and determined their own consultations which ran from October 2016 to November 2016 and included meetings for parents and stakeholders. The consultation responses are in Appendix B.
12. The majority of the responses received in relation to the 3 consultations were in favour of the proposals. The governing bodies of Robert Peel Foundation Lower School, St Swithuns VC Lower School and John Donne C of E Lower School determined to proceed with the change of age range for their school. The details for the determination of the proposal are in Appendix B.
13. As a result of this determination, Robert Peel Foundation Lower School, St Swithuns VC Lower School and John Donne C of E Lower School will become primary schools with effect from September 2017, enabling their current Year 4 children to remain at the school if parents wish it and move into Year 5 if parents wish it, and the following year to Year 6.

Proposal

14. All 3 schools will be able to accommodate the additional children that choose to stay on to Year 5 from September 2017. However, the schools will not have the required long term accommodation for the children who stay on to Year 6. Additional accommodation will be required to provide for Year 6 children from September 2018.
15. The revised guidance published by the DfE in April 2016 requires the local authority to carry out a statutory consultation for those schools that are required to physically enlarge their premises due to an increase in capacity beyond a threshold as determined by the DfE.
16. The governing bodies of Robert Peel Foundation Lower School, St Swithuns VC Lower School and John Donne C of E Lower propose to enlarge their school premises in order to accommodate Year 6 children from September 2018. This will hit the DfE's threshold which will require the local authority to carry out a statutory consultation for the 'prescribed alteration to the school premises'.

17. Moggerhanger Lower School and Sandy Upper School who also consulted on a proposed change of age range during the same period have determined to proceed but will not require additional accommodation. These schools will not be required to carry out a statutory consultation for the 'prescribed alteration to the school premises'.
18. Sandy Upper School and Moggerhanger Lower school do not require a statutory consultation for a prescribed alteration though the schools will also become a secondary and primary school respectively in 2018.
19. On the 6 December 2016 the Council's Executive approved the launch of stage 2 of the statutory consultation regarding a proposed change of age range, from 3-9 years to 3-11 years, for Everton Lower School. This is a community school and the DfE requires the local authority to propose any change of age range. If the school is given approval to change its age range the additional children can be accommodated without the need for additional accommodation.
20. The statutory consultations are planned to be launched for the prescribed enlargements of Robert Peel Foundation Lower School, St Swithuns VC Lower School and John Donne C of E Lower on 9 February 2017 and will run until 16 March.
21. The responses received during the statutory consultation will be reported back to the Executive at their meeting on 4 April 2017 and members will be asked to determine the proposals.
22. If the determination is to approve the enlargement of each school, the governing bodies will manage the building project and be required to apply for planning permission for their proposed development, where necessary and also consider whether DfE approval is required for the change of use for school land. The 3 schools will manage the building programme and all related risks.

Reasons for decision

23. Under the School Organisation (Prescribed alternations to Maintained Schools) (England) Regulations 2013 it is a requirement of the local authority to act in accordance with the relevant legislations. The prescribed enlargements of Robert Peel Foundation Lower School, St Swithuns VC Lower School and John Donne C of E Lower meet the DfE thresholds and require a statutory consultation.
24. The governing bodies of Robert Peel Foundation Lower School, St Swithuns VC Lower School and John Donne C of E Lower have determined to change their age range, from lower to primary, from September 2017.

The prescribed enlargements are required to accommodate Year 6 children from September 2018. Without the additional accommodation the schools would not be able to adequately house the additional cohorts.

25. The 3 schools have consulted on the change of age range and provided evidence (Appendix B) of the support for the proposal. The requirement to consult interested parties ahead of the publication of the statutory consultation for the prescribed alteration of each school has therefore been met.
26. The statutory consultations will ensure the Council is able to meet all of the legal requirements placed on the Council by the Education and Inspection Act 2006.

Council Priorities

27. The proposal supports the following Council priority:
 - Improving Education and Skills.

Legal Implications

28. The main legislation governing school organisation is found in sections 7 -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.
29. DfE regulations and guidance outline the requirements and process for proposals to enlarge premises which meet the DfE threshold at Council maintained schools and these include full public consultation, the publication of statutory proposals and the decision making process. The Council is the decision maker for proposals relating to maintained schools, which are set out in this report.
30. As decision maker the Council must be satisfied that the proposals have followed due process and must also have regards to statutory guidance. Members must determine whether to:-
 - Reject the proposal
 - Approve the proposal
 - Approve the proposal with a modification (e.g. the implementation date)
 - Approve the proposal subject to them meeting a certain condition.
31. In any case the proposal must be determined within 2 months of the close of the determination period, otherwise the proposal will be referred to the schools adjudicator.

Financial and Risk Implications

32. There are no capital implications for the Council arising as a result of the proposals set out in this report. Each school has undertaken to fund the additional accommodation required from their own school budget. This is a significant financial risk for the schools which they will have to manage.
33. The day to day running costs of the school are met through revenue funding which is made available to each school as part of the dedicated schools grant, calculated on a per pupil basis. Nationally, school and academy revenue budgets are set in line with the School and Early Years Finance Regulations 2013 which uses October school census data of pupil numbers accommodated at that moment in time to calculate the budget for the following financial year, for Council maintained schools, and the following academic year for Academies.
34. Following determination by the governing bodies to change the age range of the schools, additional teaching staff will be required. The schools will recruit and advertise for new class teachers.
35. There will be a lag in funding provision to the schools for September 2017. This funding 'lag' can have a significant impact on those schools and academies that are implementing changes in age range and retaining or admitting pupils into new year groups in the following September without the corresponding revenue funding that should ordinarily follow the child which only begins to flow into the schools budget in the following April.
36. Additional funding will not be due to the schools until 2018/19 and will result in an inevitable shortfall in revenue during the transition period which the schools will have to manage.

Equalities Implications

37. The consultation and decision making process set out in regulation for proposals to maintained schools requires an evaluation on a project by project basis of any equalities and human rights issues that might arise.
38. 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.

39. This statutory duty includes requirements to:
- Remove or minimise disadvantages suffered by people due to their protected characteristics.
 - Take steps to meet the needs of people from protected groups where these are different from the needs of other people.
 - Encourage people from protected groups to participate in public life or in other activities where their participation is disproportionately low.
40. The proposed prescribed enlargements of the three schools are not envisaged to have an adverse impact on any of the listed groups below:-
- | | |
|--------------------------------------|-------------------------------------------------------------------------------------------------------|
| a) Sex | N/A |
| b) Gender Reassignment | N/A |
| c) Age | Primary aged pupils will have access to sufficient school places |
| d) Disability | N/A |
| e) Race & Ethnicity | N/A |
| f) Sexual Orientation | N/A |
| g) Religion or Belief (or No Belief) | N/A |
| h) Pregnancy & Maternity | N/A |
| i) Human Rights | (Please see articles in toolkit) |
| j) Other Groups | (Rural isolation - John Donne is a rural designated school which provides school places in a village. |

Risk Management

41. The proposal set out in this report has been developed and evaluated against the key criteria for decision makers that are outlined in guidance. Likewise the proposal has followed the procedures set out in regulation. This mitigates the risk on the Council of failing to comply with the relevant statutory requirements.
42. The key risks mitigated by the process that has been followed 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.
 - Financial risks, no capital investment from the council and all consequential additional running costs will be borne by the school.

Conclusion and Next Steps

43. The recommendation is for the Executive to approve the launch of the statutory consultation for the proposal to enlarge the premises of Robert Peel Foundation Lower School, St Swithuns VC Lower School and John Donne C of E Lower School.
44. Maximum stakeholder feedback, using an overarching communication strategy for the consultation documents, will be encouraged during the representation period to enable an informed decision to be made by the Executive to approve or not the proposal to enlarge the premises.
45. The responses received during the statutory consultation will be reported back to the Executive at their meeting on 4 April 2017 and members will be asked to determine the proposals.

Appendices

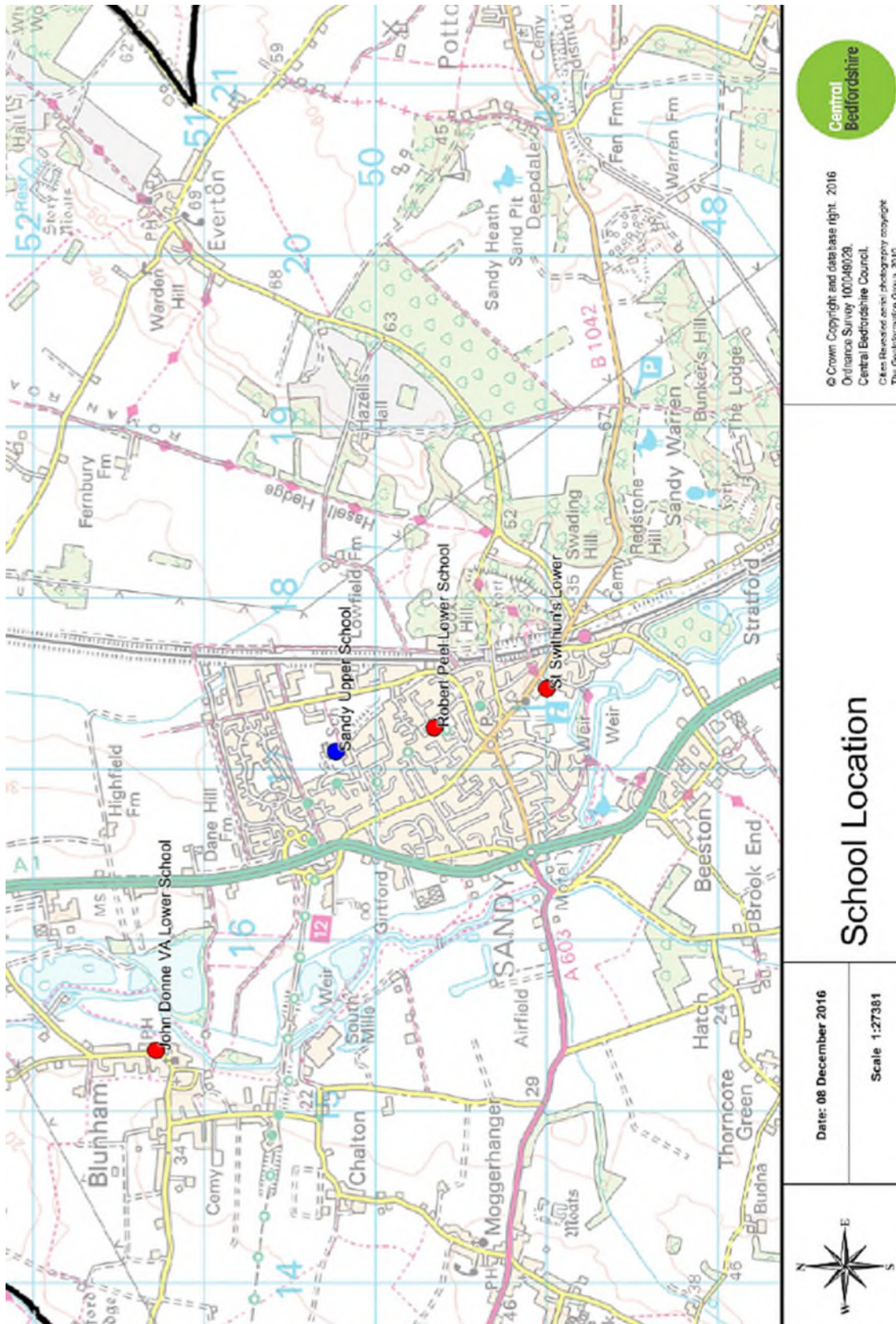
The following appendices are attached:-

Appendix A: Map of the 3 schools

Appendix B: Responses to the 3 school consultations on the change of age range and note of the determination to proceed with a change of age range for the 3 schools.

Appendix C: Overview and Scrutiny Comments (circulated separately)

Appendix A: Map of the three schools



This page is intentionally left blank



The Report on
Robert Peel Lower School's consultation on
changing the school age to a Single Phase
Primary age
3 to 11 year old Provision
for 2017-18.

December 2016

Robert Peel Lower School
Dapifer Drive
Sandy
SG19 1QJ
01767 681185
Email: admin@robertpeel.beds.sch.uk
Website: <http://www.robertpeellower.co.uk/>
Headteacher: Miss Liesl Ganney
Chair of Governors: Mr Stuart Grayson

Contents of Document

Section 1

- Brief History
- Alteration proposal
- Implementation
- Capacity
- Objectives
- Consultation
- Implementation
- Procedures for making representation regarding proposal

Section 2

- Consultation Report

Section 1

The Governing Body of Robert Peel Lower School are now in a position to report on the outcome of consultation regarding:

Robert Peel Lower School's consultation on changing the school age range for 2017 to a single phase primary age 3 to 11 year old provision.

Robert Peel Lower School is situated in the town of Sandy in Central Bedfordshire.

Address – Robert Peel Lower School, Dapifer Drive, Sandy, SG19 1QJ



Brief History

Robert Peel Lower School was graded 'Good' by Ofsted in February 2016. The inspection stated that the school is 'A vibrant school community, where pupils are happy, attend regularly, enjoy learning and make good progress. The quality of teaching and learning is effective and pupils make good progress as they move through the school.'

During the past few months Governors and the Senior Leadership Team at Robert Peel Lower School have been considering how best to support the children of our community to secure a strong and positive future for our School within the ever changing national, regional and local contexts.

Following debate, research and collaboration with other local schools the Governing Body proposed a significant change to Robert Peel Lower School. This change is fundamental to our educational vision 'To develop confident, resilient and independent learners who are able to communicate effectively with others. Our aim is for the children to be happy in all aspects of school life and for them to aspire to be the best they can be.' This change would be to the benefit of all our children and the wider community enabling us to build on our identified strengths and continue to provide a rich and exciting education for the children of Sandy.

In addition, the change is in line with the Local Authority's Educational Vision of: *We want every child in Central Bedfordshire to enjoy their childhood and have the best possible start in life. We want every child to do well in education, make friends and build strong relationships with their family. As young adults, we want every young person to have the knowledge, skills and qualifications that will give them the best chance of success, so that they are prepared to take their full place in society as a healthy, happy, contributing and confident citizen.*

Alteration Proposal to the Age Range

It is proposed that Robert Peel Lower School will extend its age range from a 3 to 9 years Lower School to a 3 to 11 years Primary School.

Implementation and Stages of Implementation

The proposal will be implemented on 1st September 2017.

In September 2017 – The school will extend its age range by one year to include Year 5 pupils. Year 4 pupils are able to remain at the school and move into Year 5.

In September 2018 - Year 5 pupils remain at the school and move into Year 6. Parents of Year 6 children make a Transfer Application to Secondary School 2019.

In September 2019 - First transition of pupils from Robert Peel Primary to Secondary School.

Capacity

The current capacity of the school (Not including Nursery) is for 300 pupils. The School currently has 237 pupils on roll.

Following implementation, the proposed capacity will potentially increase by 120 pupils to 420 places when there will be pupils in all year groups from Reception to Year 6.

Objectives of our Proposal to Change the Age Range

We believe that our children would benefit from a full Primary School setting that is designed to meet the learning needs of a child at Early Years, Key Stages 1 and 2 and lead them, seamlessly, into subsequent Key Stage 3.

The proposed change would provide stability and a continuity of learning, and more significantly reflect the changing face of schooling in Sandy, the surrounding rural areas and the immediate locality.

To objectives are:

- To provide for continuation of the curriculum, whereby we can ensure continuity within Key Stage 2 fully without having to consider the interruption of transition at the end of Year 4;
- Each phase of education (infant, junior and secondary) is taught fully by a school therefore supporting the level of progress children make by reducing the number of transition points. With the intention of improving children's attainment and progress across all phases;
- To engage in greater collaborative working between and among phases with a view to enhancing the sharing of specialist provision;
- To sustain high standards of education and maintain the nurture and well-being of children by offering them only the minimum change of schools, thereby ensuring sustained progress in all areas;
- To ensure that all of the schools involved in the proposal work positively as partners to ensure a high quality of localised educational provision, with full agreement of each school's Governing Body;
- To ensure that all of the schools involved in the proposal offer children and young people a broad, balanced and cohesive curriculum that meets the needs of all;
- To offer all children and young people an exciting and innovative curriculum provision that meets their needs and supports them in achieving their full potential;
- To ensure there are no gaps in the children's learning by teaching complete Key Stages;
- To allow us to track and monitor pupil progress and attainment throughout Early Years, Key Stage 1 and 2 within the same school, building improved accountability for pupil progress within all areas and bringing the school in line with the prevailing system of education across the majority of the UK;
- To map the progress of curriculum subjects all the way to Year 6 ensuring foundations built lower down in the school are carried through, allowing all children to continue to work in an environment that completes their entire Primary Education in one setting;
- To offer children a further 2 years within a primary model of teaching and learning before moving to a secondary model – meaning fewer daily changes of teacher and environment. This will give pupils time to mature and become 'Secondary Ready' in line with the National Curriculum expectation at the end of Year 6;
- To drive up standards at the end of Key Stage 2;
- To nurture our children and help them work together towards their aspirations in an environment they are familiar with;
- To improve parental choice with regard to the variety of options and opportunities that are being offered within the community;
- To support disadvantaged children in meeting their potential and enhancing their outcomes;
- To drive up standards in Central Bedfordshire and meet the local area vision;
- To aid teacher recruitment and retention as fewer and fewer local authorities have three tiers and teachers are trained for a two tier system.

Consultation

A formal consultation process was carried out between 12th October 2016 and 23rd November 2016: the outcome of this is outlined elsewhere in this report. Attached is a copy of the consultation document.

Who did we Inform?

We informed and invited comments from a wide range of stakeholders and the wider community through a number of approaches. It should be noted that the consultation process was run in conjunction with Sandy Upper School, Moggerhanger Lower School, Everton Lower School, John Donne Church of England Lower School and St Swithun's VC Lower School, which are also consulting on changes to their age ranges. Since the schools serve a common geographic area, it was felt appropriate to work together on informing and consulting with stakeholders.

- Central Bedfordshire Council
- Bedford Borough Council
- Cambridgeshire Council
- Parents/guardians of every registered student at the school
- Parents/guardians of potential students in our catchment area and in Early Years provision
- Staff who work at the School
- Our local communities and our current site users
- All other schools within Central Bedfordshire
- The Church of England and Roman Catholic Dioceses
- Anyone else who has an interest in the proposal

Public meetings were held for parents/guardians and stakeholders on:

18th October and 20th October 2016

A staff meeting was held at Robert Peel Lower School on 18th October 2016 with Teachers, Support Staff, Office Staff, Site Staff and Midday Supervisors.

We used parentmail, hard copy and the school website to inform parents/guardians, who were given the facility to respond to the consultation by paper or online. The local press also alerted stakeholders that the consultation process was starting and how long it was going to run for.

An electronic version of the consultation was placed, for all stakeholders and interested parties, on the school website.

Implementation

Initially, these changes will be implemented on the 1st September 2017, with the first group of children moving into Year 5. In the first instance our existing buildings and site facilities already have sufficient capacity to accommodate the proposed new Year 5 classes. Alterations and further building work would be undertaken to the school's site to accommodate the additional Year 6 classes for September 2018.

Procedures for Making Representation Regarding Proposal

Robert Peel Lower School's consultation on changing the school age range from 2017 onwards.

The purpose of this section of the proposal is to:

- Provide detailed information about the responses to the consultation process;
- Respond, in particular, to the areas of concern that have been raised as part of that process;
- Identify how the Governing Body will meet the objectives for changing the age range, as set out in the consultation process.

The consultation with stakeholders covered a single proposal:

Do you support the proposal that from September 2017, Year 5 pupils should have the opportunity to remain at Robert Peel Lower School and subsequently move into Year 6 in September 2018?

The Governing Body invited, through the consultation, responses to the following specific proposal:

From September 2017 the school is to extend its age range by one year to include Year 5 pupils and in September 2018 to further extend by another year to include Year 6 pupils. Therefore the school would become a full single phase Primary School educating children from age 3 to age 11 from September 2018.

How did we Consult?

The formal consultation document (attached as an appendix), formed the basis of the consultation. All parents/guardians were notified at the start of the consultation by email. All staff were invited to a meeting about the consultation to notify them of the process. All parties received the consultation proposal document by email and were invited to consultation meetings.

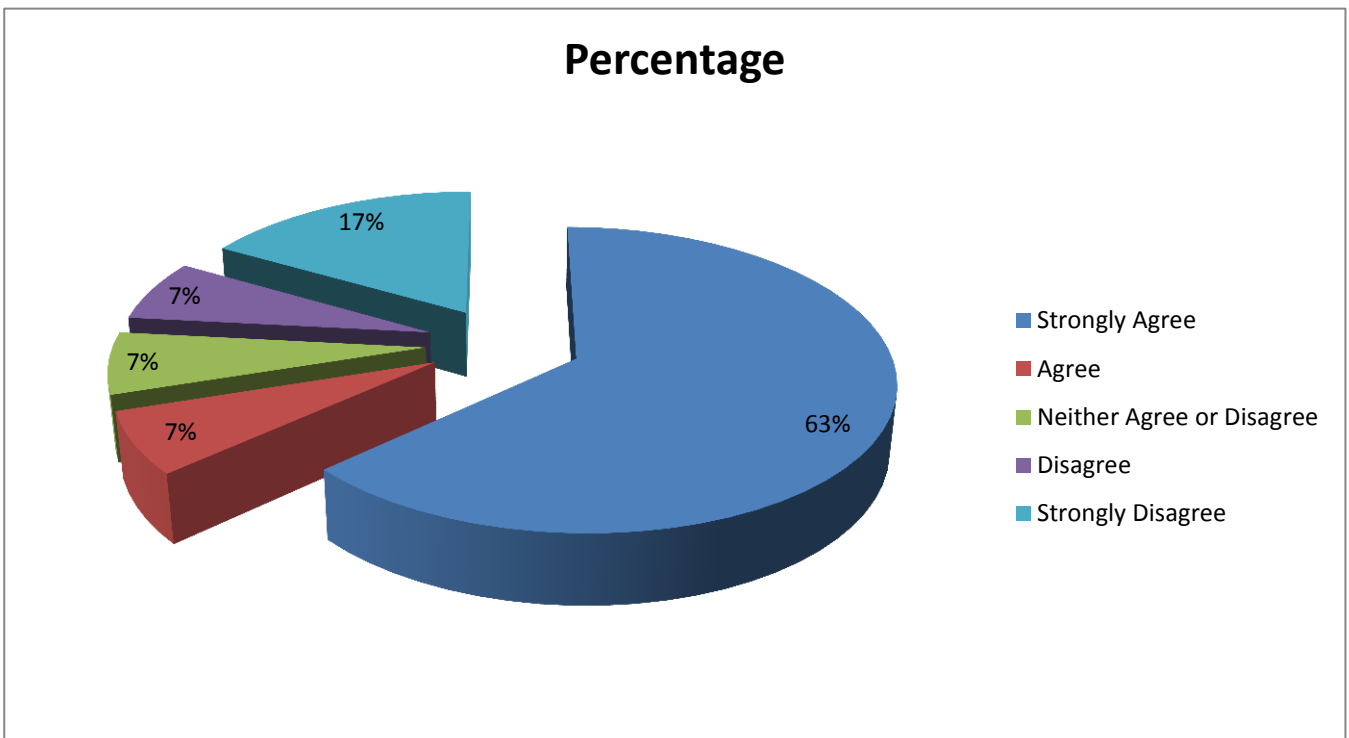
Prior to the publication of the consultation, Robert Peel Lower School met with all the Pinnacle Trust Headteachers and Chairs of Governors, as well as the Local Authority, to discuss and advise them of the content of the consultation proposal. Arrangements were made with the other schools that were also consulting, to share their consultation documents on each other's websites and to distribute all documents together. Paper copies of the consultation have also been made available if requested.

Outcome from the Consultation Process

During the consultation process responses were received which indicated respondent's views on the proposal plus some written and verbal communications which raised questions, observations and concerns. In terms of this report, there will be an indication of the responses received in graphical form and a commentary derived from the specific feelings that respondents made.

Responses in relation to the questions raised are detailed below together with the Governors' responses to those concerns.

A total of 30 respondents indicated their views on the proposed change of age range. These figures show an overwhelming vote in favour to change to a two tier system with nearly four times as many people strongly agreeing and agreeing to the change to those who strongly disagree.



Questions Raised from the Consultation

Parking

What impact will additional numbers have on traffic and car parking for the school?

As a nearby resident have you considered the increase in traffic around the school that will inevitably come with two more year groups and the impact on local residents?

We have carefully considered the impact of traffic around the school and we do not foresee a large increase in traffic as high numbers of children already walk to school and we anticipate Year 5 and 6 to walk/cycle to school independently. Also the school has capacity to increase its carpark for staff if required. We will continue to work with other agencies to reduce the impact the traffic has on local residents at certain times of the day. We are working with Sunstrans Road Safety Team on encouraging children to cycle and walk to school as part of a healthy lifestyle.

Children & Staff

Will there be specialist teachers/facilities to teach the curriculum? Staff at Robert Peel school currently teach all subjects, whilst in the Middle School they have specialist teachers. How is Robert Peel going to address this?

Yes we will continue to use some specialist teachers which is a continuation of our current excellent practise in Year 3 and 4 in Music and Modern Foreign Languages. In terms of the Primary curriculum, no specialist facilities are required however we would use some facilities at certain times of the year at the Secondary School for curriculum enrichments. As one teacher will take responsibility for all areas of the curriculum, this enables links to be made between individual subjects which enhances the educational experience for the children.

Will all teachers get more training on Special Needs?

Yes if it is required, as a school we are constantly reviewing the needs of the children and if additional training is required for staff in any particular area this will continue to be provided.

Do staff at Robert Peel have correct qualifications for teaching Years 5 and 6?

Yes, all teaching staff at Robert Peel are Primary trained teachers and are able to teach these year groups. The Headteacher has been a leader in both Middle and Junior schools for 15 years prior to joining Robert Peel so has a wealth of knowledge of the work and expectations of Upper Key Stage 2 and the transition into Secondary School.

How much will this affect the children and staff?

As little as possible as the children will not have to experience a transition part way through a Key Stage therefore providing them with stability and continuity in their education. They will be in a familiar setting with staff who know them extremely well and who are able to nurture them as they grow up into young adults. Friendship groups can be maintained and children will have more opportunities open to them as the eldest year group in the school. To reflect the children's growing maturity, they would take on more responsibilities across the school and the rest of the school would see the benefit of having older children who would increasingly work on projects that are designed to benefit all of the children in the school.

Will new staff be employed for Yr5/6 not rotation of current staff?

Yes, new teaching staff will be recruited who have experience of teaching Year 5/6.

Will children lose the feeling of growing up they feel when starting Middle School where they are treated as older and become more confident? How would my child benefit from remaining at Robert Peel for another two years? What new opportunities/experiences will they have?

Not at all, these children will be key role models as the eldest children in the school and as such will naturally take on that more mature character as they move through Years 5 and 6. The curriculum and provision which has been planned ensures that the children have greater opportunities to take on leadership roles and responsibilities along with increasing their level of maturity. As part of our Vision, we expect the children to be aspirational in their work and this will continue to be our focus and we will also look for the children to challenge themselves.

Currently Sandye Place Academy have 5 hourly subjects per day, so will Robert Peel extend the school day for Yr 5/6 to fit it in?

No, the recommended teaching time for KS 2 children is 23.5 hours a week. Year 3 and 4 currently have just over 24 hours teaching time a week and therefore the school start and finish times won't be amended. As the children will be mainly with one teacher in a classroom it is important to note that learning time won't be lost through transition from room to room. Lessons can also go over an hour to allow the children to continue to complete their work rather than having to stop and move on to their next lesson at a set time.

If the pupil uptake is not up to the required numbers each year would we have very small classes?

As we get to know the actual cohort size, we are able to easily adapt to different year group sizes to provide the best quality of education for all the children.

If I choose to keep my child at Robert Peel and only a small number of parents choose to do so will the Yr 5 class still go ahead?

Yes absolutely, if the decision is made to extend the age range then Year 5 provision will go ahead.

Will classes be in a split year group for example Yr5 and 6?

No they won't, each year group will be taught individually and not in mixed classes.

Will they be able to access any different extra-curricular activities from what is on offer now?

Yes, we are planning extra-curricular opportunities for the children along with additional leadership roles like Learning Ambassadors. It is expected that Year 5 children will plan and lead sporting events across the school at lunchtimes to enrich the school for everybody.

Will the children need to be accompanied to and from school?

This will not be necessary, the children can walk or cycle to and from school on their own or accompanied by an adult.

You propose to keep Yr 5 and 6 in a Primary Setting with the same teacher and fewer room changes. How will this prepare our children for the huge change they will face at Secondary School?

The children will be well prepared for their transition to Secondary School. Our aim is to ease change for the children as smoothly as possible and our collaborative work with the Secondary School will see the children in Yr 5 and 6 having opportunities to work at our feeder Secondary School along with their students coming to visit and work with Robert Peel children. Through this collaborative approach and robust transition work the children will be prepared for the change and be ready and confident for the move to Secondary school. It is also important to note that the children will also be 2 years older than when they currently transfer, so will be more mature and better equipped to cope with such a transition.

Would Yr 5/6 lessons be in the same classroom with the same teacher, what about ability sets?

The children will be taught predominantly by their Class Teacher and like now specialist teachers will teach some areas such as French, Music and PE. The school hasn't considered ability sets as yet but this is something that could be considered.

What reassurance can you provide and demonstrate to the families of the locality that there will be effective collaboration moving forward?

The effective work which takes place currently between the schools in the town and surrounding area will continue with staff working together to plan teaching, moderate work and organise events. Along with this, the town has for several years planned and run a highly successful Make a Difference Day. The schools will continue to work together whether this is part of a two tier or three tier system as we believe this is beneficial to all schools and the children in an area.

Why Two Tier?

What is the reason that the town schools have been split into two consortiums? What are the educational advantages for a. having a two tier system and b. having two school streams in one town?

Schools have now seen they have a choice and want a provision which is in the best interests of the children and their educational journey. The overriding majority of schools in England are Primary and Secondary and surrounding Local Authorities are changing to this system as data at the end of Key Stage 1 and 2 indicates that children perform better in a two tier system (see data below). Each school's Governing Body is responsible for the direction of their school and any changes to their age range. At this time there is only one consultation taking place as the proposal of the SMARt Multi Academy Trust consultation has been put on hold. As they do now, parents have the choice of the school they send their child to and which one will best support them in their educational journey.

At Robert Peel we want to provide emotional and educational stability for the children and to ensure they achieve the best outcomes in a setting which knows them well and they feel safe and confident in. As set out in the consultation document, there are overriding reasons for a change to a two tier system which is supported by a range of educational research. These are:

- To provide for continuation of the curriculum, whereby we can ensure continuity within Key Stage 2 fully without having to consider the interruption of transition at the end of Year 4;

- Each phase of education (infant, junior and secondary) is taught fully by a school therefore supporting the level of progress children make by reducing the number of transition points. With the intention of improving children's attainment and progress across all phases;
- To engage in greater collaborative working between and among phases with a view to enhancing the sharing of specialist provision;
- To sustain high standards of education and maintain the nurture and well-being of children by offering them only the minimum change of schools, thereby ensuring sustained progress in all areas;
- To ensure that all of the schools involved in the proposal work positively as partners to ensure a high quality of localised educational provision, with full agreement of each school's Governing Body;
- To ensure that all of the schools involved in the proposal offer children and young people a broad, balanced and cohesive curriculum that meets the needs of all;
- To offer all children and young people an exciting and innovative curriculum provision that meets their needs and supports them in achieving their full potential;
- To ensure there are no gaps in the children's learning by teaching complete Key Stages;
- To allow us to track and monitor pupil progress and attainment throughout Early Years, Key Stage 1 and 2 within the same school, building improved accountability for pupil progress within all areas and bringing the school in line with the prevailing system of education across the majority of the UK;
- To map the progress of curriculum subjects all the way to Year 6 ensuring foundations built lower down in the school are carried through, allowing all children to continue to work in an environment that completes their entire Primary Education in one setting;
- To offer children a further 2 years within a primary model of teaching and learning before moving to a secondary model – meaning fewer daily changes of teacher and environment. This will give pupils time to mature and become 'Secondary Ready' in line with the National Curriculum expectation at the end of Year 6;
- To drive up standards at the end of Key Stage 2;
- To nurture our children and help them work together towards their aspirations in an environment they are familiar with;
- To improve parental choice with regard to the variety of options and opportunities that are being offered within the community;
- To support disadvantaged children in meeting their potential and enhancing their outcomes;
- To drive up standards in Central Bedfordshire and meet the local area vision;
- To aid teacher recruitment and retention as fewer and fewer local authorities have three tiers and teachers are trained for a two tier system.

Why was the parents' meeting at Robert Peel at a time that is inaccessible for working parents?

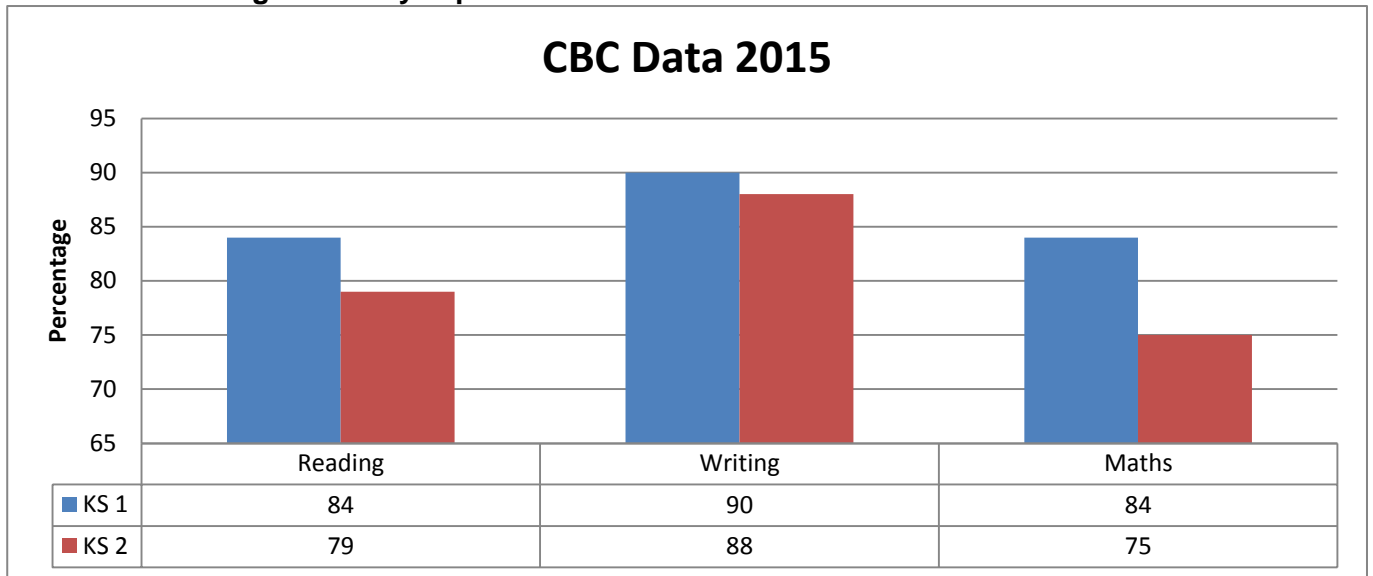
We are sorry if the meeting was not convenient for all parents. We have tried to provide different avenues and mechanisms for parents and members of the community to provide their views and feedback on the consultation. Meetings were held in conjunction with the other schools with a Community Meeting at another later time. In addition, all information was provided about the consultation through the school website and the Head and Deputy Head have been available throughout the consultation process if any parents have wanted to discuss the plan individually.

What is the rise and fall in standards at KS2?

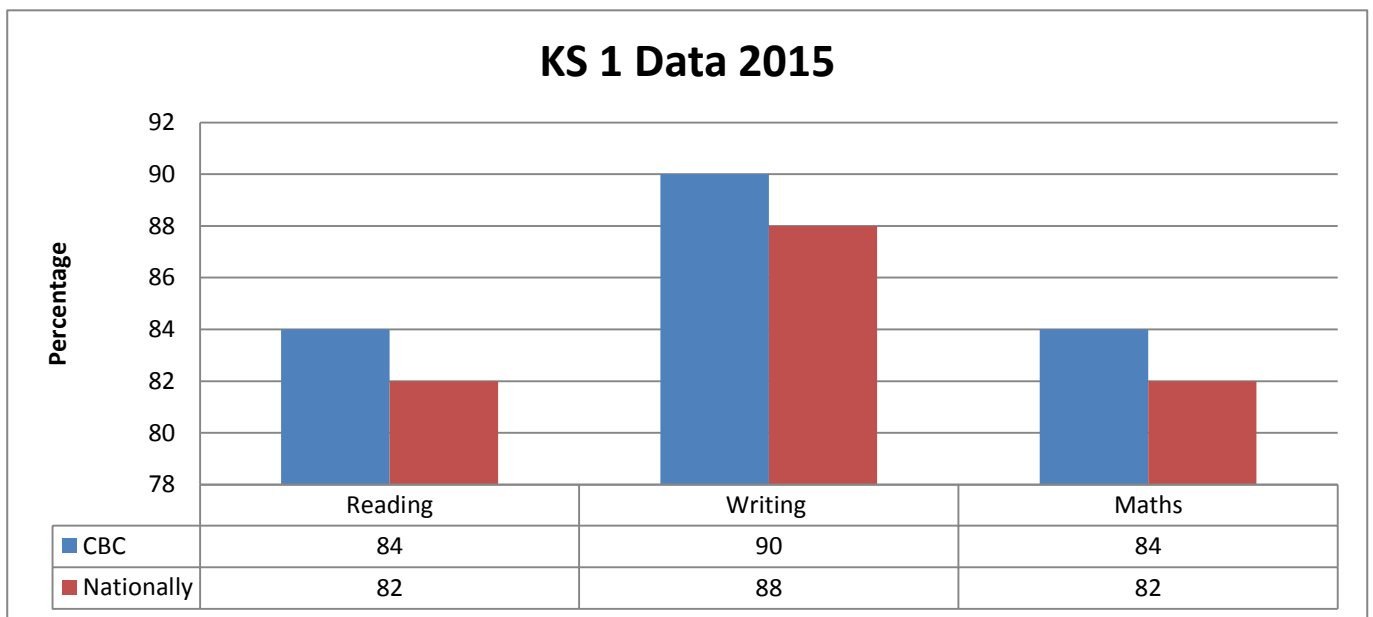
Central Bedfordshire data compared to other statistical neighbours and nationally indicates that outcomes at KS 1 are higher than those gained at KS 2 in the Local Authority. KS 1 outcomes are higher than national averages and the outcomes are ranked higher at KS 1 than at KS 2 compared both with statistical neighbours and nationally.

KS 1 & KS 2 Data for Central Bedfordshire
Data compared to 11 statistical neighbours (SN) and Nationally.

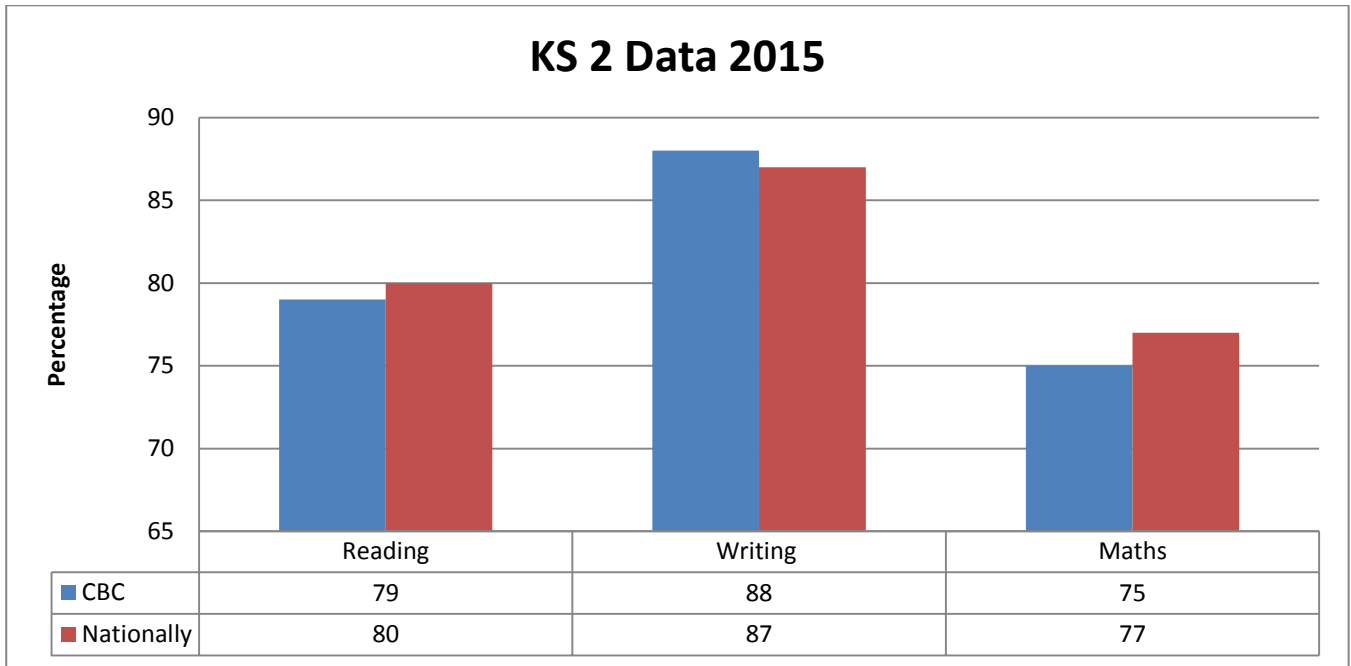
Children achieving nationally expected outcomes.



- In all areas KS 1 outcomes are higher than KS 2.



- In all areas KS 1 outcomes are higher than national averages.
- Statistical Neighbour Rankings
 - Reading 4th out of 11
 - Writing 2nd out of 11
 - Maths 3rd out of 11

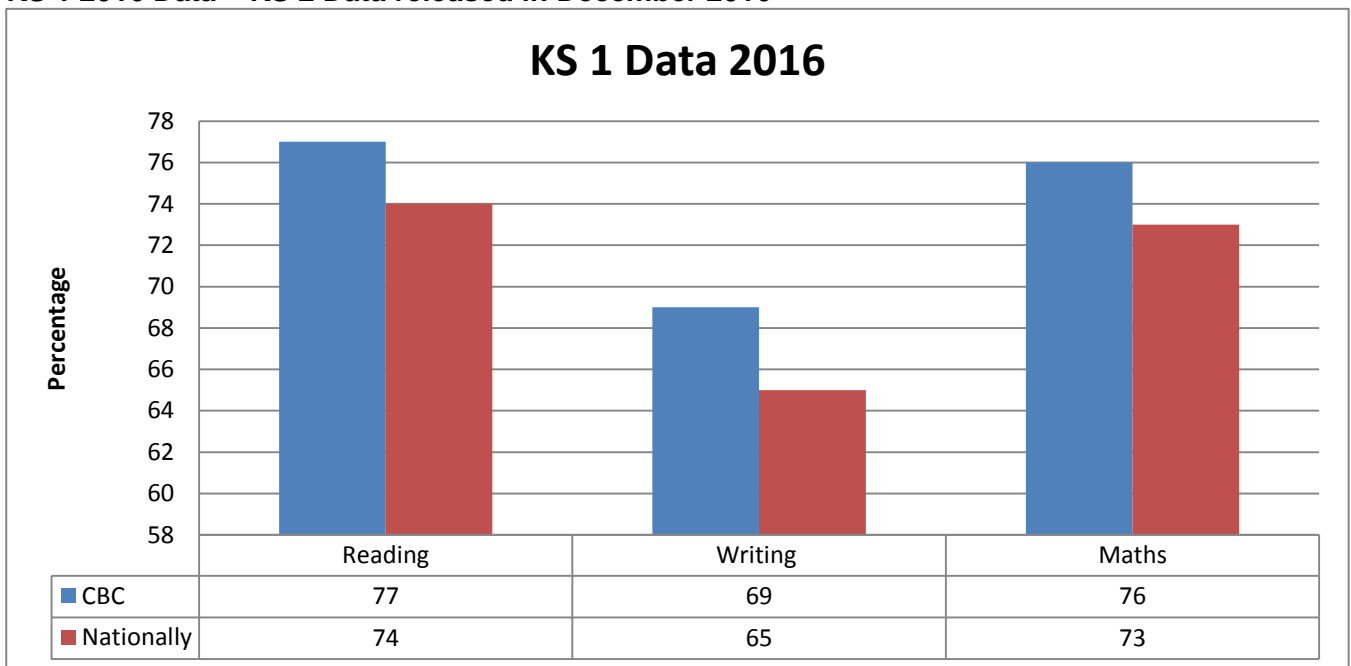


- In Reading & Maths KS 2 outcomes are lower than national averages.
- Statistical Neighbour Rankings
 - Reading 11th out of 11
 - Writing 4th out of 11
 - Maths 9th out of 11

National Rankings

Reading	Writing	Maths
At the end of KS1 Nationally Ranked 27th out of 150	At the end of KS1 Nationally Ranked 9th out of 150	At the end of KS1 Nationally Ranked 21st out of 150
At the end of KS2 Nationally Ranked 114th out of 150	At the end of KS2 Nationally Ranked 66th out of 150	At the end of KS2 Nationally Ranked 123rd out of 150

KS 1 2016 Data – KS 2 Data released in December 2016



- In all areas KS 1 outcomes are higher than national averages.
- Statistical Neighbour Rankings
 - Reading 4th out of 11
 - Writing 2nd out of 11
 - Maths 3rd out of 11

Reading	Writing	Maths
At the end of KS1 Nationally Ranked 33rd out of 150	At the end of KS1 Nationally Ranked 41st out of 150	At the end of KS1 Nationally Ranked 39th out of 150

Facilities & Resources

How will the school manage with the increased numbers? Where will the extra classes be built and what existing facilities will be lost to the building work?

With the increase in pupil numbers being a gradual increase over time the school has immediate capacity to accommodate new classes and the current school facilities are able to take increased numbers. The school is in a very fortunate position as it has a lot of unused land and space which can be utilised and therefore over time the school will undertake building/extension work to further increase its capacity to accommodate Year 6 children from September 2018. It is envisaged that this will not impact on current facilities but only improve those which are currently available to the children. The playground will be extended over the coming year as part of the new classroom’s project and the hall is large enough for the increased numbers.

How does this affect the money the school receives? Is this a move to increase the revenue of Robert Peel and the other schools?

This move is not financially driven but is about what we believe is best for the children and their education. The Local Authority provides each school with an allocated budget each financial year to teach the children it has on roll. As a school we use carefully considered and robust financial plans to utilise these funds to their full so that the children receive full access to a rich and diverse curriculum and a high standard of teaching.

Would the Upper School cope with additional Year 5/6 children using their facilities?

The Upper/Secondary school have offered the use of their facilities, staff and pupils for enrichment opportunities and as part of the bridging work to be undertaken between Primary and Secondary Schools at part of transition from one phase to another. The use of their facilities would not be weekly timetabled lessons but for focused activities and learning at specific times and therefore the impact on the Secondary School would be minimal.

Your proposal states you will need to build to accommodate extra year groups. As the LA has not imposed this change how confident are you that you will get funding? Could you find yourself in exactly the same position as Alban did?

The Local Authority have been involved from the very early stages of discussions about age range changes and throughout the process of the consultation and have provided guidance from their Department Heads in terms of the process of changing, regulations and finances. The school Governors have worked through budget scenarios and strategic plans for the future and are confident that through this robust strategic work the change can be managed very successfully.

What will this mean for lunchtime arrangements?

Very little will change at lunchtime. The children currently come into the hall for different sittings for lunches and the kitchen has capacity to cook for larger numbers. If required we would considered a slightly staggered lunch break but we believe with the additional outside space being planned this will not be required.

Will funds be available for larger furniture, resources and texts?

Yes absolutely, the school already has equipment, resources and furniture for older children but has a budget plan to purchase the resources required for older children over the coming years.

Are there plans to further invest in ICT and other specific materials for Science etc?

Most definitely, as a school we have a rolling plan to further invest in ICT and other resources as required and this will be undertaken in the same way. The focus will be on developing new technologies related to computing and programming.

After careful consideration of the issues raised the Governing Body of Robert Peel Lower School unanimously agreed to proceed with an Age Range Change to become a Single Phase Primary age 3 to 11 year old Provision for 2017-18. With the first phase being the extension of upper age range by one year to take Year 5 in September 2017 followed by Year 6 in September 2018.

The Report on St Swithun's VC Lower School's consultation on changing the school age range from 2017 onwards.

December 2016



Section 1

- Brief History
- Alteration proposal
- Implementation
- Capacity
- Objectives
- Consultations
- Procedures for making representation regarding proposal

Section 2

- Consultation Report

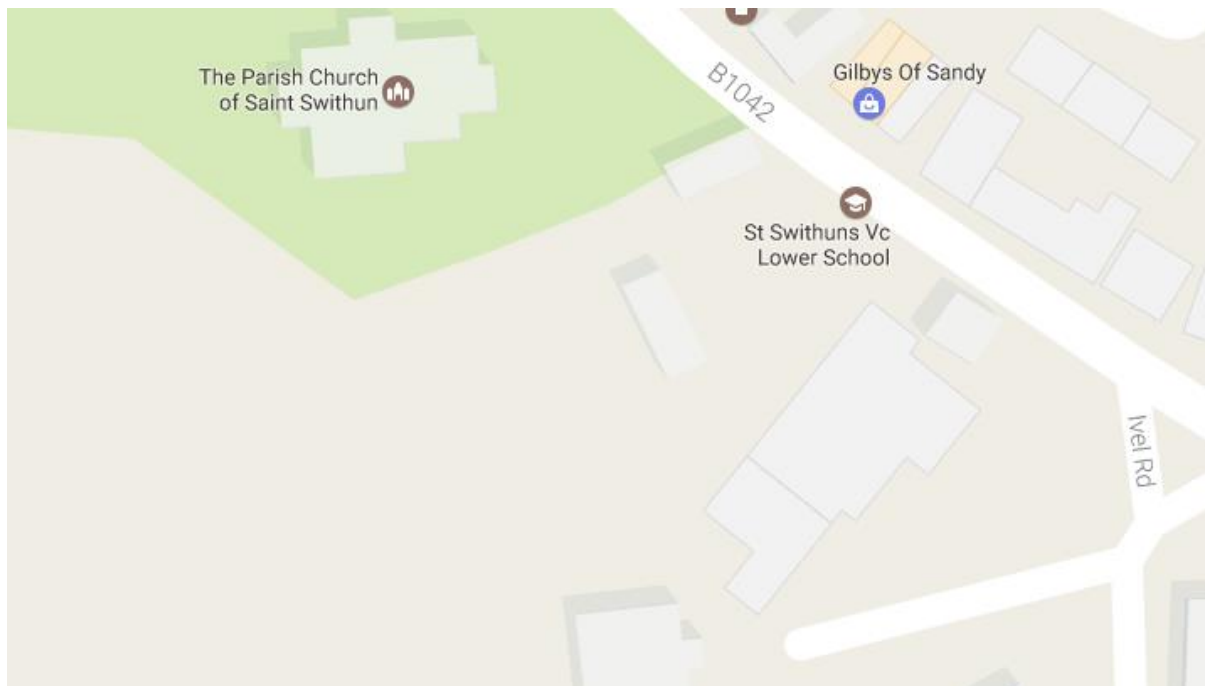
Section 1

The Governing Board of St Swithun's VC Lower School are now in a position to report on the outcome of the consultation regarding:

St Swithun's VC Lower School's consultation on changing the school age range for 2017 onwards.

St Swithun's VC Lower School is situated in the town of Sandy in Central Bedfordshire.

Address – St Swithun's VC Lower School, Ivel Road, Sandy, SG19 1AX.



St Swithun's VC Lower School URN: 109604

DfE number for St Swithun's VC Lower School: 823/3012

Brief History

St Swithun's VC Lower School is a voluntary controlled (VC) Church of England lower school that was judged to be 'good' by Ofsted in April 2012. It was also judged to be 'good' during the section 48 inspection (Church School inspection) in April 2012. The school takes children into Nursery the term after their third birthday and children apply for a Reception place via the Local Authority. The school also has an eight place Local Authority Autism Spectrum Condition provision.

Alteration proposal to the age range

It is proposed that St Swithun's VC Lower will extend its age range from a 3 to 9 years Lower School to a 3 – 11 years Primary School.

Implementation and stages of implementation

The proposal will be implemented on 1st September 2017.

In September 2017 – Year 4 pupils will remain at the school and become the new Year 5s.

In September 2018 – Year 5 pupils will remain at the school and become the new Year 6s.

In September 2019 – First transition of pupils from St Swithun's Primary to secondary school.

Capacity

The current capacity of the school is 210 pupil places (Nursery – Year 4) and the school currently has 168 pupils on roll, including Nursery.

Following implementation, the proposed capacity will potentially increase to 270 places including Nursery by 2018, when there will be pupils in all year groups from Nursery to Year 6.

Objectives of our proposal to change the age range are:

- To provide for continuation of the curriculum, whereby each phase of education (infant, junior and secondary) teaches at least one, if not two, full key stages and are mutually able to support progress by reducing the number of transition points. With the intention of improving student attainment and progress across all phases.
- To engage in greater collaborative working between and among phases with a view to enhancing the sharing of specialist provision.
- To sustain high standards of education and maintain the nurture and well-being of children by offering them only the minimum change of schools, thereby ensuring sustained progress in all areas.

- To ensure that all of the schools involved in the proposal work positively as partners to ensure a high quality and localised educational provision, with full agreement of each school's Governing Body.
- To ensure that all of the schools involved in the proposal offer children and young people a broad, balanced and cohesive curriculum that meets the needs of all.
- To offer all children and young people an exciting and innovative curriculum provision that meets their needs and supports them in achieving their full potential.
- To allow us to track and monitor pupil progress and attainment throughout Key Stage 1 and 2 within the same school, building improved accountability for pupil progress within both Key Stages and bringing the school in line with the prevailing system of education across the majority of the UK.
- To offer children a further 2 years within a primary model of teaching and learning before moving to a secondary model – meaning fewer daily changes of teacher and environment. This will give pupils time to mature and become 'secondary ready' in line with the National Curriculum expectation at the end of Year 6.
- To drive up standards at the end of Key Stage 2.
- To improve parental choice with regard to the variety of options and opportunities that are being offered.
- To preserve choice with respect to a Church School or non-Church School preference.
- To build upon our strong bond with the local Church community.
- To support disadvantaged children in meeting their potential and enhancing their outcomes.

Consultation

An informal consultation process was carried out between 12th October 2016 and 23rd November 2016: the outcome of this is outlined elsewhere in this report. Attached is a copy of the consultation document.

Who did we inform?

We informed and invited comments from a wide range of stakeholders and the wider community through a number of approaches. It should be noted that the consultation process was run in conjunction with Robert Peel Lower School, Moggerhanger Lower School, Everton Lower School, John Donne Church of England Lower School and Sandy Upper School, which are also consulting on changes to their age ranges. Since the schools serve a common geographic area, it was felt appropriate to work together on informing and consulting with stakeholders.

- Central Bedfordshire Council
- Bedford Borough Council
- Cambridgeshire Council
- Parents/guardians of every registered student at the school

- Parents/guardians of potential students in our catchment area and in Early Years provision
- Staff who work at the School
- Our local communities and our current site users
- All other schools within Central Bedfordshire
- The Church of England and Roman Catholic Dioceses
- Anyone else who has an interest in the proposal

Public meetings were held for parents/guardians and stakeholders on:

19th October and 20th October 2016.

A staff meeting was held at St Swithun's VC Lower School on:

17th October 2016 with teachers, teaching assistants, office staff, site agent and domestic staff invited.

We used parentmail, hard copy and the school website to inform parents/guardians, who were given the facility to respond to the consultation by paper or online. Plus the local press to alert stakeholders that the consultation process was starting and how long it was going to run for.

An electronic version of the consultation was placed, for all stakeholders and interested parties, on the school website.

Implementation

Initially these changes will be implemented on 1st September 2017, with the new intake into Year 5. The school has the current capacity to take Year 5 with no additional building work being required however there will be some reorganisation needed in school to accommodate Year 6. Building work will need to be undertaken.



St Swithun's VC Lower School's consultation on changing the school age range from 2017 onwards.

December 2017

The purpose of this section of the proposal is to:

- Provide detailed information about the responses to the consultation process;
- Respond, in particular, to the areas of concern that have been raised as part of that process;
- Identify how the school will meet the objectives for changing the age-range, as set out in the consultation process.

The consultation with stakeholders covered a single proposal:

Do you support the proposal that from September 2017 Year 5 should remain at St Swithun's VC Lower School and move into Year 6 from 2018?

The Governing Body invited, through consultation, responses to the following specific proposal:

Do you support the proposal that from September 2017, Year 5 pupils should have the opportunity to remain at St Swithun's VC Lower School and subsequently move into Year 6 in September 2018?

How did we consult?

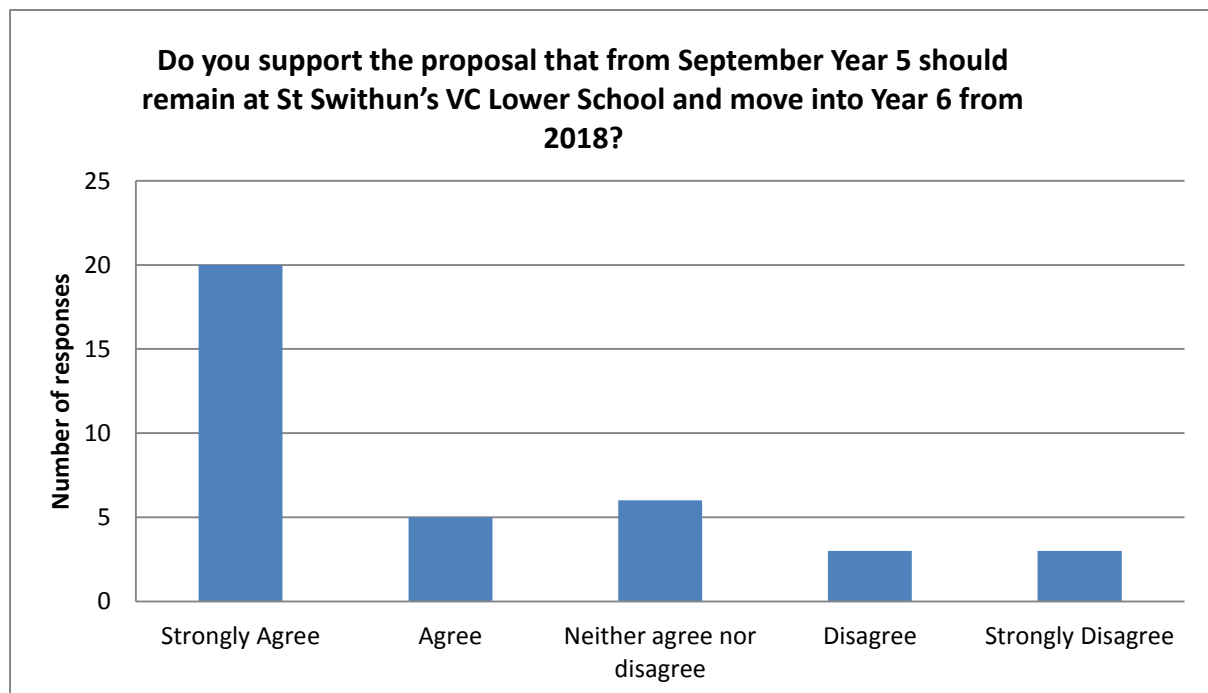
The formal consultation document (attached as an appendix), formed the basis of the consultation. All parents/guardians were notified at the start of the consultation by email. All staff were invited to a meeting about the consultation to notify them of the process. All

parties received the consultation proposal document by email and were invited to consultation meetings.

Prior to the publication of the consultations, St Swithun’s VC Lower School met with all Pinnacle Trust Headteachers and Chairs of Governors, as well as the local authority, to discuss and advise them of the content of the consultation proposal. Arrangements were made with the 4 lower schools and 1 upper school, that were also consulting, to share their consultation documents and to distribute all documents all together. Paper copies of the consultation have also been made available if requested.

Summary of Responses

A total of 37 written responses were received for the proposal plus some verbal questions and responses that arose from the people who attended the consultation events. In terms of the report, there will be an indication of the responses received in graphical form and a commentary derived from the specific feelings that the respondents made.



Of the 37 people who expressed a firm opinion in this way, 25 were in favour of the proposal (68%), 6 did not know (16%) and 6 were against (16%). There were some observations/concerns about certain elements. These are detailed below together with the Governors’ responses to those concerns.

We are worried you will not be able to give the children the opportunities that Sandy Place can offer.

All teaching staff at St Swithun's are Primary trained teachers. The school also uses the International Primary Curriculum which it will continue to use. The school will purchase any additional resources needed to teach the curriculum through its school budget. Should specialist facilities be needed then we will work with Sandy Upper School to implement this. It is important to remember that we are not trying to be a middle school. We will be providing a Primary education.

As a parent I am very keen to learn more about how St Swithun's will deliver the Year 5 and 6 curriculum and any extracurricular activities that may be provided e.g music.

How can this school offer a better Year 5 and 6 than competing with an established middle school? Some middle schools offer excellent facilities for music, such as Alban Academy, having orchestra and choirs which will inspire a Year 5 junior member, having science labs to do practical tasks unachievable in a classroom, having dedicated sports facilities, having specialised language facilities, having specific arts and DT equipment and dedicated subject staff. How will this school provide a comparable service?

The school will use the International Primary Curriculum to deliver a creative curriculum. English and Maths will be taught using resources appropriate to the age and ability of the child. There will continue to be a range of clubs offered for all children and music specialists will continue to work in school to deliver peripatetic lessons. St Swithun's is able to deliver a full Primary curriculum.

Clarification as to how 60 more pupils will fit i.e classrooms, playground, school hall etc....

What about space on playgrounds for 2 extra classes already. I'm not keen on a year 6 child playing in the same playground as my young child, what provisions will be made?

Will there be separate playgrounds for older and younger children? Where would this be as to split the current playground would make it too small?

Playtimes and lunchtimes will be staggered meaning the younger and older children will be separated to allow for age appropriate games.

Provision for changing facilities for years 5 and 6 separating boys and girls.

Are there/will there be separate changing facilities for PE and what experience will the teaching staff of a Year 5 have in the pastoral needs of this age group?

PE for Years 5 and 6 will take place on the same afternoon. All children will change after lunch with boys and girls separated in different classrooms. There are a number of staff who

have already worked with Years 5 and 6. All children have had training on how to deal with the emotional well-being of children within a Primary School.

Provision for teaching specialist subjects as taught at middle school i.e cooking, science.

How are specialist lessons going to be taught?

What specialist subject knowledge will the teaching staff have and what subject expertise do you think you will have bring in to meet the curriculum requirements (e.g. sports, languages, geography etc) ?

The teaching of the Primary curriculum can be accommodated within the current school's resources. There is no need for specialist provision for Years 5 and 6. Any additional resources will be purchased or borrowed.

Will the pupils/children get the option to stay at St Swithun's or goes to middle school?

This is about parental choice. Pupils will be able to choose to stay at St Swithun's or move onto middle school.

How will the school ensure that children in Year 5 are taught by experienced and qualified teachers?

Which of your current staff have experience in Year 5 or 6 teaching? Will they be assigned to the class? Are they NQT or qualified?

The school already employs staff who have recently taught in bigger Primary schools and have experience in teaching in Years 5 and 6.

My only concern is the lack of space within the school to accommodate 2 extra year groups?

The school already has one spare classroom. The Governing Board is currently looking at ways to enhance the provision of the whole school to accommodate Year 6 in the best way. A build will take place.

How are 2 different systems going to work within Sandy?

I am concerned about 2 different tier systems running in such a small town. How will this work?

As a wider issue across Sandy schooling. What effect will the two differently tiered systems have on integration?

Parents will have the choice on which direction they want their children to follow. All the schools in Sandy will still work together to ensure a smooth transition for all its pupils.

Where would a new classroom go? Where do we put visiting teachers, breakfast club?

How will two extra classes be fitted into St Swithun's?

How would this accommodate extra activities on the site in September 17 as the spare classroom is already well used – readers, breakfast club, PTA, extra lessons? How can these be accommodated?

The Governing Board are looking at how to maximise the facilities within the school setting. Breakfast club is extending its hours, so as that grows it would have to move to another part of the school. Visiting teachers will use the library and hall, as many of them do already.

Would Chestnut also extend their age range?

In consultation with the Local Authority Chestnut class will also extend its age range.

Will you enhance homework provision to give the kids a planner and have more online resources like bug club but for maths?

Homework provision across the school will be looked at to ensure there is progression across the year groups and Key Stages to ensure opportunities for extended home learning.

When will we know whether you are intending to go ahead with primary status? Will other schools' admission policies be 'put on ice' until that is confirmed? (e.g. is there a situation where we could turn down a middle school place on the belief primary status will happen, only for you to u-turn and leave our child out of the admissions system)?

The consultation ended on 23rd November. The Governing Board of each school has met to consider their responses to the consultation and make a decision on the way forward. The Heads and Chairs of all the schools involved have also met to share their decisions.

Has a specific budget and funding been agreed yet between the LA, other funding partners and school for the things that are required to ensure the high standard of education we come to expect from St Swithun's for Year 5 and 6? If not, when would this budget be agreed and what mechanism to the Board of Governors have to challenge that if they feel the funding is inadequate?

St Swithun's manages its own budget. Grants from other partners can be applied for as needed and if the criteria is met. The Local Authority is fully aware of the school's plans. Our school budget is monitored by the Local Authority.

If a substantial number of parents still choose to take their child to a middle school, leaving low class numbers wanting to remain, will you go ahead with the plan? If so, will year groups remain separate and will the same amount of teaching/TA staff remain, or will there be a reduction in teaching staff?

If it is planned to start in September 17 in such a short time frame, how can this school manage with a year or two if Year 5/6 with half class sizes?

The Governing Board are committed to ensuring that all children receive a quality first education. Regardless of how many children stay the school will ensure that Year 5 have

a qualified and experienced teacher. Teaching assistants will continue to be used to support teaching and learning. There will be a teaching assistant in Year 5.

Has a building assessment been undertaken yet on the future work that will be done to build a new building for Year 6? How will this work be undertaken when children are in the school in and around what will be a building site?

The school has already been investigating possible development sites around the school. We would always minimise disruption for our current pupils.

What is the timetable of the building works? What land will be lost by a new building?

There is no need to build anything for September 2017 as the school can already accommodate these children. The Governing Board will look to maximise the facilities on offer to the children when considering any building works.

How does St Swithun's intend to match the diversity of sports and the element of inspirational spaces offered by the current middle schools?

St Swithun's works hard to ensure that the children get to experience a diverse amount of sporting opportunities within school and with other schools within a competitive context. This would be continued with Year 5 and 6 pupils. The school already has an outside classroom, school pond and always considers outside learning when planning a creative curriculum.

Will there be an internal Central Bedfordshire or even an OFSTED inspection of the quality of education being offered to the new Year 5s within the first term of the year, so any recommendations for change can be applied quickly?

Ofsted aim to inspect all 'good' schools within 3 years and this would remain. The school will be scrutinised closely by all stakeholders especially when Year 6 results are published.

How will two more years in a one class setting prepare children better for senior school and many different teachers over middle school as a 'half way' situation with smaller cohort and a gradual progress to more different teachers?

St Swithun's school staff will work hard with any transitional schools to ensure a smooth transition for all its pupils.

Will the library be equipped by September 17 to carry more advanced reference books, allow children freedom to choose books, have a ticketing system or employ a librarian?

The school already has an electronic borrowing system called 'Microlibrarian' which is used to allow the children to borrow and return books. The PTA are already funding £1000 worth of books for the school library. We already have children reading beyond their chronological age so the school already has a good range of fiction and non-fiction texts available for older children.

Will St Swithun's put on more trips and theatre productions?

The school will continue with its wide range of school trips, residentials and in-house activities.

Can all schools co-operate more to decide whether 2 or 3 tier is better in Sandy and offer a more joined up solution?

The school has been working as part of The Pinnacle Trust since November 2011. The members of The Pinnacle Trust know the school's plans to move towards a two tier system with other schools.

It seems that there will be a big over provision in this new system for years 5 and 6. There is also a new lower/primary planned with Sandy's expansion. Is it going to be cost efficient for the State?

Parents will have the choice on where they send their child. The Governing Board are not in a position to comment on the expansion of Sandy and the implications on how this will impact on schools in the future.

After careful consideration of the issues raised the Governing Board of St Swithun's VC Lower School agreed to proceed with an Age Range Change from 3-9 to 3-11 as of September 2017.

Appendix 1



**Consultation on our Proposal to
Extend the Age Range of
St Swithun's VC Lower School
to a Single Phase Primary age
3 to 11 Provision
for 2017-18**

CONSULTATION ON OUR PROPOSAL TO EXTEND THE AGE RANGE OF ST SWITHUN'S VC LOWER SCHOOL, IVEL ROAD, SANDY, BEDS, SG19 1AX TO A SINGLE PHASE PRIMARY PROVISION FOR 2017/2018

The Purpose of the Consultation Document

The purpose of this document is to provide information on a proposal to extend the age range of St Swithun's VC Lower School from 3-9 years to 3-11 years, to create a full primary provision. This will mean that the school will take children from age 4 (Year R) to age 11 (Year 6). Nursery will continue in its current form taking children the term after their 3rd birthday.

1. Background

During the past few months, governors and the senior leadership team at St Swithun's VC Lower School have been considering how best to secure a strong and positive future for our School within the ever changing national, regional and Central Bedfordshire contexts.

Following debate, research and collaboration with other local schools the Governing Body would like to propose a significant change to St Swithun's VC Lower School. This change is fundamental to our vision and strategic plan, and this should be to the benefit of all our children and the wider community. This paper aims to provide you with the information you might need to be able to contribute your views on the proposals.

2. Contextual position

There is much change within the area of Bedford Borough, Biggleswade and the surrounding areas with a significant number of schools now being Academies and a general move towards a two-tier system of education. The following points demonstrate these particular trends:

- Some schools in Central Bedfordshire (Dunstable and Houghton Regis) have already moved towards a two tier system.
- Alban Church of England Academy is awaiting approval from the Department for Education following their consultation to change their age-range from 9-13 to 3-13 for September 2017. The lower school next door to Alban Academy, Great Barford Lower School, is also in consultation to change its age-range to become a full primary school increasing to 4 to 11 from 4 to 9, altering a transition which would previously have fed into Alban Academy at Year 5.
- Bedford Borough Council issued documentation in July 2015 inviting groups of schools to bid for the capital funding that would facilitate a move to a two tier system of education in the area by the end of the decade.

- Our bordering county of Cambridgeshire is already two-tier which has a major impact on our children and their choices.

Whilst the three-tier system of education has served the pupils and families of Bedfordshire very well for the past 40 years, changes at local and national level mean that this system is now the exception, rather than a rule. At its height of popularity in the 1980s there were over 1,400 Middle Schools in England. As of September 2015, there are just 147 left in 17 out of 150 Local Authorities. With the largest number being found in the combined totals of Bedford Borough and Central Bedfordshire. At least 95% of children nationally are being educated in a two-tier system and teacher training colleges no longer provide courses for middle years' teachers. All teachers are now trained as either Primary or Secondary specialists.

When the National Curriculum was introduced in the late 1980s, and Key Stages were subsequently implemented, the intention was that Key Stages 1 and 2 would be delivered in primary schools up to the age of 11 and Key Stages 3, 4 and 5 would be taught in secondary schools. The three-tier system of education has generally meant that there was a split between Lower, Middle and Upper schools as to where Key Stages 2 and 3 were taught, with no single entity having complete responsibility for delivery.

The final element to consider is that, under the Department for Education's (DfE) School Organisation guidance, introduced in 2016, it is now possible for individual governing bodies of foundation and voluntary schools to consult on extending the age range of the school by up to two years (apart from adding a 6th form) without the need to follow a statutory process, providing they have the necessary accommodation and consent to do this and follow the expectations of the DfE as listed within the guidance. . Therefore it is now appropriate for the governing body to carry out its own consultation on the proposed change so that parents and the wider community can comment on their own situation.

3. Proposal

We believe that our children would benefit from a full Primary School setting that is designed to meet the learning needs of a child at both Key Stages 1 and 2 and lead them, seamlessly, into subsequent Key Stage 3.

The proposed change would provide stability and a continuity of learning, and more significantly reflect the changing face of schooling in Sandy, the surrounding rural areas and the immediate locality.

Whilst this is a consultation solely about St Swithun's VC Lower School, five other schools – Robert Peel Lower School, Moggerhanger Lower School, Everton Lower School, John Donne C of E Lower School and Sandy Upper School – will be running parallel consultations to St Swithun's about becoming a primary schools from 3 to 11 and a secondary from 11-19. Each will hold their own staff and parental consultation evenings, but since they serve the

same broad geographic area, it was felt appropriate to hold combined meetings for community and other stakeholder groups, that might be affected by these changes.

To summarise, our objectives are:

- To provide for continuation of the curriculum, whereby each phase of education (infant, junior and secondary) teaches at least one, if not two, full key stages and are mutually able to support progress by reducing the number of transition points. With the intention of improving student attainment and progress across all phases.
- To engage in greater collaborative working between and among phases with a view to enhancing the sharing of specialist provision.
- To sustain high standards of education and maintain the nurture and well-being of children by offering them only the minimum change of schools, thereby ensuring sustained progress in all areas.
- To ensure that all of the schools involved in the proposal work positively as partners to ensure a high quality and localised educational provision, with full agreement of each school's Governing Body.
- To ensure that all of the schools involved in the proposal offer children and young people a broad, balanced and cohesive curriculum that meets the needs of all.
- To offer all children and young people an exciting and innovative curriculum provision that meets their needs and supports them in achieving their full potential.
- To allow us to track and monitor pupil progress and attainment throughout Key Stage 1 and 2 within the same school, building improved accountability for pupil progress within both Key Stages and bringing the school in line with the prevailing system of education across the majority of the UK.
- To offer children a further 2 years within a primary model of teaching and learning before moving to a secondary model – meaning fewer daily changes of teacher and environment. This will give pupils time to mature and become 'secondary ready' in line with the National Curriculum expectation at the end of Year 6.
- To drive up standards at the end of Key Stage 2.
- To improve parental choice with regard to the variety of options and opportunities that are being offered.
- To preserve choice with respect to a Church School or non-Church School preference.
- To build upon our strong bond with the local Church community.
- To support disadvantaged children in meeting their potential and enhancing their outcomes.

You are invited to meetings as part of this consultation – please see the schedule on page 10

4. Details of the Proposed Arrangements for 2017-18

As St Swithun's VC Lower School is a foundation school, the Governing Body, with permission from the Diocese, is able to propose, consult and then make the decision to alter the upper or lower age limit by up to two years (except where adding a Sixth Form provision is proposed). The Governing Body is not required to follow a statutory process but is required to follow the DfE's guidance and meet the expectations listed within the guidance when consulting. The DfE also provides guidance for decision makers which the Governing Body is required to follow. Therefore if following consultation, the Governing Body and Diocese decide to go ahead with the proposal of St Swithun's VC Lower becoming a primary school for children from Years R - 6 all relevant parties will be notified of this change and the School will inform the Secretary of State by updating the Register of Education Establishments (Edubase). This change would then come into effect from September 2017.

5. Implementing Age Phase Changes 2017-18 Onwards

We are seeking to offer continuity of learning throughout the primary stage of schooling and in particular to maintain high quality provision through the entire National Curriculum phases known as The Early Years Foundation Stage (Nursery and Reception), Key Stage 1 (Years 1 and 2) and Key Stage 2 (Years 3, 4, 5 and 6).

The National Curriculum will be delivered across the full primary age range. St Swithun's staff are already fully trained in teaching the primary years, up to the end of Year 6. Continued Professional Development (CPD) will continue to be offered.

In line with primary schools across the country we will deliver this broad and balanced curriculum without the need for specialist facilities but continuing as a school to deliver high quality teaching with the potential of using specialist teachers for areas such as PE, music and science.

We will continue to liaise with the next phase schools and local cluster schools to ensure a progressive learning journey for our children.

Our existing buildings and site facilities already have sufficient capacity to accommodate the proposed new Year 5 class and a further building would be added to the schools site to accommodate the additional Year 6 class

Parental choice will shape the future of all schools across Sandy and the surrounding area and these proposed changes will not prevent parents from selecting a lower or primary school of their choice.

6. Admission of Students

If the proposed change of age range is agreed by the Governing Body, parents will have the option to not accept their Year 5 place as children will be able to continue until the end of Year 6 within the same setting.

St Swithun's VC Lower School is currently a 3 - 9 co-educational Church of England lower school, and is proposing to become a 3 - 11 co-educational Church of England Primary School with one admission point in the Reception Year. Our admissions are managed by the

Local Authority (Central Bedfordshire Council). Places are allocated based on the admissions criteria, which take into account various factors such as catchment area, whether children have siblings in the school or whether the child is 'looked after'.

Children will be admitted in the academic year they turn 5 (Year R) and without reference to ability or aptitude. The Governors will admit 30 children (the admission number) per academic year to Year 5 and then to Year 6.

Priority will be given to children living within the St Swithun's catchment.

There will be no proposals to change the admissions criteria for the school, which are currently:

- 1) All 'looked after' children or children who were previously 'looked after'
- 2) Children living in the catchment area with siblings at the school
- 3) Children living in the catchment area
- 4) Other children with siblings at the school
- 5) Children who live nearest to the school determined by straight line distance from the school site to the child's home address

If applying these criteria results in there being more children with an equal right to admission to the school than there are available places, then tie break will be the distance the child lives from the School, measured in a straight line, using the Local Authority's computerised measuring system. Those living closer to the School will receive the higher priority. The distance will be measured from the address point of the child's home to a central marked point on the School site. Priority will not be given within each criterion to children who meet other criteria. In the event of (a) two or more children living at the same address point (e.g. children resident in a block of flats) or (b) two addresses measuring the same distance from the school, the ultimate tie-breaker will be random selection, using the School Admissions Team database to allocate the place.

Children who have a Statement of Special Educational Needs are required to be admitted to the school which is named on the statement, even if the school is full. Children identified for admission through the Fair Access Protocol will also be admitted even if the school is full. Such children will be fully supported with Education, Health and Care (EHC) plans.

Parents/guardians who want their child to transfer to the next phase of school outside of their normal age group must make the request in sufficient time for it to be considered before the application deadline. All in year admission applications must be made to the Central Bedfordshire Council.

The School allocates places on an equal preference basis as explained in the Local Authority Academy/School transfer booklet and is a part of the Local Authority co-ordinated admissions process.

Definitions

“Looked after” children

A ‘looked after’ child is a child who is (a) in the care of the local authority, or (b) being provided with accommodation by a local authority in the exercise of their social services functions (see Section 22(1) of the Children Act 1989).

Previously “looked after” children

A previously ‘looked after’ child is one who immediately after being ‘looked after’ became subject to an adoption, residence, or special guardianship order. An ‘adoption order’ is an order under section 46 of the Adoption and Children Act 2002. A ‘residence order’ is an order settling the arrangements to be made as to the person with whom the child is to live under section 8 of the Children Act 1989. Section 14A of the Children Act 1989 defines a ‘special guardianship order’ as an order appointing one or more individuals to be a child’s special guardian (or special guardians).

Home Address

A child’s home address will be regarded as the address of the parents or guardians with parental responsibility with whom the child normally lives. This will not usually include grandparents, aunts or uncles. Where a child spends time with parents/guardians at more than one address, the address used to allocate a school place will be the one at which the student is ordinarily resident and where the child spends the majority of the school week (Mondays to Fridays) including nights. If there is any query on the home address this will be checked against original official documentation e.g. council tax bill, a recent utility bill (gas, electricity or water), a rental agreement, child benefit annual statement or family tax credit information.

Sibling

A sibling refers to a brother or sister, half brother or sister, step brother or sister, adopted brother or sister or fostered brother or sister where foster care has been arranged by a Local Authority or the child of the parent/guardian’s partner, and in every case, the child should be living at the same address. The sibling must be in the school at the time of application and be likely to remain in the school at the proposed date of admission.

Applications for admission into Reception must be made to the home Local Authority in accordance with procedures explained in their admission literature and website.

Requests for admission into other year groups should be made to the Local Authority on the In-Year application form. The form is available from the school or Local Authority and can also be downloaded from the Local Authority website.

Parents/guardians can apply using the online application system (see details on Central Bedfordshire website) or by contacting Central Bedfordshire Council for a Transfer to Lower/Primary Application Form. When completed, this form must be returned to Central Bedfordshire Council by the deadline on the form. Parents/guardians **must** apply to the Local Authority in which they live.

Proposal for admissions from 2017

From	Action
September 2017	Year 4 pupils are able to remain at the school and move into Year 5
September 2018	Year 5 pupils remain at the school and move into Year 6 Parents of Year 6 children make a Transfer to Secondary School 2019 application
September 2019	First transition of pupils from St Swithun's Primary to secondary school

Numbers on Roll *

	September 2016	September 2017	September 2018	September 2019	September 2020
Year R	22	30	30	30	30
Year 1	30	22	30	30	30
Year 2	31	30	22	30	30
Year 3	30	31	30	22	30
Year 4	31	30	31	30	22
Year 5	0	31	30	31	30
Year 6	0	0	31	30	31
Totals	144	174	204	203	203

Numbers include children attending the schools autism provision which is an 8 place specialist provision. All admissions are completed through the SEND team's admissions panel.

What are the arrangements for the consultation process?

The purpose of the consultation is to seek views of students, parents/guardians and the wider community about the proposals being put forward. This will allow the School Governors to make a fully informed decision as to whether to convert St Swithun's VC Lower School to a full primary school. It also provides a time where you can ask questions about the proposals or make alternative suggestions.

You can take part and have your say in the following ways

By completing the attached response form

By email – schooloffice@stswithuns.cbeds.co.uk

By letter - The Headteacher, St Swithun's VC Lower School, Ivel Road, Sandy, Bedfordshire, SG19 1AX

Meetings at the School with the Headteacher and Governors are booked for 19th October at 6.30 pm (parents/guardians) and 20th October at 7.00 pm at Sandy Upper School (community).

The consultation will run from 12th October 2016 until 12 noon on 23rd November 2016. We are specifically discussing our proposals with the following groups, and would encourage anyone interested to read through this proposal document and give us your views:

- Central Bedfordshire Council
- Bedford Borough Council
- Cambridgeshire County Council
- Parents/carers of every registered student at the school
- Parents/carers of potential children in our catchment area and in Early Years provision
- Staff who work at the school
- Our local communities and our current site users
- All other schools within Central Bedfordshire
- The Church of England and Roman Catholic Dioceses
- Anyone else who has an interest in the proposal

Once the consultation process is completed, the Governing Body of the School will meet in December to consider the responses and to answer queries that have been raised about particular issues. It will then publish a Consultation Report on the School’s website.

The Governing Body will then decide whether or not to ratify their decision to raise the upper age-limit of the School from 9 years to 11 years, thus creating an all-through primary provision. This will mean that the School will take children from age 4 (Year R) to age 11 (Year 6).

Process of Consultation

In order to engage in meaningful and informed consultation, we will be holding a number of consultation events to engage with all stakeholders, as well as providing the opportunity for individuals and institutions to make written submissions about the proposals. All of this evidence will be collated into a Consultation Report that the governors will consider prior to their decision. Below is the full timetable, but processes after December 2016 will only be actioned if the governors decide to proceed.

Date	Action
12 th October 2016	Consultation begins
17 th October 2016	Meeting with St Swithun’s School staff
19 th October 2016 6.30 pm	Meeting at St Swithun’s with parents/guardians
20 th October 2016 7.00 pm	Meeting with community (at Sandy Upper School)
23 rd November 2016	Consultation ends
Week beginning 12 th December 2016	If the Governing Body decides to proceed, it will publish its decision on the age range consultation and determine its admission arrangements. The Governing Body will then notify the Secretary of State by updating Edubase.
September 2017	Current Year 4 pupils stay at the school forming the first Year 5 group
September 2018	First Year 6 group established

	Parents of Year 6 pupils make application for Transfer to Secondary 2019
September 2019	First transition of pupils from St Swithun's VC Primary School to secondary school

13th October 2016 – Letter to accompany consultation.

Dear Parents/Guardians/Staff/Member of the local community

Consultation to become a Primary School from September 2017 (Year R to 6).

The Governing Body of St Swithun's VC Lower School has decided that it should further investigate and consult on the proposal to extend the age phase to include Years 5 and 6 in a Primary provision for 2017-18, commencing with children in year 4 having the opportunity to move into year 5 in September 2017. You are invited to attend a meeting as detailed below.

We will be considering and inviting comments on the proposed age range changes for St Swithun's VC Lower School 2017/18. If you have any questions or would like to express your views, I would be grateful if you could submit these in writing or by email to schooloffice@stswithuns.cbeds.co.uk by the 17th October by 12 noon, so that they can be addressed at the meeting. The final decision on any proposed changes are made by the Governing Body.

St Swithun's VC Lower School – Meetings for parents/guardians, staff, members of the community and neighboring schools

17 th October 2016 3.45pm	Meeting with St Swithun's School staff
19 th October 2016 6.00 pm	Meeting at St Swithun's with parents/guardians
20 th October 2016 7.00 pm	Meeting with community (at Sandy Upper School)

We look forward to seeing you.

Yours sincerely

Mrs Diane Osborne
Chair of the Governing Body
St Swithun's VC Lower School

CONSULTATION ON PROPOSAL

PROPOSAL TO EXTEND THE AGE RANGE TO A SINGLE PHASE PRIMARY PROVISION 2017-2018

Please take the time to read our Consultation document and complete this questionnaire. Your feedback is important to us. Please email completed questionnaires to schooloffice@stswithuns.cbeds.co.uk, hand in at the school office or send by post to:

Mrs Diane Osborne, Chair of Governors, St Swithun’s VC Lower School, Ivel Road, Sandy, Bedfordshire, SG19 1AX

All responses must be received by noon on 17th October 2016

The Proposal

Do you support the proposal that from September 2017, Year 5 pupils should have the opportunity to remain at St Swithun’s VC Lower School and subsequently move into Year 6 in September 2018?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree

Comment (Please give any comments or suggestions you may have including any alternative proposals you wish to put forward here:)

Please tell us who you are.

We intend to analyse responses according to stakeholder group. Please tick all the boxes that apply in the list below.

- Parent of a student(s) currently attending the School
- Member of staff who works at the School
- Parent of a child in local Early Years provision
- Governor, including Head Teacher, at a neighbouring school
- Member of the local community
- Representative of the Local Authority
- Representative of a Diocese
- Other (please specify)

We will respect any desire to remain anonymous (no one will be publicly identified in the report on the consultation) but if you are content for us to know your name (or names if this is a joint response), please enter it/them here:

.....
.....
.....



**The Report on John Donne CE Lower School's consultation on changing the
school age range from 2017 onwards**

December 2016

Section 1

- Brief History
- Alteration proposal
- Implementation
- Capacity
- Objectives
- Consultation
- Implementation
- Procedures for making representation regarding proposal

Section 2

- Consultation Report



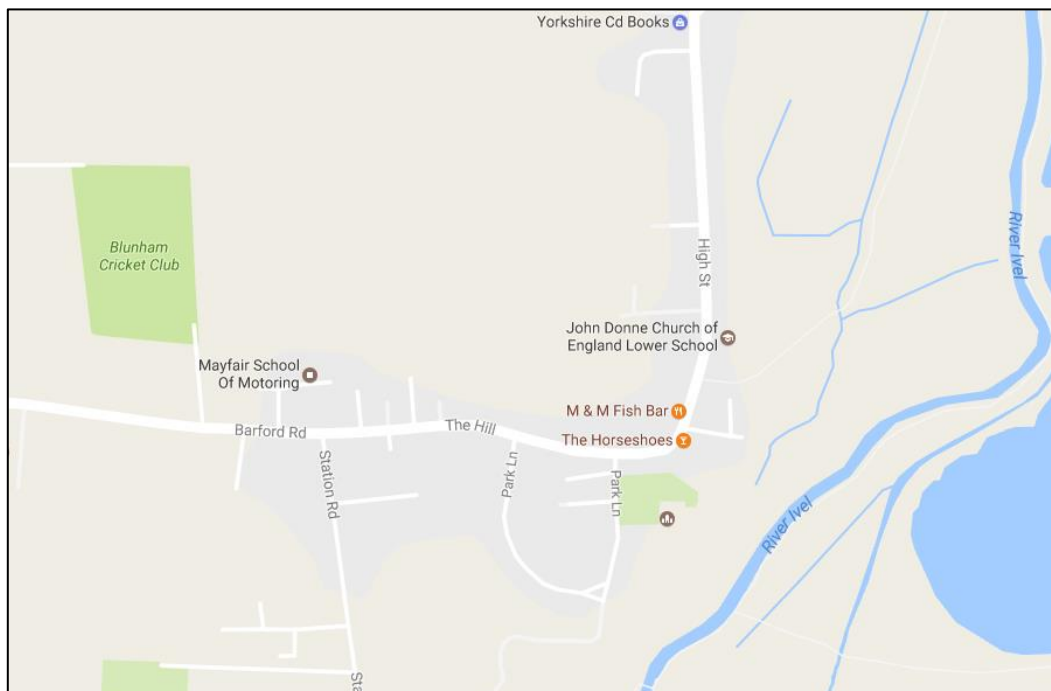
Section 1

The Governing Body of John Donne CE Lower School are now in a position to report on the outcome of consultation regarding:

John Donne CE Lower School's consultation on changing the school age range for 2017 onwards.

John Donne CE Lower School is situated in the Village of Blunham in Central Bedfordshire.

Address – John Donne CE Lower School, Blunham, Bedfordshire, MK44 3NL.



John Donne CE Lower School URN: 109615

The DFE number for John Donne CE Lower School: 8233302

Brief History

During the past few months, the Governing Body and the Head Teacher at John Donne CE Lower School have been considering how best to secure a strong and positive future for our School within the ever changing national, regional and Central Bedfordshire contexts.

There is much change within the area of Bedford Borough and the surrounding areas, with a number of schools now becoming Academies along with a general move towards a two-tier system of education.

We believe that our children would benefit from a full Primary School setting that is designed to meet the learning needs of a child at both Key Stages 1 and 2 and lead them, seamlessly, into subsequent Key Stage 3.

The proposed change would provide stability and a continuity of learning, and more significantly reflect the changing face of schooling in Bedfordshire.

Alteration proposal to the age range

It is proposed that John Donne CE Lower School will extend its age range from a 13 to 9 years Lower School to 3 to 11 years Primary School.

Implementation and stages of implementation

The proposal will be implemented on 1st September 2017.

In September 2017 – Year 4 pupils are able to remain at the school and move into Year 5.

In September 2018 – Year 5 pupils remain at the school and move into Year 6. Parents of Year 6 children make a transfer to secondary school application.

In September 2019 – First transition of pupils from John Donne CE Primary to secondary school.

Capacity

The current capacity of the school is 120 pupil places and the School currently has 64 pupils on roll.

Following implementation, the proposed capacity will potentially increase to 168 places by 2020, when there will be students in all year groups from Year R to Year 6 .

Objectives of our proposal to change the age range are:

- To provide better continuity of the curriculum – where each phase of education (infant, junior and secondary) teaches distinct, complete key stages.
- To engage in greater collaborative working between schools, enhancing the sharing of specialist provision, with the intention of improving student attainment and progress across all phases.
- To sustain high standards of education and maintain the nurture and well-being of children by offering them only the minimum change of schools, thereby ensuring sustained progress in all areas.
- To ensure that all the schools involved in the proposal work positively as partners to ensure a high quality and localised educational provision, with full agreement of each school's Governing Body.
- To ensure that all the schools involved in the proposal offer children and young people a broad, balanced and cohesive, exciting and innovative curriculum that meets their needs and supports them in achieving their full potential.
- To allow us to track and monitor pupil progress and attainment throughout Key Stage 1 and 2 within the same school, building improved accountability for pupil progress within both Key Stages and bringing the school in line with the prevailing system of education across the majority of the UK.
- To offer children a further 2 years within a primary model of teaching and learning before moving to a secondary model – meaning fewer daily changes of teacher and environment. This will give pupils time to mature and become 'secondary ready' in line with the National Curriculum expectation at the end of Year 6.
- To work together to continue to drive up standards at the end of Key Stage 2.

Consultation

An informal consultation process was carried out between 12th October 2016 and 23rd November 2016: the outcome of this is outlined elsewhere in this report. Attached is a copy of the consultation document.

Procedures for making representation regarding proposal

We informed and invited comments from a wide range of stakeholders and the wider community through a number of approaches. It should be noted that the consultation process was run in conjunction with Robert Peel Lower School, Moggerhanger Lower School, Everton Lower School, St Swithun's VC Lower School and Sandy Upper School, which are also consulting on changes to their age ranges.

Since the schools serve a common geographic area, it was felt appropriate to work together on informing and consulting with stakeholders.

- Central Bedfordshire Council
- Bedford Borough Council
- Cambridgeshire Council
- Parents/guardians of every registered student at the school
- Parents/guardians of potential students in our catchment area and in Early Years provision
- Staff who work at the School
- Our local communities and our current site users
- All other schools within Central Bedfordshire
- The Church of England and Roman Catholic Dioceses
- Anyone else who has an interest in the proposal

Public meetings were held for parents/guardians and stakeholders on:

Wednesday 19th October (at John Donne CE Lower School) and Thursday 20th October 2016 (at Sandy Upper School)

A staff meeting was held at John Donne CE Lower School on:

Tuesday 11th October 2016 with teachers, teaching assistants, office staff, site agent and support staff invited.

We used hard copy and the School website to inform parents/guardians, who were given the facility to respond to the consultation by paper or online. Additionally, the local press to alert stakeholders that the consultation process was starting and how long it was going to run for.

An electronic version of the consultation was placed, for all stakeholders and interested parties, on the School website.

Implementation

Initially, these changes will be implemented on the 1st September 2017, with the new intake into Year 5. Our existing buildings and site facilities already have sufficient capacity to accommodate the proposed new Year 5 class (2017) (on the expectation that not all current Year 4 pupils will opt to stay at the School) and eventually the new Year 6 class (2018). We will be exploring with the Diocese of St Albans the funding and provision of a further building to the school site to accommodate the additional pupil numbers from 2018 and have begun consultations with architects. In preparation for this we will be working with the Local Authority, and other schools involved in this consultation on the necessary statutory process relating to physical expansion of building capacity.



Section 2.

John Donne CE Lower School's consultation report on changing the school age range from 2017 onwards

The purpose of this consultation report:

The purpose of this document is to provide summary feedback on the consultation process, including comments from stakeholder groups and, where appropriate, responses from the Governing Body and School Management Team.

The Governing Body invited, through the consultation, responses to the following proposal:

Consultation on our proposal to extend the age range of John Donne CE Lower School, High St, Blunham, Beds, MK44 3NL from 3-9 Years to a 3-11 Years single phase primary provision for September 2017-2018

How did we consult?

The formal consultation document (attached as an appendix), formed the basis of the consultation. All parents/guardians were notified at the start of the consultation. All staff were invited to a meeting about the consultation to notify them of the process. All parties received the consultation proposal document by hardcopy or email and were invited to consultation meetings.

Prior to the publication of the consultation, John Donne Lower CE School met with all the Head teachers and Chairs of Governors involved in this consultation, as well as the local authority, to discuss and advise them of the content of the consultation proposal. Arrangements were made with the 5 other schools, that are also consulting, to share their consultation documents on each other's websites and to distribute all documents together. Paper copies of the consultation have also been made available if requested.

Summary of Responses

1. Meeting with Staff

All staff received the consultation document on Tuesday the 11th of October, ahead of the general dissemination on the 12th of October. The Chair of the Governing Body and the Head Teacher held meetings with the school staff on Tuesday the 11th of October – with the Head writing to any who could not be present, or arranging individual meetings as appropriate.

All staff were made aware of their opportunities to comment, and that this would extend throughout the consultation period. All staff were supportive of, indeed enthusiastic at, the proposed changes to the school.

2. Consultation meeting at school

An open consultation meeting was held at John Donne Lower School on Wednesday the 19th of October at 7:30pm. John Donne's Chair of Governors was present, along with the Head Teacher and Head Teachers of other schools involved in the consultation. The meeting proceeded as follows: *(these notes form the minutes of the meeting taken at that time)*

Dr Lee Larcombe, Chair of Governors, welcomed everyone to the meeting, including Headteachers from Sandy Upper, and the Lower Schools. He explained the role of the consultation and the decision making process. Dr Larcombe handed over to Mrs Judi Johnson-Clarke, Headteacher.

JJ-C showed Powerpoint presentation which had been shown at all the Schools holding consultation meetings this week. JJ-C explained that all around us are moving to two tier, and we needed to have a pathway for our children, which Sandy as a Secondary School would be able to provide. KS1 results in Central Bedfordshire are high but in KS2 are low, which we would be able to address by not having a split key stage 2 across lower and middle schools.

JJ-C offered to hold a meeting for year 4 children parents to go through specific details, as she understood this would be a difficult decision for them. For children in the lower years it would become the normal pathway for them.

JJ-C said it had always been our vision that the school would develop, we had been waiting for the pathway, but we had already developed the school buildings, with the new nursery unit and hall. Our ethos and values would remain the same, we would expand on what we already provide for the older children. All the teachers here are Primary trained.

Karen Hayward, Headteacher of Sandy Upper, has offered their facilities to us. Karen Hayward confirmed we will all work together to share resources and teaching, to build a seamless transition.

It was opened to the floor for questions and comments:

Question: With the intake increasing, the size of school will need to increase is funding in place to physically expand?

Response: *JJ-C – we have a continual cycle of development with the hall already done, we are looking into our options for further development and will apply for the funding required.*

Question: Will the new Year 5 class be taught separately or combined with the Year 3&4 class?

Response: *JJ-C said this is dependent on numbers, we will meet and discuss this with the Year 4 parents. You should still apply for your place in Middle School, then once we have made our decision at the end of the consultation in November, we will meet with you, and you can decide whether you stay or move on. JJ-C said she cannot describe what it will look like yet, we will have a new teacher but not sure yet how this will be organised.*

Dr Larcombe gave his view of how Year 5 might look, if only 5 children stay then we would have to teach all together, a class of 5 would not be beneficial for those children. However if we have 15 then we would split. Our plans are not concrete yet but we are ready to move on either way. It will be clear by 17th January 2017.

JJ-C said we will offer these children something more grown up, teachers are Primary trained with specialisms in different areas, and we can appoint dependent on the areas we are looking to strengthen.

Question: I have a child here and also at Alban, will the expansion include facilities for Science/Design Technology which they can access at Alban?

Response: *JJ-C explained that in KS2 there isn't the requirement to provide specialist equipment, the lower part of middle school is modelled on the Primary provision requirement. We will have the opportunity to use the facilities and resources at Sandy.*

Question: Is Sandy Upper planning to convert regardless or will all schools change on mass?

Response: *Karen Hayward said each Schools's Governing Body will make their decisions, it means we now have the pathway planned, Sandy will take Year 7 and Year 9 until Year 9 intake is no longer needed. The DfE is pushing for two tier system and we have all decided to work together and support each other to achieve this.*

Question: Could John Donne change to Primary but Sandy not change to Secondary?

Response: *Karen Hayward said this move is the favoured choice for all schools involved. Our consultations will all finish together, each Governing Body will make their decisions and then all meet to discuss the overall picture.*

Question: The move from a Primary School of around 120 pupils to a Secondary School with over 1000 is a very large change and a big difference, and I am concerned about how this large transition would be managed?.

Response: *Karen Hayward - The first few weeks in any new school are key, we will have lots of enrichment days, and move up days. There will be plenty of interaction it will not be done in isolation. Sandy has a vertical tutor group system, and 6th form buddies and sports coaches. Everyone is integrated into the whole school community and everyone helped to achieve their potential.*

JJ-C – transition is a big step even from Nursery to Reception, we know how to manage this and integrate them, this is just the next step. Pupils will be two years older, there is a big difference in maturity from a Year 4 to Year 6 pupil.

Question: How much of the playground will be left if we expand?

Response: *JJ-C – we want to keep the playground but we need to expand in the future. We have engaged architects to look into this, we do not have any definite plans to share yet, but will when known. We can use the village playing fields and Sandy facilities. We will make it work and ensure the best experience possible.*

Question: Do the School's catchment areas overlap?

Response: *No – but only half of our children come from the village.*

Question: If numbers do not increase is the school still viable?

Response: *Yes, we believe so.*

Question: Can we get a carpark – even if only for staff?

Response: *We have looked into options to gain additional parking areas. There had previously been talk of potential development on the field behind school, where we had asked for it to include car parking and a playing field. However this does not appear to currently be moving forward.*

Comment: Two tier system works really well across the border in Cambridgeshire, Hinchingsbrooke is 2000+ Secondary School and has small feeder Schools and transition works well.

Response: *We believe that we will achieve the same.*

Question: Will the name of the School change?

Response: It will, "Primary" will be included but this will be agreed by the Governors at a later date. This will affect the name on the uniform, but any change would be gradual.

Comment: Parent of a current Year 4 asked her child for their opinion and they have said "I am happy and I am learning what more is there"

There were no further questions or comments. Dr Larcombe said this was not the only opportunity to ask questions. Throughout the consultation period, the forms can be returned or questions/ideas raised to the Head teacher, himself or Governors. JJ-C thanked everyone for attending and closed the meeting at 8.20pm.

3. The Diocese of St Albans

The Education Director of the Diocese (David Morton) was made aware of our intention to undertake this consultation by the Chair of Governors and Head Teacher when they attended a Diocesan locality meeting on Thursday the 15th of September.

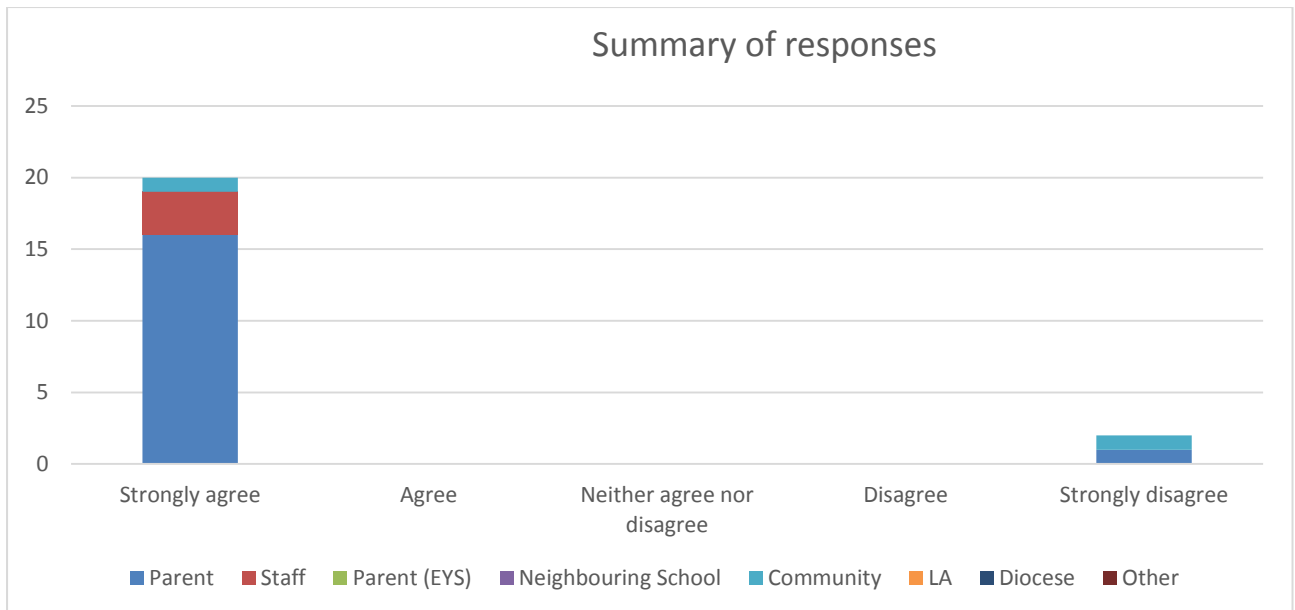
Although under DfE guidance the final decision to make a change of age range rests with the Governors, in our case, as a CE school we require support and permission from the Diocese. As such, part of our consultation process required that we raise this with the Diocesan Board of Education on the 9th of November. Being supportive of our proposal, David Morton presented the consultation document and proposed changes to the Board with the result that we were granted "in principle" consent, pending successful completion of the consultation process.

The letter to John Donne Lower School, from the Diocesan Board of Education can be viewed at the School office upon request.

4. Written responses

As part of the consultation process, feedback was invited from all stakeholders – in particular, from those receiving the formal consultation document which included a form for this purpose.

Individuals were asked to indicate their stakeholder group, and show their scale of agreement/disagreement with the proposed changes. Twenty two (22) responses were received via this form, a summary of which is provided in the graph overleaf:



In addition to the basic data collection, respondents were invited to provide comment in a free text box on the form. Five (5) responders provided comments which are reproduced below. Where questions or issues are raised, a School response is provided in italics as for the face-to-face meeting in section 2.

Parent – Strongly Agree: I feel this is definitely what the school needs to survive. The school is a great asset to the village and would love to see it continue to be a big part of the village/surrounding villages. As long as the appropriate changes to classrooms/teachers are put in place in time so there is as little disruption to the children as possible (this seems to be a big worry to lots of parents)

***Response:** Thank you for your positive comments. We understand the concern that such a change could be disruptive to the children, and one of the most important parts of implementing this change, should it go ahead, will be an effort to minimise such disruption for all the children in the school – not just those currently in year 3/4. Parents and children will be fully informed and have opportunities to work with us on the changes – and by September next year all involved will have a good understanding of the changes being made. Once we know the outcome of the consultation process we will immediately begin putting in place the necessary classroom and staffing provision. We feel this is a positive move forward for the school and want to ensure that it provides a positive experience for our children and parents.*

Parent – Strongly Agree: I think the two tier system is better for the children. It cuts down transitions. In the 3 tier system some children can outgrow a school causing behaviour to escalate. In the 2 tier system this could happen however, I believe children are at a better age to be the “new fish in the pond”

***Response:** We agree that one of the strong benefits of the two tier system is to reduce the number of school changes which can have a negative effect on learning around the times of those transitions. Whilst “growing out of a school” and any resulting behaviour*

challenges can feature in either the 3 tier or 2 tier system, what we feel is one of the most important parts of this proposal is that we are undertaking this change in partnership with other schools. This means that we can work with the other primary schools to build a sense of a broader “peer group” for children in preparation for their transition to secondary, and that we can all work with the secondary school to prepare the way for our children to move. The “new big school” should feel less “new” and less “big” – and hopefully an exciting move to make.

Parent – Strongly Agree: I feel it would be in my son's best interest to remain at John Donne for a further two years. If the school didn't extend to yr 5 & 6 he would need to move to a new school for just two years. I feel this would be very unsettling and detrimental to my son's education.

Response: *We are pleased that you feel happy that we can support your son for an additional two years. Similar to the previous response, we agree that additional transitions can be unsettling and may have an impact on a pupil's education. Maintaining a continuity of teaching provision and support – including across the transition to secondary education – is an important motivation for this proposal.*

Parent – Strongly Agree: As our children are thriving in your care we see no reason for this to change if they remain at the school for a further two years. Budget constraints aside, it would be nice if the year 5/6 class were separated from the year 3/4 class as this would set them apart and make them feel older, given that this would happen if they moved to middle school. It isn't a deal-breaker for us though.

Response: *Thank you for your positive comment, and we are pleased to hear you say your children are thriving at John Donne Lower. We have a number of plans and options for the classroom provision if this consultation process results in an agreement to make the age range change. We will need to balance the staffing, budget, space and best educational interests of the children. Whilst it remains likely that there will continue to be some shared class provision, we anticipate plenty of opportunities for both key stage-specific and year group-specific teaching and activities using existing aspects of the school environment (such as the hall, library and forest school facilities). In addition to the learning environment, we plan to provide opportunities for the older children to take on responsibilities within the school, such as expanding the role of school council and being activity/subject “champions”. Hopefully this, along with interactions across the partner schools as mentioned above, will give these children a deserved sense of seniority.*

Parent & Member of the Community – Strongly Disagree: As a teacher who is experienced both in 2 and 3 tier systems, it is not beneficial for 11 year olds to attend a school that is so much larger than they are used to. They are not socially ready to be exposed to older teenagers and it is unsafe and irresponsible to do so.

Response: *Thank you for providing your comments – I have broken this into sections to deal with each part in turn.*

As a small village school, our children are always going to be faced with the prospect of moving to a school which is much bigger than which they are used to. What we have the opportunity (and indeed, obligation) to do is to prepare them and support them in their transition. Not all children will find this a challenge, but understandably others will and it is our responsibility, collectively as parents, teachers and carers in their school environment, to consider a child-centred view of each as individuals – rather than focussing on perceived challenges or trends. A small school, in close partnership with other small primary schools and the local secondary, has a far greater opportunity to prepare individual children for this change, supporting them both before and after the transition.

Children of 11 are “exposed” to older teenagers in many areas of their lives – whether that be through long-established youth groups such as Guiding or Scouting, or in the majority of 2 tier secondary schools across the UK. It is certainly neither unsafe or irresponsible to promote social peer-level relationships between these age groups in a structured environment with appropriate oversight and safeguarding practices in place.

Comment Continued: This is simply a money saving idea and not in the best interests of our children. I have moved from a county that adopts this idea to give my child the best education experience available, and am disappointed that he will now potentially be let down.

Response: *We are sorry that you feel this way. In line with the rest of the country, change towards a 2 tier system in regions of Bedfordshire has been in discussion for a number of years. Lying on the interface between slowly changing and differing systems has, at times, made the future of our school and our children uncertain. We believe strongly that now is the right time to make these changes, in partnership with like-minded schools and wholly in the best interests of all of the children at John Donne Lower. Such changes are far from a money-saving exercise. Often where financial savings can be made through changes such as this, the schools involved will be forming an Academy or Multi-Academy Trust. This is not part of our plan.*

Comment Continued: Concerns: Where will the children go? Will this result in more mixed classes? Will new teachers be recruited? Where will parents park?

Response: *We recognise your practical concerns. As previously stated, we have a number of plans and options for the classroom provision if this consultation process results in an agreement to make the age range change. Parking provision is something we are actively discussing across the village with the Parish Council.*

Comment Continued: Information given at the meeting was disingenuous – 2 tier does not promote higher attainment, it is just easier to manipulate data. Facilities do not compare. Timetabling will allow infrequent use of facilities at Sandy. Mixed classes at KS2 is not acceptable. As a C. of E. school we do not need to do this.

Response: *We disagree that the information provided at the meeting was disingenuous. It was not stated that 2 tier promotes higher attainment. It was highlighted that Local*

Authority data shows KS2 performance is below average in the locality, and that John Donne would welcome the chance to take full responsibility across the complete KS2 curriculum in the same way that Sandy Upper, as a proposed secondary, would welcome provision from KS3 towards GCSEs.

Facilities available at John Donne are entirely appropriate for the provision of primary education up to the end of KS2. Indeed, some facilities and experiences provided are greater than those available in other similarly sized schools. KS2 access to facilities at Sandy, or alongside other schools will enhance the learning experience, but is not essential to provide it – and providing access to facilities is part of the value in this schools partnership.

Finally, mixed classes are already in place in John Donne at KS2 and working well. As mentioned as part of previous comments we have plans and ideas in place to ensure a suitable learning and social experience for all children across the range of KS2 abilities.

As well as the form provided as part of the consultation document, stakeholders could provide additional or alternative written responses to the proposals. One such response was provided on behalf of the Unity Multi Academy Trust, Great Barford.

The full response can be viewed at the School office upon request, and addresses the joint consultation by all the partner schools. General comments are made about the mixed provision emerging in Sandy, with some concerns raised about how this might affect parental and staff uncertainty and/or generate financial challenges.

Response: *These points are well noted and all the schools involved in this consultation will work to ensure that our provision is clear and financially viable.*

One observation was specific to John Donne Lower, and so has been reproduced below:

“Robert Peel, St Swithuns and John Donne Lower schools, from the numbers given in the documents all appear to be expanding by 30 pupils and by more than 25% if the change in age range goes through. Whilst some of the governing bodies may be able to approve the age range change, our understanding is that the expansion in pupil numbers will hit the threshold where a statutory proposal is required and that would be determined by the Local Authority”

Response: *This answer relates only to the situation at John Donne Lower. The relevant guidance on this aspect can be found in the DfE document “Making ‘prescribed alterations’ to maintained schools” (April 2016)¹*

A statutory proposal is required where an “enlargement of premises” is needed to accommodate an increase of 30 pupils or 25% of the schools capacity. Increasing the pupil

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/514548/16-04-06_FINAL_SO_Guidance__PA_Regs.pdf

number beyond this threshold does not necessitate a statutory process if there is no corresponding enlargement of premises.

The capacity of existing premises, and therefore the baseline against which we measure the increase of 30 pupils or 25% is a product of our Published Admission Number (PAN) – which for John Donne Lower is 24 pupils. Our maximum capacity therefore, based on Reception intake of 24 pupils each year would total 120 pupils across the school up to year 4.

With the current number of pupils enrolled, the expected impact of the proposed change of age range was presented as:

	September 2016	September 2017	September 2018	September 2019	September 2020
Year R	14	22	22	22	22
Year 1	22	14	22	22	22
Year 2	8	22	14	22	22
Year 3	5	8	22	14	22
Year 4	15	5	8	22	14
Year 5	0	15	5	8	22
Year 6	0	0	15	5	8
Totals	64	86	108	115	132

These figures reflect our current pupil numbers and expected intakes, and represent an increase in pupil numbers of 12, or 9% beyond current capacity by 2020 - Significantly below the threshold for a statutory process. However, if we were to extrapolate our PAN across the two additional year groups and achieve full recruitment, our capacity would technically expand to a level to trigger the requirement for a statutory process (154 pupils – an increase of 34, or 22%.

Our initial plans provide for the accommodation of the initial increase in pupil numbers within the existing buildings of the school. However we anticipate that, as part of the development of the school, we would need to add a new classroom or facilities in the future rather than remodel the current layout of the buildings – providing a more suitable environment for learning.

Given the borderline nature of the capacity levels, and how the guidance document can be interpreted, we could argue that we do not need to engage with a statutory process at this time. However, we have taken the decision to work with the Local Authority, and the other Schools who need to undertake this, and initiate the statutory process now. This does not have any impact on our ability to take a decision on our proposed change of age range.

After careful consideration of the issues raised the Governing Body of John Donne CE Lower School unanimously agreed to proceed with an Age Range change from 3 to 9 to 3 to 11 as of September 2017.

Central Bedfordshire Council

EXECUTIVE

7 February 2017

**Proposed Change of Age Range for Shillington Lower School
from 4-9 to 2-9 years of age**

Report of Cllr Steve Dixon, Executive Member for Education and Skills
(steven.dixon@centralbedfordshire.gov.uk)

Advising Officers: Sue Harrison, Director of Children's Services
(sue.harrison@centralbedfordshire.gov.uk)

Helen Redding, Assistant Director, School Improvement, Children's Services
(helen.redding@centralbedfordshire.gov.uk)

This report relates to a non Key Decision

Purpose of this report

1. To seek Executive approval to commence a statutory consultation required for the proposal to change the age range of Shillington Lower School to integrate a pre school provision.
2. If approved the proposal would be implemented from September 2017.
3. The school referred to within the report serves the Wards of Silsoe and Shillington.

RECOMMENDATIONS

The Executive is asked to:

1. **approve the statutory process for the proposal to change the age range of Shillington Lower School from 4–9 years to 2-9 years by integrating a pre school provision from September 2017, namely:**
 - i. **Approve publication of the statutory notice**
 - ii. **Commence formal consultation of at least four weeks**
 - iii. **Determine the proposal following the representation period of the statutory notice at Executive on the 4 April 2017.**

Children's Services Overview and Scrutiny

4. This report was presented to Children's Services Overview and Scrutiny Committee at its meeting on the 17 January 2017 and the Committee was asked to indicate its support for the recommendations set out within the report. The views of the Committee are set out in Appendix B.

Background

5. The pre-school previously provided by 'Shillington under Fives' on the same site as the school closed on the last day of the autumn school term 2016. (Appendix A shows the location of the pre school)
6. The Council was first approached by Shillington Lower School (SLS) on 21 April 2016, following a meeting of the Governing Body at which the proposal was discussed. The proposal is for the school to incorporate the running and management of the nursery provision by the school itself, whilst continuing to fulfil the statutory education obligations of both nursery and lower phases.
7. Prior to April 2016 governing bodies were able to propose, consult upon and then determine a change of age range for their school without the local authority's approval. A number of Central Bedfordshire schools took the opportunity to change their age range via this means (prior to the 8 April). However the SLS proposal is subject to the revised guidance.
8. The Department for Education (DfE) published revised guidance on 8 April 2016 which removed the ability for governing bodies of maintained community schools to propose, consult and determine a change of age range for their school without the local authority's approval.
9. The revised guidance requires the Council to undertake a statutory process for a proposed change of age range for a community school, with the following pre-requirement – *... there is no longer a statutory 'pre-publication' consultation period for prescribed alteration changes, there is a strong expectation that schools and LAs will consult interested parties, in developing their proposal prior to publication, as part of their duty under public law to act rationally and take into account all relevant considerations.* The Council therefore advises all schools to carry out a preliminary consultation in order to gauge the level of support for their proposal before submitting it for consideration.

Preliminary consultation responses

10. SLS submitted a draft proposal for the initial preliminary consultation to the Council on 16 May 2016 for comments. Suggested amendments to the proposal were supplied to SLS by return.
11. SLS launched the preliminary consultation on 19 May 2016. The Central Bedfordshire Council (CBC) Ward Member, CBC officers and all CBC schools were advised of the consultation and invited to respond. The preliminary consultation ran for 5 weeks (including half term) until 23 June 2016.
12. The consultation document included the following reasons for the change of age range –
 - A secure and sustainable future for quality pre-school provision in Shillington.
 - Continuation of full day, and half day, session provision.
 - 1 team of qualified staff working closely together across the age range throughout the school day.
 - Continuation of the appropriate age-range Early Years curriculum.
 - Repair and refurbishment of existing building to provide Early Years accommodation and a separate room for use of the school (including the nursery provision) and as a base for the before and after school club –funded partly from Under Fives and partly from the school budget.
 - Fully integrated provision with opportunities for nursery children to utilise school facilities e.g., field, hall, group room.
 - Reduction of transition points from school to school in children’s learning journey in line with Central Bedfordshire Council’s ambition “to achieve a single phase of education 0-19 and reduce school transfer points” (but please note officer comments at paragraph 16).
 - A greater number of pupils on the school roll resulting in a stronger financial base.
 - Before/after school care provided by an outside company on the school site.

13. A total of 52 responses to the preliminary consultation were received by SLS. All the responses were in favour of the proposed change of age range. The following is a summary of the responses supplied by SLS:-

Proposed change of age range	Yes	No
Parent with child(ren) at the school	27	0
Parent with child(ren) at Shillington under Fives	5	0
Member of staff	18	0
Other (mainly parents of children under 2 and childminders)	12	0
Total	52	0

[Some responders were in more than 1 category]

Reasons for decision

14. The Council's Early Years Team confirms that Shillington continues to need its own pre-school provision and being part of the school would make it sustainable for the future. There is no other formal provision in the village, other than local childminders who have little capacity to take on extra children.
15. Without the school taking on the pre-school, the village will be without an early years facility. There would potentially be a sufficiency issue, especially with the new 30 hours programme due to roll out in Sept 17.
16. The proposal does not remove the requirement for parents to apply for a Reception place and as such, it does not remove the transition point of nursery to lower. However, for those children who apply and are successful in achieving a Reception place at Shillington, it improves the child's learning journey, in line with Central Bedfordshire Council's ambition to "reduce school transfer points". This should have a positive impact on educational standards and allow a more seamless transition from the nursery unit to school.
17. The next nearest pre-school is in Gravenhurst and is currently almost at capacity and with the potential increase in funded hours for working parents (the 30 hour offer). There is likely to be an increased demand for pre-school hours in the area.
18. Shillington under Fives closed at the end of the autumn term 2016 leaving the village and parents without a local formal provision. Subject to a favourable response to the statutory consultation SLS propose to launch the pre school provision in September 2017.

Council Priorities

19. The proposal supports the following Council priority:
 - Improving Education and Skills.

Legal Implications

20. The Childcare Act 2006 places duties on English local authorities, as far as reasonably practical, to secure sufficient childcare for working parents (Section 6) and early years provision (Section 7, a substituted by section 1 of the Education Act 2011).
21. 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) Regulations 2013 and the School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013.
22. 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.
23. This guidance can be viewed at:
<https://www.gov.uk/government/publications/school-organisation-maintained-schools>
24. The DfE revised guidance published on 8 April 2016 removes the ability for governing bodies of Community schools to propose, consult and determine a change of age range for their school without the local authority's approval.

Financial Implications

25. There are no capital implications for the Council arising as a result of the proposal set out in the report.
26. The day to day running costs of early years and childcare provision is met through revenue funding which is made available to each setting as part of the Dedicated Schools Grant and Central Bedfordshire's Nursery Education funding.
27. The accommodation previously used by Shillington under Fives was funded through Sure Start. The Councils Early Years team will seek the accommodation to be transferred to the school. The governing body of SLS propose to ring fence residual funds for the nursery unit. The governing body plan to invest to improve the condition of the building from the schools current surplus funds.

28. The governing body of the school have forecast that once the numbers of pre-school children have built up, a small operating profit from the nursery unit is anticipated. SLS have been cautious with the projections and the school will promote the nursery unit to strive to bring the break-even point forward.
29. The school will use school funds to refurbish the pre-school building (and to create a group room in the pre-school building, which will also be used by the school). The anticipated increase in the number of local pupils coming through nursery unit in future will result in a stronger financial base for the school. The project will also deliver a secure and sustainable future for pre-school provision in Shillington.
30. The Council has received a revised budget for the proposal which shows an improved financial position for the school going forward and is satisfied that the proposed age range change appears to be financially viable.
31. There are no financial implications arising out of a decision to support the commencement of consultations as outlined in this report. If the responses to the consultation are favourable and the Councils Executive determines the proposal to a change of age range at the school there will be financial implications for the school and the governing body.

Equalities Implications

32. 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.
33. 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.
34. 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.

35. As commissioner of pre school and nursery provision that will be provided through the proposals set out in this report the Council has considered that there are no specific discrimination issues that arise from the change being proposed.

Risk Management

36. The proposal to change the age range of Shillington Lower school set out in this report mitigates the risk on the Council of failing in its statutory duty to secure sufficient childcare for working parents and early years provision.
37. 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 childcare and early years places.

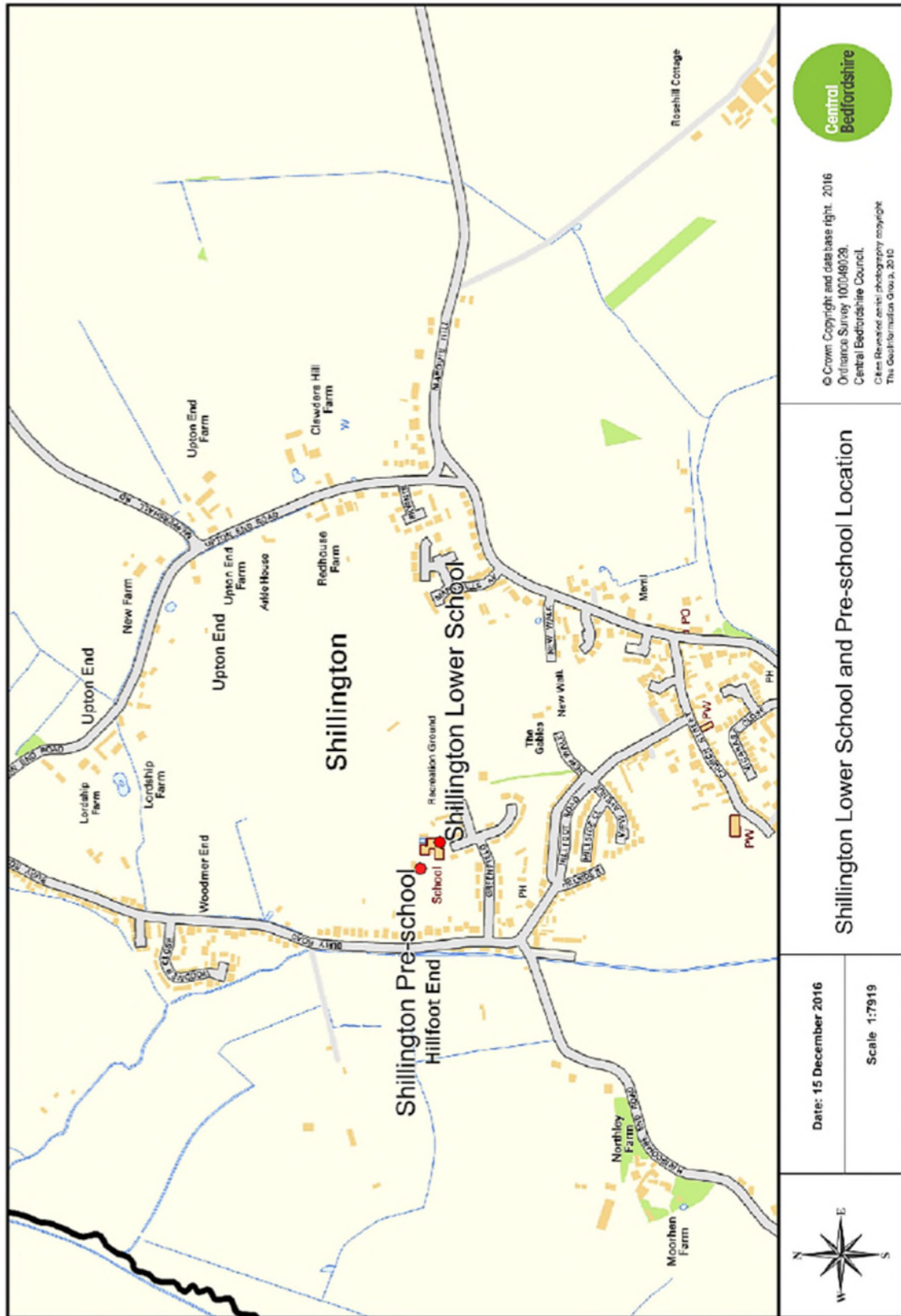
Appendices

The following appendices are attached:

- Appendix A – Map showing the location of Shillington Lower School and pre-school
Appendix B – Overview and Scrutiny Committee comments

This page is intentionally left blank

Appendix A: Location of Shillington Lower school and pre school



This page is intentionally left blank

Central Bedfordshire Council

EXECUTIVE

7 February 2017

Determination on the Council's Admission Arrangements for the Academic Year 2018/19

Report of Cllr Steven Dixon, Executive Member for Education and Skills
(steven.dixon@centralbedfordshire.gov.uk)

Advising Officers: Sue Harrison, Director of Children's Services
(sue.harrison@centralbedfordshire.gov.uk) and Victor Wan, Head of Service, School Organisation, Admissions and Capital Planning
(victor.wan@centralbedfordshire.gov.uk).

This report relates to a Key Decision

Purpose of this report

1. To seek Executive approval to determine the Admission Arrangements for 2018/19 for Community and Voluntary Controlled schools for which the Council is responsible.

RECOMMENDATIONS

The Executive is asked to:

1. **approve the admission arrangements for Community and Voluntary Schools for the academic year 2018/19 including the authority's co-ordinated scheme and religious affiliation supplementary information form.**

Summary

2. The Council has a statutory duty to ensure that admissions are co-ordinated for all admission authorities in the local authority's area for all children being admitted into the normal year of entry and only 1 offer of a school place is made.
3. The Co-ordinated Admissions Scheme for the academic year 2018/19 fulfils this requirement, setting out the timeframes for processing admission applications.

4. In addition, the Council as the admission authority for Community and Voluntary Controlled schools, must also undertake consultation on the admission arrangements where changes are proposed. The admission policies for these schools sets out the criteria in which applications will be considered if the school is oversubscribed.
5. The admission policies for 2 Community schools were consulted upon, with consultation taking place from 17 October to 2 December 2016 to meet the statutory requirement of the minimum of 6 weeks.
6. This report sets out the key findings from the consultation and the rationale for the recommendation to the Executive to approve the admission arrangements for the Council to determine these by the 28 February 2017 as required by the School Admission Code.

Overview and Scrutiny Comments/Recommendations

7. The Council's proposed Admission Arrangements for the academic year 2018-19 was considered by the Children's Services Overview and Scrutiny Committee on 18 October 2016 as a consultee to the process and no concerns or objections were raised in relation to the proposed arrangements.

Consultation process

8. The School Admission Code 2014 requires the Council to consult on its co-ordinated scheme and to consult on admission arrangements for Community and Voluntary Controlled schools where changes are proposed. The consultation must be conducted for a period of 6 weeks, commencing no earlier than 1 October and concluding by the 31 January. Arrangements must then be determined by the 28 February each year.
9. The Council's Executive approved a recommendation on the 11 October 2016 to commence a consultation on the Council's admission arrangements as changes were proposed for 2 Community schools.
10. Consultation on the Council's co-ordinated scheme for Lower, Primary and Middle admissions and co-ordinated scheme for Secondary and Upper admissions was not required as no changes were proposed and the scheme was updated with the relevant dates for the 2018/19 academic year. However the document was included in the consultation process so all relevant parties could review this for information.

11. In addition, the Council's Religious Affiliation form for Voluntary Controlled and Voluntary Aided schools was also included for information as admission arrangements including any supplementary information form must be consulted upon. The Council co-ordinates this for all voluntary controlled and Voluntary Aided schools as part of the Common Application Form process, however it was included within the consultation documents for information to all parties. No changes have been made to this document since 2009.
12. The Council's consultation on its admission arrangements commenced on the 17 October and concluded on the 2 December 2016, which allowed 6 weeks for all interested parties to respond.
13. The interested parties that Admissions Authorities must consult with are detailed below:
 - a. Parents of children between the ages of 2 and 18;
 - b. Other persons in the relevant area who in the opinion of the admission authority have an interest in the proposed admissions;
 - c. All other admission authorities within the relevant area;
 - d. The Governing Body of Community and Voluntary Controlled schools;
 - e. Adjoining neighbouring local authorities
 - f. The body or person representing religious denomination schools.
14. The consultation was publicised via the following methods:

A letter was sent to:

 - Community and Voluntary Controlled schools in Central Bedfordshire.
 - Headteachers/Principals of Academies, Foundation, Trust and Voluntary Aided schools in Central Bedfordshire.

The consultation was also publicised through the academies and schools newsletter; Central Essentials.

A copy of the consultation document was also sent to:

 - Admissions representatives for the Diocese of St. Albans, representing Church of England schools and to the Diocese of Northampton representing Roman Catholic Schools in the Council area.
15. Posters to publicise the consultation, detailing the website address to access the information and response form were sent to:
 - Schools and academies in Central Bedfordshire.
 - Nurseries, pre-schools and children's centres.
 - Town and Parish Councils.
 - Libraries, Leisure and Community Centres.

16. An email was sent to School Admission Teams in neighbouring local authorities to inform them of the Consultation with a link to the relevant webpage and a press release was also sent to local newspapers.
17. Central Bedfordshire Council therefore consulted with all the relevant parties using a variety of communication methods to capture people's views on the changes proposed.

Responses to the Council's consultation on Admission Arrangements for Community and Voluntary Controlled schools 2018/19

18. 17 responses were received in total from interested parties to the Council's consultation on admission arrangements. Responses to the proposed changes to the admission arrangements for Shefford Lower School and Fairfield Park Lower School are detailed below.

Shefford Lower School: Consultation responses to moving the measuring point of the school

19. The Council consulted on moving the measuring point of Shefford Lower School which is currently the school's front door to the war memorial in the town centre. This was as a result of a request from the school's governing body.
20. The change was proposed by the school's governing body for the following reasons:
 - (a) There would be fair and equal access for children as places would be determined from a measuring point central to the catchment area and not from the current western edge.
 - (b) The school's most vulnerable children would no longer be most disadvantaged in terms of school places because of where they live within the catchment area.
21. The majority of responses from interested parties on the proposal to move the measuring point for Shefford Lower School were from the neither agreeing nor disagreeing category at 43.75%. The second highest response was from the 37.5% that agreed with the proposal whilst 18.75% either disagreed or strongly disagreed.
22. Where respondents had expressed disagreement, comments included that the proposal was unnecessary and may cause an increase in the number of applications for the school, as well as a concern for the need of additional school places in the town to meet local demand.

23. The School Organisation and Capital Planning Team regularly review the provision of school places across the area, particularly in areas of housing development, and where necessary commissions additional school places.
24. The level of subscription at a school can vary year on year and any number of factors can affect this, although the location of the school's measuring point unlikely to have any impact. It is therefore recommended that the measuring point of the school is moved from the school's main entrance to the War Memorial in the town centre so that families across the town have fair and equitable access to places at the school.

Consultation responses to the creation of priority areas within the catchment area for Fairfield Park Lower School and moving the school's measuring point

25. The Council consulted on creating priority areas within the current catchment boundary for Fairfield Park Lower School, to determine at which school site successful catchment applicants would be offered a place at. Also included was a proposal that the designated measuring site be moved from the main entrance on the Dickens Boulevard (original school site) which is currently used to a point which is equidistant from both the Dickens Boulevard school site and the new school site.
26. Of the responses on the proposal to create priority areas within the catchment boundary for Fairfield Park Lower;
 - 41.2% neither agreed or disagreed
 - 23.6% agreed or strongly agreed
 - 35.2% disagreed or strongly disagreeing.
27. Of those who objected the main concerns were surrounding road safety issues for children walking to the new site. As part of the approval for the new site conditions included measures that will be put in place to mitigate traffic and road safety issues.
28. Others noted concerns that catchment sibling applicants would potentially be offered a place at a different site to where their elder sibling attended which would cause issues for these parents.
29. In light of the objections regarding the site priority for catchment siblings and discussions with the school and Governing Body, the catchment sibling criterion has been amended. The arrangements now states that catchment sibling children are prioritised for the site at which their sibling attends, in line with the sibling criterion, rather than the original proposal that they would be prioritised based on the priority area they reside in.

30. As the proposed change to include priority areas within the catchment boundary and moving the measuring point at Fairfield Park Lower was more positive than negative; and the purpose was for the admission arrangements to provide equity to all those residents in this development, it is recommended that the admission arrangements to create priority areas within the catchment area is approved.

Method of Determination

31. Central Bedfordshire Council, as the local authority and admissions authority for Community and Voluntary Controlled schools is required by the School Admissions Code (2014) to determine its admission arrangements. The arrangements include the co-ordinated scheme for the local authority area, the admissions policies for Community and Voluntary Controlled schools and the Religious Affiliation Form which forms part of the Common Application Form process. The appropriate bodies must therefore be notified upon determination which are:
- a. Parents of children between the ages of 2 and 18;
 - b. Other persons in the relevant area who in the opinion of the admission authority have an interest in the proposed admissions;
 - c. All other admission authorities within the relevant area;
 - d. The Governing Body of Community and Voluntary Controlled schools;
 - e. Adjoining neighbouring local authorities;
 - f. The body or person representing religious denomination schools.

Reason for decision

32. The reason for the decision to be made on approving the recommendations made in this report and the appendices detailing the Council's admission arrangements is to enable the Council to meet its statutory obligations to determine its admission arrangements for the academic year 2018/19. The Council is required to determine these by the 28 February 2017.

Council Priorities

33. The Council's co-ordinated admissions scheme and admission arrangements for Community and Voluntary schools supports the Council's priority to improve educational attainment.

Corporate Implications

Legal Implications

34. The School Admission Code (2014) set out the requirement for the Council to formulate and determine a co-ordinated admissions scheme for the area. Admission authorities must also determine their admission arrangements by the 28 February 2017, for admissions in September 2018. If an admissions authority proposes to make amendments to their arrangements they must consult between the 1 October and the 31 January for a minimum of 6 weeks of the year before the arrangements apply.
35. The Council as an Admission Authority must also determine its admissions arrangements annually by the 28 February each year, for implementation in September of the following year.
36. The Executive is asked to approve the recommendations for the changes to the Council's admission arrangements for the academic year 2018/19, for the Council to determine these.
37. The changes relate to oversubscription criteria. Oversubscription criteria must be reasonable, clear, objective, procedurally fair and comply with all relevant legislation, including equalities legislation. Admission authorities must ensure that their arrangements will not disadvantage unfairly, either directly or indirectly, a child from a particular social or racial group, or a child with a disability or special educational needs.
38. With regard to the proposed change to the designated measuring point of Shefford Lower School, admission authorities must also clearly set out how distance from home to school will be measured, making clear how the 'home' address will be determined and the point in the school from which all distances are measured.
39. The proposed change for Fairfield Park Lower School relates to oversubscription criteria. Oversubscription criteria must be reasonable, clear, objective, procedurally fair and comply with all relevant legislation, including equalities legislation. Admission authorities must ensure that their arrangements will not disadvantage unfairly, either directly or indirectly, a child from a particular social or racial group, or a child with a disability or special educational needs. Admission authorities must also clearly set out how distance from home to school will be measured, making clear how the 'home' address will be determined and the point in the school from which all distances are measured.

40. The Council has fulfilled its statutory responsibilities above by consulting within the timescales set out. Feedback from all consultees has been considered and is outlined in this report for Executive to determine the Council's admission arrangements for the academic year 2018/19.
41. Once the Council has determined its admission arrangements, it must notify the appropriate bodies, that is, all other admission authorities within the relevant area, the governing body where it is not the admission authority and the religious representative of schools with a religious character.
42. The Council must publish a copy of the determined arrangements on its website, displaying them for the whole offer year.

Financial Implications

43. Not applicable.

Equalities Implications

44. The School Admissions Code sets out the duty on Local Authorities and Admission Authorities to produce admission arrangements which are fair, clear and objective, which can be easily understood by parents. Admission arrangements must comply with regulations and legislation including the Equality Act 2010 and the Human Rights Act 1998.
45. Public authorities have a statutory duty to advance equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. As part of the consultation process on the Admissions Arrangements the Council updated the equality impact assessment to check that the proposed changes did not have a disproportionate or negative impact on vulnerable groups.

Conclusion and next Steps

46. The Council, acting as the Local Authority, has conducted a consultation on the admission arrangements for Community and Voluntary Controlled schools according to legislation.
47. The Council has sought and considered responses from all consultees and it is recommended that the coordinated scheme and admission arrangements are approved by Executive in order for the Council to determine its admission arrangements by 28 February 2017 as required by legislation.

Appendices

The following Appendices are attached:

48. Appendix 1 – Lower, Primary and Middle 2018/19 co-ordinated admissions scheme
49. Appendix 2 – Secondary and Upper 2018/19 co-ordinated admissions scheme
50. Appendix 3 – Community and Voluntary Controlled schools Admissions Policy and PANs 2018/19
51. Appendix 4 – Shefford Lower School - determined measuring point from September 2018
52. Appendix 5a – Fairfield Park Lower School – determined priority areas for catchment area from September 2018
53. Appendix 5b – Fairfield Park Lower School – determined measuring point from September 2018
54. Appendix 6 – Confirmation of Religious Affiliation form

Background Papers

Equality Impact Assessment.

This page is intentionally left blank

Appendix 1

DETERMINED

CO-ORDINATED SCHEME FOR ADMISSIONS TO: LOWER, PRIMARY AND MIDDLE ACADEMIES AND SCHOOLS

ACADEMIC YEAR 2018/2019

1. Introduction

- 1.1 The School Standards and Framework Act 1998, as amended by the Education Act 2002 and supported by The School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) Regulations 2012 requires Local Authorities to formulate a scheme for co-ordinating admission arrangements for all academies and maintained schools in their area.
- 1.2 A school is here defined as any academy or maintained community, foundation, trust, voluntary aided or voluntary controlled school in the Central Bedfordshire Council area.
- 1.3 Central Bedfordshire Council, acting as the Local Authority is the admission authority for all community and voluntary controlled schools. The admission authority for academies is the academy trust. For foundation, trust and voluntary aided schools, the admission authority is the governing body.
- 1.4 This scheme will apply to all lower, primary and middle academies and schools for admissions in the Central Bedfordshire Council area from September 2018.
- 1.5 Any reference to Central Bedfordshire is a reference to the administrative area of the unitary authority.
- 1.6 Central Bedfordshire Council uses the equal preference system to process admission applications, as outlined below:
 - 1.6.1 Stage 1

All first, second and third preference applications are considered equally against the admissions criteria. At this stage the Council does not distinguish between first, second and third preference applications. For example, if the school has 120 places and there are 150 first, second and third preference applications all are considered equally against the admissions criteria.

1.6.2 Stage 2

If a pupil qualifies for a place at more than one school the parent's highest ranked preference (i.e. first or second preference on the parent's application form) will be offered, and any lower ranking offers will be disregarded. For example a parent's first and third preferences might both qualify for a place, in which case the parent would be offered their first preference, leaving the place at the third preference school available for another pupil.

2. The Scheme

- 2.1. This scheme is for admissions in the normal year of entry for:
 - a) Lower Academies and Schools
 - b) Primary Academies and Schools
 - c) Middle Academies and Schools
- 2.2. There will be a standard form known as the Common Application Form (CAF) available for parents of children living in Central Bedfordshire to apply online or by completing a hard copy application form.
- 2.3. The CAF will be used for the purposes of admitting children into the first year of a:
 - Lower or Primary academy/school (Year R), or
 - Middle academy/school (Year 5).
- 2.4. The CAF will enable parents/carers to:
 - express a preference for up to 3 academies/schools
 - rank their preferences
 - give reasons for their preferences
- 2.5. Information will be provided on the admissions process in the form of the admissions booklet and will contain information on:
 - a) the academies and schools in Central Bedfordshire
 - b) dates of open evenings (where applicable)
 - c) published admission numbers and admissions criteria
 - d) how to complete an application
 - e) how places are allocated
 - f) timetable for the application and allocation process
 - g) school transport
 - h) who to contact for advice
- 2.6. **Admissions for the normal year of entry into a Lower or Primary Academy/School (Year R):**
 - 2.6.1 Parents of all children born between **01/09/13 and 31/08/14** and living in Central Bedfordshire will be able to apply for an academy or school place online or by completing a hard copy of the Common Application Form (CAF). The CAF will be available from any local lower or primary

academy/school, from the School Admissions Team or it can be downloaded from the Council website.

- 2.6.2 Parents of children living in Central Bedfordshire who wish to apply for a primary or lower academy/school in another Local Authority must apply online or complete the hard copy of the CAF.
- 2.6.3 Parents of children who do not live in Central Bedfordshire but who wish to apply for a place at a Central Bedfordshire school or academy must make their application to their home Local Authority.
- 2.6.4 **Deferred Entry:** Parents of children offered a place for admission in the reception year are offered a full time place to commence in the September following their child's fourth birthday. However parents may defer the admission of their child until later in the academic year or until their child becomes of statutory school age or request that their child takes up their place part time until they reach statutory school age. A place cannot be deferred beyond statutory school age nor beyond the academic year for which the place was offered. Therefore the following will apply, according to the child's date of birth for deferring entry to the Reception year:

Child born:	Term which place can be deferred until:
1 st September – 31 st December	Spring term (January)
1 st January – 31 st March	Summer term (April)
1 st April – 31 st August	Summer term (April)

2.7. Delayed admission for summer born children (those born between 1 April and 31 August).

- 2.7.1 Parents/carers can also request that their Summer born child is admitted to Reception in that year rather than to Year 1. However, parents/carers do not have the right to insist that their child is admitted to a particular age group, a decision will be made by the admission authority for the school in consultation with the Headteacher.
- 2.7.2 Parents/carers of Summer born children should make their application for a school place on the Common Application Form (CAF) by 15 January if their child will be 4 years old by 31st August of that year. They should make clear on the form that they wish to defer entrance to school for a year. They should apply for both entrance to their child's normal age group (Year R) and for entrance out of the year group.
- 2.7.3 In line with the School Admissions Code December 2014 ("the Code"), the Council, as the admission authority for Community and Voluntary Controlled Schools, will consider a request on the basis of the individual circumstances of the case and the best interests of the child. To this end, the Council will liaise with the Headteacher and must take account of their professional opinion on the case. The Council will also take account of the parents'/carers' view. A written request, sent together with the CAF should be made by the parents/carers for the attention of the Admissions Manager

and should include the parents'/carer's reasons for the request, information regarding the child's academic, social and emotional development including any supporting evidence the parent deems relevant; where relevant, their medical history and the views of a medical professional and if applicable, details if the child was born prematurely including whether they would have been in a lower age group had they been born on their due date. Once determined, the decision will be communicated to the parent(s)/carer(s) in writing and will include the reasons for the decision.

- 2.7.4 For schools which control their own admissions (Foundation, Trust or Voluntary Aided), parents/carers need to make their request in writing, separately from the CAF, directly to the Headteacher and Governing Body of the school. The request should include such details as are outlined above. The Governing Body, along with the Headteacher, will then consider the request, making their decision on the basis of the circumstances of each case and in the best interests of the child in accordance with the Code. For Academies, parents/carers need to make their request in writing directly to the Academy Trust via the Principal. Academies must also follow the Code in making a decision.
- 2.7.5 Where the parents'/carers' request for a school place outside the normal age group is successful, the parents/carers can withdraw their application for a place within the normal age group. They will have to make a fresh application during the admissions round the following year. Where the request for a place outside the normal age group is unsuccessful, they may decide to continue with their application for a place within the normal age group or may withdraw it and make an in year application for admission to year one for the September following the child's fifth birthday.
- 2.7.6 Where a parent has more than one preferred school in their application, the relevant admission authorities will each consider the request and make their decision individually. There is no guarantee that all will come to the same decision.
- 2.7.7 Again at a future application or transfer point the decision to admit a child out of their normal age group rests with the admission authority and there is no guarantee they will come to the same decision as an earlier authority may have.
- 2.7.8 As set out above, if a request is granted, the parent will need to make an application as part of next year's normal admission round and this will be processed within the normal allocation process. A place is never guaranteed at a particular school and in the case of oversubscription, places are offered in accordance with the school's oversubscription criteria. In short it would be delaying the application rather than an offer of a place.

**2.8 Admission into the normal year of entry into a Middle Academy/
School (Year 5)**

- 2.8.1 Parents of all children living in Central Bedfordshire and attending a lower academy/school in the Local Authority area will receive the details about the transfer process and how to apply.
- 2.8.2 Parents of children attending a lower academy/school, in Central Bedfordshire who do not live in the Local Authority area must make their application to their home Local Authority.
- 2.8.3 Parents of children living in Central Bedfordshire but not attending a lower academy/school, in the Local Authority area and who wish to apply for a middle academy/school place may make their application online or obtain a hard copy of the CAF and the Admissions booklet from the School Admissions Team. The CAF and booklet are also available to download from the Local Authority website.

2.9. Admission of children outside their normal age group

- 2.9.1 Parents who want their child to transfer to the next phase of school out outside of their normal age group must make the request in sufficient time for it to be considered before the application deadline.
- 2.9.2 Where the preference is for a Community or Voluntary Controlled school the request should be made in writing for the attention of the Admissions Manager. The Council will liaise with the Headteacher accordingly and will support their professional opinion on the case. The request should include the parent's reasons for the request, information regarding the child's academic, social and emotional development, including any supporting evidence the parent deems relevant and whether the child has previously been educated outside their normal age group. Once determined the decision will be communicated to the parent(s)/carer(s) in writing and will include the reasons for the decision.
- 2.9.3 For own admission schools (Foundation, Trust or Voluntary Aided) parents/carers need to make their request in writing to the Headteacher and Governing Body of the school who will then consider the request, making their decision on what they determine as in the best interests of the child. For Academies parents/carers need to make their request in writing to the academy trust via the Principal.
- 2.9.4 Requests which have been granted must be followed up by a formal application using the appropriate paper CAF within the admission timetable. The application will be considered within the normal allocation process under the relevant admission criterion.

3. Timetable for admissions into Lower, Primary and Middle academies and schools

Lower/Primary:

- 3.1. In **September 2017**, the Local Authority admissions booklet and the CAF will be available to parents of children living in Central Bedfordshire. Parents of children who do not live in Central Bedfordshire must apply to their home Local Authority.
- 3.2. Completed online applications and CAFs are to be submitted to the School Admissions Team by **15 January 2018**. Parents of children who do not live in Central Bedfordshire must have applied to their home Local Authority by this date.

Middle transfer:

- 3.3. In **September 2017** information is sent to parents of all children in Year 4 attending a lower academy/school in the Local Authority area. Parents of children who do not live in Central Bedfordshire will be advised to contact their home Local Authority in order to make their application.
- 3.4. Completed online applications are to be submitted and hard copies of the CAF are to be returned to the School Admissions Team by **15 January 2018**. If the child is attending a lower academy/school in Central Bedfordshire a hard copy CAF can be returned via the lower academy/school who will forward it to the School Admissions Team. Parents of children who do not live in Central Bedfordshire must have applied to their home Local Authority by this date.

Lower, Primary and Middle admissions

- 3.5. By **9 February 2018** all preferences will be logged on the database and the School Admissions Team will notify the admission authority for each academy, foundation, trust school or voluntary aided school of every nomination that has been made for that academy or school. Applications for places in other Local Authority academies/schools are sent to those authorities.
- 3.6. By **9 March 2018** the admission authority for each academy, foundation, trust or voluntary aided school will consider all applications, apply their oversubscription criteria and provide the School Admissions Team with a list of those applicants ranked according to their oversubscription criteria. All preferences will be ranked equally against the admissions criteria.
- 3.7. The School Admissions Team will process the ranked lists against the ranked lists of other academies and schools nominated and:
 - where the child is eligible for a place at only one of the nominated academies or schools, that academy or school will be allocated to the child.

- where the child is eligible for a place at two or more of the nominated academies or schools, they will be allocated a place at whichever of these is the highest ranked preference
- 3.8. Between **12 March 2018 and 23 March 2018** information will be exchanged with other Local Authorities on potential offers (i.e. a Central Bedfordshire child applying for a place in another Local Authority area or a child from another Local Authority applying for a place at a Central Bedfordshire academy or school) to determine the allocation of a place at the highest ranked preference.
- 3.9. Where the child is not eligible for a place at any of the nominated academies or schools, the child will be allocated a place at the nearest appropriate academy or school with a vacancy, but only if the child is resident in Central Bedfordshire. If the child does not reside in Central Bedfordshire, parents will be invited to request a place at any of the academies or schools that still have vacancies, after the allocation process. Priority will always be given to those parents who have expressed a preference for a particular academy or school over those who have not.
- 3.10. On **12 April 2018** all middle academies and schools will have access to details of the pupils to be offered places via the web based School Admissions Module.
- 3.11. On **16 April 2018** the School Admissions Team will notify parents of children living in Central Bedfordshire of the outcome of their application, including those who have applied for a place in another Local Authority academy or school. Parents of children who do not live in Central Bedfordshire will be notified by their home Local Authority.
- 3.12. By **30 April 2018** parents are to notify School Admissions Team of their rejection of the place offered if this is no longer required. If parents do not respond by this date it will be assumed that they have accepted the place.
- 3.13. By **30 April 2018** parents who have applied on time and want to change their preference from their original offer need to have submitted a change of preference by this date.

4. Late Applications

- 4.1. The national closing date for applications in the normal admissions round is **15 January 2018**. Applications received after this date will be considered late and will be processed after the initial allocation of places.
- 4.2. Late applications received from 16 January until 30 April will be processed as part of the initial late allocation round and will be logged onto the database by **2 May 2018**.

- 4.3. The School Admissions Team will notify the admission authority for each academy, foundation, trust and voluntary aided school of every nomination that has been made for that academy or school by **2 May 2018**.
- 4.4. Applications for places in other Local Authority academies or schools will be sent to those authorities by **2 May 2018**.
- 4.5. By **11 May 2018** the admission authority for each academy, foundation, trust and voluntary aided school will consider all their initial late applications for their academy or school, apply their oversubscription criteria and provide the School Admissions Team with a list of those applicants ranked according to their oversubscription criteria. All preferences will be ranked equally against the admissions criteria.
- 4.6. The School Admissions Team will process the ranked lists against the ranked lists of other academies or schools nominated and:
 - where the child is eligible for a place at only one of the nominated academies or schools, that academy or school will be allocated to the child.
 - where the child is eligible for a place at two or more of the nominated academies or schools, they will be allocated a place at whichever of these is the highest ranked preference.
- 4.7. Information will be exchanged with other Local Authorities on potential offers (i.e. a Central Bedfordshire child applying for a place in another Local Authority area or a child from another Local Authority applying for a place at a Central Bedfordshire academy or school) to determine the allocation of a place at the highest ranked preference.
- 4.8. Where the child is not eligible for a place at any of the nominated academies or schools, the child will be allocated a place at the nearest appropriate academy or school with a vacancy, but only if the child is resident in Central Bedfordshire. If the child does not reside in Central Bedfordshire, parents will be invited to request a place at any of the academies or schools that still have vacancies, after the allocation process. Priority will always be given to those parents who have expressed a preference for a particular academy or school over those who have not.
- 4.9. On **4 June 2018** the School Admissions Team will post letters to parents of children living in Central Bedfordshire notifying them of the outcome of their applications, if part of the initial late allocation round, including those who have applied for a place in another Local Authority academy or school where the result of this decision has been received by the timescales outlined above.
- 4.10. Late applications received on or after the 1 May will be processed from **5 June 2018**.

5. **Waiting Lists**

- 5.1. Pupils not offered a place at their highest preference academy or school or at any of their preferred academies or schools are kept on a waiting list maintained by the admission authority to be re-allocated if places become available. Waiting lists will be maintained until **the end of the academic year for 2018/19** for Community and Voluntary controlled schools. Waiting lists for academies and schools who are their own admission authority (Foundation, Trust and VA) may operate different waiting list arrangements. Allocation will be on the basis of the published oversubscription criteria. Priority will not be given to children based on the date their application was received or when their name was added to the list. Looked after children, previously looked after children, and those allocated a place at the school in accordance with the Fair Access Protocol, will take precedence over those on a waiting list.

6. **In-year Admissions (applications received on or after 1 September)**

- 6.1. An in-year admission is an application made for a child to be admitted outside of the co-ordinated admissions scheme for the normal year of entry or for another year group within an academy/school.
- 6.2. The local authority will co-ordinate in-year applications for community and voluntary controlled schools as the admission authority for those schools.
- 6.3. The local authority will co-ordinate in-year applications made for academies and own admission authority schools (Foundation, Trust and Voluntary-Aided schools) who opt-in to the local authority's scheme for in-year admissions.
- 6.4. The Local Authority will make an application form available to enable parents to apply for an in-year place at any academy or school within the Local Authority area, which will enable parents to express a preference for up to 3 academies or schools and to rank their preferences. The form will be available on the Local Authority website as an e-form or can be downloaded or a hard copy can be obtained from the School Admissions Team.
- 6.5. The application will be dealt with by the local authority for those schools which are community or voluntary controlled schools or those academies and own admission authority who have opted in to the local authority's in-year co-ordination scheme.
- 6.6. Any application received by the School Admissions Team for an academy or own admission authority school who has opted out of the local authority's in-year co-ordination scheme will be forwarded to that academy or school to process.
- 6.7. All Academies and own admission authority schools who deal with their own in-year admissions (i.e. opted out of the in-year co-ordination scheme)

will be required to determine the child's application and notify the parent and local authority of the outcome.

- 6.8. Pupils not offered a place at a community or voluntary controlled school or at an academy or own admission authority school which has opted in to the local authority's in-year co-ordination scheme will be kept on a waiting list which will be maintained for the academic year of admission. Academies and own admission authority schools who have opted out will have their own waiting list arrangements. In all cases where a place cannot be offered parents will have the right of appeal.
- 6.9. If all of the preferred academies and schools are full and the pupil lives in Central Bedfordshire, a place will generally be offered at the nearest academy or school with places available, unless the child is already attending a local school or academy.
- 6.10. Any place offered is usually expected to be taken up by the child within 4-6 weeks or by the start of the next school term.
- 6.11. Details of the community and voluntary controlled schools and those academies and own admission authority schools who have opted-in to the in-year co-ordination scheme and those who have opted out can be obtained from the School Admissions Team at www.centralbedfordshire.gov.uk/admissions.

**Timetable for Co-ordinated Admissions to:
Lower, Primary and Middle Schools and Academies for academic year 2018/19**

September 2017	Information about the Starting School and Middle Transfer process issued.
15 January 2018	National closing date for receipt of applications.
9 February 2018	By this date details of applications to be sent to academies, foundation, trust and voluntary aided schools. Applications for places in other Local Authority academies and schools sent to those authorities.
9 March 2018	By this date, academies and foundation, trust and voluntary aided schools provide the School Admissions Team with ranked lists of applicants.
12 March – 23 March 2018	Between these dates information to be exchanged with other Local Authorities on potential offers.
12 April 2018	Information on pupils to be offered places will be available to schools and academies via the School Admissions Module.
16 April 2018	Notification to be sent to parents living in Central Bedfordshire on the offer made to their child.
30 April 2018	Date by which parents reject the offer of a place if not required.
2 May 2018	Late applications received between 16 January and 30 April 2018 will be logged onto the database by this date.
2 May 2018	The School Admissions Team will notify the admission authority for each academy, foundation, trust and voluntary aided school of every nomination that has been made for that school or academy and applications for places in other Local Authority academies/schools will be sent to those authorities.
11 May 2018	By this date, academies, foundation, trust and voluntary aided schools provide the School Admissions Team with ranked lists of applicants in the initial late allocation round.
4 June 2018	Notification to be posted to parents living in Central Bedfordshire who have submitted a late application that qualifies for consideration in the initial late allocation round.
5 June 2018	Late applications received on or after 1 May will be processed from this date.

This page is intentionally left blank

Appendix 2

DETERMINED

CO-ORDINATED SCHEME FOR ADMISSIONS TO: SECONDARY AND UPPER ACADEMIES AND SCHOOLS

ACADEMIC YEAR 2018/2019

Section 1

Introduction

- 1.1 The School Standards and Framework Act 1998, as amended by the Education Act 2002 and supported by The School Admission (Co-ordination of Admission Arrangements) (England) Regulations 2008, requires Local Authorities to formulate a scheme for co-ordinating admission arrangements for all academies and maintained schools in their area. Academies are required to participate in the co-ordinated scheme.
- 1.2 A school is here defined as any academy or maintained community, foundation, trust, voluntary-aided or voluntary controlled school in the Central Bedfordshire Council area.
- 1.3 Central Bedfordshire Council, acting as the Local Authority is the admission authority for all community and voluntary controlled schools. The admission authority for academies is the academy trust. For foundation, trust and voluntary aided schools, the admission authority is the governing body.
- 1.4 This scheme will apply to all secondary and upper academies and schools in the Central Bedfordshire Council area from September 2018.
- 1.5 Any reference to Central Bedfordshire is a reference to the administrative area of the unitary authority.
- 1.6 Central Bedfordshire Council uses the equal preference system to process admission applications, as outlined below:
 - 1.6.1 Stage 1

All first, second and third preference applications are considered equally against the admissions criteria. At this stage the Council does not distinguish between first, second and third preference applications. For example, if the school has 120 places and there are 150 first, second and third preference applications all are considered equally against the admissions criteria.

1.6.2 Stage 2

If a pupil qualifies for a place at more than one school or academy the parent's highest ranked preference (i.e. first or second preference on the parent's application form) will be offered, and any lower ranking offers will be disregarded. For example a parent's first and third preferences might both qualify for a place, in which case the parent would be offered their first preference, leaving the place at the third preference academy or school available for another pupil.

Section 2

The Scheme

- 2.1. This scheme is for admissions in the normal year of entry for:
 - a) Secondary Academies and Schools
 - b) Upper Academies and Schools
- 2.2. There will be a standard form known as the Common Application Form (CAF) available for parents of children living in Central Bedfordshire to apply online or by completing a hard copy application form.
- 2.3. The CAF will be used for the purposes of admitting children into the first year of a:
 - Secondary academy/school (Year 7), or
 - Upper academy/school (Year 9), or
- 2.4. The CAF will enable parents/carers to:
 - express a preference for up to 3 academies/schools
 - rank their preferences
 - give reasons for their preferences
- 2.5. Information will be provided on the admissions process in the form of the admissions booklet and will contain information on:
 - a) the academies and schools in Central Bedfordshire
 - b) dates of open evenings (where applicable)
 - c) published admission numbers and admissions criteria
 - d) how to complete an application
 - e) how places are allocated
 - f) timetable for the application and allocation process
 - g) school transport
 - h) who to contact for advice

2.6. Admission into the normal year of entry into a Secondary academy/school (Year 7)

- 2.6.1 Parents of all children living in Central Bedfordshire and attending a primary academy/school, in the Local Authority area will receive the details about the transfer process and how to apply.
- 2.6.2 Parents of children attending a primary academy/school, in Central Bedfordshire who do not live in the Local Authority area must make their application to their home Local Authority.
- 2.6.3 Parents of children living in Central Bedfordshire but not attending a primary academy/school, in the Local Authority area and who wish to apply for a secondary academy or school place may make their application online or obtain a hard copy of the CAF and School Admissions booklet from the School Admissions Team. The CAF and booklet are also available to download from the Local Authority website.

2.7. Admission into the normal year of entry into an Upper academy/school (Year 9)

- 2.7.1 Parents of all children living in Central Bedfordshire and attending a middle academy/school, in the Local Authority area will receive the details about the transfer process and how to apply.
- 2.7.2 Parents of children attending a middle academy/school, in Central Bedfordshire who do not live in the Local Authority area must make their application to their home Local Authority.
- 2.7.3 Parents of children living in Central Bedfordshire but not attending a middle academy/school, in the Local Authority area and who wish to apply for an upper academy or school place may make their application online or obtain a hard copy of the CAF and School Admissions booklet from the School Admissions Team. The CAF and booklet are also available to download from the Local Authority website.

2.8. Admission of children outside their normal age group

- 2.9.1 Parents who want their child to transfer to the next phase of school out outside of their normal age group must make the request in sufficient time for it to be considered before the application deadline.
- 2.9.2 Where the preference is for a Community or Voluntary Controlled school the request should be made in writing for the attention of the Admissions Manager. The Council will liaise with the Headteacher accordingly and will support their professional opinion on the case. The request should include the parent's reasons for the request, information regarding the child's academic, social and emotional development, including any supporting evidence the parent deems relevant and whether the child has previously been educated outside their normal age group. Once determined the

decision will be communicated to the parent(s)/carer(s) in writing and will include the reasons for the decision.

- 2.9.3 For own admission schools (Foundation, Trust or Voluntary Aided) parents/carers need to make their request in writing to the Headteacher and Governing Body of the school who will then consider the request, making their decision on what they determine as in the best interests of the child. For Academies parents/carers need to make their request in writing to the academy trust via the Principal.
- 2.9.4 Requests which have been granted must be followed up by a formal application using the appropriate paper CAF within the admission timetable. The application will be considered within the normal allocation process under the relevant admission criterion.

3. Timetable for admissions into Secondary and Upper academies and schools

Secondary:

- 3.1. In **September 2017**, information is sent to parents of all children in Year 6 attending a primary academy/school in the Local Authority area. Parents of children who do not live in Central Bedfordshire will be advised to contact their home Local Authority in order to make their application.
- 3.2. Completed online applications and hard copies of the CAF are to be submitted to the School Admissions Team by **31 October 2017**. Parents of children who do not live in Central Bedfordshire must have applied to their home Local Authority by this date.

Upper:

- 3.3. In **September 2017** information is sent to parents of all children in Year 8 attending a middle academy/school in the Local Authority area. Parents of children who do not live in Central Bedfordshire will be advised to contact their home Local Authority in order to make their application.
- 3.4. Completed online applications are to be submitted and hard copies of the CAF are to be returned to the School Admissions Team by **31 October 2017**. If the child is attending a middle academy/school in Central Bedfordshire a CAF can be returned via the middle academy/school who will forward it to the School Admissions Team. Parents of children who do not live in Central Bedfordshire must have applied to their home Local Authority by this date.

Secondary and Upper transfer admissions

- 3.5.1 By **1 December 2017** all preferences will be logged on the database and the School Admissions Team will notify the admission authority for each academy, foundation, trust school or voluntary aided school of every

nomination that has been made for that academy or school. Applications for places in other Local Authority academies/schools are sent to those authorities.

- 3.5.2 By **5 January 2018** the admission authority for each academy, foundation, trust or voluntary aided school will consider all applications, apply their oversubscription criteria and provide the School Admissions Team with a list of those applicants ranked according to their oversubscription criteria. All preferences will be ranked equally against the admissions criteria.
- 3.6 The School Admissions Team will match the ranked lists against the ranked lists of other academies or schools nominated.
- where the child is eligible for a place at only one of the nominated academies or schools, that academy or school will be allocated to the child.
 - where the child is eligible for a place at two or more of the nominated academies or schools, they will be allocated a place at whichever of these is the highest ranked preference.
- 3.7 Between **22 January 2018 and 2 February 2018** information will be exchanged with other Local Authorities on potential offers (i.e. a Central Bedfordshire child applying for a place in another Local Authority area or a child from another Local Authority applying for a place at a Central Bedfordshire academy or school) to determine the allocation of a place at the highest ranked preference.
- 3.8 Where the child is not eligible for a place at any of the nominated academies or schools, the child will be allocated a place at the nearest appropriate academy or school with a vacancy, but only if the child is resident in Central Bedfordshire. If the child does not reside in Central Bedfordshire, parents will be invited to request a place at any of the academies or schools that still have vacancies. Priority will always be given to those parents who have expressed a preference for a particular academy or school over those who have not.
- 3.9 On **27 February 2018** all Secondary and Upper academies and schools will have access to details of the pupils to be offered places via the web based School Admissions Module.
- 3.10 On **1 March 2018** the School Admissions Team will notify parents of children living in Central Bedfordshire of the outcome of their application, including those who have applied for a secondary or upper academy/school place. Parents of children who do not live in Central Bedfordshire will be notified by their home Local Authority.
- 3.11 By **15 March 2018** parents are to notify the School Admissions Team of their rejection of the place offered if this is no longer required. If parents do not respond by this date it will be assumed that they have accepted the

place.

- 3.12 By **15 March 2018** parents who have applied on time and want to change their preference from their original offer need to have submitted a change of preference by this date.

4. Late Applications

- 4.1 The national closing date for applications in the normal admissions round is **31 October 2017**. Applications received after this date will be considered late and will be processed after the initial allocation of places.
- 4.2. Late applications received from 31 October until 15 March will be processed as part of the initial late allocation round and will be logged onto the database by **19 March 2018**.
- 4.3. The School Admissions Team will notify the admission authority for each academy, foundation, trust and voluntary aided school of every nomination that has been made for that academy or school by **19 March 2018**.
- 4.4. Applications for places in other Local Authority academies/schools will also be sent to those authorities by **20 March 2018**.
- 4.5. By **27 March 2018** the admission authority for each academy, foundation, trust and voluntary aided school will consider all their initial late applications for their academy or school, apply their oversubscription criteria and provide the School Admissions Team with a list of those applicants ranked according to their oversubscription criteria. All preferences will be ranked equally against the admissions criteria.
- 4.6. The School Admissions Team will process the ranked lists against the ranked lists of other schools or academies nominated and:
- where the child is eligible for a place at only one of the nominated academies or schools, that academy or school will be allocated to the child.
 - where the child is eligible for a place at two or more of the nominated academies or schools, they will be allocated a place at whichever of these is the highest ranked preference
- 4.7. Information will be exchanged with other Local Authorities on potential offers (i.e. a Central Bedfordshire child applying for a place in another Local Authority area or a child from another Local Authority applying for a place at a Central Bedfordshire academy or school) to determine the allocation of a place at the highest ranked preference.
- 4.8. Where the child is not eligible for a place at any of the nominated academies or schools, the child will be allocated a place at the nearest appropriate academy or school with a vacancy, but only if the child is

resident in Central Bedfordshire. If the child does not reside in Central Bedfordshire, parents will be invited to request a place at any of the academies or schools that still have vacancies, after the allocation process. Priority will always be given to those parents who have expressed a preference for a particular academy or school over those who have not.

- 4.9. On **23 April 2018** the School Admissions Team will post letters to parents of children living in Central Bedfordshire notifying them of the outcome of their applications, if part of the initial late allocation round, including those who have applied for a place in another Local Authority academy or school where the result of this decision has been received by the timescales outlined above.
- 4.10. Late applications received on or after the 16 March will be processed from **24 April 2018**.

5. Waiting Lists

- 5.1. Pupils not offered a place at their highest preference academy or school or at any of their preferred academies or schools are kept on a waiting list maintained by the admission authority to be re-allocated if places become available. Waiting lists will be maintained until **the end of the academic year for 2018/19** for Community and Voluntary controlled schools. Waiting lists for academies, foundation, trust and Voluntary aided schools may operate different waiting list arrangements. Allocation will be on the basis of the published oversubscription criteria. Priority will not be given to children based on the date their application was received or their name was added to the list. Looked after children, previously looked after children, and those allocated a place at the school in accordance with the Fair Access Protocol, must take precedence over those on a waiting list.

6. In-year Admissions (applications received on or after 1 September)

- 6.1. An in-year admission is an application made for a child to be admitted outside of the co-ordinated admissions scheme for the normal year of entry or for another year group within an academy/school.
- 6.2. The local authority will co-ordinate in-year applications for community and voluntary controlled schools as the admission authority for those schools.
- 6.3. The local authority will co-ordinate in-year applications made for academies and own admission authority schools (foundation, trust and voluntary aided) who opt-in to the local authority's scheme for in-year admissions.
- 6.4. The Local Authority will make an application form available to enable parents to apply for an in-year place at any academy or school within the

Local Authority area, which will enable parents to express a preference for up to 3 academies or schools and to rank their preferences. The form will be available on the Local Authority website as an e-form or can be downloaded or a hard copy can be obtained from the School Admissions Team.

- 6.5. The application will be dealt with by the local authority for those schools which are community or voluntary controlled schools or those academies and own admission authority schools who have opted in to the local authority's in-year co-ordination scheme.
- 6.6. Any application received by the School Admissions Team for an academy or own admission authority school who has opted out of the local authority's in-year co-ordination scheme will be forwarded to them to process.
- 6.7. All academies and own admission authority schools who deal with their own in-year admissions (i.e. opted out of the in-year co-ordination scheme) will be required to determine the child's application and notify the parent and local authority of the outcome.
- 6.8. Pupils not offered a place at a community or voluntary controlled school or at an academy or own admission authority school who has opted in to the local authority's in-year co-ordination scheme will be kept on a waiting list which will be maintained for the academic year of admission. Academies and own admission authority schools who have opted out will have their own waiting list arrangements. In all cases where a place cannot be offered parents will have the right of appeal.
- 6.9. If all of the preferred academies and schools are full and the pupil lives in Central Bedfordshire, a place will generally be offered at the nearest academy or school with places available, unless the child is already attending a local school or academy.
- 6.10. Any place offered is usually expected to be taken up by the child within 4-6 weeks or by the start of the next school term.
- 6.11. Details of the community and voluntary controlled schools and those academies and own admission authority schools who have opted-in to the in-year co-ordination scheme and those who have opted out can be obtained from the School Admissions Team at:
www.centralbedfordshire.gov.uk/admissions.

**Timetable for Co-ordinated Admissions to:
Secondary and Upper Academies and Schools for academic year 2018/19**

September 2017	Information about the admission process issued.
31 October 2017	National closing date for receipt of applications.
1 December 2017	By this date details of applications to be sent to academies, foundation, trust and voluntary aided schools. Applications for places in other Local Authority schools and academies sent to those authorities.
5 January 2018	By this date academies, foundation, trust and voluntary aided schools provide the School Admissions Team with ranked lists of applicants.
22 January – 2 February 2018	Between these dates information to be exchanged with other Local Authorities on potential offers.
27 February 2018	Information on pupils to be offered places will be available to academies and schools via the School Admissions Module.
1 March 2018	Notification to be sent to parents living in Central Bedfordshire on the offer made to their child.
15 March 2018	Date by which parents reject the offer of a place if not required.
19 March 2018	Late applications received between 1 November 2017 and 15 March 2018 will be logged onto the database by this date.
19 March 2018	The School Admissions Team will notify the admission authority for each academy, foundation, trust and voluntary aided school of every nomination that has been made for that school or academy. Applications for places in other Local Authority schools / academies will be sent to those authorities.
27 March 2018	By this date academies, foundation, trust and voluntary aided schools provide the School Admissions Team with ranked lists of applicants in the initial late allocation round.
23 April 2018	Notification to be sent to parents living in Central Bedfordshire who have submitted a late application that qualifies for consideration in the initial late allocation round.
24 April 2018	Late applications received on or after 16 March will be processed from this date.

This page is intentionally left blank



Appendix 3

**Community and Voluntary Controlled schools
Determined Admission Arrangements for Academic Year 2018/19**

Central Bedfordshire Council - Standard Admissions Policy

- 1) All 'looked after' children or children who were previously 'looked after'
- 2) Children living in the catchment area with siblings at the school
- 3) Children living in the catchment area
- 4) Other children with siblings at the school
- 5) Children who live nearest to the school determined by straight line distance from the school site to the child's home address

The Community and Voluntary Controlled (VC) schools listed below operate the above standard admissions policy:

School	Phase	Published Admissions Number (PAN)
Aspley Guise	Lower	27
Beaudesert	Lower	55
Caddington Village	Primary	60
Caldecote VC	Lower	24
Campton	Lower	22
Chalton	Lower	15
Clipstone Brook	Lower	75
Doverly Down	Lower	30
Dunstable Icknield	Lower	60
Everton	Lower	10
Flitwick	Lower	60
Greenleas (Derwent Road)	Lower	60
Greenleas (Kestrel Way)	Lower	60
Hawthorn Park	Primary	60
Haynes	Lower	24
Heathwood	Lower	30
Hockliffe	Lower	15
Houghton Conquest	Lower	20
Houghton Regis	Primary	45
Husborne Crawley	Lower	12
Kensworth VC	Primary	15
Kingsmoor	Lower	45
Lawnside	Lower	60

Leedon	Lower	90
Linslade	Lower	45
Maulden	Lower	30
Ramsey Manor	Lower	58
Ridgmont	Lower	15
Roecroft	Lower	90
Russell	Lower	90
Shefford	Lower	90
Shillington	Lower	30
Silsoe VC	Lower	60
Slip End	Primary	24
Southcott	Lower	60
Southill	Lower	15
Stanbridge	Lower	24
St. George's	Lower	30
Stondon	Lower	30
St. Swithun's VC	Lower	30
Studham VC	Lower	15
Swallowfield	Lower	60
Templefield	Lower	60
The Mary Bassett	Lower	60
Thomas Johnson	Lower	18
Thornhill	Primary	30
Tithe Farm	Primary	60
Totternhoe	Lower	29
Watling	Lower	30
Woburn	Lower	12
Leighton	Middle	150
Potton	Middle	90

Applications for Fairfield Park Lower will be ranked according to the standard admissions criteria as mentioned above. Where a place can be offered, the following process will determine at which school site, either Dickens Boulevard or the new school site, the child will attend. Successful applicants will be notified at the time of offer which school site their child will attend. A copy of the priority areas within the school's catchment area is included within this document (see last page).

Fairfield Park Lower School	PAN: 90
<p>1.</p> <p>All 'looked after' children or children who were previously 'looked after'. <i>Looked after children in catchment will be prioritised by which priority area they are in, with those out of catchment being prioritised by straight line distance from their home address to the nearest school site to them.</i></p> <p>2.</p> <p>Children living in the catchment area with siblings at the school. <i>Before applications in this criterion are allocated children will be prioritised for either the Dickens Boulevard or the new school site according to which site their sibling attends and will be ranked by their straight line distance from the designated measuring point. If children are unable to obtain a place at the site at which their sibling attends they will be then ranked by their straight line distance to the other Fairfield Park site. Places will be allocated in accordance with this distance after allocations have been made to those with siblings at that site taking precedence before those with siblings at the other school site.</i></p> <p>3.</p> <p>Children living in the catchment area. <i>Before applications in this criterion are allocated children will be prioritised for either the Dickens Boulevard or the new school site according to which priority area they reside in first and be ranked by their straight line distance from the designated measuring point. If children are unable to obtain a place at the site within their priority area they will be then ranked by their straight line distance to the other Fairfield Park site which is not in their priority area. Places will be allocated in accordance with this distance after allocations have been made to those in their priority area taking precedence before those from the other priority area.</i></p> <p>4.</p> <p>Other children with siblings at the school, please note: <i>Siblings will be prioritised for either the Dickens Boulevard or the new school site depending on which site their sibling attends and will be ranked by their straight line distance from the designated measuring point. There will be no guarantee that a sibling can attend the same school site.</i></p> <p>5.</p> <p>Children who live nearest to the school determined by straight line distance from the school site to the child's home address. <i>Places will be offered to children at either school site depending on place availability and a site will be randomly selected.</i></p>	

The following Voluntary Controlled schools operate a variation to the standard admissions policy above and their admissions criteria is detailed below:

Dunton VC Lower School		PAN: 15
1.	All 'looked after' children or children who were previously 'looked after'	
2.	Children living in the catchment area with siblings at the school	
3.	Children living in the catchment area	
4.	Other children with siblings at the school	
5.	Children, one or more of whose parents/carers have, at the time of application, shown commitment to the Church of England or another Christian church by attending a service at least once a month for the year prior to an application being made*.	
6.	Children who live nearest to the school determined by straight line distance from the school site to the child's home address	
St. Andrew's VC Lower School		PAN: 180 (West = 90, East = 90)
1.	All 'looked after' children or children who were previously 'looked after'	
2.	Children living in the catchment area with siblings at the school	
3.	Children living in the catchment area	
4.	Other children with siblings at the school	
5.	Children, one or more of whose parents/carers have, at the time of application, shown commitment to the Church of England or another Christian church by attending a service at least once a month for the year prior to an application being made*.	
6.	Children who live nearest to the school determined by straight line distance from the school site to the child's home address	
Wrestlingworth VC Lower School		PAN: 13
1.	All 'looked after' children or children who were previously 'looked after'	
2.	Children living in the catchment area with siblings at the school	
3.	Children living in the catchment area	
4.	Other children with siblings at the school	
5.	Children, one or more of whose parents/carers have, at the time of application, shown commitment to the Church of England or another Christian church by attending a service at least once a month for the year prior to an application being made*.	
6.	Children who live nearest to the school determined by straight line distance from the school site to the child's home address	
Edward Peake VC Middle School		PAN: 150
1.	All 'looked after' children or children who were previously 'looked after'	
2.	Children living in the catchment area with siblings at the school	
3.	Children living in the catchment area	
4.	Other children with siblings at the school	
5.	Children, one or more of whose parents/carers have, at the time of application, shown commitment to the Church of England or another Christian church by attending a service at least once a month for the year prior to an application being made*.	
6.	Children who live nearest to the school determined by straight line distance from the school site to the child's home address	

*A Christian Church is defined as one which is a member, or is eligible for membership, of Churches Together in England or the Evangelical Alliance. Applications in this category will need to ask their priest or minister to complete the relevant section of the local authority common application form.

Notes:

Pupils with a Statement of Special Education Needs or Education, Health and Care Plan.

In accordance with the Education Act 1996, children with a Statement of SEN or Education, Health and Care Plan are required to be admitted to the academy/school named in the Statement or Plan and will be allocated a place ahead of those without a Statement of Special Education Needs or Education, Health and Care Plan in the allocation process. Thereafter the admissions criteria for each academy/school will apply to those children without a Statement of Special Education Needs or Education, Health and Care Plan. After allocations have been made, if an application is made late or is received as part of the in-year process, pupils who have a Statement of Special Educational Needs or Education, Health and Care Plan are required to be admitted to the school which is named on the statement or Plan, even if the school is full.

Fair Access Protocol

All Local Authorities must have a Fair Access Protocol which operates outside of the arrangements of co-ordinated admissions (i.e. those children being admitted to the point of entry at an academy/school) to ensure unplaced children, especially the most vulnerable are offered a suitable school place. Pupils identified for admission through the Fair Access Protocol will be admitted even if the school is full.

Admissions Criteria

The admissions criteria will be applied separately and sequentially until all places are filled. Priority is not given within each criterion to children who meet other criteria. The distance criterion will be used as a tiebreaker in each criterion where required to determine the allocation of places. In the event of (a) two or more children living at the same address point (e.g. children resident in a block of flats) or (b) two addresses measuring the same distance from the school, the ultimate tie-breaker will be random selection, using the Tribal Admissions database to allocate the place.

Definitions of Admissions Criteria:

'Looked after' children

A 'looked after' child is a child in the care of a local authority as defined by Section 22 of the Children Act 1989. In relation to school admissions legislation a 'looked after child' is a child in public care at the time of application to a school.

Previously 'looked after' children

A previously 'looked after' child is a child who was 'looked after', but ceased to be so because they were adopted or became subject to a residence order or a special guardianship order.

Catchment area

A catchment area is a geographical area from which children are given priority for admission to the particular school. Please see www.centralbedfordshire.gov.uk/admissions for more information on school catchment areas.

Sibling

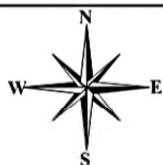
A sibling refers to a brother or sister, half brother or sister, step brother or sister, adopted brother or sister or fostered brother or sister where foster care has been arranged by a Local Authority or the child of the parent / carer's partner, and in every case, the child should be living at the same address. The sibling must be in the school at the time of application and be likely to remain in the school at the proposed date of admission.

Children who live nearest to the school determined by straight line distance from the school site to the pupil's home address

The distance the pupil lives from the school which is measured in a straight line, using the Local Authority's computerised measuring system, with those living closer to the school receiving the higher priority. The Local Authority will measure the distance from the address point of the pupil's home to a point on the school site agreed with the governing body of the school, which is known as the designated measuring point.



Shefford Lower School and War Memorial



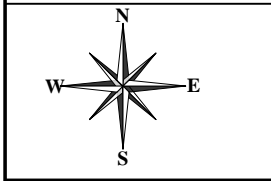
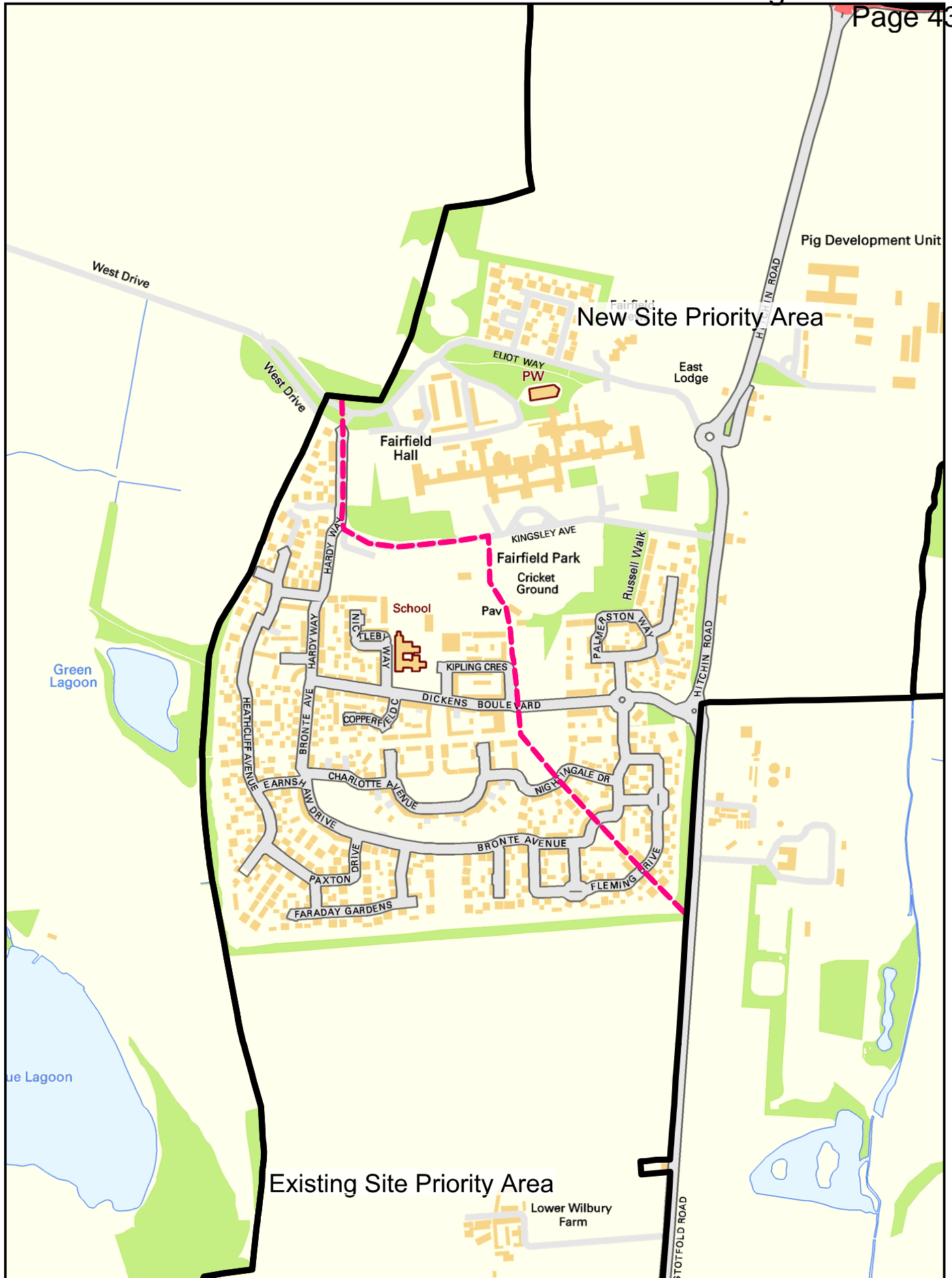
Date: 02 August 2016

Scale 1:15000

© Crown Copyright and database right. 2016
Ordnance Survey 100049029.
Central Bedfordshire Council.
Cities Revealed aerial photography copyright
The GeoInformation Group, 2010

Central
Bedfordshire


This page is intentionally left blank



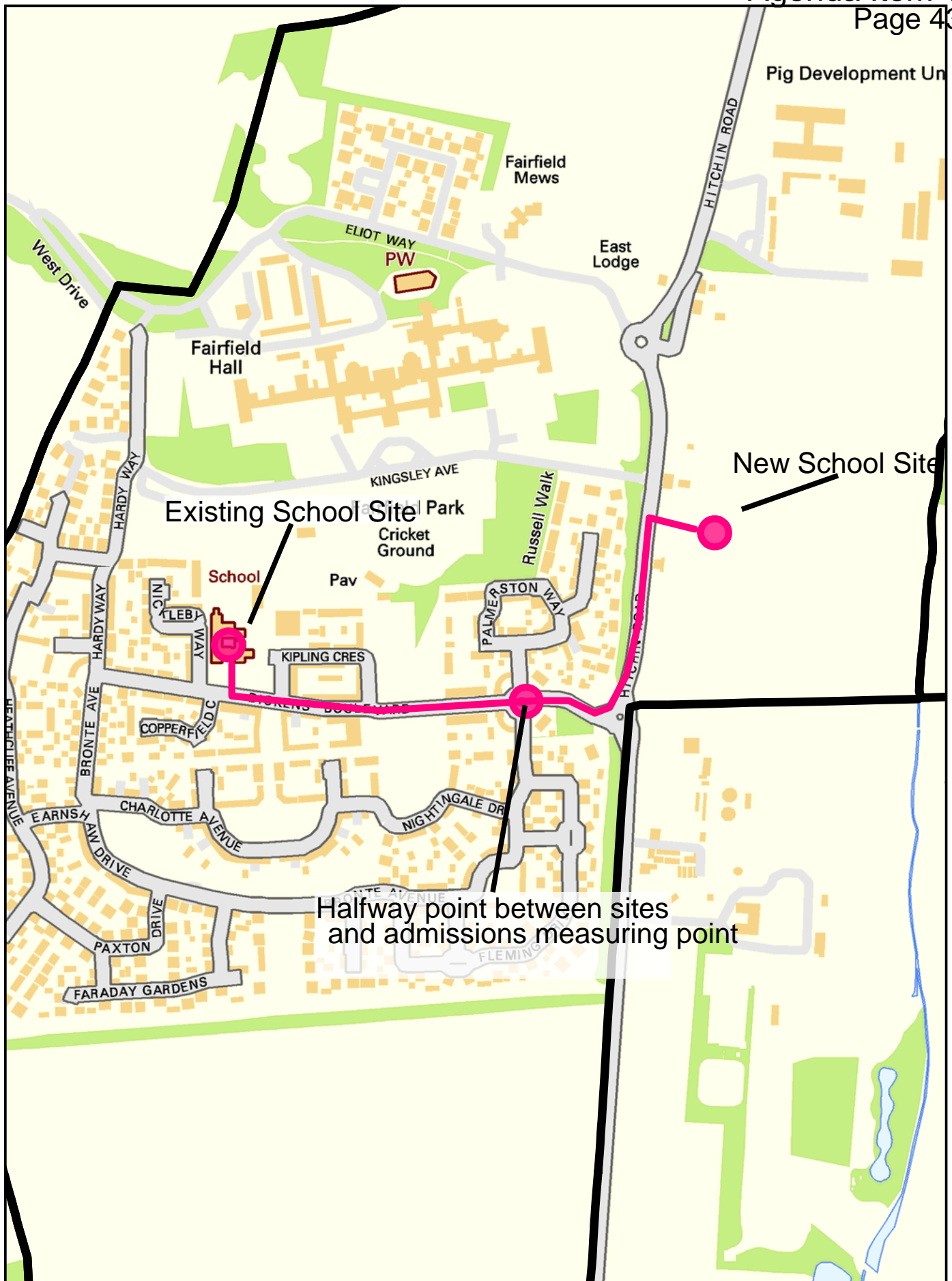
Date: 05 April 2016

Scale 1:7505

© Crown Copyright and database right. 2016
 Ordnance Survey 100049029.
 Central Bedfordshire Council.
 Cities Revealed aerial photography copyright
 The GeoInformation Group, 2010



This page is intentionally left blank



Fairfield Lower School, suggested admissions measuring point

	<p>Date: 20 December 2016</p>	<p>© Crown Copyright and database right. 2016 Ordnance Survey 100049029. Central Bedfordshire Council. Cities Revealed aerial photography copyright The GeoInformation Group, 2010</p>
	<p>Scale 1:5500</p>	

This page is intentionally left blank

Confirmation of religious affiliation – Church of England Schools

Please complete this form if you are applying for the any of the following schools **on religious/faith grounds:**

Manshead School, Edward Peake CofE Middle, Henlow CofE Academy, Holywell School, Ashton St. Peter’s CofE VA Primary, Clifton All Saints Academy, Dunton VC Lower School, John Donne CofE Primary, Meppershall CofE Academy, Northill CofE VA Lower, Pulford School, St. Andrew’s Lower (both East and West), St. Leonard’s CofE VA Lower, St. Mary’s CofE Academy, St. Mary’s CofE Lower (Clophill), Sutton VA Lower, Thomas Whitehead CE Primary, Wrestlingworth CofE VC Lower

To be completed by the parent/carer:

Child’s surname _____ Child’s name _____

Date of birth____/____/____

Address _____

School preferences (1) _____

(2) _____

(3) _____

To be completed by Priest, Minister or Faith Leader:

I can confirm that (name(s) of parent/carer) _____

Is/are a member/practising member of the following congregation/place of worship and meets the criteria for admission to _____ (name of school/s)

Name of priest/minister/faith leader _____

Name of congregation/place of worship _____

Christian denomination or religious faith _____

Signature of priest/minister/faith leader _____

Date _____

Return this completed form to the School Admissions Team, Central Bedfordshire Council, Watling House, High Street North, Dunstable LU6 1LF or email it to: admissions@centralbedfordshire.gov.uk

Confirmation of religious affiliation – Catholic Schools

Please complete this form if you are applying for the any of the following schools **on religious/faith grounds:**

St. Mary's Catholic Primary (Caddington), St. Vincent's Catholic Primary

If your application for a place at the above Catholic primary schools is on religious grounds because your child has been baptised or enrolled in a catechumenate programme you must provide a copy of their baptismal certificate or your priest must confirm enrolment in the programme.

To be completed by the parent/carer:

Child's surname _____ Child's name _____

Date of birth ____/____/____

Address _____

School preferences (1) _____

(2) _____

(3) _____

I have attached a copy of my child's baptismal certification: Yes No

To be completed by Priest, Minister or Faith Leader:

I can confirm that (name(s) of parent/carer) _____

The family of this child is a practising Catholic family

The child is not baptised but is enrolled in a catechumenate programme

I support this application

Name of priest/minister/faith leader _____

Name of congregation/place of worship _____

Christian denomination or religious faith _____

Signature of priest/minister/faith leader _____

Date _____

Return this completed form to the School Admissions Team, Central Bedfordshire Council, Watling House, High Street North, Dunstable LU6 1LF or email it to: admissions@centralbedfordshire.gov.uk

Contact us

School Admissions, Central Bedfordshire Council
Watling House, High Street North, Dunstable LU6 1LF

School
High S

Watling House
F

This page is intentionally left blank

Central Bedfordshire Council

EXECUTIVE

7 February 2017

EUROPEAN STRUCTURAL INVESTMENT FUNDS (ESIF) – ESF SEaMLESS Programme

Report of Cllr Steven Dixon, Executive Member for Education and Skills
steven.dixon@centralbedfordshire.gov.uk

Advising Officer: Jason Longhurst, Director of Regeneration and Business
Jason.longhurst@centralbedfordshire.gov.uk

This report relates to a Key Decision

Purpose of this report

1. To provide further detail regarding the status of the SEaMLESS Consortium European Social Funds (ESF) 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/programme proposed under this fund is brought back to Executive to gain approval to enter into the funding agreement in order to commence.

RECOMMENDATIONS

That the Executive:

1. **notes the further detail provided about the SEaMLESS Consortium ESF funding bid, including the budget, outputs, results and targets, and any associated impacts and risks to the council;**
2. **based on this information, provides approval to enter into the funding agreement, subject to approval by the Department for Work and Pensions (DWP) for this programme, to enable the programme to commence and give delegation 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

2. The overall recommendations relating to this ESF funding bid were approved by the Sustainable Communities Overview and Scrutiny Committee (OSC) on 20 August 2015 and Executive on 6 October 2015. The Committee RECOMMENDED to support the approach to bid for ESF funds from the ESIF Programme.
3. A further short update was provided to Sustainable Communities OSC on 16 August 2016 as part of the engagement on the All Age Skills Strategy 2016-2020.

Background

4. 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.
5. The European Structural Investment Fund (ESIF) programme implemented by central Government, covers the period of 2014 to 2020 with the aim of increasing social and economic prosperity and to reduce disparity, creating a more competitive, prosperous and inclusive economy. The ESIF programme comprises three ESIF funding streams:
 - **European Social Fund (ESF)** managed by the Department for Work and Pensions (DWP)
 - **European Regional Development Fund (ERDF)** managed by the Department for Communities and Local Government (DCLG)
 - **European Agricultural Fund for Rural Development (EAFRD)** managed by the Department for Environment, Food and Rural Affairs (DEFRA)
6. The ESIF 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;
 - economic growth through promoting business innovation and development.
7. A report on the ERDF bid was submitted to the Executive in February 2016, who approved the recommendation to move forward with the £3.9M (incl. 50% match funding) Innovation Bridge ERDF project. Approval was given to sign the Funding Agreement and this programme is now underway delivering up to 30 June 2019.

8. The ESF bid timeframes have moved at a slower pace and the impact of the Brexit vote has introduced complexity and delay, with a period of uncertainty now followed by a drive for projects to be approved and start delivery as soon as possible. A Government announcement was made in October 2016 that EU funded projects will be honoured beyond the UK's departure from the EU.

European Social Fund (ESF) – SEaMLESS Programme Application

9. In May 2016, CBC submitted an outline application for ESF funds to create the SEaMLESS (South East Midlands Local Employment Support Service) Programme to deliver employment support to long term unemployed and economically inactive individuals in the SEMLEP area. In order to maximise the funding opportunity, a £12.89M Consortium bid was submitted with CBC as the accountable body, and the 11 local authorities in the SEMLEP area as delivery partners. It proposed supporting 8,874 individuals who are either unemployed or economically inactive to move them closer to, or into employment.
10. The bid assessment was put on hold whilst Government reviewed the impact of Brexit. On 30 August, DWP invited the Consortium to progress to the submission of a full application. The full application was for a smaller project valued at £7.28M (including 50% match funding). The full application includes only 3 consortium partners, and proposes supporting 4,337 individuals who are either unemployed or economically inactive to move closer to, or into employment.
11. CBC is the accountable body, and is also undertaking delivery on the programme, alongside Bedford Borough Council (BBC) and Luton Borough Council (LBC) as delivery partners. The table below shows the allocation of the budget to each delivery partner and the number of individuals who will be supported by each local authority. The allocations have been based on the availability of match funding and the development of each individual model taking into account the specific needs of the local authority area.

Consortium partner	Allocation of overall programme budget	Number of participants supported
CBC	29%	942
BBC	20%	1383
LBC	52%	2012
Total	100%	4337

12. Subject to DWP approval of the bid, the programme was planned to commence in January 2017 and complete on 31 December 2019. The bid is currently still under consideration by DWP, having dealt with the appraisal feedback received from the DWP moderators. The commencement date could therefore be shifted. We are waiting for guidance from DWP on this. To commence the programme, DWP will require CBC to enter into a funding agreement (draft example in Appendix 3). A tight timeframe is anticipated for signing the funding agreement in order to avoid any further delays.
13. The SEaMLESS Programme has been designed to incorporate a distinct project managed by each local authority. Each local authority partner has proposed a delivery model that fits with their local context, and will lead delivery in their own area. Open to all participants in the SEMLEP area, delivery activity will take place in the three local authority areas of Central Bedfordshire, Bedford and Luton.
14. Each local authority will establish Job Hubs in their area where participants will receive personalised and intensive support that breaks down barriers to employment, provides access to basic skills and employability and provides direct engagement with employment opportunities. Jobs brokerage will be an integral part of the hubs, engaging with local businesses to secure employment for the SEaMLESS participants.
15. SEaMLESS aims to integrate with existing services that support unemployed or economically inactive individuals, in order to provide a holistic and cohesive service to participants. Where possible, complimentary council services have been used as match funding.
16. As the lead applicant for the programme, CBC will take a programme administration management fee (equivalent to 10% of the total programme value) to cover the costs of being the accountable body for the programme which includes employment of a Programme Management Team and other revenue costs associated with delivering the programme (such as marketing).
17. The table below shows the contribution by each consortium partner to the programme administration management fee (calculated as 10% of each local authority's total project value).

Partner	Total Project value	Programme administration management fee (10% of total programme value)
CBC	£2,099,800	£209,980
BBC	£1,429,790	£142,979
LBC	£3,750,960	£375,096
Total	£7,280,540	£728,054

18. The programme administration management fee will be used to manage the relationship with the managing authority (DWP) and to ensure that the programme is compliant and the money is spent and evidenced in a compliant way. CBC must also ensure all the outputs for the programme are delivered through the partnership. CBC will provide programme management and administrative support to ensure the programme is run in accordance with ESF rules. All the money for the programme will pass through CBC and any issues with the partners, the match funding and any risks for the programme will be the responsibility of CBC. There will be a Service Level Agreement (SLA) with each consortium partner to manage and mitigate risks for CBC and each partner as far as possible.
19. In addition to being the accountable, body, CBC, along with Bedford Borough Council and Luton Borough Council will be involved in the delivery of client activity – providing employment support activities through local Job Hubs in their areas and ensuring the associated staff time spent on the programme is evidenced correctly for DWP. The SLA will ensure all partners share in the responsibility for the delivery of the overall outputs for the programme. All consortium partners have experience of delivering ESF programmes.
20. Delivering an ESF funded programme offers CBC both additional funding for its own employment support activities and strategic positioning, particularly in the context of devolution and future funding opportunities. It provides an opportunity to look in-depth at integrated employment support across Central Bedfordshire and beyond into the two other local authority areas of Bedford and Luton, and to work with key influential partners.
21. Across Central Bedfordshire delivery of SEaMLESS will form a key part of CBC's Employment and Skills provision for more vulnerable residents to access employment and fulfil their potential. The CBC delivery model has been designed to maximise integration within CBC services, working with the Supported Families Programme, Social Housing Employment Support and Adult Services learning disabilities or difficulties teams

Reasons for decision

22. Securing funding for SEaMLESS provides an excellent opportunity to lever in external funding to support our most vulnerable residents back into employment. SEaMLESS takes a holistic and personalised approach to supporting individuals, and provides a unique opportunity to better integrate local delivery.

23. Including match funding, the bid is £7.28M. The programme will commit consortium partners to the ESIF funding criteria and have implications on the Council which are described throughout this report. A summary of the cash flow forecast and the associated risk can be found in Appendix 1.

Council Priorities

24. SEaMLESS is key in supporting Central Bedfordshire to achieve its full economic potential and in delivering the Council's 5 Year Plan priorities to support education and skills, and business growth and prosperity. It supports CBC's All Age Skills Strategy (approved by Executive in October 2016) which includes objectives to support vulnerable residents into employment.

Corporate Implications

25. CBC is committing to be the lead body to deliver the programme which has a total value of £7.28M 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 supporting our most vulnerable residents into employment. It provides part funding for existing staff and full funding for the additional posts to be created. The following paragraphs provide more detail.

Legal Implications

26. 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.
27. Service level agreements with local authority delivery partners will be informed by LGSS Law 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.
28. 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. Any procurement process must be followed in accordance with EU regulations, their own procurement rules, and Public Contracts Regulations 2015 if applicable. All contracts will be vetted approved by each council's legal services with a particular focus on ensuring that expenditure and activity is sufficiently auditable to manage risk and compliance.

29. 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.
30. 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

Programme Management

31. The total budget for the SEaMLESS programme is £7.28M, inclusive of match funding.
32. The table below shows the project value by partner, their 10% contribution towards the programme administration management fee, and match funding.

	CBC	BBC	LBC	Programme total
ESF	(£839,919)	(£571,915)	(£1,500,383)	(£2,912,217)
Match Funding	£1,049,898	£714,893	£1,875,479	£3,640,270
10% programme administration fee	(£209,980)	(£142,979)	(£375,096)	(£728,055)
Project Value	£2,099,797	£1,429,787	£3,750,957	£7,280,541

33. There is a requirement for 50% match funding for ESF. This will be provided through a mix of local authority staff time and cash match, along with a 15% overhead on salaries. The provisional budget breakdown by financial year of match contribution from each local authority is provided in Appendix 1.

34. The team has used experience and lessons learned from our previous EU funded projects including the CBC internal audit recommendations to feed into this. Effective systems need to be put in place to ensure match funding can be properly evidenced and claimed and that expenditure is ESF eligible, otherwise funding for the ESF programme will be at risk. Therefore we are working with Legal and Finance on ensuring correct agreements, systems, governance and processes are in place, building on the recommendations from CBC internal audit team on the previous EU programme delivery.
35. In order to embed the ESF 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. This role will feed into the effective overall management of the ESF programme and is an integral part in mitigating and controlling financial risk to the Council.
36. Some expenditure is ineligible for ESF funding. As such, each consortium partner is bearing legal costs associated with this project. Also, each partner bears a financial risk associated with redundancy payments for staff contracted wholly to work on the ESF programme, should the programme have to be terminated early. CBC will be responsible for any associated redundancy payments for staff it recruits to undertake programme management or delivery activities.
37. In order to ensure that there is a Management Information (MI) system in place from the start of the programme, all partners have agreed to invest in the development of the current MIS used by CBC's Employment and Skills Service. Due to the timeframes involved in delivering SEaMLESS, and the need for a robust MI system to be in place from the outset, it has been agreed by the partners that this will be funded outside of the programme budget. The associated development costs are approximately £30,000, which will be apportioned equally between the delivery partners. There are sufficient funds within the Business and Investment Service's budget to cover the CBC portion. The alternative would be to procure a new MI system, which would take time and incur additional costs around rollout and implementation, in addition to the transfer of information that had been collected on the project before a new system had been implemented.
38. As the lead applicant for the programme, CBC must ensure adequate cash flow as there may be a delay in receiving funding from DWP for payment of claims.
39. If a funding clawback situation arises due to a failure of a delivery partner to provide sufficient evidence in meeting the prescribed criteria, the SLA sets out the process that is in place to ensure it is passed through to the correct deviating delivery partner.

- 40. ESIF allocations to SEMLEP (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.
- 41. A Government announcement was made in October 2016 that EU funded projects will be honoured beyond the UK's departure from the EU.
- 42. A high level risk register for SEaMLESS is provided in Appendix 2. To mitigate risk, the programme has been conservatively estimated and forecast to ensure that there is confidence in the delivery of the outputs for the programme and sufficient mitigations are in place to minimise risk to the council. This position is the same for all ESIF programmes.

CBC Focussed Delivery

- 43. CBC will have £2,099,796 (including 50% match funding) for delivery within Central Bedfordshire as shown in the table below:

10% programme administration management fee	ESF	Match funding	Total project value
£209,980	£839,919	£1,049,898	£2,099,797

- 44. CBC's match funding for the programme is through a mixture of staff time, overheads and £350K of cash. There is no commitment to provide funds in excess of this. The breakdown of match funding sources for CBC is shown in the table below:

CBC Match funding	Value
Overheads	£242,546
Cash	£350,000
Salaries	£457,352
Total	£1,049,898

Procurement Implications

- 45. All procurement will be in accordance with each council's procurement rules. Where there is a conflict between these rules and procedures and the ESIF Procurement Guidance CBC will ensure that ESIF rules are followed, as failure to do so could result in funds being deemed ineligible and clawback applied.
- 46. The ESIF regulations impose wider requirements to adhere to than the CBC corporate processes. For example, ESIF regulations require additional levels of publication.

47. Experience from the previous European Funded programmes delivered by CBC has provided several guiding principles for this as follows:
- All contracts are advertised openly on 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 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

48. CBC 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.
49. The ESF bid requires CBC to produce an ESF specific Equality and Diversity Policy and Implementation Plan, which has been based on CBC's Equal Opportunities Policy Statement. This will apply to all bid partners and has been included with the bid submission.
50. SEaMLESS will deliver employment support to unemployed and economically inactive participants. In Central Bedfordshire, delivery specifically targets some of our most vulnerable groups including those:
- over 50 years of age
 - ethnic minorities
 - with disabilities
 - who live in a single adult household with dependent children
 - without basic skills.
51. To follow ESF requirements all programmes 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 programme 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

52. The programme requires us to enforce robust approaches to risk management in order to maximise the funding opportunities offered through this ESF call. Minimising risks of poor performance, lack of delivery and potential claw back. A full risk analysis has been completed and submitted as part of the bid development. An outline of the risks and mitigating actions can be found in Appendix 2.
53. CBC as the lead body will need systems and contracts in place to ensure risks are mitigated and possibilities of claw back by DWP are closely managed, ensuring failure to deliver or incorrect claims are identified quickly and programme managed effectively.
54. 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.
55. Any potential risks in the programme will be managed through the programme management approach – including the steering group, programme sponsor, programme manager and regular reviews of the risk register. In addition to this gateways have been built into the programme to review particular risks, such as delivery of outputs and results and to implement mitigating actions if not.

Sustainability Implications

56. The ESF 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.
57. The ESF bid requires CBC to produce an ESF specific Sustainability Policy and Implementation Plan, which has been based on CBC's Sustainable Development Policy.

58. This will apply to all partners to ensure that sustainable development covers the three areas of economy, society and the environment, across the whole of the bid area. It has a particular focus on minimising waste, minimising energy consumption and minimising use of travel / promoting public transport methods where possible.

ICT

59. Due to the scale of the SEaMLESS programme, there is a need to expand the existing MI system, and discussions are taking place with ICT to ensure it is fully compliant with our security and other requirements. A cloud based version has been identified, as the system needs to be accessed by all external delivery partners. 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.

Human Resources

Programme Management

60. CBC will establish a Programme Management Team to ensure the compliant delivery of the Consortium Programme.
61. The CBC Programme Team requires the recruitment of 5 (3 full-time and 2 0.5FTE) fixed term posts to assist with the operation of the programme. Including a small amount of support from existing Management posts in the Council will ensure the team is fully embedded in CBC. All posts involved in the Programme Management are funded by ESF funds. The costs of the new posts (apart from the cost of recruitment) will be met from the ESF programme funding, as part of the 10% programme administration management fee.

ESF PROGRAMME MANAGEMENT TEAM			
Job Title	Time commitment to programme %	Role	Existing staff or new post
Business & Investment Group Manager	5	Strategic overview	Existing
Head of Investment & Employment	10	Programme sponsor	Existing
Programme Enabling Manager	10	Advisor on technical advice	Existing
ESF Programme Manager	100	Programme delivery	New

Senior Project Officers x2	100	Compliant programme management and delivery	New
ESF Finance Manager (0.5FTE)	100	Financial accountability	New
Senior Data Analyst (0.5FTE)	100	Data management	New

Project Delivery in Central Bedfordshire

62. In addition, as CBC will be directly delivering employment support in Central Bedfordshire, we will establish a new Project Delivery Team. The Project Delivery Team requires the recruitment of 5 fixed term staff (FTE) to provide job coaching and personal advisor support to CBC participants. This will be embedded in CBC’s Bedfordshire Employment and Skills Service (BESS) by including a small amount of support from existing posts in BESS. The costs of the new recruits (apart from the cost of staff recruitment) will be met from the ESF programme funding.
63. SEaMLESS aims to integrate with existing CBC services and the CBC match funding has been identified so that existing council services can support delivery. CBC delivery integrates with the Supported Families Programme, Social Housing Employment Support and Adult Services, supporting people with learning disabilities or difficulties and Business Support Team for employer engagement. These services will provide referrals into the Job Coach advisors and have been identified as match funding as part of the bid in order to maximise funding for the CBC element of the Programme. This equates to a percentage of time of 20 CBC staff.

ESF CBC PROJECT DELIVERY TEAM			
Job Title	Time commitment to project %	Role	Existing staff or new post
<i>CBC posts funded by ESF</i>			
Employment and Skills Service Manager	10%	Strategic leadership of CBC direct delivery	Existing
Skills for Work and Life Manager	20%	Embedding delivery in wider Service	Existing
Contracts and Commissioning Manager	10%	ESF commissioning and contract management	Existing
ESF Team Leader – Job Coach	100%	Day-to-day direct delivery and ESF compliance	New

Job Coaches/Personal Advisors x4	100%	Job coaching and personal advisor support	New
Skills for Work and Life Tutor	30%	English, maths and ESOL	Existing
<i>CBC posts providing match funding</i>			
Housing Team Employment Support Officer	80%	Supporting participants and referrals	Existing
LDD Employment Support Team Manager	63%	Supporting participants and referrals	Existing
LDD Paid Employment Facilitator	63%	Supporting participants and referrals	Existing
Supported Families Family Partners x14	20%	Supporting participants and referrals	Existing
Business Growth Manager	5%	Business engagement and jobs brokerage	Existing
Business Support Officers x2	10%	Business engagement and jobs brokerage	Existing

Conclusion and Next Steps

64. Delivering an ESF programme offers CBC both additional funding for its own employment support activities and strategic positioning. It provides an in-depth opportunity to look at integrated employment support and to work with key influential partners.
65. 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 employment support. It has also created closer working with the Bedford and Luton on employment support initiatives.
66. If the approach is agreed, and subject to DWP approval of the bid, CBC will seek to enter into the funding agreement (example attached in Appendix 3) with the Managing Authority – DWP, 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

- 67. Appendix 1. Summary of financial information
- 68. Appendix 2. Risks and mitigating actions
- 69. Appendix 3. Example funding agreement – provided by DWP

Background Papers

- 70. None

This page is intentionally left blank

Appendix 1: ESF SEaMLESS Programme Financial Summary, Risks and Mitigation

Summary of key financial information

Programme Value	FY 16/17	FY 17/18	FY 18/19	FY 19/20	Total
	£	£	£	£	£
Programme administration management fee ESF	(56,772)	(250,302)	(227,386)	(193,595)	(728,054)
CBC ESF	(49,827)	(248,484)	(367,213)	(174,395)	(839,919)
CBC Match funding	66,200	320,674	432,794	230,230	1,049,898
LBC ESF	(113,839)	(552,082)	(567,164)	(267,298)	(1,500,383)
LBC Match funding	143,088	681,039	684,314	367,038	1,875,479
BBC ESF	(50,396)	(199,865)	(204,168)	(117,486)	(571,915)
BBC Match funding	61,545	249,021	248,823	155,505	714,893
Total Programme Value	541,667	2,501,467	2,731,862	1,505,547	7,280,541
Total ESF funding	(270,834)	(1,250,734)	(1,365,930)	(752,772)	(3,640,270)
Net	270,833	1,250,733	1,365,932	752,775	3,640,271

This page is intentionally left blank

Appendix 2: 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	Programme Sponsor	High	Medium	Close liaison with DWP to ensure realisation of start date. Re-profiling to reflect any project slippage through Change Request process. Close monitoring of the project with gateway reviews of the project against forecasts to ensure action is taken should the project slip. 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.
Failure to secure match funding leading to reduced funding or termination of funding.	Programme Manager	Medium	High	Close engagement and monitoring of the services providing match funding to ensure match is achieved. Project gateway reviews to assess against forecasts to ensure action is taken should the project match slip. Re-profiling to reflect any project match slippage through Change Request process.

<p>Funding or project failure due to programme underperformance leading to reduced funding or termination of funding.</p>	<p>Programme Sponsor</p>	<p>Medium</p>	<p>High</p>	<p>Close monitoring of the project with gateway reviews of the project against forecasts to ensure action is taken should the project slip. Re-profiling to reflect any project slippage through Change Request process. 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>
<p>Outputs not achieved leading to a reduction in funding</p>	<p>Programme Manager</p>	<p>Low</p>	<p>High</p>	<p>Marketing and engagement plan with associated ESF budget to ensure programme is widely marketed and individuals engaged. Close relationships with SEMLEP and local providers (particularly JCP) 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>Low</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 ESF project are being further developed with the Finance Team to ensure match funding can be properly evidenced and claimed, and that</p>

				expenditure is ESF eligible. In addition, an European Funding Finance Manager (funded by ESF) within the corporate finance team will ensure financial implications are monitored and embedded within the council.
ESF claims are in arrears and DWP 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 ESF claims which are awaiting payment would be treated as an accrual rather than a pressure. The European Funding 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 local authority 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. Any procured delivery will include ESF compliant contracts to ensure providers comply with all project requirements.

<p>Risk of IT systems not being robust leading to difficulties in monitoring performance and evidence.</p>	<p>Programme Manager</p>	<p>Low</p>	<p>Low</p>	<p>An existing CBC Management Information System is being explored to manage the programme. This will be extended through a cloud based version to enable the system to be accessed by external delivery partners. Due to the timeframes involved in establishing SEaMLESS, as well as the time it would take to procure a new system, it has been agreed by the partners that this will be funded outside of the ESF project. Discussions are taking place with ICT to ensure the system is fully compliant with security and other requirements. 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.</p>
<p>Risk of data protection and information security if not robustly dealt with.</p>	<p>Programme Manager</p>	<p>Low</p>	<p>High</p>	<p>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.</p>

<p>Risk of clawback if we cannot demonstrate compliance to the ESF auditors.</p>	<p>Programme Manager</p>	<p>Medium</p>	<p>High</p>	<p>Work closely with DWP 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 European Funding Finance Manager. Issues will be discussed at Steering Group meetings to ensure criteria are met. CBC internal Audit Team will provide guidance and peer review/audits. Procurement guidance to ensure ESF procurement requirements are complied with.</p>
<p>Failure in timely recruitment or issues in finding appropriate skills set for new roles</p>	<p>Programme Manager</p>	<p>Medium</p>	<p>Medium</p>	<p>Early development of Job Descriptions, close working with HR to undertake early recruitment, subject to approval of funding. 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.</p>
<p>Fixed term new posts for CBC would be at risk or would be withdrawn completely if the funding doesn't come forward or the programme terminates early.</p>	<p>Project Sponsor</p>	<p>Medium</p>	<p>Medium</p>	<p>Funding for the project comes from ESF and match funding provided by services in the local authorities. The local authority partners are sharing in the risk through a service level agreement and the project is based on previous experience of similar provision in each local authority area. There is confidence that the</p>

				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 programme is not performing.
There is reputational risk to CBC if the programme fails to deliver and we fail to claim the fully allocated amounts of ESF.	Project Sponsor	Low	Medium	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.
ESIF allocations to SEMLEP (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.	Project Sponsor	High	Low	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.
Brexit has created uncertainty about the future stability of EU funded programmes.	Project Sponsor	High	Low	A government guarantee has been given to honour all EU funded projects which are signed before we leave the EU.
Brexit may create uncertainty for participants and/or reluctance to engage with an EU funded programme.	Programme Manager	Low	Low	A communication and marketing plan will be established, and this will include guidance for delivery partners on how to respond to questions around the use of EU funding post-Brexit. Standard wording will also be created to be used in responses to press enquiries and FOI requests on this topic.

				The majority of the outcomes from the project have been profiled to be achieved before the UK leaves Brexit, assuming Article 50 is triggered in Spring 2017, and if necessary, the targets could be re-profiled to minimise the number of new participants being engaged on the programme after the UK leaves the EU.
Participants reluctant to engage with programmes funded by DWP	Programme Manager	Low	Low	The induction and engagement process with clients will explain how personal data is used and which information will or will not be shared with DWP. Potential participants will be signposted to alternative provision where possible if they are unwilling to participate in a DWP funded programme.

This page is intentionally left blank



Department
for Work &
Pensions



[DRAFT: THIS IS NOT AN OFFER]

European Social Fund Funding Agreement

Funding Agreement

between

The Secretary of State for Work and Pensions

and

[insert Grant Recipient]

Project Name: **[Insert Project Name]**

Project Number: **[insert Project Number]**

1	DEFINITIONS	4
2	INTERPRETATION	13
3	GRANT	14
4	THE APPLICATION AND ACCEPTANCE OF GRANT TERMS	15
5	GRANT CLAIMS.....	16
6	THE EXPENDITURE PROFILE	18
7	DECOMMITMENT OF EUROPEAN SOCIAL FUND RESOURCES.....	18
8	CHANGES TO THE PROJECT.....	19
9	LEGISLATION, PROCUREMENT, TENDERING AND STATE AID LAW.....	19
10	PUBLICITY	21
11	EVENTS OF DEFAULT, MATERIAL BREACH AND RIGHTS RESERVED FOR BREACH OF THE FUNDING AGREEMENT.....	21
12	ASSIGNMENT OR CHARGING OF THE FUNDING AGREEMENT.....	27
13	MONITORING PROGRESS, REPORTING AND NOTIFICATION.....	27
14	ACCOUNTING RECORDS AND SUPPORTING EVIDENCE.....	30
15	CONFIDENTIALITY.....	31
16	THE SECRETARY OF STATE DATA.....	33
17	DATA PROTECTION	33
18	SECURITY REQUIREMENTS	35
19	GRANT RECIPIENT WARRANTIES	36
20	NOTICES.....	37
21	VALUE ADDED TAX	37
22	GOOD FAITH AND COOPERATION.....	38
23	INSURANCE.....	38
24	CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999.....	38
25	JURISDICTION	38
26	MISCELLANEOUS	38

28 [TA ONLY - TERMINATION CLAUSE] 40
ACCEPTANCE..... 41

SCHEDULE 1 THE PROJECT SPECIFIC CONDITIONS

SCHEDULE 2 EXPENDITURE PROFILES

SCHEDULE 3 TARGETS

[SCHEDULE 3A UNDERPERFORMANCE METHODOLOGY]

SCHEDULE 4 APPLICATION

THIS Agreement is dated [20[]]

PARTIES

1. **THE SECRETARY OF STATE FOR WORK AND PENSIONS** whose principal address is Caxton House, Tothill Street, London SW1H 9NA (**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 to improve employment opportunities, strengthen social inclusion, fight poverty, promote education, skills and life-long learning and develop active, comprehensive and sustainable inclusion policies and thereby contribute to 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.

"Application" means the application for Grant (and any annexures thereto) which is contained in Schedule 4.

“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.

“Change” means in relation to the Project as defined in the Application any of the following changes (in accordance with clause 8):-

- (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.

“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.

“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 26 of the main body of this Funding Agreement and the Project Specific Conditions at Schedule 1.

“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 Youth Employment Initiative Contribution Rate and/or the General European Social Fund 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, where relevant, by reference to the published guidelines on flat-rate corrections, for example as set out in the National European Structural and Investment Funds Procurement Requirements and 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.

“Eligibility Rules” means the rules governing eligibility of expenditure for payment of European Social Fund (including for the Youth Employment Initiative) contained in:

- (a) Regulation 1304;
- (b) Regulation 1303; and
- (c) The National European Social Fund Eligibility Rules.

“Eligible Expenditure” means expenditure in relation to this Project that complies in all respects with the Eligibility Rules.

“Eligible General European Social Fund Expenditure” means the expenditure set out in the profile at Schedule 2.

“Eligible Youth Employment Initiative 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 11.1.

“Expenditure” means either Youth Employment Initiative Expenditure or General European Social Fund 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.

“Funding Agreement” means this agreement including the Schedules.

“General European Social Fund Contribution Rate” means the percentage rate in respect of Eligible General European Social Fund Expenditure as is specified the Project Specific Conditions at Schedule 1.

“General European Social Fund Maximum Sum” means the maximum amount of Grant payable in respect of Eligible General European Social Fund Expenditure as is specified in the Project Specific Conditions.

“Grant” means the grant of European Social Fund (including, where applicable, funding for the Youth Employment Initiative) 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).

“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.

“Interpretative Communication” means the Commission Interpretative Communication on the Community law applicable to contract awards not or not fully subject to the provisions of the Public Procurement Directives (2006/C 179/02)

“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.

“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 11.

“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 Youth Employment Initiative Maximum Sum and the General European Social Fund Maximum Sum.

“National European Social 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 Social Fund Programme for England 2014-20 National Eligibility Rules, March 2016*].

“National European Structural and Investment Fund Publicity Guidance” means the guidance on publicity and the branding guidelines for Structural and Investment Funds 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 2016*].

“National European Structural and Investment 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 3 (30 March 2016))*].

“National Rules” means the national rules set out in [chapter 6] of the National European Structural Investment Funds Procurement Requirements as published from time to time.

“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.

“Programme Guidance” means the guidance on the European Social Fund Operational Programme 2014-20 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 Social Fund Operational Programme 2014-20 Programme Guidance, September 2015*].

“Procurement Law” includes, but is not restricted to EC Directives 2004/18/EC, 2004/17/EC and 2007/66/EC, the Public Contracts Regulations 2006 (SI No 5/2006), as amended, Directive 2014/24/EU the Public Contracts Regulations 2015 and the Utilities Contracts Regulations 2006 (SI No 6/2006), as amended, and includes the Interpretative Communication , the Consolidated Versions of the Treaty on European Union and the Treaty on the Functioning of the European Union’.

“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 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.

“Regulation 1304” means Regulation (EU) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund.

“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.

“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” 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 1303, Regulation 1304 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.

“Website” means the national website for European Structural and Investment Funds 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.

“Youth Employment Initiative Contribution Rate” means the percentage rate in respect of Eligible Youth Employment Initiative Expenditure and is specified in the Project Specific Conditions.

“Youth Employment Initiative Maximum Sum” means the maximum amount of Grant payable in respect of Eligible Youth Employment Initiative Expenditure and is specified in the Project Specific Conditions.

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 Social 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 26.12) 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 Youth Employment Initiative Expenditure will be either the Youth Employment Initiative Maximum Sum, or an amount calculated by applying the Youth Employment Initiative Contribution Rate to the actual Eligible Youth Employment Initiative Expenditure, whichever is the lower.
- (b) The total amount of Grant payable in respect of Eligible General European Social Fund Expenditure will be either the General European Social Fund Maximum Sum, or an amount calculated by applying the General European Social Fund Contribution Rate to the actual Eligible General European Social Fund Expenditure, whichever is the lower.
- (c) The total amount of Grant paid to the Grant Recipient shall not exceed the Maximum Sum.

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 Project Completion 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) Except for the final Grant Claim, each Grant Claim is to be submitted by the 25th Working Day of the month following the end of the Instalment Period for which the Grant Claim is made.
- (c) 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 and (subject to clause 5.4(i)) may relate to Eligible Expenditure incurred and paid by the Grant Recipient in a previous Instalment Period which has not previously been claimed.
- (d) 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.
- (e) The Secretary of State will normally meet a Grant Claim within 30 days of receipt, but this is subject to:
 - (i) The Grant Claim being submitted by the deadline referred to in paragraph (b) above; and
 - (ii) 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.

- (f) 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.
- (g) 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.
- (h) If the Grant Recipient intends to submit a Grant Claim in accordance with paragraph (b) above which is not in accordance with the Expenditure Profile, it must notify the Secretary of State of the changes it wishes to make to the Expenditure Profile.
- (i) For the avoidance of doubt, no changes may be made to the Expenditure Profile unless approved by the Secretary of State in accordance with clause 8 and the Secretary of State shall be under no obligation to pay a Grant Claim for expenditure which is not in line with the Expenditure Profile.
- (j) 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.
- (k) 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.

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 SOCIAL 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 Social 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 11, 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 11.

8 CHANGES TO THE PROJECT

- 8.1** 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.
- 8.2** 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.

9 LEGISLATION, PROCUREMENT, TENDERING AND STATE AID LAW

9.1 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) Further to clause 9.1(a), 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.

9.2 State Aid Law

- (a) 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.

- (b) 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 or by the European Court of Auditors.
- (c) 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.

9.3 ESIF Procurement Requirements

- (a) The Grant Recipient warrants that it has provided full details of all contracts for goods, works or services which will form part of the Project and for which it will claim reimbursement.
- (b) Where the Grant Recipient is a 'contracting authority' within the meaning of Procurement Law the Grant Recipient warrants that:
 - (i) In relation to any contracts listed at Annex 4a of the Application, it has complied with, and where relevant, has secured that its Delivery Partners have complied with all applicable Procurement Law in force at the date the procurement was commenced in relation to the Project; and
 - (ii) In relation to any contracts listed at Annex 4b of the Application, it shall comply with, and where relevant, shall secure that its Delivery Partners shall comply with, all applicable Procurement Law in force at the date of commencement of the procurement process in relation to the Project.

Provided that where, having regard to the Interpretative Communication, the contract awards do not have a sufficient connection with the functioning of the Internal Market, the Grant Recipient warrants that it has complied with or shall comply with clause 9.4 below.

9.4 National Rules

Where:

- (a) the Grant Recipient is not a 'contracting authority' subject to Procurement Law in relation to the Project; or
- (b) it is a contracting authority and the contract award does not have a sufficient connection to the 'Internal Market'

the Grant Recipient warrants that:

- (i) In relation to any contracts listed at Annex 4a of the Application, it has ensured that its processes met, and where relevant, has secured that its Delivery Partners have ensured that their processes met, with the National Rules published at the date of the Application; and
- (ii) In relation to any contracts listed at Annex 4b of the Application, it shall comply with, and where relevant, shall secure that its Delivery Partners shall comply with the relevant version of the National Rules published at the date of commencement of the procurement process.

It is the Grant Recipient's sole responsibility to ensure compliance with the Regulations.

10 PUBLICITY

10.1 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;
- (b) Article 20 of Regulation 1304 relating to the Youth Employment Initiative; and
- (c) Chapter II and Annex II of Regulation 821.

10.2 The Secretary of State has published the National European Structural and Investment 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.

10.3 The obligations in this clause shall continue after this Funding Agreement is terminated.

10.4 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.

11 EVENTS OF DEFAULT, MATERIAL BREACH AND RIGHTS RESERVED FOR BREACH OF THE FUNDING AGREEMENT

11.1 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 8;
- (f) the European Commission or a European Court requires any Grant paid to be recovered by reason of a breach of State Aid Law;
- (g) 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;
- (h) 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);
- (i) the Grant Recipient owes any sum to the Secretary of State under an agreement for the financial support of any other Project or activities;
- (j) 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;
- (k) 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;
- (l) 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;
- (m) 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;

- (n) 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.

11.2 Material Breach

A Material Breach is a breach of this Funding Agreement as defined in clause 11.1 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 fails to materially comply with the Conditions;
- (e) 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.

11.3 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.

11.4 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 11.3(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 11.4(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 8 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 11.3(c) or clause 11.3(d) unless the Grant Recipient has failed to rectify the default pursuant to clause 11.4(a) within such period referred to in clause 11.4(a) to the satisfaction of the Secretary of State.

11.5 Continued rights of actions or remedies of the Secretary of State

The exercise by the Secretary of State of its rights under clause 11.3 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.

11.6 Cessation of entitlement to Grant

If the Secretary of State exercises their right under clause 11.3(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.

11.7 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 Social 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.

11.8 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 any applicable guidelines 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.

11.9 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 is applied in accordance with the terms of this Funding Agreement.

11.10 [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 3A.
- (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 8 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 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 3A.
- (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 ASSIGNMENT OR CHARGING OF THE FUNDING AGREEMENT

- 12.1** 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.
- 12.2** 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.
- 12.3** 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.
- 12.4** 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.

13 MONITORING PROGRESS, REPORTING AND NOTIFICATIONS

13.1 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.
- (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 13 and further warrants that it has diligently made full and proper enquiry of the subject matter pertaining to the reports and information given.

13.2 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) as soon as practicable thereafter, of any event which might adversely affect the delivery of the Project by the Agreed Activity End Date;
- (e) forthwith, on the occurrence of an Event of Default.

13.3 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.

13.4 Retention of documents

- (a) Without prejudice to any other provision of this 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 Programme Guidance will include information 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 Programme Guidance will provide information 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 the documents held meet with national legal requirements and can be relied upon for audit purposes.

13.5 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. Any such conflicts must be reported to the Secretary of State in writing.

- (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.

14 ACCOUNTING RECORDS, SUPPORTING EVIDENCE AND AUDIT

- 14.1** 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.
- 14.2** 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.
- 14.3** 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.
- 14.4** 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.
- 14.5** The Grant Recipient shall and shall procure that a Delivery Partner shall cooperate fully and promptly with an Audit.
- 14.6** 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.

15 CONFIDENTIALITY

15.1 Except to the extent set out in this clause 15 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.

15.2 Clause 15.1 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.

15.3 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.

15.4 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.

15.5 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 progress report submitted in respect of the Project), to any member of a Local Enterprise Partnership European Structural and Investment Funds Sub-Committee for the purpose of monitoring and evaluating the Project, subject to clause 15.7.
- (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 13.1(b) of this Funding Agreement;
- (f) for the purpose of any audit pursuant to clause 14 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.

15.6 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 15.5 is made aware of the Secretary of State's obligations of confidentiality.

15.7 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.

15.8 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.

16 THE SECRETARY OF STATE DATA

- 16.1** The Grant Recipient shall not delete or remove any proprietary notices contained within or relating to the Secretary of State Data.
- 16.2** 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.
- 16.3** 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.
- 16.4** 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.

17 DATA PROTECTION

- 17.1** 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.
- 17.2** 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 17;
- (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.

17.3 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.

18 SECURITY REQUIREMENTS

18.1 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.

18.2 Notwithstanding clause 18.1, if Malicious Software is found, the parties shall co-operate 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.

18.3 Any cost arising out of the actions of the parties taken in compliance with the provisions of clause 18.2 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).

19 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.

20 NOTICES

20.1 Any notice demand or communication to be given or served under this Funding Agreement shall be in writing.

20.2 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 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 System on line facility, in accordance with the terms of use of that facility.

20.3 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.

20.4 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.

20.5 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.

21 VALUE ADDED TAX

21.1 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.

- 21.2** 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.

22 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.

23 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.

24 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.

25 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.

26 MISCELLANEOUS

- 26.1** 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.

- 26.2** 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.
- 26.3** 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.
- 26.4** 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.
- 26.5** 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.
- 26.6** 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.
- 26.7** 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.
- 26.8** 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.
- 26.9** 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.
- 26.10** 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.

26.11 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

26.12 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.

27 [TA ONLY - TERMINATION CLAUSE]

27.1 [This Agreement may be terminated by the Secretary of State at any time on the provision of three months' written notice to the Grant Recipient. In such circumstances, the Secretary of State shall only be liable to reimburse the Grant Recipient for all Eligible Expenditure incurred up to the point of termination and will not be liable for any other losses which may have incurred as a result of termination

27.2 Exercise of the right of termination shall not prejudice the exercise of any legal rights or remedies the Secretary of State may have against the Grant Recipient in respect of any breach of the terms of this Agreement.]

ACCEPTANCE

This Funding Agreement has been entered into on the date stated at the beginning of it.

Signed for and behalf of

SECRETARY OF STATE FOR

WORK AND PENSIONS

Authorised Signatory: _____

Print Name: *[name to be inserted by the signatory – (please delete)]*

Signed for and on behalf of

[Insert Grant Recipient]

Authorised Signatory:

Print Name:

SCHEDULE 1 THE PROJECT SPECIFIC CONDITIONS

1. Contribution Rates

The amount of Grant payable shall not exceed the maximum sum of [£insert grant amount] [amount in words] and has been determined as follows:

- (a) insert rate% (being the Youth Employment Initiative Contribution Rate) of the Eligible Youth Employment Initiative Expenditure up to the Youth Employment Initiative Maximum Sum of £insert sum
- (b) insert rate % (being the General European Social Fund Contribution Rate) of the Eligible General European Social Fund Expenditure up to the General European Social Fund Maximum Sum of £insert sum

2. Contact.

The principal contact for this Project in the Department for Work and Pensions is Insert Name and telephone number. All correspondence, including any notices served pursuant to clause 20 in the main body of this Funding Agreement should be sent to the following address [insert address] or by email to [insert email address]. In any correspondence please quote the Project reference number found on the front page of this Funding Agreement.

3. Instalment Periods

The Instalment Period will be [quarterly] [ending on 31 March, 30 June, 30 September and 31 December]. The first Instalment Period will start following the date on which the correctly executed Funding Agreement is received by the principal contact named above.

4. Milestone Table

	Milestone	Date
a)	Start Date	[date this Agreement is correctly executed]
b)	Agreed Financial Completion Date	[]
c)	Agreed Activity End Date	[]
e)	The date of the submission of the first Grant Claim.	[]

f)	The date of the submission of the final Grant Claim.	[REDACTED]
g)	[Match Funding Longstop Date]	[REDACTED]
h)	Longstop date for legal agreement with Delivery Partners (see clause 8 below)	

5. Match Funding

The Match Funding is detailed in the table below:

Funding Contributions		2013	2014	2015	Total
PUBLIC (List Funders)					0
XXXX		XXX	XXX	XXXX	0
PRIVATE (List Funders)					
XXXX		XXXX	XXX	XXX	XXX
ESF		XXXX	XXX	XXX	XXX
Total Public Sector Match		XXXX	XXX	XXX	XXX
Total Private Sector Match		XXXX	XXX	XXX	XXX
TOTAL		XXXX	XXX	XXX	XXX

OR WHERE THE MATCH FUNDING IS NOT FULLY COMMITTED, EG BECAUSE ONE MATCH FUNDER IS STILL TO CONFIRM, OR BECAUSE SME CONTRIBUTIONS REQUIRED:

5.1 Without prejudice to clause 5.2(a) of the conditions in the main body of this Funding Agreement, the Secretary of State accepts that as at the date of this Funding Agreement the Match Funding for the Project has been approved as set out in the table below:

Funding Contributions	Status:	2013	2014	2015	Total

	Committed/Indicative				
PUBLIC (List Funders)	[Indicative] [Committed]				0
XXXX	[Indicative] [Committed]	XXX	XXX	XXXX	0
PRIVATE (List Funders)	[Indicative] [Committed]				
XXXX	[Indicative] [Committed]	XXXX	XXX	XXX	XXX
ESF	[Indicative] [Committed]	XXXX	XXX	XXX	XXX
Total Public Sector Match	[Indicative] [Committed]	XXXX	XXX	XXX	XXX
Total Private Sector Match	[Indicative] [Committed]	XXXX	XXX	XXX	XXX
TOTAL	[Indicative] [Committed]	XXXX	XXX	XXX	XXX

- 5.2 The Grant Recipient shall provide evidence to confirm the indicative Match Funding is fully committed [prior to the first Grant Claim] [by the Match Funding Longstop Date included in the Key Milestones at clause 4 of these Project Specific Conditions].
- 5.3 The Grant Recipient acknowledges and accepts that if it fails to provide evidence to the satisfaction of the Secretary of State in accordance with clause 5.2 of these Project Specific Conditions above, such failure shall be treated as an Event of Default pursuant to clause 11.1 of the conditions set out in the main body of this Funding Agreement. **Or [IF SME CONTRIBUTIONS MAKING UP THE REMAINING MATCH: The Grant Recipient acknowledges and accepts that if it does not secure the amount of Match Funding stated in clause 5.1 above from the SMEs, it shall be required to provide Match Funding from its own resources and failure to secure adequate Match Funding shall be treated as an Event of Default pursuant to clause 11.1 of the conditions set out in the main body of this Funding Agreement.**

6. Delivery Partners

EITHER

Not applicable. There are no Delivery Partners associated with this Project.

OR

- 6.1 The Grant Recipient is acting as the lead beneficiary for a consortium where the Grant Recipient and the following delivery partners will be making use of the Grant:

[NAME]
[REGISTERED ADDRESS]
[COMPANY NUMBER]

“the Delivery Partner[s]”

- 6.2 The Grant Recipient shall, [within 30 days of the date of executing this Funding Agreement], enter into a legally binding agreement with [the][each] Delivery Partner[s] upon materially similar terms to this Funding Agreement comprising provisions guaranteeing the sound financial management of the Grant including (without limitation):

6.2.1 clauses enabling the Grant Recipient to verify that expenditure presented by the Delivery Partner has been incurred and corresponds to that portion of the Project Activities actually being delivered by the Delivery Partner;

6.2.2 clauses imposing liability upon the Delivery Partner in the event of any irregularity in the expenditure declared by such Delivery Partner; and

6.2.3 clauses enabling the Grant Recipient to recover any amounts unduly paid.

- 6.3 Without prejudice to clause 6.2 of these Project Specific Conditions above, the Grant Recipient shall be solely responsible for ensuring the successful implementation of the Project and the achievement of the Targets.

7. Methodology for determining Eligible Expenditure

- 7.1 For the avoidance of doubt, the methodology for determining the Eligible Expenditure of the Project is set out in the Eligibility Rules and Grant Claims shall be submitted in line with this methodology.

7.2 [Where the implementation of the Project gives rise to indirect costs, they are to be calculated at a flat rate of 15% of eligible direct staff costs in accordance with the Programme Guidance].

OR

7.2 [A flat rate of 40% of the eligible direct staff costs for the Project shall be used in order to cover the remaining Eligible Expenditure of the Project, in accordance with the Programme Guidance].

8. **State Aid**

[[NO AID]

8.1 The Grant Recipient has undertaken an evaluation of the Project and concluded that the Grant for the Project Activities will not constitute State Aid (within the meaning set out in Article 107(1) of the TFEU and the relevant case law). The Grant Recipient has provided reasoning for this position within the Application [and in further detail in their legal advice letter at Annex X].

8.2 The Grant Recipient shall use all reasonable endeavours to maintain the 'no aid' structure and shall promptly inform the Secretary of State where it has reason to believe that the Project is no longer operating under a 'no aid' structure.

[Or

B. PUBLIC SECTOR NO AID]

8.1 The Grant Recipient has undertaken an evaluation of the Project and concluded that the Grant for the Project Activities will not constitute State Aid (within the meaning set out in Article 107(1) of the TFEU and the relevant case law).

8.2 The Grant Recipient confirms that as all the Project Activities are directly within the public remit of the organisation (as a public body) and the Grant Recipient, is not operating within a market and is therefore not an 'undertaking' per Article 107(1) of the TFEU.

8.3 The Grant Recipient shall use all reasonable endeavours to maintain the 'no aid' structure and shall promptly inform the Secretary of State where it has reason to believe that the Project is no longer operating under a 'no aid' structure.]

[Or

C. RESEARCH ORGANISATION, NO AID]

8.1 The Grant Recipient has undertaken an evaluation of the Project and concluded that transfer of State Resources to itself will not constitute State Aid (within the meaning set out in Article 107(1) of the TFEU and the relevant case law) because it is a 'research and knowledge dissemination organisation'

or 'research organisation' as defined at 1.3 paragraph 13 (ee) of the Framework for Research, Development and Innovation (2014/C 198/01)

8.2 The Grant Recipient confirms that its primary goal is to independently conduct fundamental research, industrial research or experimental development or to widely disseminate the results of such activities by way of teaching, publication or knowledge transfer. Where such entity also pursues economic activities, the financing, the costs and the revenues of those economic activities must be accounted for separately. Undertakings that can exert a decisive influence upon such an entity, for example in the quality of shareholders or members, may not enjoy a preferential access to the results generated by it.

8.3 The Grant Recipient shall use all reasonable endeavours to maintain the 'no aid' structure and shall promptly inform the Secretary of State where it has reason to believe that the Project is no longer operating under a 'no aid' structure.]

[Or

D. MARKET RATE, NO AID]

8.1 The Grant Recipient warrants that there shall be no State Aid to the [] beneficiaries within the Project because they shall pay a market rate for the []. The Grant Recipient shall regularly review the rates offered within the market for similar services and agrees to maintain documentation to demonstrate compliance.

8.2 The Grant Recipient shall use all reasonable endeavours to maintain the 'no aid' structure and shall promptly inform the Secretary of State where it has reason to believe that the Project is no longer operating under a 'no aid' structure.]

OR

[E De Minimis Aid

8.1 The Grant Recipient has undertaken an evaluation of the Project and concluded that the Grant for the Project will not constitute State Aid within the meaning set out in Article 107(1) of the TFEU and is exempted from the notification of Article 108(3) of the TFEU as it meets the definition of de minimis aid within Article 2 of Regulation 1407/2013. [The Grant Recipient declares that it has not received any other de minimis aid to which Regulation 1407/2013 applies or any other de minimis regulations applicable during the previous two financial years and the current financial year./ The Grant Recipient declares that it has received the following de minimis aid to which Regulation 1407/2013 applies and/or received aid to which other de minimis regulations applicable during the previous two financial years and the current financial year.]

- 8.2 The Grant Recipient has reviewed the terms of Regulation 1407/2013 and confirms that as a single undertaking (which includes all entities which are controlled by the same entity in law or on a de facto basis) it has not received state aid in excess of the limit set out in Article 3(2) of Regulation 1407/2013 (200,000 euros) during this financial year and during the two previous financial years. The Grant Recipient confirms that the funding set out in this Funding Agreement will not exceed the funding limit for de minimis aid.
- 8.3 The limit of the de minimis aid shall apply irrespective of the form of the de minimis aid or the objective pursued and regardless of whether the aid granted is financed entirely or partly by resources of European Union origin. The period of three financial years shall be determined by reference to the financial years used by the Grant Recipient in the United Kingdom.
- 8.4 All figures used for determining the amount of the de minimis aid shall be gross. Where aid is granted in a form other than a grant, the aid amount shall be the gross grant equivalent of the aid as determined under Article 4 of Regulation 1407/2013.]
- 8.5 The Grant Recipient shall maintain detailed records with the information and supporting documentation necessary to establish that all the conditions laid down in Regulation 1407/2013 have been complied with until 2033. .

OR

[De Minimis (via delivery partner)]

- 8.1 The Grant Recipient warrants that any economic advantage will be provided to the Project beneficiaries by either the Grant Recipient or the Delivery Partner within the framework of the 'De Minimis Regulations' (EC Reg 1407/2013 OJ L 352 of 24.12.2013) and agrees that it will meet, and will ensure that the Delivery Partner meets, the conditions set out below
- 8.2 The Grant Recipient confirms that all staff [and Delivery Partners] who deliver such aid shall first read the De Minimis Regulations 1407/2013 to ensure that they understand the administrative requirements. Compliance with the De Minimis Regulations shall include:
- a. valuing the 'gross grant equivalent' of the aid provided to each SME;
 - b. establishing how much aid the SME has received in the current and two previous financial years to ensure that the award of the aid shall not exceed the €200,000 threshold for the SME in that period;
 - c. obtaining a prior declaration from the SME (signed by a person authorised to bind them) that the aid received shall not result in the SME exceeding its allowable €200,000 threshold as above; and
 - d. providing a follow-up letter to each SME recording the gross grant equivalent value of aid provided under the De Minimis Regulations.

8.3 The Grant Recipient agrees not to provide, and to ensure that any Delivery Partner does not provide, aid to any person or sector excluded under the De Minimis Regulations and to retain all declarations until 2033 in order to establish that all the conditions laid down in Regulation 1407/2013 have been complied with.]

[9. Additional Provisions relating to the Grant]

SCHEDULE 2 EXPENDITURE PROFILES

SCHEDULE 3 TARGETS

[SCHEDULE 3A UNDERPERFORMANCE METHODOLOGY]

SCHEDULE 4 APPLICATION

Central Bedfordshire Council

EXECUTIVE

7 February 2017

Approval to Continue to Fund Healthwatch Central Bedfordshire from 1 April 2017 to 31 March 2021

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 Jane Moakes, Head of Strategic Commissioning, (jane.moakes@centralbedfordshire.gov.uk), Tel: 0300 300 5441)

This report relates to a key issue

Purpose of this report

1. To approve a commitment to continue to fund Healthwatch Central Bedfordshire for the next 3 years as the total sum for the period exceeds £200,000 and requires Executive approval.

RECOMMENDATIONS

The Executive is asked to:

1. **approve the funding of Healthwatch Central Bedfordshire for a further period of 3 years from 1 April 2017 to 31 March 2021.**

Overview and Scrutiny Comments/Recommendations

2. This item is not required to go to Overview and Scrutiny Committee as it is a decision of the Executive.

Issues

3. The Council has a duty under the Health and Social Care Act 2012 to commission a local Healthwatch organisation and ensure that this organisation is a corporate body carrying out statutory functions, is not for profit and able to employ staff and sub - contract statutory functions if appropriate.

4. The Executive on 5 February 2013 formally agreed to fund a Healthwatch organisation for Central Bedfordshire and to take ongoing responsibility for monitoring its effectiveness. Minute E/12/130 resolved that a local Healthwatch be established as a legal entity through the set up of a corporate body in the form of a company limited by guarantee with charity status. It also resolved that the Council will fund Healthwatch by means of a service level agreement to provide the statutory function. The development of the SLA and ongoing monitoring was delegated to the Director of Social Care, Health and Housing.
5. In April 2013 Healthwatch Central Bedfordshire was established and has been in place since; it is accountable to the Council as the commissioning authority and to the Health and Wellbeing Board and Healthwatch England through the publication of its annual report. This is the case with other Healthwatch organisations that were established across the country.
6. The council, through adult social care, receives regular reports and monitors performance quarterly against the service level agreement (SLA) and has the right to terminate the SLA and go to market to find an alternative provider in the event of continued and irretrievable service failure.
7. The performance of Healthwatch Central Bedfordshire (CB) has been regularly monitored since its formation and has been satisfactory.

Reason/s for decision

8. On the basis that Healthwatch CB has performed satisfactorily against the SLA since 2013 it is proposed that funding continues and that the SLA is reviewed and updated to reflect current and future priorities.

Council Priorities

9. Healthwatch CB as a consumer champion for people using local health and social care services, making views and experiences known to Healthwatch England and in carrying out special reviews to shape and influence health and social care services provided, contributes to the council priority of protecting the vulnerable; improving wellbeing.

Legal Implications

10. The Council has a statutory duty under the Health and Social Care Act 2012 to commission a local Healthwatch to carry statutory functions; Healthwatch CB meets this statutory duty and has performed satisfactorily. The proposal is to enter into a further agreement with Healthwatch CB, given that these services are subject to the light touch regime under the Public Contract Regulations 2015 and the total value is below the relevant threshold (£589,148) there is no legal requirement under the Regulations to go out to tender.

11. However, the Councils Contract Procurement rules apply and approval of the recommendation will also act as a waiver of the rules which require competition for requirements from £2,000.

Financial and Risk Implications

12. The annual sum of £140,000 has been in base budget since 2013, this was subject to an inflationary uplift of 3% in 2016/17. There is ongoing budget provision within the MTFP to cover this statutory duty for the next 3 years.

Equalities Implications

13. Public authorities have a statutory duty to advance equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. National research demonstrates that health experiences can vary across a range of protected characteristics.
14. An Equalities Impact Assessment was undertaken as part of the original SLA specification and equality and diversity requirements are well documented in the SLA to ensure that the service is culturally sensitive and appropriate to meet the diverse needs of service users and flexible enough to meet the requirements of different people. There is also specific focus on improving and widening accessibility, especially for hard to reach groups, through the use of a range of accessible routes including social media, internet, telephone and face-to-face mechanisms.

Implications for Work Programming

15. An annual report is presented to the Health and Wellbeing Board and an item will be included in the programme for Autumn/Winter 2017.

Conclusion and next Steps

16. Healthwatch Central Bedfordshire has continued to undertake the statutory functions required of it satisfactorily since 2013 in line with SLA and as such entering into a further agreement for the next 3 years is considered appropriate. The next steps pending the decision by Executive will be to confirm the decision with Healthwatch CB and review and update the SLA to address local priorities.

Appendices – None

Background Papers - None

This page is intentionally left blank

Central Bedfordshire Council

EXECUTIVE

7 February 2017

Approval to procure a new and enhanced Domiciliary Care Framework Agreement and to extend the current Framework Agreement for a period of 5 months

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

Advising Officers: Julie Ogley, Director of Social Care, Health and Housing, (Julie.ogley@centralbedfordshire.gov.uk) and Jane Moakes, Head of Strategic Commissioning, (jane.moakes@centralbedfordshire.gov.uk, Tel: 0300 300 5441)

This report is a Key Issue

Purpose of this report

1. To approve the procurement of a new domiciliary care framework and domiciliary care contract/s for four courts for a period of 5 years (3 years plus two one year extensions) ; and to approve an extension to the current domiciliary care framework contract by 5 months to 30 September 2017 as all contract sums involved exceed £200,000 and require Executive approval.

RECOMMENDATIONS

The Executive is asked to:

- 1. **approve the procurement of a new domiciliary framework contract with the new arrangement to start 1 October 2017 with a contract term of 3 years, plus 2 one year extensions;**
- 2. **approve the extension to the current domiciliary care framework contract for a period of 5 months; and**
- 3. **approve the procurement of domiciliary care contract/s for four Extra Care Courts and the new contract/s to start 1 October 2017 with a contract term of 3 years, plus 2 one year extensions.**

Overview and Scrutiny Comments/Recommendations

2. This item is not required to go to Overview and Scrutiny Committee as it is a decision of the Executive.

Issues

3. The current domiciliary care framework contract for adults and older people is coming to an end April 2017 and the Council needs to procure a new framework contract to ensure that customers who need care and support at home are able to access these services. A contract period of 3 years plus 2 one year extensions is considered appropriate given the changes in specification, to enable new and existing providers to mobilise effectively whilst maintaining consistency of care and support to customers, ensure that the necessary quality checks are undertaken and monitoring systems in place.
4. In order to enable a meaningful procurement process to be undertaken, that also includes services for children and those domiciliary care services purchased by the Bedfordshire Clinical Commissioning Group, it is necessary to extend the current domiciliary care framework contract by 5 months to 30 September 2017.
5. Following consultation with the Executive Member for Social Care and Housing and the Executive Member for Resources, agreement was obtained to advise providers on the current contract framework that the contract would be extended to the end of September 2017 and for the procurement process for a new framework to commence.
6. The procurement time line for the new contract started in the Autumn 2016 is set out below:
 - Engagement with stakeholders - Oct 2016 to Jan 2017
 - Specification completed - Jan 2017
 - Tender published - February 2017
 - Tender return - April 2017
 - Evaluation - May 2017
 - Executive report, recommendation to award - June 2017
 - Award of contract and standstill period - June 2017
 - Mobilisation period - July to September 2017
 - New framework contract start - 1 October 2017
7. The extension of the current framework and the procurement timeline, in addition to enabling stakeholder engagement and consultation, allows for a range of considerations and analysis to secure an adequate supply of sustainable and cost effective domiciliary care services for residents of Central Bedfordshire.

These include: consideration of fragile market conditions; learning from current framework operation (positive/negative); management /mitigation of potential market failure; opportunity to include domiciliary care services currently commissioned by Children's Services and the Bedfordshire Clinical Commissioning Group (BCCG) and to enhance the new framework to cover a wider range of vulnerable people from children through to adults with a range of different domiciliary care needs.

Options for consideration

8. A range of options have been explored and the framework agreed as the most appropriate approach for the next contract period .The framework agreement is an umbrella agreement that allows individual packages of care to be purchased by the Council when they are required by vulnerable adults following an assessment of their care needs. It sets the terms of each individual package including price the council will pay and the quality of the service provided. Each provider on the framework has to comply with the requirements of the agreement. The providers on the framework are performance monitored by Adult Social Care and are all subject to the Care and Quality Commission (CQC) Regulations and require registration with the CQC.
9. The new specification will be tendered at the same time as that for domiciliary care for the 4 Extra Care schemes (Lavender Court, Quince Court, Red House Court and St George's Court), the contracts for which also end 30 September, to encourage wider provider engagement and potentially more innovative bids.'
10. From initial analysis of the current framework a number of potential changes have been identified, including: increasing the number of lot areas, consideration of optimum timeline to achieve best value, joint arrangements between providers in outlying/hard to reach areas, cross boundary arrangements with other local authorities. This should also provide greater resilience in the market. The new specification will be tendered at the same time as that for domiciliary care for the 4 Extra Care schemes (Lavender Court, Quince Court, Red House Court and St George's Court) to encourage wider provider engagement and potentially more innovative bids.

Reason/s for decision

11. The total financial value for the new domiciliary care framework is approximately £9 to10 million based on current framework spend, this exceeds the £200,000 financial threshold that requires Executive approval. The bidders will be required to set out detailed financial information to support their bids and these will be scrutinised with clarifications sought as necessary.

The extension of the current framework is necessary to allow a meaningful, fair and transparent procurement process to be undertaken, also to include services for children and young people plus those funded by the BCCG that have only been added latterly and additional time was required for scoping and these and their subsequent inclusion. As the value for the period exceeds £200,000 (£950,000 for 5 months), Executive approval is required.

Council Priorities

12. The provision of domiciliary care services contributes to the Council priority of: Protecting the vulnerable; improving wellbeing and help support vulnerable people to maintain their independence and live at home supported by an appropriate and personalised package of care. A key aim of the new framework is to improve the delivery of care and the experience for our customers in Central Bedfordshire.

Corporate Implications

Legal Implications

13. Due to delay in the launching the new procurement process, the term of the existing contract framework will expire in advance of the new framework being in place. In order to ensure that there is continued service provision the term of the framework agreement will be extended for five months to enable time for a procurement process to be undertaken. Although this is a technical breach of the Public Contract Regulations there is no reasonable alternative to this course of action. The procurement process is being implemented as quickly as is reasonably possible in order for a proper procurement process to take place and as such, any disadvantage to potential providers will be minimised.
14. In addition to the legal issues in respect of Public Contract Regulations, it should be noted that the Council's Procurement Standing Orders apply to the extension of the current framework and therefore approval to vary the contract will also waive the related Council's Standing Orders .

Financial and Risk Implications

15. The services are funded through base budget included within the revenue budgets for Adults and Children's Services and the BCCG and also reflected appropriately in the Council's MTFP.

Equalities Implications

16. A detailed Equalities Impact Assessment is underway for the development of the new framework and all issues identified will be fully addressed and incorporated within the service specification and procurement process.
17. For each customer of domiciliary care, an individual care and support is agreed with them and adult social care staff. This ensures that the customer's care needs and individual preferences in how those care needs are met are agreed and set out for care providers to follow. Each care package therefore takes account of the customer's sex, gender, age, ethnicity, sexuality and disability.
18. The rural nature of Central Bedfordshire brings challenges for providers and improvements are being made to ensure equality of opportunity for those living in rural areas, those wishing to engage in a social life in the evening, those with challenging behaviours, for those transitioning from Children's to Adult's Services and for customers with both adult social care and health needs.

Implications for Work Programming

19. A report with recommendation to award the new framework contract is on the Executive forward plan for June. A report will also be placed on the work programme for the Social Care Overview and Scrutiny Committee.

Conclusion and next Steps

20. As set out in the report Executive approval to procure a new Framework is required as set out in the report and the extension of the current framework is considered appropriate to enable the procurement of a new and enhanced domiciliary care framework that covers a wider range of customers.

Appendices

None

Background Papers

None

This page is intentionally left blank