

Public Document Pack



Department of Corporate Resources

Members of Council

Committee Secretariat

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Your Ref: AT/Council

Date: 13 February 2019

Dear Councillor

MEETING OF COUNCIL – THURSDAY, 21 FEBRUARY 2019

You are requested to attend the meeting of the Council to be held in the Council Chamber, City Hall - City Hall, Bradford, City Hall, Bradford, on Thursday, 21 February 2019 at 4.00 pm

The agenda for the meeting is set out overleaf.

Yours sincerely

A handwritten signature in black ink that reads 'P. Akhtar'.

Parveen Akhtar
City Solicitor

Notes:

- ◆ This agenda can be made available in Braille, large print or tape format.
- ◆ The taking of photographs, filming and sound recording of the meeting is allowed except if Councillors vote to exclude the public to discuss confidential matters covered by Schedule 12A of the Local Government Act 1972. Recording activity should be respectful to the conduct of the meeting and behaviour that disrupts the meeting (such as oral commentary) will not be permitted. Anyone attending the meeting who wishes to record or film the meeting's proceedings is advised to liaise with the Agenda Contact who will provide guidance and ensure that any necessary arrangements are in place. Those present at the meeting should be aware that they may be filmed or sound recorded.

The Council's Fire Bell and Evacuation Procedure requires people to leave the building in an orderly fashion by the nearest exit, should the fire alarm sound. No one will be allowed to stay or return until the building has been checked.

Members are reminded that under the Members' Code of Conduct, they must register within 28 days any changes to their financial and other interests and notify the Monitoring Officer of any gift or hospitality received.

AGENDA

A. PROCEDURAL ITEMS

1. DISCLOSURES OF INTEREST

(Members Code of Conduct - Part 4A of the Constitution)

To receive disclosures of interests from members and co-opted members on matters to be considered at the meeting. The disclosure must include the nature of the interest.

An interest must also be disclosed in the meeting when it becomes apparent to the member during the meeting.

Notes:

- (1) In relation to Agenda Item 7A to approve the following recommendations contained in the report of the Monitoring Officer (**Document "T"**) to grant a dispensation to all Members who have certain Disclosable Pecuniary Interests listed in Appendix A to the report, as defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, in the decision to approve the budget and to set the level of Council Tax and Business Rates for 2019/20 and 2020/21 during the Budget Council meetings on 21 February 2019 and 20 February 2020.

That Council:

- 1. Grants a dispensation to the Members of the Authority who have requested one, to enable them to participate in full in the decision to approve the budgets for 2019/20 and 2020/21 and to set the Council Tax and Business Rates for 2019/20 and 2020/21.**
- 2. Approves the dispensation for a period of two years until 20 February 2020.**

3. Notes the Monitoring Officer's advice that personal interests that may give rise to a perception of a conflict of interest shall not prevent Members from speaking and voting at the Budget meetings.

- (2) Members in arrears of Council Tax by more than two months must not vote in decisions on, or which might affect, budget calculations, and must disclose at the meeting that this restriction applies to them. A failure to comply with these requirements is a criminal offence under section 106 of the Local Government Finance Act 1992.
- (3) Members have also disclosed interests which are not disclosable pecuniary interests but which they consider should be made in the interest of clarity (as listed in Appendix B to the report). Any other interests may be disclosed prior to, or at, the meeting.
- (4) Officers must disclose interests in accordance with Council Standing Order 44.

2. MINUTES

Recommended –

That the minutes of the meeting held on 15 January 2019 be signed as a correct record (previously circulated).

(Adrian Tumber – 01274 432435)

3. APOLOGIES FOR ABSENCE

4. WRITTEN ANNOUNCEMENTS FROM THE LORD MAYOR

(To be circulated before the meeting).

5. INSPECTION OF REPORTS AND BACKGROUND PAPERS

(Access to Information Procedure Rules – Part 3B of the Constitution)

Reports and background papers for agenda items may be inspected by contacting the person shown after each agenda item. Certain reports and background papers may be restricted.

Any request to remove the restriction on a report or background paper should be made to the relevant Strategic Director or Assistant Director whose name is shown on the front page of the report.

If that request is refused, there is a right of appeal to this meeting.

Please contact the officer shown below in advance of the meeting if you wish to appeal.

B. BUSINESS ITEMS

6. MEMBERSHIP OF COMMITTEES AND JOINT COMMITTEES

To consider any motions (i) to appoint members to a Committee or a Joint Committee; or (ii) to appoint Chairs or Deputy Chairs of Committees (excluding Area Committees).

7. RECOMMENDATIONS FROM THE EXECUTIVE AND COMMITTEES

7.1 RECOMMENDATION FROM THE EXECUTIVE - BUDGET 2019/20 AND 2020/21 1 - 158

The Executive at its meeting on 19 February 2019 will make recommendations to Council on the Budget for 2019/20 and 2020/21.

The following reports are submitted:

- (i) The Council's Revenue Estimates for 2019/20

The report of the Director of Finance provides details of the Council's Revenue Estimates for 2019/20 and proposals for 2020/21 (**Executive Document "AZ"**). This report may require updating following the meeting of the Executive on 19 February 2019.

(Tom Caselton – 01274 434472)

- (ii) Allocation of the Schools' Budget 2019/20 Financial Year

The report of the Director of Finance presents and seeks approval of the recommendations of the Schools Forum in allocating the Dedicated Schools Grant (DSG) for 2019/20 (**Executive Document "BA"**).

(Andrew Redding – 01274 432678)

- (iii) The Council's Capital Investment Plan for 2019/20 to 2022/23

The report of the Director of Finance proposes the Capital Investment Plan for 2019/20 to 2022/23 (**Executive Document "BB"**). This report may require updating following the meeting of the Executive on 19 February 2019.

(Lynsey Simenton/James Hopwood – 01274 434232/2882)

- (iv) 2019/20 Budget Proposals and Forecast Reserves - Section 151 Officer Assessment

The report of the Director of Finance (**Executive Document "BC"**) sets out the S151 Officer's assessment of the proposed budget for the

financial year 2019/20, the adequacy of the forecast level of reserves and associated risks. The assessment of the Executive's recommendations to Council on the budget may require updating following the meeting of the Executive on 19 February 2019.

(Andrew Crookham – 01274 433656)

- (v) Consultation Feedback and Equality Assessments for the 2019/20 Council Budget and proposals for the 2020/21 Council budget

The report of the Assistant Director, Office of the Chief Executive, appendices and addendum provide feedback from the public engagement and consultation programme and sets out a summary of the equality assessments carried out on the Executive's Budget proposals for 2019/20 and 2020/21 (**Executive Document "AR"**). There is particular reference to the Council's responsibilities under equality legislation to enable the Council to have due regard to the Public Sector Equality Duty when considering the Executive's recommendations to Council on a budget for 2019/20 and proposals for 2020/21 budget.

(Kathryn Jones – 01274 433664)

- (vi) Interim Trade Union Feedback on the Council's Budget Proposals for the 2019/20 and 2020/21 Council Budget

The report of the Director of Human Resources and appendices provide interim feedback from the Council's Trade Unions on the Council's budget proposals for the 2019/20 and 2020/21 Council budget (**Executive Document "AS"**).

(Michelle Moverley – 01274 437883)

Note

In view of the short timescale between the Executive on 19 February and the meeting of Council on 21 February the budget recommendations from the Executive to Council will be e-mailed to all Members of Council following the Executive on 19 February and will be published on the Council's website at www.bradford.gov.uk . The recommendations will also be circulated at this meeting of Council.

7.2	RECOMMENDATION FROM THE GOVERNANCE AND AUDIT COMMITTEE - NORTHERN POOL JOINT GOVERNANCE COMMITTEE INTER AUTHORITY AGREEMENT	159 - 202
	At its meeting on 24 January 2019 the Governance and Audit Committee considered the report of the Director of the West Yorkshire Pension Fund (Governance and Audit Committee Document "AA" with NFP (Not For Publication) Appendix A). In order to comply with	

Government Investment Pooling Guidelines it is necessary for The Administering Authority (AA) of the West Yorkshire Pension Fund to enter into an agreement with Tameside and Wirral Metropolitan Borough Councils as the AAs of the two other pension funds making up the Northern Pool.

Recommended –

That the Northern Pool Joint Governance Committee Agreement, Not For Publication Appendix A to Governance and Audit Committee Document “AA”, be approved to ensure it is operational by 1 April 2019, and the Director of the West Yorkshire Pension Fund be authorised in consultation with the City Solicitor to amend it as expedient or necessary and put in place any ancillary documentation.

(Rodney Barton – 01274 432317)

7.3 ANY OTHER RECOMMENDATIONS

To consider any other recommendations (if any) arising from meetings of the Executive and Committees held after the publication of this agenda and prior to the Council meeting.

T

REPORT OF THE MONITORING OFFICER

APPLICATIONS FOR DISPENSATION

SECTION 33 OF THE LOCALISM ACT 2011

THE RELEVANT AUTHORITIES (DISCLOSABLE PECUNIARY INTERESTS) REGULATIONS 2012

21 February 2019

1.0 Purpose of Report

1.1 To request the Council to grant a dispensation to all Members who have certain Disclosable Pecuniary Interests, as defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, in the decision to approve the budget and to set the level of Council Tax and Business Rates for 2019/20 and 2020/21 during the Budget Council meetings on 21 February 2019 and 20 February 2020.

2.0 Background

2.1 Under the Localism Act 2011 and the Members' Code of Conduct adopted by Bradford Council, a Member is required to consider whether he/she has a Disclosable Pecuniary Interest (DPI) in a matter to be considered at a formal meeting of the Authority. Dependent upon whether the DPI is included within their Register of Interests, Members are then required to disclose the interest to the meeting. In either case they may then not speak or vote on the matter concerned.

2.2 In the decision to approve the budget and to set the level of Council Tax and Business Rates for 2019/20 and 2020/21 there are a number of categories of interest which give rise to the need for a declaration of a DPI.

These include the following:

- Property Ownership/ Licences
- Employment or Business Interests
- Sponsorship/ Membership of Organisations
- Contracts

2.3 Guidance from the DCLG ("Openness and Transparency on personal interests – a guide for councillors", September 2013) states that any payment of, or liability to pay Council Tax does not create a Disclosable Pecuniary Interest. Accordingly members who pay or are liable to pay Council Tax do not require a dispensation to take part in the business of setting the Council Tax or precept or local arrangements for Council Tax support.

2.4 The DCLG guidance does not extend to similar issues arising with National Non-Domestic Rates, however, the same arguments would apply, namely that a payment of business rates, or a liability to pay business rates relating to

employment or business interests would not itself create a Disclosable Pecuniary Interest.

2.5. All councillors have completed their Registers of Interests as required by the Localism Act 2011 and, as such, councillors have declared Disclosable Pecuniary Interests. Those interests are a matter of public record and available for public inspection and on-line.

2.6 Council on 22 February 2018 approved dispensations for two years, including 2019/20. The matter is being reported again to Council to ensure all changes in the matter of Councillors' disclosable pecuniary interests are approved for the purposes of a dispensation.

3.0 Issues

3.1 Section 31 (4) of the Localism Act 2011 states that where a Member is present at a meeting of an Authority and has a Disclosable Pecuniary Interest in any matter to be considered, they may not:

- participate, or participate further, in any discussion of the matter at the meeting, or
- participate in any vote, or further vote, taken on the matter at the meeting.

If a Member fails to comply with these requirements, they would potentially commit a criminal offence.

3.2 Section 33 of the Act provides that on written request the Authority may grant a dispensation relieving the Member from either or both of the above restrictions.

3.3 The Act allows the Council to grant a dispensation in the following circumstances for a specified period of time not exceeding 4 years.

- (i) The number of Members having DPIs in a matter is so great a proportion of the Council that it would impede the transaction of the business;
- (ii) That, without the dispensation, the representation of different political groups on the Council would be so upset as to alter the outcome of any vote on the matter;
- (iii) That the Authority considers that the dispensation is in the interests of persons living in the Authority's area;
- (iv) That the Authority considers that it is otherwise appropriate to grant a dispensation.

In the circumstances it is considered that the requests for dispensation fall into all four categories set out above.

3.4 Due to the number of Councillors who have a relevant Disclosable Pecuniary Interest there is a real risk that without a dispensation, a significant number of Councillors would be required to declare an interest and as such be prevented from

participating in the decision making process. The lack of the ability for a significant number of Councillors to participate could have the impact of either making the Council meeting inquorate or upsetting the political balance of the meeting at which the decision is to be made.

- 3.5 It is in the interests of the citizens of the Bradford District that they are represented by their democratically elected Councillors at the debate to approve the budget and to set the Council Tax. These are the most important decisions taken by Council and it is therefore imperative that constituents are not disenfranchised by the provisions of the Localism Act 2011 relating to Disclosable Pecuniary Interests.
- 3.6 The Council's Code of Conduct also requires that where a Member has another interest in a matter to be discussed which should be declared in the public interest, it should be declared at the meeting. In circumstances where the interest may give rise to a perception of a conflict of interest in the matter, the Member must consider whether continued participation in the matter would be reasonable.
- 3.7 On the same grounds as the case for dispensations in respect of DPIs, I advise that Members who have personal interests where there is or may be a conflict of interest should also not be prevented from speaking and voting at Budget Council owing to the number of Councillors likely to be affected.
- 3.8 Attached as an appendix is a schedule of Members DPIs (part A) and a schedule of personal interests (part B). Council is requested to grant dispensations under s33 of the Localism Act to permit Members to speak and vote at the Budget meetings. It is also recommended that the dispensations continue in force until February 2020 as the budget consideration spans two years.

4.0 Legal Implications

- 4.1 The Localism Act enables the Council to consider applications for dispensations in the accordance with the grounds referred to above. In order to grant a dispensation, the Council needs to be satisfied that on the information available, the application meets one or more of the criteria for dispensations set out above.

5.0 Conclusions

- 5.1 In the circumstances, the Monitoring Officer is satisfied that the criteria are met and considers it appropriate for the Council to grant a dispensation to those Members of Council who have requested such dispensations for a period of two years so as to enable all Members to participate in the decision to approve the Council budget and the setting of the Council Tax and Business Rates for 2019/20 and 2020/21.

6.0 Recommendation

That Council:

1. Grants a dispensation to the Members of the Authority who have requested one, to enable them to participate in full in the decision to approve the budgets for 2019/20 and 2020/21 and to set the Council Tax and Business Rates for 2019/20 and 2020/21.

2. Approves the dispensation for a period of 2 years until 20 February 2020.
3. Notes the Monitoring Officer's advice that personal interests that may give rise to a perception of a conflict of interest shall not prevent Members from speaking and voting at the Budget meetings.

Parveen Akhtar
Monitoring Officer

7 February 2019

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List of Elected Members recommended to be granted dispensations under the Localism Act 2011 in relation to their declared Disclosable Pecuniary Interests relating to employment, sponsorship, contracts, land and licences for the purposes of speaking and voting at the Budget Council meeting on 21 February 2019.

EMPLOYMENT

<u>Labour</u>	<u>Con</u>	<u>Lib Dem</u>	<u>Green</u>	<u>BFD Ind</u>	<u>Ind</u>	<u>The Ind</u>	<u>The QW Ind</u>	<u>Bingley Ind</u>
Amran	Brown			Sajawal				
Berry								
Imran Khan								
Tariq Hussain								
Lal								
Ross-Shaw								
Salam								
Shaheen								
Tait								
Thornton								

SPONSORSHIP

<u>Labour</u>	<u>Con</u>	<u>Lib Dem</u>	<u>Green</u>	<u>BFD Ind</u>	<u>Ind</u>	<u>The Ind</u>	<u>The QW Ind</u>	<u>Bingley Ind</u>
Dodds	Davies	Griffiths	Love					
Engel	Ellis	Reid						
Farley	Gibbons	Pollard						
Green	Heseltine	Stubbs						
Hinchcliffe	Pennington	Sunderland						
Tariq Hussain	Poulsen							
Iqbal	D Smith							
Jabar								
Imran Khan								
Mullaney								
Ross-Shaw								
M Slater								
Swallow								
Tait								
Thirkill								
Thornton								
Wainwright								

CONTRACTS

<u>Labour</u>	<u>Con</u>	<u>Lib Dem</u>	<u>Green</u>	<u>BFD Ind</u>	<u>Ind</u>	<u>The Ind</u>	<u>The QW Ind</u>	<u>Bingley Ind</u>
Salam	D Smith					Naylor		
Shafiq								

LAND

<u>Labour</u>	<u>Con</u>	<u>Lib Dem</u>	<u>Green</u>	<u>BFD Ind</u>	<u>Ind</u>	<u>The Ind</u>	<u>The QW Ind</u>	<u>Bingley Ind</u>
A Ahmed	Ali	R Ahmed	Love	K Hussain	Stelling	Hawkesworth	L Cromie	Shaw
Amran	Barker	Griffiths	Warnes	Sajawal		Naylor		
Azam	Brown	Humphreys						
Bacon	Cooke	Pollard						
Berry	Davies	Reid						
Dodds	Ellis	Stubbs						
Duffy	Gibbons	Sunderland						
Dunbar	Hargreaves	Ward						
Engel	Heseltine							
Farley	Herd							
Ferriby	Pennington							
Firth	Pollard							
Godwin	Poulsen							
Green	Riaz							
Greenwood	Rickard							
Hinchcliffe	Senior							
Abid Hussain	D Smith							
Arshad Hussain	M Smith							
Kamran Hussain	Townend							
Shabir Hussain	Whitaker							
Tariq Hussain	Whiteley							
Iqbal								
Jabar								
Jamil								
Jenkins								
Johnson								
Hassan Khan								
Imran Khan								
Lal								
Lee								
Mir								
Mohammed								
Mullaney								

LAND (CONT)

<u>Labour</u>	<u>Con</u>	<u>Lib Dem</u>	<u>Green</u>	<u>BFD Ind</u>	<u>Ind</u>	<u>The Ind</u>	<u>The QW Ind</u>	<u>Bingley Ind</u>
Nazir								
Peart								
Ross-Shaw								
Salam								
Shabbir								
Shafiq								
Shaheen								
M Slater								
Swallow								
Tait								
Thirkill								
Thornton								
Wainwright								
Warburton								
Watson								
Wood								

LICENCES

<u>Labour</u>	<u>Con</u>	<u>Lib Dem</u>	<u>Green</u>	<u>BFD Ind</u>	<u>Ind</u>	<u>The Ind</u>	<u>The QW Ind</u>	<u>Bingley Ind</u>
Bacon	D Smith M Smith	J Sunderland						

CORPORATE TENANCIES

<u>Labour</u>	<u>Con</u>	<u>Lib Dem</u>	<u>Green</u>	<u>BFD Ind</u>	<u>Ind</u>	<u>The Ind</u>	<u>The QW Ind</u>	<u>Bingley Ind</u>
							Cromie	

SECURITIES

<u>Labour</u>	<u>Con</u>	<u>Lib Dem</u>	<u>Green</u>	<u>BFD Ind</u>	<u>Ind</u>	<u>The Ind</u>	<u>The QW Ind</u>	<u>Bingley Ind</u>
	D Smith							

Budget Meeting
21 February 2019

Disclosures of Interest

Appendix "B"

The following members have disclosed a personal interest in the item on the agenda relating to the Budget 2019 – 20 and of the nature and description indicated by each category:

1. Members with a spouse, partner or close relative in the employment of the Council

Labour

Cllr Ahmed
Cllr Amran
Cllr Dodds
Cllr Firth
Cllr Green
Cllr Kamran Hussain
Cllr Tariq Hussain
Cllr Iqbal
Cllr Jabar
Cllr Jenkins
Cllr Imran Khan
Cllr Lal
Cllr Nazir
Cllr Salam
Cllr Shabbir
Cllr Shafiq
Cllr M Slater
Cllr Swallow
Cllr Tait
Cllr Thornton

Conservative

Cllr Brown
Cllr Ellis
Cllr Pennington
Cllr Pollard
Cllr Riaz
Cllr Townend

Lib Dem

Cllr Griffiths
Cllr Stubbs

Green

Cllr Love

The Independents

Cllr Hawkesworth

The Bingley Independent

Cllr Shaw

2. Members employed by or who have a spouse, partner or close relative employed by a voluntary organisation/public body funded by the Council.

Labour

Cllr Duffy
Cllr Imran Khan
Cllr Jenkins
Cllr Lal
Cllr Mullaney
Cllr Shabbir
Cllr Shaheen
Cllr Thirkill

Conservative

Cllr Brown

3. **Members who occupied land or who had a spouse, partner or relative who did or who were directors of companies or sat on the management committee of an organisation that occupies land under a lease or licence granted by the Council.**

Labour

Cllr Jamil
Cllr Jenkins
Cllr Imran Khan
Cllr Mullaney
Cllr Ross-Shaw

Lib Dem

Green

Cllr Love

Conservative

Cllr Brown
Cllr Heseltine
Cllr D Smith
Cllr M Smith

Independent

Cllr Stelling

4. **Members of other public authorities.**

Adoption Panel

Cllr Berry (Lab)
Cllr Davies (Con)

Airedale Drainage Commissioners

Cllr Ellis (Con)
Cllr Rickard MBE (Con)

Airedale Partnership

Cllr Ross-Shaw (Lab)
Cllr Cooke (Con)

Association for Public Service Excellence (APSE)

Cllr Berry (Lab)

Better Start Bradford

Cllr Sajawal (Ind)

Bingley Voluntary Action

Cllr Heseltine (Con)

Bradford & Airedale Citizens Advice Bureau

Cllr Watson (Lab)
Cllr Barker (Con)

Bradford Business Improvement District

Cllr Ross-Shaw (Lab)

Bradford Deaf Community Association

Cllr Akhtar (Lab)
Cllr Iqbal (Lab)
Cllr Martin Smith (Con)

Bradford Business Improvement District

Cllr Hinchcliffe (Lab)

Cllr Ross-Shaw (Alt) (Lab)

Bradford Economic Partnership

Cllr Hinchcliffe (Lab)

Cllr Ross-Shaw (Alt) (Lab)

Bradford District Care NHS Foundation Trust

Cllr Aneela Ahmed (Lab)

Cllr Riaz (Con)

Bridge Project

Cllr Berry (Lab)

Christopher Tophams Apprenticing Foundation

Cllr Whiteley (Con)

City Regions Board (LGA)

Cllr Hinchcliffe (VCh) (Lab)

Clayton Community Association

Cllr Thirkhill (Lab)

Court of the University of Leeds

Cllr Jamil (Lab)

Drake and Tonson Foundation

Cllr Bacon (Lab)

Cllr Farley (Lab) – Not appointed by the Council but approached by the Chair.

Fostering Panel

Cllr Aneela Ahmed (Lab)

Cllr Sameena Akhtar (Lab)

Cllr Townend (Con)

Greenmoor Community Board – City and Great Horton Wards

Harehills Education Trust

Cllr Bacon (Lab)

Cllr Malcolm Slater (Lab)

Cllr Brown (Con)

Haworth Exhibition Trust

Cllr Farley (Lab)

Cllr Poulsen (Con)

Ilkley Youth & Community Association and Childrens Centre

Cllr Gibbons (Con)

Cllr M Smith (Con)

Joseph Nutter's Foundation

Cllr Lee (Lab)

Cllr Thirkill (Lab)

Cllr Gibbons - Member of the Management Board (Con)

Keighley Community LED Local Development

Cllr Ali (Con)

Key Cities

Cllr Hinchcliffe (Lab)

Cllr I Khan (Lab)

Leeds Bradford International Airport – Consultative Committee

Cllr Ross-Shaw (Lab)

Cllr Lal (Alternate) (Lab)

Leeds City Region Local Enterprise Partnership

Cllr Hinchcliffe (Lab)

Manningham Housing Association

Cllr Bacon (Lab)

Nell Bank Outdoor Education Centre

Cllr Ferriby (Lab)

Cllr Martin Smith (Con)

Cllr Poulsen –Trustee (Con)

NHS Mental Health Board

North Regional Association for Sensory Support (NRASS)

Cllr Wainwright (Lab)

Cllr Gibbons (Con)

Play Partnership

Cllr Swallow (Lab)

Roshni Ghar

Rural Action Yorkshire

Cllr Hawkesworth (The Ind)

Salt Foundation

Cllr Love (Green)

Sir Titus Salt Trust

Cllr Amran (Lab)

Cllr Hinchcliffe (Lab)

Cllr Thirkill (Lab)

Cllr Cooke (Con)

Cllr Heseltine (Con)

Cllr Love (Green)

Southern Pennine Rural Regeneration (Pennine Prospects)

Cllr Godwin (Lab)

Cllr Ellis (Alt) (Con)

Standing Advisory Council on Religious Education (SACRE)

Cllr Nussrat Mohammed (Lab)

Cllr Swallow (Lab)

Cllr Riaz (Con)

Cllr Reid (Lib Dem & Ind)

University of Bradford - Council

University of Bradford – Court

Cllr Hinchcliffe (Lab)

West Yorkshire Combined Authority

Cllr Hinchcliffe (Lab) (Chair)

Cllr I Khan (Alt) (Lab)

Cllr Poulsen (Not put on by the Council)

West Yorkshire Combined Authority Inclusive Growth and Public Policy

Cllr Ross-Shaw (Lab)

West Yorkshire Combined Authority West Yorkshire & York Investment Panel

Cllr Ross-Shaw (Lab)

West Yorkshire Combined Authority Business Innovation and Growth Panel

Cllr Ross-Shaw (Lab)

West Yorkshire Combined Authority Business Investment Panel

Cllr Ross-Shaw (Lab)

West Yorkshire Combined Authority Employment Skills Panel

Cllr Hinchcliffe (Lab)

Cllr Imran Khan (Lab)

West Yorkshire Combined Authority Governance and Audit

Cllr Hinchcliffe (Lab)

Cllr Imran Khan (Lab) Substitute

West Yorkshire Combined Authority Green Economy Panel

Cllr Ferriby (Lab)

West Yorkshire Combined Authority Leeds City Region Partnership

Cllr Hinchcliffe (Lab)

West Yorkshire Combined Authority Overview & Scrutiny Committee

Cllr Nazir (Lab)

Cllr Watson (Lab)

Cllr Pollard (Con)

Cllr Dodds (Alt) (Lab)

Cllr Thirkill (Alt) (Lab)

Cllr Riaz (Alt) (Con)

West Yorkshire Combined Authority Place Panel

Cllr Hinchcliffe (Lab)

Cllr Ross-Shaw (Lab)

West Yorkshire Combined Authority Transport Committee

Cllr Hassan Khan (Lab)

Cllr Salam (Lab)

Cllr Ellis (Con)

West Yorkshire Fire and Rescue Authority

Cllr Dodds (Lab)

Cllr Peart (Lab)

Cllr Tait (Lab)

Cllr Pollard (Con)

Cllr J Sunderland (Lib Dem & Ind)

West Yorkshire Joint Services Committee

Cllr Duffy (Lab)

Cllr Hinchcliffe (Lab)

Cllr Lee (Alt) (Lab)

Cllr Imran Khan (Lab)

Cllr Salam (Alt) (Lab)

Cllr Hargreaves (Con)

Cllr Senior (Alt) (Con)

West Yorkshire Pension Fund Investment Advisory Panel

Cllr Thornton (Lab)

Cllr Ellis (Con)

West Yorkshire Pension Fund Joint Advisory Group

Cllr Lal (Lab)

Cllr Thornton (Lab)

Cllr Ellis (Con)

The Pension Board

Cllr M Slater (Lab)

West Yorkshire Police & Crime Panel

Cllr Dunbar (Lab)

Cllr Tariq Hussain (Lab)

Cllr Brown (Con)

Woodroyd Nursery

Cllr Talat Sajawal (Ind) on the Board as a Trustee for the charity

Wrose Carnival Management Committee

Cllr Greenwood (Lab)

Cllr Hinchcliffe (Lab)

Cllr Ross-Shaw (Lab)

Yorkshire and Humber – Employers Association (Local Authorities)

Cllr Dodds (Lab) – Appointed by the West Yorkshire Fire Authority

Cllr Duffy (Lab)

Yorkshire Libraries and Information

Cllr Ferriby (Lab)

Yorkshire Purchasing Organisation Holding Company

Cllr Warburton (Lab)

Yorkshire Purchasing Organisation Procurement Holdings Ltd

Cllr Lal (Alt) (Lab)

Cll Warburton (Lab)

Cllr Ellis (Alt) (Con)

Cllr Whiteley (Con)

Yorkshire Regional Flood & Coastal Committee

Cllr Farley (Sub Member) (Lab)

Cllr Ellis (Con)

Parish Councillors.

Cllr Thirkill (Lab)

Cllr Naylor (The Independents)

Cllr Herd (Con)

Cllr Gibbons (Con)

Cllr Rickard MBE (Con)

Cllr D Smith (Con)

Cllr Whitaker (Con)

Cllr Whiteley (Con)

5. Members who sit on the management committee/ trustee volunteer of a voluntary organisation in receipt of Council Funding.

Labour

Cllr Berry

Cllr Dodds

Cllr Ferriby

Cllr Hinchcliffe

Cllr Tariq Hussain

Cllr Jabar

Cllr Jamil

Cllr Imran Khan

Cllr Tait

Cllr Thirkill

Conservative

Cllr Davies

Cllr Hargreaves

Cllr Heseltine

Cllr Poulsen

Cllr Riaz

Conservative (Cont)

Cllr Senior

Cllr D Smith

Cllr M Smith

Cllr Townend

Lib Dem

Cllr Ahmed

Cllr Stubbs

Cllr J Sunderland

Independent

Cllr Khadim Hussain

Cllr Sajawal

The Independents

Cllr Hawkesworth

6. Members who are members of a Council funded organisation.

Labour

Cllr Bacon -Bradford District
Credit Union

Cllr Imran Khan
Cllr Thirkill
Cllr Ross-Shaw

Lib Dem

Cllr Ahmed

The Independents

Cllr Hawkesworth

Conservative

Cllr Brown
Cllr Gibbons
Cllr Rickard MBE
Cllr D Smith

7. Members appointed by the Council to a public body with an interest in the Council's budget

Bradford College

Cllr Berry (Lab)
Cllr Shaheen (Lab)

Cathedral Council

Cllr Dodds (Lab)

Community and Arts Umbrella

Cllr Warnes (Green)

Keighley Business Improvement District Board

Cllr Ross-Shaw (Lab)

Saffron Dean Community Association

Cllr Duffy (Lab)

Strategic Disability Partnership

8(i) Members who are appointed to external bodies

Abbeyfield The Dales and its associated companies

Cllr D Smith (Con)

Baildon in Bloom

Cllr Pollard (Con)

Bradford City Challenge Limited

Cllr Johnson (Lab)

Bradford City Challenge Foundation Limited

Cllr Imran Khan (Lab)
Cllr Wainwright (Lab)

Bradford Teaching Hospital NHS Trust

Cllr Tariq Hussain (Lab)

Bradford Trident
Cllr Salam (Lab)
Cllr Sajawal (Ind)

Bradford Twin Towns Association
Cllr Lee (Lab)
Cllr D Smith (Con)

Canal Road Urban Village
Cllr Ross-Shaw (Lab)

Canterbury Active Partnership

Canterbury Imagination Library
Cllr D Smith (Con)

City of Film
Cllr Ferriby (Lab)

Executive Board of Women's Aid

Exceed Academy Trust
Cllr D Smith (Con)

Friends of Brackenhill Park
Cllr Tariq Hussain (Lab)
Cllr Jabar (Lab)

Friends of Harold Park
Cllr Tait (Lab)

Great Horton Partnership
Cllr Dodds (Lab)
Cllr Jabar (Lab)

Hainworth Wood Community Centre
Cllr Lee (Lab)
Cllr M Slater (Lab)

Keighley Association Women and Children's Centre (KAWACC)
Cllr Lee (Lab)

Kirklands (Menston) Trust
Cllr D Smith

Long Lee Village Hall
Cllr Lee (Lab)
Cllr M Slater (Lab)

Manningham Housing Association
Cllr Bacon (Lab)

Marshfields Residents Association

Patrol Adjudication Joint Committee and BLASJC
Cllr Thirkill (Lab)

Ummid/Himmat Management Board
Cllr Jabar (Lab)

8(ii) Other Interests

Yorkshire & Humber Patient Safety Transitional Research Centre
Cllr Riaz (Con)

Yorkshire Quality and Safety Research Group
Cll Riaz (Con)

Unison Calderdale
Cllr Jabar (Lab)

Unison Kirklees
Cllr Tariq Hussain (Lab)

9. Members who are school governors.

Labour

Cllr Duffy
Cllr Dunbar
Cllr Farley
Cllr Ferriby
Cllr Jamil
Cllr Peart
Cllr Shafiq
Cllr Swallow
Cllr Tait
Cllr Watson

Conservative

Cllr Ali – Community Governor
Cllr Brown
Cllr Hargreaves
Cllr Pollard
Cllr Poulsen
Cllr Senior
Cllr D Smith

Independent

Cllr Sajawal

10. Other Governors and Trustees

Airedale General Hospital
Cllr Firth - Council Governor (Lab)

Bolton NHS Trust
Cllr Riaz – Elected Governor (Con)

Merlin Top Nursery School
Cllr Godwin -Not a Governor (Lab)

Moorlands Learning Trust (MAT)
Cllr Rickard (Con)

Wilsden Village Nursery School
Cllr Riaz – Trustee (Con)

11. Members entitled to receive an allowance paid by the Council

All members of the Council in attendance.

12. All members who are in receipt of a West Yorkshire Pension Fund pension.

Bradford Council Executive's Budget and Council Tax Proposals for 2019/20 and 2020/21

Amended Budget Recommendation to Full Council

19 February 2019

Leader's Message

Councils have been hit harder than any other public service by the government's cuts – and sadly there's no sign of government austerity coming to an end any time soon. It's an unprecedented situation. In 2013/14, the government gave Bradford a core grant of £183 million to fund local services across the district. By 2020, they will have cut that to zero. It's a growing challenge to balance our budgets with each passing year. Meanwhile in our conversations with the public we hear, quite rightly, that they continue to value and expect high-quality services.

Since 2011 we have had to find £262 million of budget cuts amid a perfect storm of government austerity, rising levels of need and rising costs. The demand for our services, particularly among vulnerable children and adults, is increasing. We are not alone in this: it's a widespread situation faced by councils with growing populations in an age of government austerity. But we remain as ambitious as ever for the district and as committed as ever to supporting our residents. That commitment to our most vulnerable residents is shown in this budget amendment, in which we are announcing a substantial new fund for children's services totalling £6.5m, including an immediate £1.2m investment to deliver urgent improvements. This is a one-off fund, largely constituted by the successful North and West Yorkshire Business Rates pilot application we made to Government. This demonstrates that when the money becomes available, we invest it where it is needed.

Similarly we are announcing £500,000 into street cleansing and £500,000 into welfare advice services. We have listened to people's comments on our budget proposals and we have acted. Street cleansing affects everyone. We want to make sure that Bradford is a clean place to live for all our residents, wherever you live in the district. With Welfare Advice we know that there is rising demand for debt advice from families impacted by Universal Credit and benefit sanctions. Putting an additional amount into Welfare Advice will therefore support the new model to deliver to more vulnerable people.

We are making these decisions in the face of the unavoidable overall cuts we are having to contend with from central government. We will not stop repeating our calls on government to restore sustainable funding once and for all. While doing everything we can to maintain quality services and delivering change on an unprecedented scale, we need government to provide proper funding so we can plan services for the long term.

Alongside our calls for sustainable government funding, we have been undertaking a huge process of transformation to get the best use of shrinking funds, supporting local people and mitigating the effects of austerity. We cannot simply accept a downward trajectory forced on us by cuts. We must go for growth, the kind that can benefit all of society. We need to generate income and we need to provide fertile ground for businesses to grow and create jobs. That's why the economic strategy we launched 12 months ago is ambitious in its aims:

- to add £4bn to our district's economy
- to generate 20,000 new jobs
- and to improve the skills of 48,000 residents.

It's early days for a plan set to deliver by 2030 and there are external challenges and risks such as the uncertainty of Brexit, but we are making progress. Looking at early figures, there were 4,127 new businesses set up in 2018 – that's 15 start-ups every working day – and we have seen 6,500 new private sector jobs created and a boost in women in employment. Over the past year we have seen a 7% rise in our district's average weekly workplace earnings.

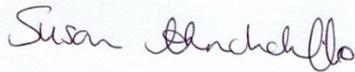
We are confident that our pipeline of exciting projects will help this progress gain momentum in the coming months and years. Our focus on culture as a core asset of the district is gathering pace. This month's reopening of St George's Hall is a case in point, creating great excitement with a renewal of such a key part of our city's heritage following on from the equally fantastic refurbishment at Cliffe Castle in Keighley. We are mindful that we are mere custodians of these incredible assets which are unique to this place we call home – it is our duty to renew them for future generations. It also makes good economic sense, with the arts, cultural and creative industries being important drivers of prosperity while enriching our lives in all kinds of ways. In the coming year and beyond we have more top-tier cycling events to look forward to, with excitement now building for the UCI world championships which will grace various parts of our district including the city centre, Ilkley and Addingham. We can also look ahead to the opening of the brand-new sports and leisure centre at Sedbergh in Bradford South, the opening of New College Bradford and looking further ahead the rejuvenation of the former Odeon building into a world class NEC-run Bradford Live music and events venue. And then there's our exciting new markets project as part of the plans to revitalise Darley Street, the top of town and its connectivity with the Broadway.

In putting forward this year's challenging budget we have once again valued the input of our residents and partner organisations. We have considered all comments received. I would like to thank wholeheartedly those who have been able to offer their constructive comments on the proposals. It really does make a difference to have an engaged public and district whose views we value and whose contributions help to shape how we overcome the challenges we face. What is clear is that everyone cares passionately about the services that are important to them. Our partnership with the voluntary and community sector is one of the building blocks of the success of this district. I also want to place on record how highly I value our staff and Trade Unions in working with us to navigate through this extended period of unprecedented change in local government. As a Labour Executive and as local public servants, we would never want to make such difficult cuts given the choice. But doing nothing is simply not an option. We have to deal with the situation we face and put our values into action as best we possibly can. Alongside that we are tirelessly lobbying the government to change its approach to local government. I have again been meeting ministers in person and writing to them throughout this past year to make the case loud and clear for Bradford district. I assure you that will continue until we get the proper funding we need.

This year we are having to propose a 2.99% rise in council tax. We do not take this lightly. People across the country are – completely understandably – asking their councils why their council tax is increasing but their services face cuts. The simple answer is that the money raised from council tax increases comes nowhere near the money Bradford Council has foregone because of government cuts. This is the national blight of our times, it's the government's austerity policy, a political choice, not a necessity. And it's concerning that richer places can generate more funds for services through tax rises than less affluent places. Surrey, for example, will raise £7m for every 1% rise in council tax whereas here in Bradford District with our lower council tax every 1% rise generates just £1.9m. We

are taking that message to government that we need a fair distribution of funding in future to make sure that our local services are not subject to an unfair postcode lottery.

Despite our challenges we have lots of exciting plans for the future. Our ambitions for the place remain high and I want to thank communities for working with us towards achieving those ambitions. Bradford District is a rich, diverse place with a young population located in the heart of the north of England. We have all the right ingredients to succeed. Together, we will.



Councillor Susan Hinchcliffe, Leader of Bradford Council

1. Introduction

This document is the Executive's amendment to the budget proposals detailed in Document AZ. The Executive makes these recommendations in light of developments since our initial proposals were published, including our consideration of the consultation feedback and the changes to local government finance outlined in the Provisional Local Government Finance Settlement announced by the government on 13 December 2018, followed by the Final Local Government Finance Settlement announced on 29 January 2019.

Firstly we would like to thank everyone who has taken the time to comment on the budget proposals during the consultation period. We have listened and taken all comments on board and we have considered the equality impact assessments, as part of our consideration of these difficult decisions resulting from the unprecedented government cuts to our district.

What has shone through once again is the fact that people continue to value and expect high quality council services. People want and need reliable waste collections, clean streets, efficient road repairs and street lighting and good education and cultural services. Likewise our local businesses rightly expect our local services and infrastructure to be of the highest standard to make an environment ripe for successful businesses to flourish.

We understand that ceasing, reducing or changing services has a significant impact on residents, businesses and partner organisations and we have paid due regard to the equality impact assessments for all proposals. In particular this year through the consultation we have received a large number of comments relating to welfare advice and customer services and libraries, and to a lesser extent the proposed rise in council tax. We have received a smaller number of comments relating to a range of other proposals, such as the youth service, and as part of more specific departmental consultation events we have received

more detailed feedback and a larger number of comments especially in relation to libraries and also to museums and galleries, welfare advice and customer services, public health and adult social care demand management. All comments have been taken into consideration in the context of the unavoidable need to make significant financial reductions.

With each passing year of government cuts it is inevitable that our options are reducing for trying to find ways of filling the hole in our budgets. In common with other councils across the country, the cumulative impact is such that there is a growing tension between the need to provide good comprehensive services against the lack of funding to do so. Nevertheless through this proposed amended budget we make every effort to mitigate the impacts of the government cuts while delivering for the people of the district and retaining the highest ambitions for a better Bradford District.

2. Financial context

Bradford Metropolitan District Council provides universal services for all residents and targeted services for children and adults in need of support, regardless of where they live in the district. The government's unprecedented cuts to our funding are therefore having an impact on everyone in the district, wherever they live.

Central government has cut its funding to the council every year since it started its national austerity programme in 2010/11. The government's Revenue Support Grant to Bradford Council, which was £183m in 2013/14, will be cut entirely by 2020. In real terms our net budget in 2020 will be around half what it was in 2010.

Due to the government cuts, Bradford Council has had to find cuts of £262m since 2011 up to and including 2018/19. More than half of the total has related to cuts in management and administration costs, improving efficiency and renegotiating contracts.

The government's policy to spend less on council services has coincided with rapidly increasing demand for services. In common with national trends, we have a growing population, an ageing population and increasing numbers of children needing care. The Local Government Association (LGA) has warned that the pressures facing children's services are becoming unsustainable nationally with a £2bn funding gap expected by 2020.

Here in Bradford we are fully aware of the scale of the challenge before us. Even after this difficult budget, we face a gap of £27.9m in 2020/21. Many councils face similar situations in the years ahead. Over time this projected gap reduces to £20-25m as the full benefit of our adult social care transformation is felt. Nevertheless as the section 151 officer has advised, the overall gap will have to be met through further diligent and effective measures following this budget.

While calling on government to address the national challenge for local government finance, we have worked hard locally to transform how our services are delivered so that we maintain the best possible provision while doing things differently. A big part of this is by working alongside communities and partner organisations through the People Can

campaign. We want to empower local people to have more of a say and control over the services they value in their neighbourhoods.

As an Executive we are concerned that austerity itself, and benefit reforms, have fuelled the rising demand for public and third sector services across the country. We have worked hard to mitigate the effects of national austerity cuts and as a Labour Executive and Labour Group we will continue to explore ways of doing so.

This country cannot cut its way out of austerity. We understand that only too well here in Bradford. We know that means finding ways to stimulate new investment into Bradford district, developing sustainable growth which in turn will help drive new income to fund council services in the future. Council tax historically formed a smaller proportion (around 35%) of the council's income when government funding covered the majority of the council's budget for delivering services. That is changing rapidly as central government funding is withdrawn. Government policy is increasingly placing the onus on local authorities to pay for services through council tax and business rates income rather than central grants, making these elements of growing significance to our future sustainability.

For a place like the Bradford District with lower council tax than more affluent areas of the country, this national policy represents a challenge. The wealthiest parts of the country can raise more to pay for better services resulting in a postcode lottery. We will continue making our calls to government to work with us for a fair approach to funding our services.

As we head towards a full decade of UK public spending cuts, the performance of our national economy continues to be challenging with sluggish wage and productivity growth. In addition, Brexit is causing uncertainty for businesses and households and the full impact is unclear, whether there is a deal or no deal. The CBI has said that the impacts of a no-deal Brexit would be "vast and will impact every region and nation of the UK". As a council we have been assessing all significant risks and potential opportunities arising from Brexit in general and no deal in particular, and we have been stating the case for current European funding to our district to be replaced directly by government. We need funding to be transferred from Brussels to Bradford, not Brussels to Westminster. We also clearly state our support for EU nationals from other countries who have made their homes here, who make a huge contribution to this district and who are very much welcomed to continue to do so.

Since we published our initial budget proposals on 4 December 2018, several events have taken place changing the levels of our income and expenditure and therefore the size of our available budget for next year. These changes are described in section 2.3 of the Finance Director's Revenue Estimates report ('AZ') and 2019-20 Budget Update report ('AQ' – Executive, 5 February 2018).

The vast bulk of this net change comes from the income from the North Yorkshire and West Yorkshire 75% business rates retention scheme, which we successfully bid into. The scheme is currently for one year only.

3. Council tax

In 2019/20 we propose a council tax rise of 2.99% for funding Bradford Council services. The 2.99% increase amounts to an additional cost of £3.32 a month for a Band D council tax payer.

This year we do not have the option to have an adult social care precept. Our total tax rise is therefore 2.99%, unlike the previous two years when we had an additional 3% social care precept.

We recognise that tax rises are extremely difficult for many households who themselves are stretched in these times of austerity. We have listened to comments from people who question why their council tax bill is increasing while services continue to face reductions. The reason for this is that the money generated through council tax rises is considerably less than the funding the government is taking away. The council tax rise only lessens the worst impact of the government cuts; it does not replace them. That is why council tax payers across the country are paying more while seeing local services change or reduce. We are making the case to government that this is a particular risk in less affluent parts of the country with fewer high value properties, where the council tax income falls well short of filling the shortfall. A 1% council tax rise in Surrey for example generates £7m; in Bradford with our lower council tax it raises just £1.9m.

A survey by the Local Government Information Unit (LGIU) and the Municipal Journal has found that 97% of local authorities in England plan to increase council tax for 2019/20, of which three-quarters expect a rise of more than 2.5%. The survey also revealed that eight out of 10 councils believe the current funding system is "unsustainable" and most (53%) plan to dip into their reserves. Further service cuts are also planned at councils across the country. More than a quarter of councils in the survey (29%) plan to cut adult social care, around a quarter (24%) plan to reduce children's care services, almost half (45%) are planning cuts to parks and leisure, more than a third (38%) to roads, almost a third of councils (32%) plan cuts to libraries and around one in five (22%) intend to cut waste collection. LGiU chief executive Jonathan Carr-West said councils have no option but to take "drastic measures" to make ends meet. He said: "We know that council funding is broken. Councils are making do by increasing council tax as much as they can, increasing charging and dipping into their reserves. Even with these desperate measures they are having to reduce spending; not just on vital place-shaping services like leisure, libraries and parks but in core life-saving areas like social care and children's services."

4. Principal amendments

As set out in the Finance Director's report, since launching our initial budget proposals on 4 December we are now able to reduce our call on reserves by £5,095,000 as a result of the net gain from changes that have taken place since that date. The majority of that gain, itemised in report AZ, is due to the announcement of our successful bid with partners into the one-year, 75% business rates retention scheme which brings in £3,757,000. Through our

discussions with officers we have also identified that a re-phasing of the early help reductions will free up £2m for 2019/20.

We are committed to redirecting these funds to where they are needed most, in particular to Children's Services. Our amended proposals are set out below:

£6.5m for a new children's services investment fund

Following consultation with officers the Executive proposes a one-off £6.5m investment into a fund for Children's Services. From this £6.5m total, £1.2m will be released immediately (£800,000 in 2019/20 and £400,000 in 2020/21) to fund additional social work capacity and to support the effective delivery of urgent improvements. This immediate investment is vital to ensure a strong basis for the urgent and sustainable improvements that are required. The remaining £5.3m is to be held centrally and released for specific identified uses, only with the approval of a board comprising the Leader of Council, Executive Member for Children & Families and senior officers. This is to ensure that the funding is both available for this key priority area to improve our services for children but is subject to a robust process to ensure it can deliver greatest impact and best value. If the investment fund is not ultimately needed in full then any leftover monies will be put into the Transition and Risk Reserve.

£500,000 (ongoing) for street cleansing from 2019/20

The Executive proposes this ongoing investment into street cleansing to fund additional street cleansing staff and more work to encourage community initiatives to help keep our streets clean. This funding will help us to clean up our streets but also work with communities to try to prevent the problem in the first place. In these straitened times it is important we get the best possible value for the taxpayer from this new investment. We have listened to feedback, both through this and previous budget consultations and also from ward councillors and members of the community. We have also consulted officers on what kinds of effective street cleansing models can be delivered, weighing up the need to balance budgets with the need to deliver comprehensive services. Following careful consideration of all the factors we are pleased to propose this additional £500,000 in annual funding to help clean up our streets and develop additional activities with communities through People Can.

£500,000 (ongoing) for welfare advice from 2020/21

The Executive proposes a £500,000 reduction to the proposed cut in Welfare Advice to reduce the strain on this important area of work. Welfare advice is a vital service for those who use it, especially in these times of continuing government austerity, so it is important we have the best possible provision to protect people from crisis situations which cost more in the long term, individually and for society. While facing the reality of our shrinking budgets, our new welfare advice service must be designed around the needs of those who use it. Being supported out of financial hardship is fundamental to ensuring people's mental and physical health. Work is therefore currently underway to gain insight into how effectively the welfare advice and other front-facing services can work from the perspective of those who use them. Following that analysis we will be looking at options for more

detailed evidence-based proposals to be further consulted on appropriately in advance of any changes being implemented.

Use of reserves

The uncertainty around local government funding has only increased over the past year with many councils looking ahead to significant funding gaps in the coming years. So in making these proposals the Executive remains keenly aware of the need to use Council reserves prudently on behalf of the District.

Through our budget proposals set out in this amendment we are reducing our reserves by a net £1.46m in 2019/20. Therefore in setting out this budget the Council's unallocated reserves will remain within the acceptable range for contingency against risks not accounted for, with £10.8m remaining in the General Fund Reserve and £14.5m in the Unallocated Corporate Reserves. Throughout this decade of government cuts, our reserves have inevitably been reduced over time but we must continue to ensure they stay at a viable level. It is a difficult balance between calling on reserves when necessary and retaining them at a prudent level for unforeseen risks in what is an uncertain environment. We propose that this budget strikes that difficult balance by ensuring our unallocated reserves remain well within the recommended range as confirmed in the section 151 officer's report.

5. Investing in our children and young people

This budget shows that when money becomes available, we will invest it to support our children who are the future of this district. Through this budget we are proposing a substantial new one-off investment of £6.5m into a Children's Services fund in addition to the £5.5m ongoing investment into children's social care and £890,000 into Special Educational Needs and Disabilities (SEND) we announced in December.

As the UK's youngest city, ensuring our children get the best possible start in life whatever their needs and background is our number one priority. It is vital that vulnerable young people receive the care and support they need so that they feel safe and secure in their childhoods and go on to lead happy and successful lives.

This budget will enable us to drive forward with the right improvements following Ofsted's inspection judgement of our Children's Services on 29 October. We have made the necessary early progress in laying the foundations but we are under no illusions that there is a lot of work to do, so these new investments are in recognition of the need to build on that progress. We are clear that significant improvements are essential across the areas identified by Ofsted, while at the same time we must maintain high standards in the areas of good practice that were identified, such as in our work with partner agencies to counter child sexual exploitation.

We have tasked officers to work urgently and at pace to deliver the Children's Services improvement plan. On announcing our budget proposals in December we were clear it is not

solely about providing extra funding: the funding must be used in the right way to deliver the necessary transformation. Our decision to set up a board with officers to examine and scrutinise new spending in Children's Services will help to ensure that every penny is made to count with resources invested in the right areas at every stage.

This budget also marks a significant new investment in services for children with special educational needs and disabilities (SEND). We are clear that there is a number of areas for improvement in these services which we must deliver in order to ensure that children and young people with Special Educational Needs get the best possible support and educational opportunities. Our fundamental belief is that every child must be given the same high level of opportunities to fulfil their vast potential whatever their specific needs. This budget's considerable investment in children's services and SEND improvements demonstrates that we are serious about making the improvements needed. As a council we must work with pace in the coming weeks and months to deliver the improvements that are necessary.

As part of our commitment to our young people we will also continue to support educational improvements through our Bradford Education Covenant. Our pioneering Education Covenant now has over 5,000 local businesses signed up who are providing their support in all kinds of ways from one-off events, employees volunteering in schools or clubs, apprenticeships and other learning and employment opportunities for young people.

We are also making a difference through our work with government and partners on the Education Opportunity Area which also supports high quality learning in its widest sense. Through the Opportunity Area we are working to engage and empower families to help their children succeed whatever their background. Both the Covenant and the Opportunity Area are about working with families, communities, businesses and partner organisations to give children the best start in their education, skills and development across all areas of their lives.

Meanwhile our pioneering work continues at pace to build successful connections between the worlds of education and employment to the benefit of our young people. Through the Industrial Centres of Excellence (ICEs) we are supporting young people to get the skills they need and connect them with good opportunities in the workplace, as part of the Bradford Pathways model which links education and business to the benefit of young people and employers alike. Following a review of ICE we have been able to substantially grow the programme through closer partnership working. As a result we are targeting working with 17,000 students this academic year. We are on track to achieve this with over 9,000 young people having accessed the programme to date in 2018/19. The new Keighley ICE is a recent example of this success, as it is now full to capacity with 256 young people working towards engineering qualifications with a strong focus on skills that are needed and valued by modern industry.

Through this budget amendment we repeat our commitment to building the voice of the child into everything we do. This is a substantial ambition to develop an approach in which the voice of the child underpins not only Children's Services but the work of the council as a whole – and indeed the entire district. This can be the starting point of an exciting journey

towards ensuring Bradford is a city and district in which the voice of the child, whatever his or her background, contributes fundamentally to the fabric of the place.

6. Adult social care

We continue to drive forward with our strategies to transform adult social care, which are delivering improvements through better and more personalised support for people across our district.

Our Happy, Healthy and at Home strategy is a long-term plan which is starting to bear fruit in better care and services to help people stay well and independent for longer while living enriching lives in their homes and community settings. By increasing the level of preventative support for people, and with a focus on what they can do, we are giving people more choice and control in their own lives. As demonstrated by our investment in the development of the extra care facility at the former Bronte Middle School site in Keighley, our aim is to enable people not only to cope but to thrive, by ensuring access to the range of support and services they need to live their lives independently and to the full. Supporting people to live fulfilling lives benefits both their mental and physical health, it tackles loneliness and builds resilience and it reduces the need for costly and undesirable interventions after their challenges have avoidably multiplied. So as a district, supporting more people to live at home for longer instead of having to go into residential care is both welcome for the individuals and also means that annual costs are substantially lower than they would otherwise be. The approach also saves money and resources for our health partners by easing the pressure on their services.

Nevertheless in spite of the strategy being the right one, and it reducing the number of people needing care home placements, overall costs continue to rise as care costs increase and we have more people in need of support. This year we have repeated our calls on government to deliver a national plan for adult social care which would improve people's lives and further ease pressure on the NHS. Unfortunately, though, the government has again delayed its long-awaited green paper on social care. The green paper was first announced by the Chancellor in March 2017 and planned for autumn that year. In November 2017 the government then said it planned to publish the paper in summer 2018. That deadline was put back to autumn 2018, and has been put back again to later in 2019.

We welcomed the announcement of one-off funding for social care in the absence of a new sustainable plan this year, however we are clear that has been released while funding as a whole is being cut. In the Local Government Finance Settlement one-off funding of £410 million was found by national government for adults and children's social care pressures. However this only mitigates a £1.3 billion cut they had already committed to. The sector needs a long-term sustainable increase to ensure better care and support for people, not a sticking plaster to keep this vital service going one more year.

7. Our plan to increase income and promote inclusive growth

Even with the delivery of this budget in full, the council faces an unprecedented funding gap in the years ahead. In the meantime demand for our services continues to rise and with each successive year of government cuts it becomes increasingly difficult to find further reductions to services to balance our budgets. As we found through the consultation, these are services that people value and rely on.

This means that as well as facing up to the reality of unpalatable reductions, we must accelerate our drive to raise additional income to fund council services. There are various ways we are working to do this and these include:

- **Lobbying government for fair funding**

We have written to and met with a number of government ministers again over the past year. We have also met with local MPs to make the case around the severity of our budget situation. We have also repeatedly spoken out and passed full council motions calling on the government to provide fair funding, especially for children's and adult services. We will continue to do so. And we are making submissions to every consultation held by the government into proposed changes to local government finance. In particular we are concerned about government proposals to take out deprivation as a factor in the formula for the relative funding of local government services. We are far from alone in this situation, as the situation facing councils across the country is more serious and widespread than ever before. Together with partner councils we will continue to make our voice heard in the campaign for fair funding to meet the needs and ambitions of our district.

- **Combining services, assets and resources with partners**

Our outcome-based budgeting process has moved away from looking solely at how discrete council departments can deliver the same services for less. Instead we look at the impacts we need to achieve for our residents. This means taking a district-wide approach looking across all complementary services to find efficiencies, deliver joined-up services and get best value for the taxpayer. In the absence of government funding, we must accelerate the shift towards closer and more joint working with partners and with communities. We are pursuing a strategic approach which is to ensure that neighbourhoods across the district have access to the services they need even if that means doing things differently. This will mean doing more joint work and where necessary aligning resources with partner organisations who share our objectives of better services to support people's health, wellbeing and prosperity.

- **Increasing our income from commercial activities**

We run many very successful services which both meet demand and raise income. Some of these are non-statutory services which raise income for the council to help fund other services. We also raise income across a number of other areas of our service provision and we need to examine the opportunities for enhancing this income while balancing the need to meet the needs of all our residents and by maintaining our many excellent

free and low-cost facilities to ensure the widest possible access and participation: commercial innovation underpinned by civic values.

- **Increasing our council tax and business rates base**

Currently the government policy is to shift the onus of funding council services away from central government funding and towards locally raised income from council tax and business rates. The reality is that currently council tax rises and business rates income do not compensate for the loss of government funding. So we need to accelerate growth in our council tax and business rates bases, sustainably in accordance with our local plans, in order to generate funds to pay for council services.

On council tax we have clear plans in place to build the right homes in the right places with brownfield sites as a priority, not only to help achieve economic growth but also because we owe it to the next generation to ensure there is sufficient housing to meet growing need. Our housing and development officers are making encouraging progress in helping to identify and unlock the right sites.

On business rates, we have a whole range of initiatives to stimulate business growth in our district. We are one year on from the launch of our ambitious but achievable economic strategy to add £4bn to the district economy, generate 20,000 new jobs and improve the skills of 48,000 residents by 2030. We are already making strong progress. Since then we have seen the birth of 4,127 businesses in 2018, equivalent to 15 new start-ups every working day, and the identification of 48 high growth scale-ups. Over the 12 months there have been 6,500 new private sector jobs, representing a rise of nearly 5%, breaking the 20,000 barrier in the number of BME women in employment which is almost double the amount since 2010. Our district's average weekly workplace earnings have also increased by 7% in 2018. We are committed to encouraging further business growth in the coming year and beyond as part of our strategy to build a vibrant economy that benefits the many, not just the few. We believe that our 'Bradford Pound' social value policy will also benefit the local economy and further stimulate growth while continuing to ensure best value for the taxpayer.

- **Investing in assets to generate returns**

Our purchase of the NCP car park on Hall Ings has proven to be a shrewd investment, as we are making an ongoing net income with the rent we receive outstripping the cost of ownership. That's an income before we even consider the longer term benefits of ownership, both financial and strategic. In the coming year we will continue to act prudently within our means but we will invest decisively when the right opportunities arise, as long as the investment generates income which all helps to fund more public services for us all.

In addition through our capital investment programme, as set out in Document BB, we are committed to investing in schemes that will both deliver service improvements and save us money. Successful capital projects can improve the quality of facilities, reduce upkeep costs and improve productivity. This will help get the economy moving while making this district a

great place in which to live, work, play and invest. The proposals for capital expenditure are all put forward with the clear objective for new schemes to be self-financing. The biggest individual proposal, the invest-to-save street lighting efficiency scheme, delivers projected savings for the council's budget from year one through a combination of reduced energy and maintenance costs. The projected £45.6m capital investment is to be funded by a combination of corporate borrowing and an interest-free government loan for energy saving projects which we could not get for anything else. Energy costs on the old street lighting increased by 16% last year alone, therefore the proposal is to switch to the more cost effective alternative.

Last week's reopening of St George's Hall at the heart of Bradford city centre, following on from our celebrated major refurbishment of Cliffe Castle in Keighley, underlines our commitment to renewing our district's heritage.

Culture is at the heart of our plans to build a better Bradford District. A distinctive and strong cultural offer is at the core of what makes a place unique, it builds pride and it enhances confidence in our heritage. The educational, economic and tourism benefits are huge. Excitement is also building as Bradford Live at the former Odeon moves ever nearer with initial works taking place for a transformational project that we are proud to support. Even in these straitened times, we are demonstrating our commitment to culture as a driver of economic growth and to positively shape the place we want to be. We also have plans for investment in new and more efficient sports and leisure facilities, which are cheaper to run, with the new cutting-edge Sedbergh leisure centre moving ever closer to completion. We are providing residents with new opportunities to enjoy active and fulfilling lifestyles for many years to come.

Looking ahead to other major projects, together with partners we continue to make progress towards the significant road improvements at Hard Ings in Keighley and Harrogate Road/New Line in east Bradford, for example, which will cut journey times and bring environmental and productivity benefits.

8. Support for all our residents

We repeat the commitment set out when we launched the budget proposals that we will continue to support all communities in the district even as we face increasingly difficult budget decisions. We are aware of the need to mitigate the impact of national austerity on low income groups whenever possible and we will continue to look for ways, including in our work with partners, to do so. We need to increase our income in order to maintain services, but we nevertheless do not take any decisions lightly to increase council tax or other charges which are an additional burden on local people. We consider this impact in making our proposals.

Education, skills and employment remain the key areas which can sustainably support people out of poverty, which is why we continue to invest significantly in these areas – and

in particular services for children and young people – within our shrinking budgets. Our local skills and employment programmes which outperform their national equivalents are a major success story in supporting people into employment. Get Bradford Working, which has helped over 3,100 people into work in our district, goes from strength to strength in supporting people into careers across different sectors, including through the Industrial Centres of Excellence and SkillsHouse. It's also of course beneficial for businesses and the economy to have people's skills matching the needs of business, so it's a win-win with people entering the jobs market with the right types and levels of skills to forge themselves successful careers into the future.

As the council's budget reduces we have shifted into a more strategic role in order to support good quality outcomes even where we may not be directly delivering services. The Education Covenant is a good example of this, where we are linking schools and industry and we are supporting parents and families to build the right foundations for a child's learning inside and outside formal education. Through the Covenant and People Can, we are working to promote a cycle of achievement in which the district as a whole is a confident and connected place with a culture of learning, opportunity and hard work at its core. We are determined to build strong economic growth not just for its own sake but in order to benefit the widest possible range of people. It is vital that the younger generation grow up with opportunities to get a decent home, a good education and a fulfilling job in a place that is rich in culture, encouraging a long and happy life.

Working with partners we will continue to ensure that people on low incomes have access to a range of services to ease the pressures they face. We are proud to be a key part of the Bradford District Credit Union, which is based in City Hall and recently has celebrated its 25th anniversary. Since we set up the credit union it has grown significantly, especially in the current austerity decade, its membership rising from around 3,500 in 2012 to 6,600 today. The credit union provides an ethical alternative to high interest lenders for people who need reliable and manageable credit, loans, saving and budgeting services. It is also helping young people set off on the right path with their finances, with 76 children now registered and saving over £6,000 in its Savings Club.

We will continue to look at all options for mitigating the impact of austerity on our lowest earning residents in these challenging times, whether it's through welfare assistance or other schemes to alleviate the impact of hardship or through long-term skills and employment initiatives to support people in securing good jobs and better futures.

9. Working with the voluntary and community sector

It is crucial especially in these times of shrinking budgets that we work closely and effectively with the VCS to help ensure residents get the services and support they need. As organisations we will also enjoy mutual benefits by working in close partnership as we evolve to stay sustainable into the future and have the best possible impact in the face of the severe funding cuts we face.

As we stated in previous years, the central government funding cuts are inevitably also felt by the VCS. We have considered this impact in working through these budget proposals and we will continue to do so as we look ahead and face up to future challenges.

We always welcome the views of the VCS both through our formal budget consultations and also as part of our ongoing joint working to deliver the best for our residents, businesses and communities. As we face the need to evolve jointly with the VCS in changing circumstances and with shrinking funds, we must always ensure our services are provided with the needs of the service user at the forefront. We hugely value our work together with the VCS in rising to the common challenges we face and in meeting our mutual goals to benefit the people of the Bradford District.

10. Staff and Trade Unions

As we have said in previous budget rounds through these successive years of government cuts, it becomes increasingly difficult for local government to protect jobs and services. However we have put great effort into working with staff and Trade Unions to rise to that challenge and we believe that this constructive relationship has been key to managing this difficult process.

From the start of government austerity in 2010 up to the current date the Council has reduced by 2,430 full-time equivalents (FTE), of which 163 staff were made compulsory redundant.

Despite our best efforts to keep losses to a minimum, this year again there will have to be job losses. We are facing a potential 229 new FTE job losses – 118 FTE in 2019/20 (50 lower than previously reported due to the early help restructure already undertaken) and 111 FTE in 2020/21 – in addition to the previously proposed 68 FTE for 2019/20.

Staff and Trade Unions will of course be involved throughout the process as per the established practice as these changes are progressed.

The Executive would like to pay tribute to our hardworking Council staff who have remained loyal to the organisation and the people we serve in particularly difficult circumstances. The absence of a long-term sustainable funding model from government makes for a hugely challenging situation in which to work and in which to try to plan ahead both for individual officers and for local authorities across the country. Our staff are at the heart of this Council's success and its transformation and that will remain the case as we navigate through our coming challenges.

The Executive values the latest feedback from Trade Unions. They have played a vital role in engaging constructively with the council's political and managerial leadership to support good relations with staff throughout all of the difficult budgets we have had to set. We are

delivering change on a massive scale and in that context our constructive engagement with the Trade Unions has supported effective industrial relations in order to best mitigate the negative impact on staff. This Executive expects officers to continue to consult, speak and negotiate with the Trade Unions throughout the implementation of these proposals and beyond.

In our constructive and honest discussions with the Trade Unions throughout this extended period of government austerity, we have been clear that sadly we are in no position to offer guarantees around compulsory redundancies, but they can be assured that compulsory redundancies continue to be a last resort. This Council is committed to working constructively with staff and unions now and into the future.

Together with staff, Trade Unions, communities and partner organisations we are determined to lead this district through these challenging times. Everything we do is geared towards our vision of a pioneering, confident and connected Bradford District that works for everyone, wherever they live in the district and whatever their background.

11. Our achievements and ambitions for Bradford District

It is worth placing on record, as we did when launching the initial proposals in December, that our ambitions for this district remain as high as ever. Despite our challenges, we remain confident this is a district on the up. The following are some of the achievements delivered over the past year through our work with partners:

- NEC entered a lease agreement with Bradford Live to convert the former Odeon into a world class music and events venue
- Bradford named a top emerging destination in the luxury travel guide
- Economic strategy launched – setting out plans for 20,000 more people into work, raise GVA by £4bn and 48,000 more people with NVQ3 level skills by 2030
- City centre BID approved following the successful Keighley BID
- CQC report June 2018 – council and health partnership praised
- 5th best in the country at the health & social care interface (named by CQC)
- Number of new homes at highest level in 10 years – the audited figure for April 2017-April 2018 is confirmed as 1,621. Among other changes, notable contributions to the increase in homes were from 1,098 new-build homes (51% of which were built on previously developed land) and 328 from office conversions through permitted development demanding that wherever possible we encourage development on brownfield sites
- Number of homes improved – above target and up on last year
- Visitor numbers up at key events – e.g. Bradford Literature Festival up from 50,000 in 2017 to 70,000 in 2018
- Awarded empty homes practitioner of the year
- Education Opportunity Area – Parents as Partners in Learning launched in 3 areas
- School results improving – 2nd best on Progress 8 in our comparative group of local authorities

- Integrated Communities Partnership launched – Bradford leads on cohesion and integration
- Recycling on the up – first 6 months of 2018 kerbside 22% up on same period in 2017
- Sedbergh leisure centre on track for opening in 2019
- Get Bradford Working – over 3,100 people supported into jobs
- Keighley Industrial Centre of Excellence – full to capacity with 256 young people learning towards engineering qualifications
- Shipley College – funded by Skills Capital / West Yorkshire Combined Authority supporting young people with special learning needs.

As our district economic strategy has kicked into force we can look forward with ambition to the opportunities ahead of us which will help to grow our council tax base, grow our business rates base and enrich this district as a great place to live, work and play. We are confident that the following transformational projects we have planned for the coming years will help to achieve a more prosperous and successful Bradford District:

- 2019 - St George's Hall has reopened, a beautiful restoration of the oldest concert hall still in use in the UK and the third oldest in Europe – biggest refurbishment in its history
- 2019 - Bradford BID up and running and Ilkley BID in development with council support
- 2019 - £19m New College development – 1,200 sixth form students in the city centre
- 2019 – UCI Road World Championship cycling event in the city centre, Ilkley and Addingham
- 2020 - £9.8m investment into Hard Ings, Keighley to help address town centre congestion saving 39,000 hours of travel time in peak periods in its first year
- 2020 - Bradford Live opens, largest mid-sized venue in the country outside of London: £10m annual boost to the economy, 270,000 visitors a year
- 2021 - Bradford Forster Square redevelopment - completely redesigned station with better connectivity to the top of town and a better gateway entrance to the city centre
- 2021 - City centre markets project to see new food market open on Darley Street driving regeneration, freeing up a key city centre site for redevelopment providing an anchor to the top of town masterplan development work
- 2021 - Rugby league museum to open in City Hall in time for the Rugby World Cup, attracting at least 50,000 people a year into this key heritage building in Bradford history
- 2021 - One City Park to open potentially providing grade A office space in the city centre to attract hundreds of quality jobs
- 2021 – 3 enterprise zones across the district
- 2022 onwards - top of town redevelopment as the vacated Oastler Centre is demolished and redeveloped as a housing led mixed use development site as part of ambition to deliver 1,000 new homes in the top of town.
- By 2030 and beyond - Bradford's Economic Strategy to get 20,000 more people into work, 48,000 more people with NVQ3 Level skills and GVA increased by £4bn, with Bradford as a confirmed stop on Northern Powerhouse Rail between Leeds and Manchester. A mass transit system to connect the whole district with our West Yorkshire neighbours and the high speed opportunities benefiting local people and businesses.

Report of the Director of Finance to the meeting of the Council to be held on 21 February 2019

Document U

Subject:

The Council's Revenue Estimates for 2019/20

Summary statement:

The report provides Members with details of the Council's Revenue Estimates for 2019/20 and 2020/21

Andrew Crookham
Director of Finance

Portfolio: Leader of the Council

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Overview & Scrutiny Area:
Corporate

THE COUNCIL'S REVENUE ESTIMATES FOR 2019/20

1.0 PURPOSE

1.1 This report proposes the estimates of net revenue expenditure be recommended to Council for approval as the Council's balanced revenue budget for 2019/20 and that Executive recommend to Council for approval budget savings proposals for 2020/21.

It also forecasts the revenue position for 2021/22.

1.2 The revenue estimates are part of the overall budget proposal for the Council which includes:

- the recommended Capital Investment Plan (Document BB)
- the allocation of the Schools Budget 2019/20 (Document BA).

1.3 This report is submitted to enable the Executive to make recommendations to Budget Council on the setting of the 2019/20 budget and the Council Tax for 2019/20, as required by Part 3C of the Council's Constitution.

2.0 PROPOSED REVENUE BUDGET 2019/20 and BUDGET SAVINGS PROPOSALS FOR 2020/21

2.1 The balanced 2019/20 revenue budget is predicated on total available general resources (Council Tax income, Business Rates income, general government grant and use of reserves) of £359.911m in 2019/20.

2.2 The total expenditure takes account of changes to the underlying (base) level of expenditure at the start of the year arising from:

- The net effect of previous years' policy decisions, including decisions made by Budget Council in February 2018 in respect of 2019/20 which amounted to a net reduction in the budget of £12.839m (Appendix D). Appendix E sets out amendments to the February 2018 decisions with a net reduction to the budget of £1.587m in 2019/20 with a cumulative reduction of £19.932m by 2022/23.
- New proposals amounting to a reduction in the budget of £0.636m in 2019/20 rising to a cumulative reduction of £3.322m by 2020/21. (Appendix C)
- Provision to pay the agreed second year of the two year pay offer and a forecast 2%¹ increase for 2020/21 and 2021/22.
- Price increases (an average of 2.0% applied to contract budgets, 2.5% to utilities and specific indexation applied to income budgets)
- The impact on the Council's funding arising from 2019/20 Local Government Settlement
- Council's decisions about changes to Council Tax, a total increase of 2.99%
- Additional expenditure to deal with recurrent Service pressures
- One-off and transitional investment in other services
- Public Health Grant reductions and estimates on other specific grants not yet announced
- Service and non Service savings

2.3 Key changes since the publication of the Proposed Financial Plan updated 2019/20 to 2020/21 (Doc Z) are:

- One off net increase in funding as a result of the local government financial settlement of £0.5m
- Net increase of funding for 2019/20 relating to the 75% business rate pool for North and West Yorkshire of £3.7m
- In consultation with the Executive, and in light of the continued improvement work around the Council's response to the recent OFSTED judgement, an additional £6.5m in an Investment Fund for Children's Social Care funded from the Transition and Risk Reserve (£4.5m) and a re-phasing of saving 4C2 Early Years (£2m). Of this, £1.2m will be released immediately to fund additional social work capacity and further improvement work. This funding is to be held centrally and released via approval of a board comprising the Leader of the Council, relevant portfolio holder and senior officers. As part of the assessment of the wider Children's Services budget and the investment of £6.5m, this has enabled £0.5m to be identified from existing resources to meet growing demand on the Special Educational Needs budget. Performance in this service needs to improve and redirecting funding into this area should accelerate the progress required.
- Increase in Council Tax base of £0.7m as per Calculation of Bradford's Council Tax Base and Business Rates Base for 2019/20 – Executive 8 January 2019 – (Doc AF)
- Reduction to savings proposal re Welfare Advice (6X1) Appendix C by £500k in 2020/21
- Reduction to saving proposal re Street Cleansing (4E5) Appendix D by £500k in 2019/20.

2.4 The summary position is shown at Appendix A, with further detail in Appendices B to F.

- Recurrent pressures and investment proposals(Appendix B)
- New budget proposals (Appendix C)
- Schedule of 2020/21 proposals that have been subject to consultation up to 27th January 2019 (2019/20 for reference only) (Appendix D)
- Schedule of proposed amendments to previous budget decisions (Appendix E)
- Proposed Use of reserves statement (Appendix F).

3.0 COUNCIL TAX IMPLICATIONS

3.1 In setting the Council Tax for 2019/20, Council will have regard to the Council Tax base approved by the Executive on 8 January 2019. The Council will also wish to note the precepts of the parish and town councils, of the West Yorkshire Fire and Rescue Authority (WYFRA) and the Police and Crime Commissioner for West Yorkshire as detailed below.

4.0 MATTERS RELATING TO 2019/20 FINANCIAL POSITION

4.1 The 2018/19 financial position is contingent upon the 2018/19 audited out-turn. The Executive is therefore asked to give the s151 Officer authority to secure the best position for the Council in respect of 2019/20 in preparing the Final Accounts for 2018/19.

5.0 RISK MANAGEMENT

- 5.1 The uncertainties regarding the funding that will be available to the Council are considered within the Section 151 Officer's Report (Document BC).

6.0 LEGAL APPRAISAL

- 6.1 It is necessary to ensure that Executive have comprehensive information when considering the recommendations to make to Council on the budget for 2019/20 and the budget savings proposals for 2020/21 at their meeting on 19 February 2019. It is a legal requirement that Members have regard to all relevant information. The information in this report and any updated information produced to Executive on 19 February 2019 following their consideration on 5 February 2019 of the feedback received to date from the on-going consultation processes and their consideration of equality issues are considered important in this context. It will also be necessary to consider any further information produced subsequent to the 19 February 2019 Executive meeting.

7.0 OTHER IMPLICATIONS

7.1 EQUALITY & DIVERSITY

- 7.1.1 The equality implications of the new budget proposals and the proposed amendments to previous budget decisions were highlighted in the separate report presented to the meeting of Executive on 5 February 2019 (Document AR) together with the Addendum to that Report circulated to Executive on 5 February 2019, together with any further feedback to Executive on 19 February 2019. The equality implications of the 2019/20 proposals previously approved by Budget Council in February 2018 were fully considered by Council at that time.

- 7.1.2 Equality impact assessments are undertaken on all budget proposals. Where impacts are identified on particular protected characteristic groups, the assessments are published, consulted on and then further updated reflecting on any feedback received. These updated assessments for the 2019/20 and 2020/21 proposals are accessible via this link

<https://www.bradford.gov.uk/your-council/council-budgets-and-spending/equality-impact-assessments/>

Elected Members should consider the Equality Impact Assessments in full.

The consultation provides the opportunity for the Council to better understand:

- The consequences for individuals with protected characteristics affected by changes, particularly related to proposals relating to social care;
- Any cumulative impact on groups with protected characteristics.

7.2 SUSTAINABILITY IMPLICATIONS

- 7.2.1 There are no direct sustainability implications resulting from this report.

7.3 GREENHOUSE GAS EMISSIONS IMPACTS

- 7.3.1 There are no direct greenhouse gas emissions implications resulting from this

report.

7.4 COMMUNITY SAFETY IMPLICATIONS

- 7.4.1 Community safety implications of specific new budget proposals were highlighted in a separate report presented to the meeting of Executive on 5 February 2019 at paragraph 11.4 (Document AR).

7.5 HUMAN RIGHTS ACT

- 7.5.1 Any human rights implications resulting from this report are referred to in the Equality Impact Assessments.

7.6 TRADE UNION

- 7.6.1 The Interim Trade Union feedback on the Council's new budget proposals and the proposed amendments to previous budget decisions was detailed in a separate report presented to the meeting of Executive on 5 February 2019 (Document AS) together with any further feedback to Executive on 19 February 2019.. The Trade Union feedback on the proposals previously approved by Budget Council in February 2018 was fully considered by Council at that time.

7.7 WARD IMPLICATIONS

- 7.7.1 In general terms, where proposed cuts affect services to the public, the impact will typically be felt across all wards. Some proposals will have a more direct local impact on individual organisations and/or communities.

7.8 IMPLICATIONS FOR CORPORATE PARENTING

- 7.8.1 Any implications for corporate parenting are addressed in the detailed budget proposals

7.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

None.

8.0 RECOMMENDATIONS TO COUNCIL

8.1 REVENUE ESTIMATES 2019/20

- (a) That the Base Revenue Forecast of £384.022m for 2019/20 as set out in this report "U" (Revenue Estimates) be approved.
- (b) That Executive Document "U" and the consequent net reduction in investments of £0.947m in 2019/20 be approved.
- (c) That Executive Document "U" and the service savings and additional income of £23.164m in 2019/20 be approved.
- (d) That it be noted that within the revenue budget there is a net use of £1.460m in revenue reserves in 2019/20.

- (e) That Executive Document “U” and the service savings proposals for 2020/21 be approved, requiring the Chief Executive, Strategic Directors and Directors to take necessary action during 2019/20 to ensure those savings are fully achievable for 2020/21.
- (f) That the comments of Director of Finance set out in Executive Document “V” on the robustness of the estimates and the adequacy of reserves taking account of the recommendations made at 8.1(a) to (e) above be noted.

8.2 PROPOSED COUNCIL TAX 2019/20

- 8.2.1 That it be noted that the projected council tax base and expenditure forecasts outlined in this report together with the 2019/20 resources and the budget variations approved at 8.1(b) and 8.1(c) above produce a proposed Band D council tax of £1,373.07 for 2019/20.

8.3 PAYMENT DATES FOR COUNCIL TAX AND NATIONAL NON-DOMESTIC RATES

- 8.3.1 That the first instalment date for payment of National Non-Domestic Rates and Council Tax shall be specified by the s151 Officer.

8.4 DELEGATION TO OFFICERS

- 8.4.1 That for the avoidance of doubt and without prejudice to any of the powers contained in Article 14 of Part 2 of the Council's Constitution on the Function of Officers, the s151 Officer shall have full delegated powers to act on behalf of the Council on all matters relating to the Council Tax, Non-Domestic Rates and Accounts Receivable Debtors including (without prejudice to the generality of the delegation) entry into the 75% business rate pilot, assessments, determinations, recovery, enforcement and, in accordance with the statutory scheme, full delegated powers to act on behalf of the Council with regard to all aspects of the granting of Discretionary and Hardship Rate Relief to qualifying ratepayers.

8.5 PREPARATION OF ACCOUNTS

- (a) That in preparing the Final Accounts for 2018/19, the s151 Officer be empowered to take appropriate steps to secure the best advantage for the Council's financial position.
- (b) That the s151 Officer be empowered to deal with items which involve the transfer of net spending between the financial years 2018/19 and 2019/20 in a manner which secures the best advantage for the Council's financial position.
- (c) That the s151 Officer report any action taken in pursuance of 8.5(a) and 8.5(b) above when reporting on the Final Accounts for 2018/19.

8.6 COUNCIL TAX REQUIREMENT 2019/20

- (a) That the council tax base figures for 2019/20 calculated by the Council at its meeting on 8 January 2019 in respect of the whole of the Council's area and individual parish and town council areas be noted.
- (b) That the only special items for 2019/20 under Section 35 of the Local Government Finance Act 1992 be the local parish and town council precepts and

no expenses are to be treated as special expenses under Section 35(1) (b) of that Act.

- (c) That the Council Tax Requirement, excluding parish and town council precepts, be calculated as follows:

Gross expenditure	£1,167,173,936
Income	£969,719,400
Council Tax requirement	£197,454,536
Council tax base	142,200
Basic amount of council tax	£1,388.57
Adjustment in respect of parish and town council precepts	£ 15.50
Basic amount excluding parish and town councils	£1,373.07

- (d) That the precepts of parish and town councils be noted and the resulting basic council tax amounts for particular areas of the Council be calculated as follows:

<u>Parish or Town Council Area</u>	<u>Local Precept</u> £	<u>Council Tax Base</u>	<u>Parish/Town Council Tax</u> £	<u>Whole Area Council Tax</u> £	<u>Basic Council Tax Amount</u> £
Addingham	98,800	1,738	56.85	1,373.07	1,429.92
Baildon	282,500	6,278	45.00	1,373.07	1,418.07
Bingley	172,540	8,627	20.00	1,373.07	1,393.07
Burley	201,442	2,983	67.53	1,373.07	1,440.60
Clayton	60,474	2,407	25.12	1,373.07	1,398.19
Cullingworth	30,424	1,221	24.92	1,373.07	1,397.99
Denholme	38,230	1,137	33.62	1,373.07	1,406.69
Harden	28,700	820	35.00	1,373.07	1,408.07
Haworth, Crossroads and Stanbury	84,048	2,267	37.07	1,373.07	1,410.14
Ilkley	330,615	7,095	46.60	1,373.07	1,419.67
Keighley	506,137	15,010	33.72	1,373.07	1,406.79
Menston	117,774	2,181	54.00	1,373.07	1,427.07
Oxenhope	30,480	1,016	30.00	1,373.07	1,403.07
Sandy Lane	15,876	882	18.00	1,373.07	1,391.07
Silsden	76,792	2,942	26.10	1,373.07	1,399.17
Steeeton with Eastburn	57,862	1,717	33.70	1,373.07	1,406.77
Wilsden	53,502	1,745	30.66	1,373.07	1,403.73
Wrose	17,740	2,087	8.50	1,373.07	1,381.57
Total of all local precepts	2,203,936	62,153			

- (e) That the council tax amounts for dwellings in different valuation bands in respect of the Council's budget requirement, taking into account parish and town council precepts applicable to only part of the Council's area, be calculated as follows,

	Council Tax Amount for Each Valuation Band							
	<u>Band A</u> £	<u>Band B</u> £	<u>Band C</u> £	<u>Band D</u> £	<u>Band E</u> £	<u>Band F</u> £	<u>Band G</u> £	<u>Band H</u> £
All parts of the Council's area other than those below	915.38	1,067.94	1,220.51	1,373.07	1,678.20	1,983.32	2,288.45	2,746.14
The parish and town council areas of:								
Addingham	953.28	1,112.16	1,271.04	1,429.92	1,747.68	2,065.44	2,383.20	2,859.84
Baildon	945.38	1,102.94	1,260.51	1,418.07	1,733.20	2,048.32	2,363.45	2,836.14
Bingley	928.71	1,083.50	1,238.28	1,393.07	1,702.64	2,012.21	2,321.78	2,786.14
Burley	960.40	1,120.47	1,280.53	1,440.60	1,760.73	2,080.87	2,401.00	2,881.20
Clayton	932.13	1,087.48	1,242.84	1,398.19	1,708.90	2,019.61	2,330.32	2,796.38
Cullingworth	931.99	1,087.33	1,242.66	1,397.99	1,708.65	2,019.32	2,329.98	2,795.98
Denholme	937.79	1,094.09	1,250.39	1,406.69	1,719.29	2,031.89	2,344.48	2,813.38
Harden	938.71	1,095.17	1,251.62	1,408.07	1,720.97	2,033.88	2,346.78	2,816.14
Haworth, Crossroads and Stanbury	940.09	1,096.78	1,253.46	1,410.14	1,723.50	2,036.87	2,350.23	2,820.28
Ilkley	946.45	1,104.19	1,261.93	1,419.67	1,735.15	2,050.63	2,366.12	2,839.34
Keighley	937.86	1,094.17	1,250.48	1,406.79	1,719.41	2,032.03	2,344.65	2,813.58
Menston	951.38	1,109.94	1,268.51	1,427.07	1,744.20	2,061.32	2,378.45	2,854.14
Oxenhope	935.38	1,091.28	1,247.17	1,403.07	1,714.86	2,026.66	2,338.45	2,806.14
Sandy Lane	927.38	1,081.94	1,236.51	1,391.07	1,700.20	2,009.32	2,318.45	2,782.14
Silsden	932.78	1,088.24	1,243.71	1,399.17	1,710.10	2,021.02	2,331.95	2,798.34
Steeton with Eastburn	937.85	1,094.15	1,250.46	1,406.77	1,719.39	2,032.00	2,344.62	2,813.54
Wilsden	935.82	1,091.79	1,247.76	1,403.73	1,715.67	2,027.61	2,339.55	2,807.46
Wrose	921.05	1,074.55	1,228.06	1,381.57	1,688.59	1,995.60	2,302.62	2,763.14

- (f) That it be noted that for the year 2019/20 the Police and Crime Commissioner and West Yorkshire Fire and Rescue Authority (WYFRA) have indicated the following precepts, to be confirmed.

<u>Precept Amount</u> £	<u>Council Tax Amount for Each Valuation Band</u>							
	<u>Band A</u> £	<u>Band B</u> £	<u>Band C</u> £	<u>Band D</u> £	<u>Band E</u> £	<u>Band F</u> £	<u>Band G</u> £	<u>Band H</u> £
<u>West Yorkshire Fire and Rescue Authority *</u>								
9,184,700	43.06	50.24	57.41	64.59	78.94	93.30	107.65	129.18
<u>Police and Crime Commissioner for West Yorkshire</u>								
26,584,290	124.63	145.41	166.18	186.95	228.49	270.04	311.58	373.90

- (g) That having calculated the aggregate in each case of the amounts at (e) and (f) above, the Council set the following amounts of council tax for 2019/20 in each of the categories of dwellings shown below:

	<u>Band A</u> £	<u>Band B</u> £	<u>Band C</u> £	<u>Band D</u> £	<u>Band E</u> £	<u>Band F</u> £	<u>Band G</u> £	<u>Band H</u> £
All parts of the Council's area other than those below	1,083.07	1,263.59	1,444.10	1,624.61	1,985.63	2,346.66	2,707.68	3,249.22
The parish and town council areas of:								
Addingham	1,120.97	1,307.81	1,494.63	1,681.46	2,055.11	2,428.78	2,802.43	3,362.92
Baildon	1,113.07	1,298.59	1,484.10	1,669.61	2,040.63	2,411.66	2,782.68	3,339.22
Bingley	1,096.40	1,279.15	1,461.87	1,644.61	2,010.07	2,375.55	2,741.01	3,289.22
Burley	1,128.09	1,316.12	1,504.12	1,692.14	2,068.16	2,444.21	2,820.23	3,384.28
Clayton	1,099.82	1,283.13	1,466.43	1,649.73	2,016.33	2,382.95	2,749.55	3,299.46
Cullingworth	1,099.68	1,282.98	1,466.25	1,649.53	2,016.08	2,382.66	2,749.21	3,299.06
Denholme	1,105.48	1,289.74	1,473.98	1,658.23	2,026.72	2,395.23	2,763.71	3,316.46
Harden	1,106.40	1,290.82	1,475.21	1,659.61	2,028.40	2,397.22	2,766.01	3,319.22
Haworth, Crossroads and Stanbury	1,107.78	1,292.43	1,477.05	1,661.68	2,030.93	2,400.21	2,769.46	3,323.36
Ilkley	1,114.14	1,299.84	1,485.52	1,671.21	2,042.58	2,413.97	2,785.35	3,342.42
Keighley	1,105.55	1,289.82	1,474.07	1,658.33	2,026.84	2,395.37	2,763.88	3,316.66
Menston	1,119.07	1,305.59	1,492.10	1,678.61	2,051.63	2,424.66	2,797.68	3,357.22
Oxenhope	1,103.07	1,286.93	1,470.76	1,654.61	2,022.29	2,390.00	2,757.68	3,309.22
Sandy Lane	1,095.07	1,277.59	1,460.10	1,642.61	2,007.63	2,372.66	2,737.68	3,285.22
Silsden	1,100.47	1,283.89	1,467.30	1,650.71	2,017.53	2,384.36	2,751.18	3,301.42
Steeton with Eastburn	1,105.54	1,289.80	1,474.05	1,658.31	2,026.82	2,395.34	2,763.85	3,316.62
Wilsden	1,103.51	1,287.44	1,471.35	1,655.27	2,023.10	2,390.95	2,758.78	3,310.54
Wrose	1,088.74	1,270.20	1,451.65	1,633.11	1,996.02	2,358.94	2,721.85	3,266.22

- (h) That Council notes the movement in Band D equivalent charges for 2019/20 over 2018/19 as set out in the table below.

	Council Tax 2019-20	Council Tax 2018-19	Percentage change 2019-20 on 2018-19
	Band D Equivalent	Band D Equivalent	
Bradford Metropolitan District Council	1,373.07	1,333.21	2.99%
West Yorkshire Fire and Rescue Authority	64.59	62.72	2.99%
West Yorkshire Police Authority	186.95	162.95	14.7%
Local (Parish Council) Precepts:			
Addingham	56.85	57.47	-1.1%
Baildon	45.00	31.70	41.9%
Bingley	20.00	16.31	22.6%
Burley	67.53	65.00	3.9%
Clayton	25.12	22.56	11.3%
Cullingworth	24.92	24.64	1.1%
Denholme	33.62	28.41	18.3%
Harden	35.00	25.00	40.0%
Haworth etc	37.07	26.63	39.2%
Ilkley	46.60	40.39	15.4%
Keighley	33.72	33.72	0.0%
Menston	54.00	54.00	0.0%
Oxenhope	30.00	27.00	11.1%
Sandy Lane	18.00	17.79	1.2%
Silsden	26.10	25.89	0.8%
Steeton/ Eastburn	33.70	30.00	12.3%
Wilsden	30.66	29.72	3.2%
Wrose	8.50	7.50	13.3%

* The West Yorkshire Fire and Rescue Authority will be setting their precept on Thursday 21 February 2019]. The amount shown in the above table is the estimated precept based on a 2.99% increase. If the precept set by WYFRA is different to the estimate contained in this report Members will be subsequently advised accordingly and the tax tables duly amended.

9.0 BACKGROUND DOCUMENTS

- 9.1 Proposed Financial Plan updated 2019/20 – 2020/21 - Executive Report 4 December 2018 (Doc Z)
- 9.2 2019/20 Budget Update– Executive Report 5 February 2019 (Doc AQ)
- 9.3 Consultation Feedback and Equality Assessments for the 2019/20 Council Budget and proposals for 2020/21 – Executive Report 5 February 2018 (Doc AR) and the addendum to that report circulated to Executive on 5 February 2019
- 9.4 Interim Trade Union Feedback on the Council’s Budget Proposals for 2019/20 and 2020/21 - Executive Report 5 February 2019 (Doc AS)
- 9.5 Section 151 Officer’s Report – Executive 19 February 2019 – (Doc V)
- 9.6 Calculation of Bradford’s Council Tax Base and Business Rates Base for 2019/20 – Executive 8 January 2019 – (Doc AF)

10.0 APPENDICES

- 10.1 Appendix A - Council Cumulative Budget 2018/19 and outlook for 2020/21
- 10.2 Appendix B - Recurring pressures and investment proposals
- 10.3 Appendix C - New Proposals subject to consultation
- 10.4 Appendix D - Schedule of 2020/21 proposals subject to consultation (2019/20 for reference only)
- 10.5 Appendix E - Proposed schedule of amendments to previous budget decisions
- 10.6 Appendix F - Proposed Use of Reserves statement

Appendix A- COUNCIL CUMULATIVE BUDGET 2019/20 and 2020/21 and outlook to 2021/22

	2019/20 Budget £'000	2020/21 Budget £'000	2021/22 Budget £'000
NET EXPENDITURE			
2018/19 Base Budget	358,110	358,110	358,110
Reversal of non recurring investment	(649)	(1,216)	(1,716)
Recurring pressures (Appendix B)	16,077	16,617	17,177
Sub total	373,538	373,511	373,571
FUNDING CHANGES	(3,179)	57,513	58,488
INFLATION	13,663	25,894	34,229
Base Net Expenditure Requirement	384,022	456,918	466,288
Demographic pressures in Adults	1,545	3,221	4,721
Children's demographic pressure	625	1,250	1,250
Children's investment fund	6,100	400	0
Termination costs	(4,500)	0	(4,500)
Transformation fund	(2,500)	(2,500)	(2,500)
Capital financing and central budget adjustments	(2,217)	918	3,951
Public Health reduction in expenditure due to grant cut	(1,087)	(1,087)	(1,087)
2018/19 Budget decisions (Appendix D)	(12,839)	(23,072)	(23,072)
Amended prior Budget decisions (Appendix E)	(1,587)	(6,064)	(14,443)
New Budget proposals for consultation 2019/20 and 2020/21 (Appendix C)	(636)	(3,322)	(3,322)
Release of MRP overprovision from previous years	(6,520)	0	0
Net reduction in carbon commitment costs	(345)	(345)	(345)
Apprenticeship levy reduction	(150)	(150)	(150)
Net Expenditure Requirement	359,911	426,167	426,791
RESOURCES			
Localised Business Rates	(95,000)	(125,747)	(126,342)
Collection Fund surplus 2018/19	(1,200)	0	0
Top Up Business Rate Grant	(67,000)	(69,462)	(70,851)
Use of Reserves (Appendix F)	(1,460)	(900)	0
Council Tax	(195,251)	(202,148)	(207,253)
Total Resources	(359,911)	(398,257)	(404,446)
Budget shortfall	0	27,910	22,345
Memorandum			
Council Tax base	142,200	142,950	143,700
Council Tax Band D	£1,373	£1,414	£1,442

Appendix B
Recurring pressures and investment proposals
(impact is shown on an incremental basis)

Ref.	Description of proposal	2019-20 Impact £'000	2020-21 Impact £'000	2021-22 Impact £'000
	Better Health Better Lives			
ARP6.1	Investment into Adult Social Care to cover structural overspend	6,000		
CRP6.1	Additional investment for Looked After Children	2,375		
CRP6.2	Additional investment for Children's Social Workers pay	1,050		
CRP6.3	Additional posts in Children's social care	581		
CRP6.4	Ofsted inspection contingency	1,500		
	Total Better Health Better Lives	11,506	0	0
	Great Start Good Schools			
CRP6.5	Two additional posts for Special Education Needs and Disability (SEND) service	90		
CRP6.6	Additional investment in SEND	800		
	Total Great Start Good Schools	890		
	Better Skills More Jobs & a Growing Economy			
RRP6.1	Investment to cover additional pressure on street lighting budget	1,000	0	0
	Total Better Skills More Jobs & a Growing Economy	1,000	0	0
	Safe Clean and Active Communities			
ERP6.1	Increased costs associated with waste disposal contract	521	540	560
ERP6.2	Investment to cover structural pressure on waste services	1,900		
	Total Safe Clean and Active Communities	2,421	540	560
	Well Run Council			
WRP6.1	Investment for Coroner's Office and mortuary service	260		
	Total Well Run Council	260	0	0
	TOTAL	16,077	540	560

Appendix C

New proposals open for Consultation until 27th January 2019

Ref	Proposal for Change	2019/20 £'000 Impact	2020/21 £'000 Impact
Better Health Better Lives			
6X1	Welfare Advice & Customer Service transformation Fundamental change to the way the Council and its partners deliver customer facing Services, focussed on customers getting the 'right support at the right time'.	0.0	1,200.0
6PH1	Air Quality Monitoring Programme Reduction of posts in Pollution team and reduce the numbers of operational 'real time' automatic air quality management stations from seven to four.	0.0	55.0
6PH2	Health Checks It is proposed that the current service will cease in 20/21 when it is no longer mandated. Options for efficient and targeted delivery of the programme will be explored with CCGs to consider how Health Checks and Healthy Hearts can work in a complimentary way and more effective way	0.0	175.0
Total Better Health Better Lives		0.0	1,430.0
Better Skills, More Jobs and a Growing Economy			
4R13	Economic Development Service – Economic Development Service – management and support being removed in line with contractual end dates for External funded programmes and initiatives	26.0	56.0
4R11	Planning, Transportation and Highways - Installation of LED lanterns, which provides better light coverage, and retrofit lamp/gear trays	60.0	0.0
Total Better Skills, More Jobs and a Growing Economy		86.0	56.0
Safe Clean Active			
6E1	Parking Charge Increases Increase parking charges, and introduce charges, across the district for on- and off-street parking	300.0	195.0
6X1	Welfare Advice & Customer Service transformation Fundamental change to the way the Council and its partners deliver customer facing Services, focussed on customers getting the 'right support at the right time'.	0.0	844.0
Total Safe Clean Active		300.0	1,039.0
Well Run Council			
6F1	Reduction in Grant to Parish and Town Councils – reduction in Council Tax support grant cut by central government	0.0	161.0
6S1	Information Technology Services – a blended reduction in IT Services staffing costs and reduction in supplies and services budget	250.0	0.0
Total Well Run Council		250.0	161.0
New draft proposals open for consultation		636.0	2,686.0

Appendix D - Schedule of 2020/21 proposals open for consultation up to 27th January 2019 (2019/20 for reference only)

REF	Proposal for Change	2019/20 £'000 NOT subject to consultation	2020/21 £'000 Impact
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Better Health Better Lives

4PH1	School Nursing and Health Visiting - redesign through development of a new service model which is fully aligned to the Prevention and Early Help model. <i>Please note this proposals affects both Better Health, Better Lives and Great Start, Good Schools but for clarity is shown here</i>	1,959.0	988.0
4PH2	Substance Misuse Service – combination of redesign, and re-commissioning recovery service, dual diagnosis service, supervised medication programme, and inpatient detoxification services.	625.0	2,919.0
4PH3	Sexual Health - combination of redesign, review and ceasing services Health development with young people, sex and relationship education in schools, emergency hormonal contraception	0.0	647.6
4PH4	Tobacco –combination of redesign, review of current service model to a stop smoking service targeted at smokers from the most disadvantaged groups and ceasing other services.	2.0	304.2
4PH8	Warm Homes Healthy People – reduction in the short term winter activity based programme	20.0	0.0
4PH10	Public Health – reduction in staffing in line with redirecting investment profile towards reducing demand and maintaining health and wellbeing	310.0	350.0
4E11	Sport and Physical Activity – investigate all methods of future operational service delivery with a combination of transfer, closure, new facilities, alternative delivery models and raising additional income.	50.0	130.0
6A1	Adults - Overall Demand Management Strategy - moving from a dependency model to one that promotes independence and resilience (e.g. reducing numbers coming in to care, care system culture change, speeding up integration, redesign enablement, reviewing financial needs, continued personalisation).	<i>Please see Appendix E for changes to the financial profile of this proposal</i>	<i>Please see Appendix E for changes to the financial profile of this proposal</i>
5PH1	A Home From Hospital Service – Bradford Respite and Integrated Care Support (BRICCS) review and redesign of the service.	170.1	0.0

Appendix D - Schedule of 2020/21 proposals open for consultation up to 27th January 2019 (2019/20 for reference only)

REF	Proposal for Change	2019/20 £'000 NOT subject to consultation	2020/21 £'000 Impact
Page 52	Review Respite Provision after the introduction of personalised budgets – The savings will be achieved through a two stranded approach: Income generation through building on an existing pilot; proactively marketing surplus beds to other Local Authorities on a full cost recovery basis; Refocusing existing residential respite provision to meet the needs of younger adults and older teenagers, enabling costs to be shared with adults services; The review will also focus on improved service efficiencies.	400.0	0.0
	Reduction to Public Health Grant Cut met from proposals above	(1,087.0)	0.0
	Total - Better Health Better Lives	2,449.1	5,338.8

A Great Start and Good Schools for All Our Children

4C2	Early Years - From 2017 part of the Dedicated Schools Grant will be removed. Plans are being formulated to develop a coherent and targeted suite of early years' services including early help, family centres and early years' including Children's Centres. The proposal is included here as there could be staffing implications.	5,660.0	915.0
	Total – A Great Start and Good Schools for All Our Children	5,660.0	915.0

Better Skills More Jobs and a Growing Economy

4E7	Remodel of Visitor Information & frontline service - reduce the number and/or size of Visitor Information Centres (VICs), moving to a more digital basis promoting the district to target audiences, with the potential for VIC information points as co-located provision and increasing the commercial opportunities for the Bradford City of Film.	50.0	70.0
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Appendix D - Schedule of 2020/21 proposals open for consultation up to 27th January 2019 (2019/20 for reference only)

REF	Proposal for Change	2019/20 £'000 NOT subject to consultation	2020/21 £'000 Impact
4E8	Events and Festivals – review to develop a more sustainable and balanced events programme and review grant funding while protecting key organisations.	150.0	100.0
4E9	Libraries – Review provision of Library Services across the district, consider alternative delivery models.	950.0	1,050.0
4E10	Theatres and Community Halls – Halls to be transferred through Community Asset Transfer. Theatres to generate greater income	130.0	140.0
6C3	Children's Services – When the current Connexions contract ends in August 2019, re-design the activity to bring the service in house at a reduced cost. Skills House to be funded from base from April 2020, along with seeking partner contributions for an expanded service, some of the costs will be offset through the reductions in the Connexions contract.	50.0	100.0
4R2	West Yorkshire Combined Authority (WYCA) Transport Levy – proposed reduction in the levy Bradford pays to WYCA for transport operations	500.0	500.0
4R20	Regeneration – no longer accept new schools onto the Active School Travel programme with existing provision being phased out over the following years of this budget process	28.0	0.0
4R21	Regeneration – reduction in the funding for the Road Safety Team	62.5	0.0
5E1	Museums and Galleries – Review of service to include potential for income generation, service efficiency and integration and remodelling of operational delivery	260.0	500.0
	Total - Better Skills More Jobs and a Growing Economy	2,180.5	2,460.0

Appendix D - Schedule of 2020/21 proposals open for consultation up to 27th January 2019 (2019/20 for reference only)

REF	Proposal for Change	2019/20 £'000 NOT subject to consultation	2020/21 £'000 Impact
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Safe Clean and Active Communities

4E1	Parks and Bereavement management rationalisation; withdrawal from direct management of sport pitches and bowling greens; raise prices of bereavement services.	60.0	50.0
4E2	Waste Collection and Disposal Services – increased levels of recycling, reduction in residual waste and improved efficiencies.	(84.0)	276.2
4E3	Trade Waste – Business development opportunities.	43.0	0.0
4E4	Customer Services – redirect face to face contact towards self service and telephone services to realise staffing efficiencies. Automated services will increase with more people self serving using on line services	50.0	0.0
4E5	Street Cleansing and Public Conveniences – reduction in street cleansing resources for 2019/20	504.5	0.0
5E2	Youth Service – Reduction in the support of youth support activities across the district. In 2019/20 this was to cease youth work grants (already consulted on), and in 2020/21 this is to reduce the Council's Youth Service base budget, with the EIA reflecting these impacts.	311.0	513.0
	Total - Safe Clean Active Communities	884.5	839.2

A Well Run Council, Using All Our Resources to Deliver Our Priorities

4F2	Insurance – reduce the total cost of insurance, including premiums paid to the Council's insurer, the cost of maintaining and internal insurance fund for self-insured risks and the cost of meeting claims	300.0	250.0
4F4	West Yorkshire Joint Committees – cap contribution to Joint Committees at £1.1m which will require concerted action with other Councils	35.0	15.0
4L1	Legal and Democratic Services – to reflect the reduced size and scope of the Council, reductions to Civic, Legal and Committee Services, including Overview and Scrutiny are proposed	75.0	120.0

Appendix D - Schedule of 2020/21 proposals open for consultation up to 27th January 2019 (2019/20 for reference only)

REF	Proposal for Change	2019/20 £'000 NOT subject to consultation	2020/21 £'000 Impact
4R14	Asset Management –Seek to invest in non-operational property to generate surplus income	200.0	240.0
4R16	Facilities Management – reduction in the maintenance budget as the size of the operational estate shrinks	980.0	55.0
5X1	Reduce total cost of top management - the scope is the senior management (Strategic and Assistant Directors) and their PA structure	75.0	0.0
Total - A Well Run Council, Using All Our Resources to Deliver Our Priorities		1,665.0	680.0
Total Schedule of Decisions for 2019/20 of Budget Council 2018 for information and 2020/21 proposals subject to consultation		12,839.1	10,233.0

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**Appendix E - SCHEDULE OF AMENDMENTS TO PREVIOUS BUDGET DECISIONS
NOT SUBJECT TO CONSULTATION – other than 6A1 (incremental basis)**

Ref	Description	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000
Better Health Better Lives					
3A6	Changes to Learning Disability day care and procurement – original proposal	1,000.0			
3A6	Changes to Learning Disability day care and procurement – proposal removed	(1,000.0)			
3A10	Changes to contracts for Learning Disability residential and nursing - original proposal	1,000.0			
3A10	Changes to contracts for Learning Disability residential and nursing – proposal removed	(1,000.0)			
6A1	Adults Demand management	8,000.0	16,000.0	0	0
6A1	Adults Demand management	(6,413.0)	(11,523.0)	8,379.0	5,489.0
Total Better Health Better Lives		1,587.0	4,477.0	8,379.0	5,489.0

Well Run Council

4S1	Information Technology Services – reduction in costs associated with device support, licences and infrastructure. Switching technology solutions where better value can be achieved and rationalising the number of existing IT applications to simplify the technology in use – original proposal	690.0	700.0		
4S1	Information Technology Services – reduction in costs associated with device support, licences and infrastructure. Switching technology solutions where better value can be achieved and rationalising the number of existing IT applications to simplify the technology in use – proposal removed	(690.0)	(700.0)		
4H1	Human Resources – reduce HR transactional support, to reduce volume of service specific training – original proposal	0.0	150.0		
4H1	Human Resources – reduce HR transactional support, to reduce volume of service specific training – proposal removed	0.0	(150.0)		
4H2	Terms and Conditions – removal of non contractual overtime payments and removal of essential car allowance lump sum payments – proposal removed – original proposal	90.0	90.0		
4H2	Terms and Conditions – removal of non contractual overtime payments and removal of essential car allowance lump sum payments – proposal removed	(90.0)	(90.0)		
4R15	Facilities Management – operational cost reductions reflecting the continued contraction of the organisation – original proposal	0.0	668.0		
4R15	Facilities Management – operational cost reductions reflecting the continued contraction of the organisation – proposal removed	0.0	(668.0)		
4R17	Facilities Management – reduction in the size of the estate together with energy efficiency measures – original proposal	0.0	170.0		
4R17	Facilities Management – reduction in the size of the estate together with energy efficiency measures – proposal removed	0.0	(170.0)		

	of the estate together with energy efficiency measures – proposal removed				
Total Well Run Council		0.0	0.0	0.0	0.0
Net amendments to previous budget decisions not subject to consultation		1,587.0	4,477.0	8,379.0	5,489.0

Appendix F – Proposed Use of Reserves

Table 6 - Use of Reserves

Pre-agreed use of reserves	2019/20	2020/21	Total
	£'000	£'000	£'000
Transition and Risk Reserve - to fund growth strategy	500	500	1,000
Children's Services – work on quality assurance	67		67
Transition and Risk Reserve – to support frontline services and aid transition to new model, subject to detailed business case and subject to decision on Early Help	500		500
Financial Services VAT Reserve	103		103
Total pre-agreed use of reserves	1,170	500	1,670

Proposed Use of Reserves			
Redirect earmarked reserves to help close budgetary gap in 2019/20 – per table 7 below	1,870		1,870
Transition and Risk Reserve – to close budgetary gap for 2019/20	840		840
Transition and Risk Reserve – to fund Children's Investment Fund	4,100	400	4,500
Transfer to reserves re overprovision of Minimum Revenue Provision (MRP)	(6,520)		(6,520)
Total Proposed Use of Reserves	290	400	690

Total use of reserves pre-agreed and proposed	1,460	900	2,360
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Table 7 - Proposed redirection of earmarked reserves to help close budgetary gap

	£'000
Industrial Centres of Excellence	1.1
Children's Services grant	735.9
Universal Credit Administration	545.5
Cricket pitch refurbishment	310.0
Building maintenance	10.0
Health integration reserve	221.9
Social work improvement fund	46.0
Total – included in Table 6 above	1,870.4

Report of the Director of Finance to the meeting of the Council to be held on 21 February 2019

Document V

Subject:

2019/20 Budget Proposals and Forecast Reserves – S151 Officer Assessment

Summary statement:

This report assesses the robustness of the proposed budget for 2019/20, the adequacy of forecast levels of reserves and associated risks.

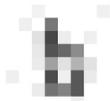
It concludes that the estimates are sufficiently robust for the Council to set the budget. It also concludes that the General Fund and unallocated reserves should be maintained at their current levels over the period of the financial strategy to ensure the continued financial resilience of the Council.

Andrew Crookham
Director of Finance

**Portfolio: Leader of Council and
Corporate**

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Overview & Scrutiny Area: N/A



1. SUMMARY

This report assesses the robustness of the proposed budget for 2019/20, the adequacy of the forecast levels of reserves and associated risks in the context of the Council's financial outlook up to 2020/21 and beyond.

The Council is setting its budget for 2019/20, and making decisions about savings for 2020/21, which will require implementation action to be undertaken during 2019/20.

It should be noted that the process aligns with years three and four of the four year financial strategy which commenced in 2017/18 and which sought to align our finances to the outcomes in the Council Plan 2017-2021.

For the past three budget rounds, the Council's S151 Officer has concluded that the General Fund reserve at a level of £10.8m and unallocated reserves in the range of £12-15m is adequate and this report concurs with that view. That said, where opportunities arise to exceed this level, these should be exploited given the continued uncertainty in the local government finance environment.

The report concludes that the estimates are sufficiently robust for the Council to set the budget for 2019/20. However, it should be noted that there are significant and uncertain medium term risks to the Council's financial position that require mitigating actions to start to be identified during the 2019/20 financial year.

2. BACKGROUND

Under Section 25 of the Local Government Act 2003, when the Council sets the budget, the Council's S151 Officer is required to report on:

- the robustness of the estimates made for the purposes of the calculations, and
- the adequacy of the proposed financial reserves.

This report comments on the revenue and capital estimates in the proposed budget. The assessment is informed by extensive personal involvement in the development of the proposed budget.

3. OPTIONS

This report does not set out alternative options. Legislation requires Council to have regard to this report and the assessment when setting the budget.

4. FINANCIAL & RESOURCE APPRAISAL

The financial appraisal underpinning this assessment is set out in the separate reports to this Executive on planned revenue and capital spending.

2019/20 Onwards Budget Appraisal

Context

- In setting a four year plan commencing in 2017/18, the organisation signalled its intent on managing the longer term financial sustainability of the authority, reducing the recurrent cost base within anticipated resources by 2020/21. This would see £110m of savings delivered over the four years, set against modest increases in Council Tax and Business Rates and a projected zero Revenue Support Grant (RSG) in the final year. The £110m of savings would be on top of £218m delivered during the period from 2011/12 to 2016/17.
- The following sections seek to highlight a number of significant changes since the plan was adopted, the risks of those changes and how they impact on the delivery of the 2019/20 budget and our longer term financial and reserve strategies.

2018/19 Projected Position

- The Q3 monitoring report presented to Executive on 5 February 2019 forecasts a £0.4m overspend for 2018/19.
- Whilst this signals a likely continuation in the Council's ability to broadly manage its finances within budget, year on year, it does also mask a number of significant in year financial challenges and has only been possible via the inclusion of fortuitous one-off income items.
- The Council has well established procedures for measuring progress against agreed savings plans and these are reported in the quarterly monitoring reports. 2018/19 marks the second year where approximately half (48% projected for 2018/19, 49% actual in 2017/18) of agreed savings will not be delivered on schedule. This clearly represents cause for concern and the formulation of the 2019/20 budget, outlined in further detail below, has been done so with this track record in mind.
- Alongside the non-delivery of savings, the Council has also faced unanticipated financial pressures in Waste and Children's Services. In the latter, this is both in relation to a sharp increase in the number of Looked After Children (LAC) and costs associated to the 'Inadequate' OFSTED inspection judgement reported in October 2018.
- In response to these challenges, various one-off measures have been deployed including the sizeable revenue impact of slippage on the capital programme. Latterly, the more positive projected year end position has only become possible due to one-off fortuitous income items around Social Care, Business Rates and a VAT refund.
- We have also instigated a number of improvements to the financial control environment including monthly reporting at Corporate Management Team and a fortnightly panel approval process for filling vacancies, agency staff and external contractor expenditure.
- This serves to show the Council has deployed appropriate arrangements to manage the 2018/19 challenge, however it also highlights a number of issues to take heed of in future budget setting, particularly around optimism bias in the formulation and planning of savings proposals and the subsequent timing and resources required to deliver them.

Funding and Resources

- Over the last year we have been required to amend our assumptions around future funding, with Members being regularly updated on developments around the Fair Funding Review and 75% Business Rates localisation. Whereas the original four year plan was predicated on comparative resources related to Revenue Support Grant (RSG) equalling nil by 2020/21, the current budget is predicated on that figure being approximately £20m, a £14m reduction from 2019/20. Whilst the Government has signalled that “austerity is over”, the uncertainties around the quantum of Local Government funding once Brexit, and the subsequent Comprehensive Spending Review, is settled dictate prudence is still required when it comes to predicting external funding levels. It is also important to note this figure plays a key part in determining the size of future budget gaps from 2020/21 onwards.
- Following our inclusion in a 100% Business Rates Pool Pilot in 2018/19, the successful bid for the North and West Yorkshire Business Rates Pool to become a 75% pilot in 2019/20 is welcome, and has unlocked resources that will help the Council meet short term expenditure pressures outlined in further detail below.
- Council Tax remains our most stable and reliable revenue stream and will account for 53% of our net expenditure requirement in 2019/20, up from 35% in 2010/11. As a historically low taxing authority, it continues to be important to maximise the on-going benefit of increases in the Band D rate as and when they are available and this budget proposes the maximum allowable increase in the general rate (2.99%).

Formulating the 2019/20 Budget

- One of the Council's key functions in terms of managing its finances is securing value for money from its activities, something which is measured on an annual basis by our external auditors. Given the challenges we have experienced in delivering agreed savings in 2017/18 and 2018/19, in order to satisfy this requirement it was clear that corrective action was required to our budget strategy, firstly in terms of base budget expenditure in 2019/20 and for later years, a subsequent realignment of that expenditure, proposals for which will be formulated during the coming year.
- On the former, this has required us to:
 - rebase the Health and Wellbeing budget to reflect new trajectories for the Demand Management savings programme. These revisions have been well supported by external expertise but do mean that the total savings from the programme will now be £20m compared to £32m in the original plan.
 - implement a number of structural corrections to Children's Services around LAC, SEND and the response to the OFSTED judgement. On the latter, there is a mixed approach between recurring (pay and supervisory capacity) and non-recurring expenditure (improvement work), with the expectation that much of the investment is provided on an 'invest to save' basis as the Council implements a more effective and efficient system to support the district's vulnerable children.
 - amend elements of the Place budget in relation to Waste and Street Lighting.
- In making the budget balance and mindful of recent progress against delivery, services were not asked to identify further savings beyond those already identified in the original plan. The main reasons for this are capacity, both in services and corporately, something the Council needs to be mindful of in the coming years, and timing; good transformation can take between two and three years to stick and seeking new cuts in

an unplanned fashion would just exacerbate issues experienced during 2017/18 and 2018/19. Instead, we have deployed a number of short term technical savings outlined in more detail in the reports to create time for more robust and deliverable plans to be put in place.

- Alongside this, changes to our Minimum Revenue Provision policy were approved by Council in July 2018. As well as contributing to short and medium term budget savings, the change in policy also released £53.5m in useable resources onto the balance sheet to provide increased resilience to help manage the various uncertainties outlined in this and the other budget papers.

Other Expenditure Pressures

- The original four year plan was predicated on 1% year on year pay increases, which was the right assumption at the time, given the pattern of pay offers from 2010 onwards. Since that time, assumptions around public sector pay have evolved and 2019/20 will be the second year of a two year pay deal. This creates structural cost pressures for the Council given each 1% in pay equates to c.£2.1m. In addition, the move to the National Living Wage locks in further cost both to our budget and the wider supply chain on which we rely.
- The estimates make provision for total inflationary increases to our cost base of c.£13.7m, which have also increased from the time we set the original plan, and careful monitoring of external forces on prices will become a theme of our financial planning, in particular as the impacts of Brexit become known.

2019/20 Savings Plans

- Earlier sections of this paper refer to the challenges in delivering existing savings and the approach to setting the 2019/20 budget. Underpinning the process has been a significantly improved iterative check and challenge process, which has included Executive Members and management teams, and has focussed on the robustness and deliverability 2019/20 savings plans. This commenced during the summer of 2018 and was completed at the end of January 2019.
- All savings are allocated to a Strategic Director and progress measured through departmental Budget Delivery Boards and the overall Council Plan Delivery Board.

2020/21 Savings and Medium Term Outlook

- In presenting two years of proposals, there is currently a projected gap of £28m in 2020/21 requiring further mitigation, which is after the identification of £17.4m of new savings outlined in the papers. Over the medium term, this gap reduces to between £20-25m as the timing effects of Demand Management programme in Health and Wellbeing materialises.
- Clearly this gap is sizeable and reflective of the significant uncertainty in the funding environment set out earlier in this paper. It is however not insurmountable provided the Council continues to proactively transform its approach to service delivery including making potentially difficult decisions about service provision levels, clearly refines and aligns its outcomes to resources in the next iteration of the Council Plan and maximises the current opportunity afforded by its resilient balance sheet.

Other Considerations

- The proposed allocation of the Dedicated Schools Grant (DSG) has been the subject of extensive and detailed development, scrutiny and ratification by the Schools Forum and its working groups.
- In terms of Capital, the budget makes provision for a modest and affordable increase in our capital financing budget to cover the cost of a number of new significant regeneration projects designed to stimulate the local economy.
- Continuing developments in the integration of health and social care, which will likely be further impacted by the delayed Green Paper, may bring consequences to our longer term financial planning assumptions not currently factored in.
- Building on this last point, it is important to acknowledge the growing interdependencies in public sector finances, and in particular Health, and the way that we use our funds, and partners use theirs, will have an increasing bearing on outcomes in the district.

Summary

Given the steps set out in the earlier sections of this paper, it is concluded that the estimates are sufficiently robust for Council to set the 2019/20 budget. However, Members need to be mindful of the significant challenges that remain in 2020/21 and beyond, which will require proactive work in the coming year to ensure the longer term financial sustainability of the authority.

Reserves

The Council's financial strategy during the period of austerity has been to maintain the strength of the balance sheet in order to provide resilience in a turbulent environment, whilst reducing the recurrent net cost base. The Council adopted and has adhered to a policy on the use of reserves which has served it well.

The balance sheet includes:

- The General Fund Reserve
- Unallocated Corporate Reserves
- reserves set aside for designated purposes and for specific liabilities and risks.

The first two reserves are essentially the Council's backstop for unforeseen risks and pressures. Previous budget decisions, including setting aside funding for transformation, means that the General Fund Reserve sits at £10.8m and Unallocated Corporate Reserves currently sit at £14.5m, and these are not projected to change over the remaining years of the plan.

As can be seen in the Budget Appraisal above, the financial challenges facing the Council are significant and put into context, the combined total of the two reserves is less than the current projected budget gap for 2020/21.

Therefore, the projected levels for 2019/20 and beyond remain adequate ***only if***

- the 2019/20 budget, with its focus on corrective action and more robust planning, is delivered to plan

- indicative savings, spending and transformational plans in future years are developed, agreed and implemented in order to mitigate against the projected medium term structural budget gaps
- The amount of contingency in the annual base budget remains adequate
- Potential liabilities are manageable within the balance sheet's provisions and reserves
- Local sources of taxation and other income turn out as planned.

It is therefore concluded that:

- the reserves are adequate for the 2019/20 proposed budget
- the Council has a clear reserves plan for the medium term
- the key to financial resilience lies firmly in successfully implementing plans.

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

The potential impacts of the identified risks have been modelled in Appendix 1 to this paper. This risk analysis will be used to inform management action during the year. The existing and proposed governance mechanisms to manage the budget are examined as part of the risk assessment.

6. LEGAL APPRAISAL

This assessment is made in accordance with the requirements of the Local Government Acts 1972 and 2003. The Council's Constitution provides that each year, before the budget is determined the S151 Officer will produce a report for the Executive showing ongoing commitments and a forecast of the total resources available to the Council to enable the Executive to determine any financial strategy guidelines.

7. OTHER IMPLICATIONS

The Equality and Diversity issues arising from the new budget proposals are analysed in the reports accompanying the budget documentation presented to Executive on 5 February and 19 February 2019, plus addenda presented at the meeting. The Interim Trade Union feedback on the budget proposals is documented and reported in a similar way. The Trade Union feedback and the feedback from the public engagement and consultation programme on the proposals previously approved by Budget Council in February 2018 was fully considered by Council at that time.

8. RECOMMENDATIONS

That Members have regard to this report in setting the budget, and in particular note the conclusions that:

- the estimates presented to Council are sufficiently robust
- the reserves are adequate for the 2019/20 proposed budget

- the projected corporate reserves, on current estimates, are adequate in the medium term, subject to the implementation of the rest of the proposed financial plan and identification of further proposals to mitigate the projected structural gap of £20-25m.

As with all budgets there is the potential for amendments to be proposed/agreed which could change the overall package of proposals. In that respect, it should be highlighted that this statement would be amended or added to if a decision was proposed that lead to the Council's reserves falling below their recommended level. In addition, any other amendments would be considered against the scale of the overall budget and depending upon the extent and nature, may result in a revised statement.

9. APPENDICES

9.1 Appendix 1: Risk-Based Assessment

10. BACKGROUND DOCUMENTS

- Proposed Financial Plan updated 2019/20 – 2020/21 - Executive Report 4 December 2018 (Doc Z)
- 2019/20 Budget Update– Executive Report 5 February 2019 (Doc AQ)
- Consultation Feedback and Equality Assessments for the 2019/20 and 2020/21 Council Budget Proposals – Executive Report 5 February 2019 (Doc AR) and the addendum to that report circulated to Executive on 5 February 2019
- Interim Trade Union Feedback on the Council's Budget Proposals for the 2019/20 and 2020/21 Council Budget - Executive Report 5 February 2019 (Doc AS) and the addendum to that report circulated to Executive on 5 February 2019
- The Council's Revenue Estimates 2019/20 – Executive Report 19 February 2019 (Document AZ)
- Allocation of the Schools Budget 2019/20 Financial Year – Executive Report 19 February 2019 (Document BA)
- Council's Capital Investment Plan 2019/20 to 2022/23 – Executive Report 19 February 2019 (Document BB)
- Qtr 3 Finance Position Statement for 2018/19 – Executive Report 5 February 2019 (Document AT)
- The Council's Revenue Estimates 2019/20 (as amended) – Council Report 19 February 2019 (Document U)

Risk-Based Assessment of Potential Events Affecting the Proposed 2019/20 Budget and Beyond

The table outlines: the risk event that could occur and cause the plan to vary; the mitigations that are in place; and an assessment of the potential quantified impact of the individual risk materialising, together with the additional mitigating factors.

Risk Event	Description and Mitigation in Place	Residual Risk Rating (Likelihood/Impact) and Contingency
		Likelihood: Low <20% <Medium < 50%< High<70% Impact: Low <£2m< Medium < £3m < High < £5m
Taxation streams are unstable	Collection Rates, bad debt provisions, appeals provisions, rateable property and the cost of the Council Tax Reduction Scheme are all volatile and are regularly monitored. Business Rates performance continues to be more volatile than Council Tax, with the outcome of appeals significantly reducing the tax yield. In year losses and gains can be handled through the Collection Fund, while variances can be dealt with in future year's plans.	High/Medium Contingency provided through adjustment of plans for subsequent years.
Other income streams unstable	Non-taxation income streams remain less volatile than in previous years. NHS funding streams may be at risk in the wake of current financial control difficulties. Past performance suggests that unplanned income may materialise, offsetting generally the risks against the aggregate net revenue budget. The Council is becoming more successful at securing competitive grants.	Low/Low Contingency provided through in-year budget control. Continuous dialogue with NHS partners over funding flows More active bidding for external funds Close monitoring of trading
Member support for the budget diminishes	The Executive and individual Portfolio Holders have been involved at a very detailed level in the development of the proposals. The financial plan reflects the Council Plan which has also had significant member input.	Low/Low Contingency provided through adjustment of plans for subsequent years
Plans for implementation of	Each savings proposal is required to be accompanied by a project plan setting out the implementation path. This process has been	Medium/Low

Risk Event	Description and Mitigation in Place	Residual Risk Rating (Likelihood/Impact) and Contingency
		Likelihood: Low <20% <Medium < 50%< High<70% Impact: Low <£2m< Medium < £3m < High < £5m
changes are not robust	strengthened via iteration for the 2019/20 process. The impact of the plans has been tested in consultation. The degree of risk in each individual proposed change varies, and requires continuous project management. Implementation requires dedicated project management resource (which continues to be funded in the budget).	Mitigation provided through continuous improvement of plans.
Planning is insufficiently flexible to respond to unexpected events	Governance arrangements allow Strategic Directors, under delegated authorities, and in consultation with Portfolio Holders, to flex plans during the year. If necessary, recourse can be had to the Executive to approve changes within the overall agreed budget envelope	Low/Low
Implementation of change is poorly controlled, or compromised by insufficient internal capacity	<p>From 2011/12 to 2018/19, the Council has managed to implement savings of around £255m. Looking at performance in 2018/19, 52% of specific savings plans are forecast to convert into actual savings on time (compared with 51% in 2017/18). Given the cumulative impact of the savings since 2010, it will be increasingly hard to find mitigating savings. The degree of risk varies across Departments.</p> <p>The standard “7 Keys” programme and project management method, which has been adopted across Departments, will continue.</p> <p>There is a risk that the multiple impacts of discrete changes on individuals or single organisations are not apparent until implementation, with unintended consequences that may need addressing.</p>	<p>Medium/High</p> <p>Compensating action to reduce net costs</p> <p>Non-recurrent funds are available to pay for change management, to reduce the risk of insufficient capacity</p> <p>Contingency in base budget.</p>
Risks to timely implementation of changes to packages of care in adults and children	The programme of change for Adult Services continues to be risk-laden in view of: the proportionate value of savings in relation to the overall savings programme in the medium term up to 2022/23; the interconnectedness of the changes; the number and range of stakeholders to be consulted and managed; the statutory framework;	<p>High/High</p> <p>Use of dedicated programme management resource</p>

Risk Event	Description and Mitigation in Place	Residual Risk Rating (Likelihood/Impact) and Contingency
		Likelihood: Low <20% <Medium < 50%< High<70% Impact: Low <£2m< Medium < £3m < High < £5m
services	the close links between local decisions and nationally-sponsored policy and thinking on new models of health and social care; the financial challenges faced by businesses in the social sector; and recent actual experience of managing change. The package of proposals to reform entitlements to and methods of transporting children with high needs to and from school has not yet yielded the intended financial benefits.	Continued collaboration with NHS and other partners Learning from developments in other local authorities Adoption of higher risk appetite in the assessment of individual cases Use of external support/expertise
Uncertainties over the integration of health and social care, including delays in developing new models of care to support changes to service delivery	The future of adult social care is heavily influenced by national policy on integration. Work to develop “integrated care systems” could run slower than is necessary to inform/support local changes, with potential adverse financial and client impacts. Governance mechanisms including the Health and Wellbeing Board and supporting bodies are in place, allowing shared planning with NHS partners, and joint participation in nationally led initiatives. Negotiations continue over the distribution of the Better Care Fund. Financial pressures in the NHS could trigger higher degrees of organisational change, which divert leadership attention away from the job of managing client demand which lies at the heart of the adult services changes required to deliver the budget.	High/Medium The Council may have to make unilateral changes if the pace of change is too slow
Changes related to staff cannot be implemented to plan	Consultation with Trade Unions commenced on 26 November 2018, and has continued since. Implementation will focus on avoiding compulsory redundancy. The voluntary redundancy framework has proved to be effective, though there is a need to ensure that the skill base of the workforce is maintained. Staff related changes account for c £8.1m, or 54% of the total budget changes in 2019/20.	Low/Low Compensating action to reduce net costs Vacancy Management Contingency provided in base budget
Changes related to	The new budget proposals foresee a reduction to spending with	Low/Medium

Risk Event	Description and Mitigation in Place	Residual Risk Rating (Likelihood/Impact) and Contingency
		Likelihood: Low <20% <Medium < 50%< High<70% Impact: Low <£2m< Medium < £3m < High < £5m
external suppliers cannot be implemented to plan	external suppliers of £5.8m or 38% of total net budget changes in 2019/20. Past experience suggests that through individual contract negotiation budgets can be managed through a combination of volume and price; and increasingly through re-commissioning for revised levels of service. Suppliers of adult social care continue to show signs of financial stress, including from the anticipated impact of the National Living Wage.	Compensating action to reduce net costs Contingency provided in base budget
Changes related to income generation cannot be implemented to plan	The proposed budget assumes aggregate income from non-taxation sources rises by c 0.5% annually as a result of inflation. Targeted increases in income in 2019/20 are £1.2m or 8% of total net budget changes in 2019/20.	Low/Low Compensating action to reduce net costs Contingency provided in base budget
Customer/ citizen behaviour is inconsistent with plan	Some budgets require significant degrees of change in behaviour and expectations on the part of service users and their representatives; and continuing consultation processes may pose risks to implementation. Experience to date says the most sensitive areas are in Adult Services; in Children's specialist services, and in local everyday services such as parking, public conveniences, and community amenities.	Medium/Medium Compensating action to reduce net costs Contingency provided in base budget
External stakeholder groups resist and delay change	Experience suggests that where change affects groups who have the capacity to organise challenge to the implementation of agreed budget decision, the result can be delay, which inhibits the timely delivery of savings	Medium/Low Stakeholder management as part of implementation Contingency planning
Demographic changes place unplanned burden on resources	The proposed budget has been increased to account for £1.5m of demographic growth in Adult Services, and £0.6m from Looked After Children. The Schools budgets (funded by the DSG) reflect the latest pupil census. It is expected that demographic growth and changes in the composition of the population will continue to lead to service pressures, which may need to be factored into future plans.	Low/Low Contingency provided through adjustment of plans for subsequent years

Risk Event	Description and Mitigation in Place	Residual Risk Rating (Likelihood/Impact) and Contingency
		Likelihood: Low <20% <Medium < 50%< High<70% Impact: Low <£2m< Medium < £3m < High < £5m
Insufficient inflation allowance is provided in the plan	Expenditure budgets have been selectively inflated at indices appropriate for the relevant line. Where appropriate, budget managers will need to absorb unfunded inflation through reducing consumption of goods and services. Pay budgets have been inflated to reflect the current status of negotiation on national pay awards. The impact of potential greater inflationary pressures in the economy on the medium term outlook will need to be managed.	Low/Low Compensating action to reduce net costs
Capital investment is poorly controlled	The level of contingency in the capital plans is in line with historically consistent levels. Some individual projects have yet to reach full business case stage, so their cost will need to be monitored. Recent experience suggests that capital projects take longer to implement than implied by the financial plan; but the revenue budget implications tend to be favourable. That said, we have calculated a one-off sum related to capital financing in order to allow us to reprofile agreed savings.	Low/Low Close monitoring is required to ensure that schemes do not overspend Contingency provided through adjustment of plans for subsequent years
Sources of funds for capital investment do not materialise	In addition, to the capital receipts expected to be released as a result of specific schemes, the Capital Investment Plan assumes £3.5m of general capital receipts from emerging sales of Council property plus £1.1m from a specific scheme. If they do not materialise, the plan (or individual projects within in which are dependent on receipts) will need to be reviewed.	Low/Low Contingency provided through adjustment of plans for subsequent years
Interest Rates are higher than anticipated over the life of the plan	Should there be sharp rate rises, this would have a corresponding impact on the capital financing budget as external borrowing becomes more expensive. This may in turn have an impact on the affordability of the capital programme, in particular in later years. Interest Rates assumed in the budget are based on the latest available information from professional treasury management advisors. Regular updates are received and form part of our monitoring processes.	Medium/Medium Compensating action to reduce net costs Reprofiling and reprioritisation of the capital plan
The baseline	The proposed budget is set using the 2018/19 baseline as amended	Medium/Medium

Risk Event	Description and Mitigation in Place	Residual Risk Rating (Likelihood/Impact) and Contingency
		Likelihood: Low <20% <Medium < 50%< High<70% Impact: Low <£2m< Medium < £3m < High < £5m
budget is structurally compromised	for specific changes. The 2018/19 forecast outturn shows a combination of overspend pressures and compensating underspends, the most significant of which have been accounted for as part of those specific changes.	Strategic Directors can use their delegated budgets flexibly
Changes in school funding and in school structures created unforeseen and unfunded liabilities	Three factors could lead to financial stress in schools, which, under some circumstances, could create liabilities for the Council's budget: the increasing gap between funding and inflation-driven costs; the impact of the National Funding Formula on individual schools; conversions to academies. No additional provision has been made in the budget for these risks	Medium/Medium Support for/intervention in individual schools On-going dialogue with Regional Schools Commissioner Engagement with Bradford Schools Forum
Internal governance arrangements are not fit for purpose	Constitutional arrangements, internal delegations, and the financial control environment are in place and, from audit testing, are effective. The Schools Forum and the supporting mechanisms are likewise effective at enabling a mature discussion about the use of local authority and DSG funds to support schools and pupils. Governance arrangements for health and social care are also well established. Internal governance supporting change management also reduces the risk of departmental silo mentality.	Low/low
Governance arrangements with external parties are not fit for purpose	Governance arrangements at District level were re-tuned during 2016. Reforms continue in the education governance landscape. The Health and Wellbeing Board and supporting arrangements are in place, though the pace of development is often overtaken by national NHS developments. At regional level, Combined Authority governance is bedded in, though further changes may evolve in the wake of the fluid devolution agenda. These factors do not increase financial risk as much as absorb leadership and management attention.	Low/Low

1539072

Report of the Director of Finance to the meeting of the Executive to be held on 19 February 2019 and Council to be held on 21 February 2019.

Subject:

BA

Allocation of the Schools Budget 2019/20 Financial Year

Summary statement:

The report seeks Executive approval of the recommendations of Bradford's Schools Forum in allocating the Dedicated Schools Grant (DSG) for 2019/20 and subsequent recommendation to Full Council.

Andrew Crookham
Director of Finance

Portfolio: Leader of Council

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Overview & Scrutiny Area: Corporate

1. SUMMARY

- 1.1 This report informs the Executive of the recommendations of Bradford's Schools Forum in allocating the Dedicated Schools Grant (DSG) for the 2019/20 financial year.
- 1.2 The Schools Budget is part of the overall budget proposal for the Council, which includes:
 - the recommended Capital Investment Plan (Document BB)
 - the Revenue Estimates (Document AZ)
- 1.3 This report is submitted to enable the Executive to make recommendations to Council on the setting of the budget and the Council Tax for 2019/20, as required by Article 4 of the Council's Constitution.

2. BACKGROUND

- 2.1 Under national Regulations, every local authority is required to operate a Schools Forum. Schools forum is a decision making and consultative body dealing with schools budgets. The forum acts as a consultative body on some issues and a decision making body on others.

The forum acts in a consultative role for:

- changes to the local funding formula (the Local Authority is responsible for the final decision but in some cases it may delegate the power to the Schools' Forum)
- proposed changes to the operation of the minimum funding guarantee
- changes to or new contracts affecting schools
- arrangements for pupils with special educational needs, in pupil referral units and in early years provision.

The forum is responsible for decisions on:

- how much funding may be centrally retained within the dedicated schools grant
- any proposed carry forward of deficits on central spend from one year to the next
- proposals to de-delegate funding from maintained primary and secondary schools changes to the scheme of financial management.

Therefore one of primary functions of schools forum is to recommend to the Authority how the funding, which the Government provides for schools and individual pupils

(known as the Dedicated Schools Grant (DSG)), is managed..

- 2.2 Following the Government's National Funding Formula reforms, implementation beginning April 2018, the DSG is now constructed in four blocks with each block having a 'national formula' basis: the Schools Block, based on October 2018 pupil census data; the Early Years Block, based on January 2019 and 2020 census data; the High Needs Block, based partly on population, deprivation and other needs-led data and partly on historic spending levels; the Central Schools Services Block, based on pupil numbers and deprivation data.

All four Blocks in 2019/20 include some ceiling and floor arrangements as the Government moves to the new National Funding Formula (NFF) over time. Our Schools Block and Early Years Block allocations are protected by these transitional arrangements. Our High Needs Block and Central Schools Services Block allocations are capped by these arrangements and our funding in 2019/20 in these blocks would be higher if the transition was not in place.

- 2.3 Perhaps the most significant issue for Bradford, in our management of our DSG allocation in 2019/20 and going forward, is the extent to which the capping of our High Needs Block allocation affects our ability to meet demand-led spending growth, to deliver a sufficient volume of high quality provision for children and young people with high needs, whilst avoiding the growth of a deficit within our DSG account. We calculate that Bradford's 2019/20 High Needs Block allocation should be £16.9m higher than our 2017/18 pre-NFF baseline. This increase however, is substantially reduced by the national capping arrangements – an estimated £12.4m of this £16.9m growth is not yet allocated. Although the DfE announced in December 2018 that our High Needs Block allocation in 2019/20 will increase by an additional £1.47m on what was previously announced, Bradford's allocation in 2019/20 is still significantly lower than what the NFF calculates we should receive based on current needs-led data.

The management of this situation has been one of the key issues discussed with the Schools Forum and schools in the Authority's consultations on 2019/20 arrangements, which were completed in the autumn 2018. The main measures recommended by the Schools Forum, which will enable additional specialist places to be created, and which are also put forward to prevent a deficit within the High Needs Block in 2019, are set out in this report. One of the most prominent measures is the transfer of £2.00m (0.48%) of the Schools Block allocation to the High Needs Block. This results in an overall basic per pupil settlement for primary and secondary schools and academies, including the Minimum Funding Guarantee, of 0% (cash flat on 2018/19). The basic per pupil settlement for high needs providers is also cash flat. The basic per pupil settlement for early years providers is slightly lower than cash flat as the value of the 3&4 year old universal base rate is reducing from £4.12 to £4.11 per hour. The funding rates for maintained nursery schools continue to be protected at 2016/17 levels.

The High Needs Block faces acute pressure going forward and further structural change is required to deliver financial sustainability whilst also delivering high quality provision in sufficient quantity to meet the needs of pupils with SEND.

- 2.4 The recommendation for a basic 0% cash flat settlement for schools, academies

and other providers in 2019/20 is made in the context of the forecasted further growth in costs over the 2019-2022 period. Although some relief for schools, in the form of additional non-DSG grant, against the cost of the September 2018 pay award for teachers has been confirmed by the Government for 2019/20, and further relief is expected against the significant increase in employer's contribution to teacher pensions from September 2019 (an indicative increase from 16.48% to 23.6%), for the period up to 31 March 2020, the National Funding Formula, as it currently stands, does not address the very significant cut in the real terms value of school funding. This is a national issue. The Institute of Fiscal Studies, for example, reported in July 2018 that there has been an 8% reduction in the real terms value of funding per pupil between 2009/10 and 2017/18 and forecasts further erosion in value over the next 5 years. In addition to national pay factors, locally, education budgets are being required to absorb increased employer contributions to non-teaching staffing pension costs and increases in the prices of goods and services.

Added to this pressure, the Authority in its DSG management, and schools and providers in their management of their delegated funds, are continuing to need to take prudent decisions understanding that there is significant uncertainty. The position of DSG funding, including High Needs Block funding and NFF transition, and of other important matters such as the continuation of the Minimum Funding Guarantee for schools and of key grants (including Pupil Premium) and whether additional monies to offset pay and pensions contributions increases will continue, after April 2020, is not known and will not be confirmed until the autumn 2019 spending settlement. The specific issue of the funding of maintained nursery schools after April 2020 has also to be determined within this settlement.

- 2.5 The Government has stated its intention to implement the 'hard' National Funding Formula for primary and secondary schools and academies from (or after) April 2021. This means that for (at least) 2019/20 and 2020/21 the Local Authority with the Schools Forum continues to have responsibility for setting formula funding arrangements locally within tight regulations. After April 2021, although local responsibility is expected be retained for the High Needs Block, Early Years Block and Central Schools Services Block, the main Schools Block primary and secondary funding formula is expected to be calculated nationally and only 'passport' by the Authority to schools.
- 2.6 Given this direction of travel, a key decision for all local authorities has been whether to adopt the Government's National Funding Formula for the allocation of funding to individual primary and secondary schools and academies. At April 2018, the Authority replaced its local formula with the DfE's NFF, using this as closely as the Regulations and affordability allowed to calculate individual formula allocations for both primary and secondary phases in 2018/19. We were one of 41 authorities nationally that did this. We also established the DfE's new optional minimum levels of per pupil funding at their full values of £3,500 (primary) and £4,800 (secondary).

The Schools Block formula funding recommendations for 2019/20 are put forward to ensure that we continue to closely mirror the DfE's National Funding Formula at local level.

- 2.7 The combination of our transfers of funding from the Schools Block to the High

Needs Block in 2017/18 and now also in 2019/20, and our implementation of the DfE's NFF to calculate individual school budget shares, has created the following Schools Block formula funding landscape in Bradford in 2019/20:

- Primary phase: 144 out of 156 schools (92%), including academies, are funded on the 0% Minimum Funding Guarantee, at a total MFG value of £7.47m. 16 schools are funded at the £3,500 minimum level, receiving £0.80m in total via this factor. All other schools are funded above £3,500 per pupil.
- Secondary phase: 17 out of 31 schools (55%), including academies, are funded on the 0% Minimum Funding Guarantee, at a total MFG value of £1.99m. 3 schools are funded at the £4,800 minimum level, receiving £0.67m in total via this factor. All other schools are funded above £4,800 per pupil.
- All through schools: 3 out of the 4 academies (75%) are funded on the 0% Minimum Funding Guarantee, at a total MFG value of £0.37m. All of these academies are funded above the £4,042 minimum level.

From these summary statistics, it is quite clear how important future decisions regarding the progress to National Funding Formula and the position of the Minimum Funding Guarantee are to the values of budget shares that will be received by our primary and secondary schools and academies after April 2020.

2.8 Within the 2019/20 DSG settlement, after adjustments for transitional measures, Bradford has received, compared against 2018/19:

- An additional £4.83m within the Schools Block (+ 1.2%). £4.19m of this comes from the continued growth of numbers in our secondary schools and academies (-40 primary; +805 secondary). An additional £1.39m is received as a result of the Government's implementation of National Funding Formula alongside the commitment to allocate a minimum increase in primary and secondary per pupil funding, which has been netted against a reduction of £0.75m in pupil growth funding as a result of the DfE's adjusted methodology introduced for April 2019.
- An additional £4.02m within the High Needs Block (+ 6.1%). £2.19m of this comes from further release of the DfE's National Funding Formula capping. £1.47m comes from the Secretary of State's announcement on 17 December 2018, which allocated an additional £250m nationally across 2018/19 and 2019/20. £0.36m is received as a result of the growth of our special school population recorded in October 2018.
- An additional £0.08m within the Central Schools Services Block (+ 2.6%), the result of both pupil numbers increase and the further release of the DfE's National Funding Formula capping.
- An estimated reduction in total of £0.15m (- 0.3%) within the Early Years Block. This completes the £3m total reduction in our funding for 3 and 4 year olds as a result of the national reforms implemented at April 2017. The Early Years Block continues to include the specific allocation of £1.22m to protect maintained nursery schools, which represents about a fifth of the monies allocated to these schools for

their delivery of the 3&4 year old entitlement. The Government has currently only committed to fund this protection until the end of 2019/20.

- 2.9 The total estimated amount of DSG available for distribution in 2019/20 is £551.019m, which includes a forecasted value of under-spend (one off carry forward balance) within the DSG up to 31 March 2019 of £14.149m (2.6%). The final 2019/20 DSG High Needs Block allocation will be confirmed in March 2019. The value of one off DSG balances carried forward will be confirmed by July 2019. The final value of the 2019/20 Early Years Block allocation will be confirmed in July 2020 (following the collection of the January 2020 Census).

An additional sum of £0.80m from the Council's base budget is added to the High Needs Block DSG allocation specifically to support the cost of the fully subsidised school SEND teaching support services. With this addition, the total amount of Schools Budget available to allocate in 2019/20 is £551.819m.

The recommended distribution of this Schools Budget is summarised in the table below:-

Description	Early Years Block £m	Schools Block £m	High Needs Block £m	Central Schools Services Block £m	Total DSG £m
Estimated DSG available 2019/20 (inc. inter-block transfers)	£43.884	£418.162	£72.146	£2.678	£536.870
Estimated DSG B'fwd from 2018/19	£3.643	£6.393	£4.114	£0.000	£14.149
Additional Council Base Budget	£0.000	£0.000	£0.800	£0.000	£0.800
Total Estimated DSG (Schools Budget) 2019/20	£47.526	£424.555	£77.060	£2.678	£551.819
Delegated to Schools / Providers	£43.396	£415.783	£67.052	£0.000	£526.231
Non-Delegated Items	£0.487	£2.379	£5.895	£2.678	£11.439
Allocation of B'fwd (One Off)	£0.648	£1.716	£0.515	£0.000	£2.879
Total Funding Allocated	£44.532	£419.878	£73.461	£2.678	£540.549
Difference (C'fwd)	£2.994	£4.677	£3.599	£0.000	£11.270

Please note due to roundings the total may not add up exactly

- 2.10 Members are asked to consider and to approve the recommendations of the Schools Forum as agreed at its meeting on 9 January 2019 and as set out in this report. Should Members wish to propose amendments then representation must be made back to the Schools Forum.

3. **SCHOOLS FORUM RECOMMENDATIONS ON THE ALLOCATION OF THE SCHOOLS BUDGET 2019/20**

(£000)

Total Estimated DSG (Schools Budget) Available 2019/20 **£551,819**

3.1 **The Schools Block** **£418,162**

This Block funds delegated formula funding allocations for primary and secondary schools and academies, services funded by de-delegation from maintained school budgets, the Growth Fund for primary and secondary schools and academies and a newly established Falling Rolls Fund for primary schools and academies.

For 2019/20, the Schools Block is calculated on National Funding Formula-based primary and secondary per pupil values x October 2018 census pupil numbers, plus additional defined cash allocations. Bradford's primary amount per pupil (£app) is £4,176; our secondary £app is £5,414. These values have been derived by the DfE through the amalgamation of the allocations that individual schools would have received via the National Funding Formula, uplifted for the 0.5% minimum per pupil commitment and capped at 3% on 2018/19 in the case of schools that gain. The additional cash allocations total £14.57m for Business Rates (£4.47m), split sites (£0.40m), PFI (£6.44m), pupil mobility (£0.73m) and Pupil Numbers Growth (£2.53m).

Please note that £418.162 is the Schools Block income figure after the transfer of £2.00m (0.48%) to the High Needs Block.

Please also note that the funding for the delegated budgets of academies and free schools is 'top sliced' from this Block so that these settings can be funded directly by the Education & Skills Funding Agency.

(£000)

3.2 **The High Needs Block** **£72,146**

This Block funds resources for pupils in mainstream schools with Special Educational Needs (with Education Health and Care Plans), delegated budgets for Special Schools, Pupil Referral Units and resourced provisions. These budgets are calculated under the national 'Place-Plus' framework. Other DSG provision relating to high needs pupils, both centrally managed and devolved, is also funded from this Block. This includes school SEND teaching support services, support for inclusion,

behaviour support, Education in Hospital provision and home tuition (medical needs). It also includes the cost of the placement of Bradford children in out of authority and in non-maintained provisions.

High Needs Block allocations are calculated via National Funding Formula under transitional arrangements. Bradford receives £4,000 for pupils in special schools and academies (including independent special schools), plus 50% of the value of our 2017/18 High Needs Block spending, plus a capped allocation under the new National Funding Formula, which is based on population, deprivation and other needs-led data. An adjustment is made to recognise the cross border movement of children between authority areas. The Authority also receives within the High Needs Block a specific allocation of £1.66m in 2019/20 for Education in Hospital and home tuition (medical needs) related provision. An additional £1.47m has come from the Secretary of State's announcement on 17 December 2018, which allocated an additional £250m nationally across 2018/19 and 2019/20.

Please note that £72.146 is the High Needs Block income figure after the transfer in of £2.00m from the Schools Block and £0.249m from the Central Schools Services Block.

Please also note that the funding for high needs places in Bradford-located academies and Post 16 settings is 'top sliced' from this Block so that these settings can be funded directly by the Education & Skills Funding Agency.

3.3 The Early Years Block £43,884

This Block funds delegated budgets, support services and other funds held centrally, relating to the provision of the entitlement to nursery education for eligible 2, 3 and 4 year olds in nursery schools, primary schools and academies with nursery classes and private, voluntary and independent settings. The total value of this Block is currently estimated and will be finalised on the number of eligible children recorded in the January 2019 and January 2020 Censuses x £4,342 per FTE (£4.57 per hour) for pupil aged 3 & 4 and £4,940 per FTE (£5.20 per hour) for pupils aged 2.

Estimated figures of £0.452m and £0.192m are included in this Block for the Early Years Pupil Premium and the Disability Access Fund. In addition, an estimated £1.226m is included for the DfE's Maintained Nursery School Supplement.

(£000)

3.4 The Central Schools Services Block £2,678

The Central Schools Services Block was established in April 2018. A number of items previously funded via 'top-slice' within the Schools Block were transferred to this Block, including Pupil Admissions and Local Authority statutory duties in respect of all state funded schools that were previously funded through the now ceased Education Services Grant.

The 2019/20 financial year allocation is calculated on a National Funding Formula

basis. Bradford receives £28.43 per pupil x October 2018 Census numbers in primary and secondary schools and academies, plus a lump sum of £0.44m to match the value of the 'historic commitments' spend we recorded in 2017/18. This £0.44m lump sum is to be phased out and is currently not expected to be received after 2019/20.

Please note that £2.678m is the Central Schools Services Block income figure after the transfer of £0.249m to the High Needs Block.

3.5 Estimated DSG Balance Brought Forward from 2018/19 £14,149

Final DSG allocations are not confirmed by the DfE until later in the financial year and the School Forum's recommendations are based on estimates of expenditure especially within the High Needs and Early Years Blocks. These estimates are reconciled at the end of each financial year and differences are added to the DSG in the next year. Decisions taken in previous years have already committed a proportion of the sum estimated to be carried forward into 2019/20.

The table in paragraph 2.9 separates the total estimated DSG carry forward balance into the four blocks. This follows the local informal 'block earmarking' approach to the management of DSG balances that has been agreed with the Schools Forum. For formal (external) purposes however, a single DSG carry forward figure is recorded. DSG balances are not ring-fenced by the Regulations and can be used cross-block.

(£000)

3.6 Council Base Budget Contribution £800

An additional sum of £0.800m from the Council's base budget is added to the High Needs Block DSG allocation specifically to support the cost of the fully subsidised school SEND teaching support services.

4. ALLOCATION TO DELEGATED BUDGETS (£000)

Total Allocated to School / Provider Delegated Budgets £526,231

Broken down as follows:

4.1 Early Years Providers via Single Funding Formula £43,396

This is funding delegated to maintained nursery schools, nursery classes in primary schools and academies and Private, Voluntary and Independent (PVI) providers, to support the delivery of the entitlements to nursery education:

- Nursery Schools 3 / 4 year old universal and extended entitlement, incorporating the Maintained Nursery School Supplement £3.262m.
- Nursery Classes in Primary Provisions 3 /4 year old universal and extended entitlement £14.221m.
- PVI Providers 3 / 4 year old universal and extended entitlement £15.444m.
- The entitlement for the 40% most deprived 2 year olds £8.973m.
- Early Years SEND Inclusion £1.500m.
- Early Years Pupil Premium £0.452m.
- Disability Access Fund £0.192m.
- Adjustment for the allocation of balance brought forward - £0.648m.

The Schools Forum recommends that the Early Years Single Funding Formula (EYSFF) that was set out in the Authority’s consultation published in October 2018 is used to calculate budget shares for all providers delivering provision for 2 and 3 & 4 year olds in 2019/20. This means that the structure of the EYSFF in 2019/20 remains as in 2018/19. The rate of funding for providers delivering the 2 year old entitlement will remain at £5.20 per hour. We have now established a ‘Universal Base Rate’ for funding the 3&4 year old entitlement, as required by the DfE, set at £4.11 per hour. £0.648m of balance brought forward is allocated to afford this £4.11 per hour (otherwise the rate would be £4.01). Our deprivation supplement will continue as in 2018/19 and will allocate 9.5% of 3&4 year old EYSFF monies (excluding the brought forward balance contribution). Maintained nursery schools continue to be protected at 2016/17 funding rates.

The Schools Forum has recommended the introduction of a new holistic Early Years SEND Inclusion Fund, with a budget value of £1.50m in 2019/20, which will allocate additional monies to early years providers to support meeting the needs of eligible children identified with low level emerging SEND.

A simple summary of Bradford’s EYSFF that is recommended for 2019/20 is attached at Appendix 3.

	(£000)
4.2 Primary and Secondary Schools and Academies	£415,783
Primary £231.596m	
Secondary £185.404m	
Adjustment for the allocation of balance brought forward - £1.216m	

The Forum has recommended to:

- Use the formulae outlined in Appendix 1 to calculate delegated budget shares for primary and secondary schools and academies. The formulae have been agreed, following consultation with schools and academies in the summer of 2018. We submitted the final version

of the required Pro-forma on 14 January and this is subject to final validation by the Education & Skills Funding Agency.

- Continue to closely mirror the DfE's National Funding Formula at local level, meaning that we amend our local formula in 2019/20, from that used in 2018/19, to adopt the DfE's revised lower prior attainment variable value in the primary phase and that we amend our calculation of the £3,500 (primary) and £4,800 (secondary) minimum per pupil funding to come more closely in line with the DfE's calculation. We do not alter our primary and secondary funding formula in 2019/20 other than for these two amendments.
- Set the Minimum Funding Guarantee for 2019/20 at 0%. We will not apply the DfE's optional factor, which would give a minimum 1% increase on 2017/18 National Funding Formula baselines per pupil.
- Remove the ceiling, meaning that there is no longer a cap on increases for schools and academies that may gain from the National Funding Formula or from the impact of changes in pupil characteristics recorded in the October 2018 Census. This means that all National Funding Formula 'gains' for individual schools are fully allocated within the 2019/20 funding formula. No gains within the Schools Block are still to be released in future years.
- Continue to use our existing local formula approaches to the factors not yet covered by the National Funding Formula (pupil mobility, split sites and the pass-through of the BSF DSG Affordability Gap funding). Continue to fund business rates at actual cost, with the cost estimated within the planned budget.
- Meet the cost of expanding places in primary and secondary schools and academies through the DSG Growth Fund with a total net planned budget of £1.278m, excluding items funded by balances brought forward.

(£'000)

4.3 **Special Schools and Special Academies**

£26,494

The national high needs funding approach is based on the financial definition of a 'High Needs' child or young person being one whose education, incorporating all additional support, costs more than £10,000 per annum. This threshold lays the foundation of the national 'Place Plus' framework and the basis of the definition of the financial responsibility that maintained schools, academies and other providers have for meeting the needs of children and young people from their delegated budgets. Delegated high needs funding has two parts a) core (or place) funding and b) top-up (or plus) funding. At its simplest level, the basic "Place" element has been set nationally at £10,000 for both SEND and Alternative Provision settings. The "Plus" element is the top up above the "Place" funding and is based on an assessment of the additional needs of an individual pupil. Local authorities are permitted to establish bands or ranges for this element of funding.

The delegation of High Needs Block funding to providers in Bradford in 2019/20 is recommended on the basis of continuing Bradford's existing Place-Plus model, used in 2018/19, but noting that a review of the funding model for special schools is currently taking place, which may alter the ranges model used for special schools

during 2019/20. We also ask Members to note that we have identified the benefit that holistic review of our top-up funding arrangements more widely will have, in particular in insuring that our top-up funding continues to be based on clear descriptors of need, continues to follow our continuum of provision as this develops, and continues to be allocated on accurate moderation of pupil-need. We expect to continue to develop and amend our Place-Plus system incrementally over time - we continue to hold the view that, given the extent of discussion that is taking place about the District's SEND model, and the changes that have already taken place and may come from these discussions, continuity generally in funding in 2019/20 will be welcomed, especially in mainstream settings. Any further change in the funding model should be managed incrementally following holistic re-assessment.

Bradford's Ranges Model, and the values of 'Plus' funding attached to each range, are outlined in Appendix 2. The funding values for each range are the same as used in 2018/19 i.e. they are cash flat. The Minimum Funding Guarantee for special schools and special school academies is set at 0% (cash flat).

The 2019/20 planned budget of £26.494m incorporates forecasted growth in the cost of placements of £0.50m on a total planned number of 1,273 FTE places. This is prior to the addition of new places (please see paragraph 4.12).

Please note that the place funding for academy special schools is 'top sliced' from the High Needs Block so that these settings can be funded directly by the Education & Skills Funding Agency.

4.4 Pupil Referral Units (PRUs) & Alternative Providers £5,772

The PRUs are funded via the Place-Plus framework, with commissioning schools now responsible for the funding of the 'Plus' element related to the placement of pupils without EHCPs that are not permanently excluded. Members are reminded that, from September 2018, we ceased the High Needs Block's funding of the top up element for school commissioned non-EHCP non-permanent exclusion placements in the PRUs, although some transitional arrangements are still in place at one PRU. The Authority retains responsibility for funding arrangements for pupils with EHCPs or that are permanently excluded.

The 2019/20 planned budget of £5.772m is set on the basis of funding 258 places at our four PRUs. This budget also includes £0.80m to support the cost of an additional 80 places at identified alternative providers. We expect to continue to develop and to clarify funding responsibilities, between the Local Authority and schools, in the placement of students in PRUs and with alternative providers as we continue to re-shape our alternative provisions going forward.

(£'000)

4.5 Behaviour Centres (Primary Phase) £711

The four Primary Behaviour Centres are funded via the Place-Plus framework, with commissioning schools now responsible for the funding of the 'Plus' element related to the placement of pupils without EHCPs that are not permanently excluded.

Members are reminded that, from September 2018, as with the PRUs, we ceased the High Needs Block's funding of the top up element for school commissioned non-EHCP non-permanent exclusion placements in these centres. We expect to continue to develop and to clarify the principles of this, and funding responsibilities between the Local Authority and schools, as we continue to re-shape our alternative provisions going forward.

The number of funded places in 2019/20 is the same as 2018/19 (50 places).

4.6 Resourced Provisions (Primary & Secondary) £6,915

All resourced provisions attached to mainstream primary and secondary schools and academies - Designated Specialist Provisions (DSPs) and Additional Resourced Centres (ARCs) - in 2019/20 are funded via the Place-Plus framework and via the Plus funding rates shown in Appendix 2. Please note that ARC provision is centrally managed by the Local Authority. Please also note that, following the technical revision to the funding of resourced provisions, directed by the DfE for 2018/19, the value of the place element for places occupied at October 2018 is £6,000 rather than £10,000, with the host school receiving instead full formula funding for the resourced provision pupils.

The 2019/20 planned budget of £6.915m incorporates budget of £0.82m for an additional 44 FTE places to be allocated to four new primary and secondary DSP resourced provisions that will be established during 2019. The planned budget on this basis provides for 379 DSP and ARC places in total for the 2019/20 academic year. This is prior to the addition of new places (please see paragraph 4.12).

Please note that the place funding for resourced provisions in academies is 'top sliced' from the High Needs Block so that these settings can be funded directly by the Education & Skills Funding Agency.

(£'000)

4.7 Pupils with EHCPs in Mainstream Schools and Academies £7,063

Funding is delegated to mainstream schools and academies for pupils with Education Health and Care Plans (EHCPs) based on our Ranges Model (Appendix 2). The values of each range are the same as in 2018/19 i.e. cash flat. As stated above, we have identified the benefit that holistic review of our top-up funding arrangements will have and we expect to continue to develop and amend our Place-Plus system incrementally over time.

The national high need funding system works on the basis that schools and academies have sufficient funding already within their delegated formula funding allocations to enable them to meet the additional costs of the SEND needs of their pupils up to the threshold of £6,000 per pupil, using their funding calculated on measures of additional need such as Free School Meals, IDACI and prior low attainment. Local authorities are currently required to define for each primary and secondary school the value of their formula funding that is 'notionally' allocated for SEND to be used in meeting the first £6,000 of needs for pupils with EHCPs, as well as the needs of pupils without EHCPs. The value of each school's notional

SEND budget is clearly set out in the annual S251 statements Bradford Council publishes. The Schools Forum has recommended that we continue to use in 2019/20 our existing methodology for the definition of notional SEND budgets for mainstream primary and secondary schools and academies within the Schools Block funding formulae.

The planned budget of £7.063m incorporates the SEND Funding Floor, which is a factor that ensures a minimum level of funding for SEND provision in schools and academies. The Schools Forum has recommended that SEND Floor allocations for mainstream primary and secondary schools and academies continue for a second year to be protected at their 2017/18 financial year values pending holistic review for April 2020.

The planned budget of £7.063m represents a £1.05m (17.5%) increase on forecasted spend in 2018/19, which is reflective of the continued significant annual growth in the number of pupils with EHCPs in Bradford.

4.8 Post 16 Further Education Providers £5,144

The transfer to the DSG of the full cost of Post 16 High Needs provision was completed at April 2017. Places are funded at £6,000 from the High Needs Block. For the 'Plus' element, Further Education providers are funded for the vast majority of students at 60% of the Ranges Model value (shown in Appendix 2) for the primary need of the student. The exceptions are students with the primary need of sensory impairment (Hearing / Visual), where funding is calculated on an actual cost basis.

The 2019/20 planned budget of £5.144m, which is £0.69m (15.5%) higher than forecasted 2018/19 spend, incorporates the allocation of an additional 56 FTE places to Further Education providers in the 2019/20 academic year, which includes an estimate of additional places to be funded in the two new post 16 free schools opening at September 2019.

Please note that the place funding for colleges and free schools is 'top sliced' from the High Needs Block so that these settings can be funded directly by the Education & Skills Funding Agency.

(£'000)

4.9 Early Years Resourced Provision £999

Early years resourced provision is to be funded via the full Place-Plus framework. The 2019/20 planned spending of £0.999m is based, as in 2018/19, on an allocation of 78 FTE places. Please note that the children placed in the early years resourced provisions continue to receive their allocations under the Early Years Single Funding Formula. The High Needs Block allocates £6,000 per FTE place plus the respective top up value via the Ranges Model in addition to this.

4.10 Education in Hospital & Tracks Provisions £1,000

Education in Hospital provisions are funded on the agreed planned number of places, with the Finance Regulations requiring that the funding per place in 2019/20 is not lower than the value in 2018/19. The number of funded places in 2019/20 is currently the same as 2018/19, pending our holistic review. £0.15m of the £1.00m is budget for the placement of children in out of authority / independent hospital provisions.

The DfE has signalled its intention to adopt a new national approach to the funding of education in hospital and medical home tuition services. A consultation, which was expected in the autumn 2018, is now expected during 2019. The proposals within this consultation are likely to affect the value of funding Bradford receives within the High Needs Block for these services and this likely will trigger the need for further structural review.

4.11 Placements in Out of Authority & Independent Settings £9,240

The cost of placements of pupils with EHCPs in out of authority and independent settings is calculated on an actuals basis. The funding of independent providers currently sits outside the national Place-Plus framework. The number and cost of placements commissioned by the Authority has continued to significantly increase. The planned budget of £9.240m for 2019/20 includes provision for a £1.54m (20%) growth on forecasted 2018/19 spend.

The Schools Forum noted, and Members are also asked to note, that the High Needs Block planned budget may be vired between individual spending headings during 2019 as our specialist places, and our strategies that will re-shape alternative and SEND provisions, develop. For example, with the £1.54m of spending growth for out of authority / independent placements - the Authority may use a proportion of this growth budget in the development of Bradford-located places in seeking to achieve 'cost avoidance'. The creation of additional SEND places in Bradford-located settings is crucial to this strategy.

(£000)

4.12 Provision for the Creation of Additional SEND Places £3,714

The Schools Forum has recommended that provision of £3.714m is made within the 2019/20 planned budget to support the creation of 310 new SEND places, in addition to the 44 places that are to be created within four new DSPs (see paragraph 4.6).

5. ALLOCATED TO NON-DELEGATED BUDGETS (£000)

Total Allocated to non-delegated Budgets £11,439

Broken down as follows:

The School and Early Years Finance (England) Regulations have, over time and in

preparation for National Funding Formula, altered the treatment of non-delegated items and contingencies. The Regulations now require a greater proportion of the DSG to be delegated to schools and early years providers and also require that the Schools Forum makes recommendations for permitted centrally managed items individually and, in some cases, on a phase specific basis.

5.1 Schools Block non-delegated budgets £2,379

A total of £2.379m is recommended to be held within the Schools Block for the following purposes. Please note that some of the monies below that are initially held will actually be delegated to schools and academies during the year.

- £1.284m for items de-delegated from maintained primary and secondary schools. The Schools Forum recommends the continuation of de-delegation for the same purposes as in 2018/19.
- £0.845m of provision for new growth (pupil numbers expansion in primary and secondary schools and academies) at September 2019. £0.645m of this is for growth in the secondary phase; £0.200m is for growth in the primary phase.
- £0.250m to establish a new Falling Rolls Fund for the primary phase, to support eligible primary schools and primary academies, rated Good or Outstanding by Ofsted, that are managing ‘blips’ in pupil numbers, where their surplus capacity is forecasted to be filled within 3 years. The establishment of this fund comes from the discussions with the Schools Forum and schools in the autumn 2018 about the Authority’s place-planning processes, forecasting methodology and the impact that falling rolls / under-subscription has on schools. These discussions are on-going and the Schools Forum has established a sub group to develop these further.

5.2 High Needs Block non-delegated budgets £5,895

A total of £5.895m is recommended to be held centrally within the High Needs Block for the following purposes:

- £3.637m for centrally managed SEND teaching support services and the Sensory Service.
- £1.100m for the provision of home tuition for children not able to access school for medical reasons.
- £0.764m for the DSG’s contribution to the Affordability Gap for Building Schools for the Future for special schools.
- £0.394m sum of smaller budgets including youth offending, speech and language therapy and specialist equipment.

(£000)

5.3 Early Years Block non-delegated budgets £487

A total of £0.487m is recommended to be held centrally within the Early Years Block for the following purposes:

- £0.127m for nursery schools to access relevant agreed 'de-delegated' funds.
- £0.035m for copyright licences (DfE charge).
- £0.325m for the Early Years Block's contribution to the cost of early years high needs support services, including portage and the pre-5 service. £0.30m of this fund is existing cost that has been transferred from the High Needs Block from April 2019. £0.025m is a new budget for the Authority to use to enable capacity to deliver the new holistic Early Years SEND Inclusion Fund.

Please note that £0.487m constitutes 1.5% of the 3 / 4 year old DSG funding allocation and therefore, complies with the DfE's 5% Early Years Block central funds restriction.

5.4 Central Schools Services Block £2,678

The Central Schools Services Block was established from April 2018, as a result of the DfE's National Funding Formula reforms, when a number of items previously funded via 'top-slice' within the Schools Block were transferred. The £2,678m is recommended to be allocated as follows:

- £0.010m Schools Forum costs.
- £0.580m Pupil Admissions.
- £1.331m Education Services Grant Centrally Retained Duties in support of the statutory duties delivered by the Local Authority on behalf of all state funded schools including academies.
- £0.368m Copyright licences Schools Block (DfE charge).
- £0.389m New Communities and Travellers Service (now permanent transferred from the High Needs Block).

6. ALLOCATION OF BALANCES BROUGHT FORWARD (ONE OFF) (£000)

Total allocated on a one off basis in 2019/20 £2,879

The £2.879m is made up of the following recommended allocations:

- Schools Block: £1.716m in total of which, £0.50m is the estimated cost in 2019/20 of the financial support for Beckfoot Upper Heaton Academy allocated via the agreed model; £0.888m is allocated to the cost of the delegated budget shares for the period September 2019 to March 2020 for the 2 newly establishing secondary free schools (to support this cost before our DSG Growth Funding

'catches up'); and £0.328m to support the cost of the Schools Block formula funding allocation.

- Early Years Block: £0.648m estimated for the cost in 2019/20 of protecting against the full reduction in the value of the universal base rate for 3 and 4 year olds that would otherwise come as a result of national reform. £0.648m uplifts the base rate value from £4.01 to £4.11 per hour, which is the rate we forecasted would be delivered in 2019/20 within our initial autumn 2016 consultation.
- High Needs Block: £0.515m is estimated at this stage to be used to offset the forecasted overspending within the High Needs Block in 2019/20.

7. AMOUNT NOT ALLOCATED IN 2019/20 (€000)

Total amount not allocated in 2019/20 €11,270

The €11.270m of remaining balance forecasted to be carried forward into 2020/21 is made up of the following sums.

Schools Block €4.677m:

- €1.200m to support meeting the cost of the agreed financial support model for Beckfoot Upper Heaton Academy after 31 March 2019.
- €0.650m for the deficit of a school converting to academy status.
- €0.364m of balance ring-fenced to supporting additional costs of pupil numbers growth from April 2019.
- €0.677m of balance ring-fenced to de-delegated funds for maintained schools.
- €1.786m resilience reserve. This sum is effectively the remaining unallocated balance within the Schools Block.

Early Years Block €2.994m: earmarked to be used in support of the Early Years Funding Formula from April 2020. This could be deployed, for example, to continue to protect universal base rate funding over a transitional period. This balance is also expected to be used to manage further national system change, including to the funding of nursery schools, as well as the impact of our planned EYSFF review. There is significant further discussion required, and development work to take place, on how our EYSFF, and the values of funding rates, adjust and develop from April 2020. As we set out in the autumn 2018 consultation and reports to the Schools Forum, there are a number of factors that will influence this development.

High Needs Block €3.599m: retained and continued to be viewed as a transition fund to enable the successful delivery of structural change at the same time as supporting the avoidance of a significant deficit. This is in the context of the transition to a hard national funding formula, now anticipated from or after April 2021, where, in advance of this, the 2020/21 DSG settlement is uncertain as is whether the flexibility to transfer monies from the Schools Block to the High Needs Block will remain. This also comes in the context of the Authority's current High

Needs Block four year budget forecast, which clearly indicates that the scale of financial pressure on the High Needs Block, and that the size of the challenge to balance this Block, will increase.

8. RISK MANAGEMENT AND GOVERNANCE ISSUES

If the allocations are not agreed by Elected Members then representations have to be made to the Schools Forum. In the event that agreement cannot be reached with the Schools Forum, the Council must refer the matter to the Department for Education (DfE).

9. LEGAL APPRAISAL

Section 45 of the School Standards and Framework Act 1998 provides that for the purposes of the financing of maintained schools by local authorities every such school shall have for each funding period a budget share, which is allocated to it by the authority which maintains it to be determined in accordance with sections 45 – 47 of that Act.

Section 47(A) of the Act requires that every local authority must, in accordance with regulations, establish for their area a body to be known as a schools forum. The purpose of a schools forum is to advise the local authority on such matters relating to the authority's schools budget as may be prescribed by regulations.

The schools forum has some decision making powers in relation to school budget functions. The role of the Local Authority is to make proposals to the schools forum on those matters, which the schools forum can decide, and to consult the schools forum annually in connection with various schools budget functions. Where the schools forum and the Local Authority are in disagreement about proposals made by the Authority the Secretary of State for Education will adjudicate.

A new national funding formula (NFF) for schools, high needs and central school services came into effect from April 2018. A national funding formula for early years was introduced at April 2017. The NFF now determines how the DSG is allocated to local authorities. It is the Government's stated intention to introduce a 'hard' NFF for the Schools Block, at which point local formula funding arrangements will cease. However in 2019/20 and 2020/21, at least, local authorities retain discretion to determine primary and secondary school budget allocations locally.

The School and Early Years Finance (England) (No.2) Regulations 2018 came into force on 7 December 2018. These Regulations apply in relation to the financial year beginning on 1 April 2019. Local Authorities are required to calculate budgets for all maintained schools using a funding formula. The Regulations require the Local Authority to decide the formula it will use for the financial year 2019/2020. A local authority must, not later than 28 February 2019 (a) make an initial determination of its schools budget; and (b) give notice of that determination to the governing bodies of the schools which it maintains.

Not later than 31st March 2019, a local authority must determine—

- (a) the budget share for each of the nursery schools maintained by it;
- (b) the amount to be allocated in respect of each nursery class in schools maintained by it;
- (c) the amount to be allocated to each relevant early years provider in its area; and
- (d) the amount to be allocated in respect of community early years provision,

And must give notice of each budget share or redetermined budget share to the governing body of the school or the relevant early years provider concerned.

The Government also sets additional 'conditions' related to the Dedicated Schools Grant, which local authorities must comply with.

10. OTHER IMPLICATIONS

10.1 EQUALITY & DIVERSITY

There are no direct implications resulting from this report.

10.2 SUSTAINABILITY IMPLICATIONS

There are no direct implications resulting from this report.

10.3 GREENHOUSE GAS EMISSIONS IMPACTS

There are no direct implications resulting from this report.

10.4 COMMUNITY SAFETY IMPLICATIONS

There are no direct implications resulting from this report.

10.5 HUMAN RIGHTS ACT

There are no direct implications resulting from this report.

10.6 TRADE UNION

There are no direct implications resulting from this report.

10.7 WARD IMPLICATIONS

There are no direct implications resulting from this report.

10.8 IMPLICATIONS FOR CORPORATE PARENTING

There are no direct implications resulting from this report.

10.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

There are no issues resulting from this report.

11. NOT FOR PUBLICATION DOCUMENTS

None.

12. OPTIONS

Please see the recommendations below.

13. RECOMMENDATIONS

13.1 It is recommended that the Executive asks Council to:

- a) **Accept and approve the proposals from the Schools Forum for the allocation of the 2019/20 DSG as set out in this report.**
- b) **Approve the total amount of £551.819m to be appropriated in respect of all schools covered by the Bradford Scheme for the Local Management of Schools, so as to establish the Individual Schools Budget for 2019/20.**

14. APPENDICES

- Appendix 1 – Local Authority Funding Reform Pro-Forma 2019/20
- Appendix 2 – High Needs Provision: Funding Categories, Bands & Amounts 2019/20
- Appendix 3 – Early Years Single Funding Formula 2019/20

15. BACKGROUND DOCUMENTS

- [Decisions List of Schools Forum 9 January 2019](#)
- Section 151 Officer's Report – Executive 19 February 2019 – (Doc BC)

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LA Name:	Bradford
LA Number:	380

Total DSG schools block allocation	£420,162,028
Total Funding For Schools Block Formula as a	99.93%
Total funding allocated to schools as a percentage of	99.45%
Total funding allocated to growth and falling rolls as	0.48%

Premises costs to exclude from allocation when calculating the minimum funding level	Mobility	Rates	PFI	Split Sites
	Yes	Yes	Yes	Yes
Primary minimum per pupil funding level	Secondary (KS3 only) minimum per pupil funding level		Secondary (KS4 only) minimum per pupil funding level	Secondary (KS3 and KS4) minimum per pupil funding level
£3,500.00	£0.00		£0.00	£4,800.00

Pupil Led Factors

Reception uplift		No	Pupil Units			0.00				
Description	Amount per pupil	Pupil Units		Sub Total	Total	Proportion of total pre MFG funding (%)	Notional SEN (%)			
1) Basic Entitlement										
Age Weighted Pupil Unit (AWPU)										
Primary (Years R-6)	£2,747.44	55,064.00		£151,285,010	£284,334,692	37.08%	7.51%			
Key Stage 3 (Years 7-9)	£3,863.62	20,255.00		£78,257,584		19.18%	6.28%			
Key Stage 4 (Years 10-11)	£4,386.70	12,490.50		£54,792,098		13.43%	6.28%			
Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)	
2) Deprivation						£47,690,979	11.69%			
FSM	£440.07	£440.07	9,946.14	6,353.36	£7,172,929			23.08%	10.16%	
FSM6	£540.09	£785.13	15,666.85	12,045.96	£17,919,038			23.08%	10.16%	
IDACI Band F	£200.03	£290.05	7,107.80	4,541.34	£2,738,987			22.45%	19.18%	
IDACI Band E	£240.04	£390.06	9,250.51	5,772.20	£4,471,998			22.45%	19.18%	
IDACI Band D	£360.06	£515.08	7,632.48	4,689.90	£5,163,819			22.45%	19.18%	
IDACI Band C	£390.06	£560.09	3,630.95	2,166.47	£2,629,711			22.45%	19.18%	
IDACI Band B	£420.07	£600.10	7,429.79	4,195.45	£5,638,684			22.45%	19.18%	
IDACI Band A	£575.09	£810.13	1,826.52	1,117.60	£1,955,813	22.45%	19.18%			
3) Looked After Children (LAC)	LAC X March 17		511.77		£0		0.00%			
4) English as an Additional Language (EAL)	EAL 3 Primary	£515.08		11,379.63	£5,861,445	£8,008,771	1.76%	0.00%		
	EAL 3 Secondary			941.03	£1,303,541			0.00%	0.00%	
5) Mobility	Pupils starting school outside of normal entry dates	£1,608.19	£1,915.87	513.36	9.50	£843,786	0.21%	0.00%	0.00%	
Description	Weighting	Amount per pupil (primary or secondary respectively)	Percentage of eligible pupils	Eligible proportion of primary and secondary NOR respectively	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)	
6) Prior attainment						£34,665,844	8.50%			
Primary Low Attainment		£1,022.16	23.93%	21,016.29	£21,482,087			100.00%		
Secondary low attainment (year 7)	63.59%		26.37%							
Secondary low attainment (year 8)	58.05%		26.08%							
Secondary low attainment (year 9)	48.02%	£1,550.25	26.38%	8,504.29	£13,183,757				100.00%	
Secondary low attainment (years 10 to 11)			25.48%							

Other Factors

Factor	Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)	Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)		
7) Lump Sum	£110,017.60	£110,017.60			£20,921,680	5.13%	0.00%	0.00%	
8) Sparsity factor					£0	0.00%			
9) Fringe Payments					£0	0.00%			
10) Split Sites					£404,775	0.10%	0.00%		
11) Rates					£4,132,036	1.01%	0.00%		
12) PFI funding					£6,347,538	1.56%	0.00%		
13) Exceptional circumstances (can only be used with prior agreement of ESFA)									
Circumstance					Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)		
Additional lump sum for schools amalgamated during FY18-19					£44,007	0.01%	0.00%	0.00%	
Total Funding for Schools Block Formula (excluding minimum per pupil funding level, funding floor protection and MFG Funding Total)					£406,550,323	99.64%			
14) Additional funding to meet minimum per pupil funding level					£1,468,352	0.36%	0.00%		
Total Funding for Schools Block Formula (excluding funding floor protection and MFG Funding Total)					£408,018,675	100.00%			
15) Funding floor protection (select Yes if applying this protection)					No	£0	0.00%		
Total Funding for Schools Block Formula (excluding MFG Funding Total)					£408,018,675				
16) Minimum Funding Guarantee					0.00%	#VALUE!			
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)					No				
					Total (£)	Proportion of Total funding (%)	Notional SEN (%)		
MFG Net Total Funding (MFG + deduction from capping and scaling)					£9,830,983	2.34%	0.00%		
Total Funding for Schools Block Formula					£417,849,658				
Total Funding for Schools Block Formula (including growth and falling rolls funding)					£419,878,003				
% Distributed through Basic Entitlement					69.69%				
% Pupil Led Funding					91.83%				
Primary: Secondary Ratio					1 : 1.37				
Total funding for schools block formula contains funding from outside of the 2019-20 Schools Block allocation?					Yes				

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HIGH NEEDS PROVISION: FUNDING CATEGORIES, BANDS & AMOUNTS 2019/20

	Range 1	Range 2	Range 3	Range 4				Range 5	Range 6	Range 7
	Delegated Place Funding			Band A (16.5-21.5 hours)	Band B (22-27 hours)	Band C (27.5-34.5 hours)	Band D (35+ hours)			
PRIMARY NEED Additional "Plus" Funding			£0	£952	£3,000	£4,597	£7,160	£10,440	£13,910	£22,857
Mainstream Autism & SLCN						SLCN	ASD		ASD+	ASD++
Mainstream MLD/SLD/PMLD			MLD		MLD+	SLD	PMLD	SLD+	PMLD+	PMLD++
Mainstream PD							PD		PD+	PD++
Mainstream HI/VI						HI/VI		HI+/VI+		
Mainstream BESD							BESD		BESD+	BESD++

Points

Mainstream funding is within colour coded Bands (mainly range 4)

Special School funding is determined by actual Primary Need and is shown as text

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Pass-through rate for delivering government funded hours (estimated); excluding one off monies; Must be greater than 95%:														101.1%	
% spend 3&4 year old EYSFF on supplements (estimated & note this includes balances spend); cannot exceed 10%:														9.3%	
1. EYSFF (3 & 4 year olds): Base rate	Description	Unit Value (£)			Unit Applied	Number of Units (Universal)			Number of Units (Extended)			Anticipated Budget (£)			
		PVI	Nursery School	Primary Nursery Class		PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	TOTAL
Universal Base Rate Applicable to all Providers		£4.11	£4.11	£4.11	per hour	2,349,168	371,763	2,848,066	1,132,932	74,755	268,542	£14,311,432	£1,835,192	£12,809,262	£28,955,886
2. EYSFF (3 & 4 year olds): Other formula factors		Unit Value (£)			Unit Applied	Number of Units (Universal & Additional 15 hours)			Anticipated Budget (£)						
2. Supplements	Variable 1 Deprivation (Mandatory)	£0.81	£1.49	£0.81		per hour	1,078,288		206,395		1,276,173	£870,643	£308,845	£1,030,422	£2,209,910
	Variable 2 Deprivation (Mandatory)	£0.20	£0.34	£0.20	per hour	1,289,075		332,522		1,876,645	£261,697	£114,203	£380,981	£756,881	
3. Maintained nursery school (MNS) lump sums		PVI	Nursery School	Primary Nursery Class	Unit Applied	PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	TOTAL			
1) Nursery Schools Sustainability Top-Up: this funding tops up the school to a minimum level of funding based on that school's specific circumstances, taking into account premises, rates, insurance, base allocations, mainstreamed grants. 2) Additional lump sums allocate the MNS Supplement to ensure that the base per hour rate of funding for each nursery school is the same as that in 2016/17 (£5.70).			Variable		lump sums			7				£1,004,230	£1,004,230		
TOTAL FUNDING FOR EARLY YEARS SINGLE FUNDING FORMULA (3 & 4 YEAR OLDS):													£32,926,907		
EYSFF (2 year olds)		Unit Value (£)			Unit Applied	Number of Units			Anticipated Budget (£)						
4. Base Rate(s) per hour, per provider type		PVI	Nursery School	Primary Nursery Class		PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	TOTAL			
Universal Base Rate Applicable to all Providers		£5.20	£5.20	£5.20	per hour	1,224,602	156,975	344,031				£6,367,933	£816,270	£1,788,961	£8,973,164
TOTAL FUNDING FOR EARLY YEARS SINGLE FUNDING FORMULA (2 YEAR OLDS):													£8,973,164		
5. SEN Inclusion Fund (funded directly to providers)		Unit Value (£)			Unit Applied	Number of Units			Anticipated total budget (£)						
Description		PVI	Nursery School	Primary Nursery Class		PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	TOTAL			
(a) 3 & 4 Year Olds (Mandatory)	(ai) Funding allocated from EY Block								£549,153	£75,000	£575,847	£1,200,000			
	(aii) Funding allocated from HN Block														
(b) 2 Year Olds (if applicable)	(bi) Funding allocated from EY Block								£200,000	£10,000	£90,000	£300,000			
	(bii) Funding allocated from HN Block														
TOTAL FUNDING FOR SEN INCLUSION FUND (TOP-UP GRANT ELEMENT):													£1,500,000		
6. Early years contingency funding		Unit Value (£)			Unit Applied	Number of Units			Anticipated total budget (£)						
Description		PVI	Nursery School	Primary Nursery Class		PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	TOTAL			
3 & 4 Year Olds												£0			
2 Year Olds												£0			
7. Early years centrally retained funding		Unit Value (£)			Unit Applied	Number of Units			Anticipated total budget (£)						
Description		PVI	Nursery School	Primary Nursery Class		PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	TOTAL			
3 & 4 Year Olds												£487,472			
2 Year Olds												£0			
TOTAL FUNDING FOR EARLY YEARS CENTRAL EXPENDITURE:													£487,472		
8. Early years pupil premium		Unit Value (£)			Unit Applied	Number of Units			Anticipated total budget (£)						
Description		PVI	Nursery School	Primary Nursery Class		PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	TOTAL			
3 & 4 Year Olds												£452,158			
TOTAL FUNDING FOR EARLY YEARS PUPIL PREMIUM:													£452,158		
9. Disability access fund		Unit Value (£)			Unit Applied	Number of Units			Anticipated total budget (£)						
Description		PVI	Nursery School	Primary Nursery Class		PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	TOTAL			
3 & 4 Year Olds												£191,880			
TOTAL FUNDING FOR EARLY YEARS DISABILITY ACCESS FUND:													£191,880		

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Report of the Director of Finance to the meeting of Executive to be held on 19 February 2019 and Council to be held on 21 February 2019

Subject:

Document: BB

The Council's Capital Investment Plan from 2019-20

Summary statement:

This report presents the Capital Investment Plan for 2019-20 to 2022-23.

Andrew Crookham
Director of Finance

Portfolio:

Leader of the Council

Report Contact: Lynsey Simenton/
James Hopwood
Financial Accounting & Systems

Overview & Scrutiny Area:

Corporate

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1. SUMMARY

1.1 This report outlines the Council's proposed capital expenditure plans from 2019-20 to 2022-23. The plans are part of the overall 2019-20 budget proposal for the Council which includes:

- The Council's Revenue Estimates for 2019-20 (Document AZ)
- Allocation of the Schools Budget 2019-20 Financial Year (Document BA)
- Section 151 Officer's Assessment of the proposed budgets (Document BC)

1.2 This report is submitted to enable the Executive to make recommendations to Budget Council on the setting of the budget and the Council Tax for 2019-20 as required by Article 4 and Part 3C of the Council's Constitution.

2. CAPITAL INVESTMENT PLAN BACKGROUND

2.1 The Capital Investment Plan (CIP) is different from the Revenue Estimates, in which spend is used up on day to day services. Instead it covers spend on the acquisition of buildings, equipment and improvement works which bring lasting benefit across years; a building could last 40 years.

2.2 There are two funding options for the CIP that do not impact on the Revenue Estimates. One of these comprises capital grants from the public sector, which is the largest funding source in the CIP. The other relates to capital receipts, earned from selling Council property.

2.3 All the other sources impact on the Revenue Estimates, the most significant of which is borrowing. Borrowing creates Capital Financing Costs: these are budgeted for in the Revenue Estimates.

2.4 Capital Financing costs include the interest from the borrowing. Further they include charges to cover the cost of repaying the borrowing principal; typically such charges are spread over future Revenue Estimates based on the lifetime of each new specific capital scheme. This is known as depreciation, or in Local Government more correctly as the Minimum Revenue Provision (MRP).

2.5 The Council prefers to borrow for new schemes where these are "Invest to Save"; capital schemes that generate savings in the Revenue Estimates, either by reducing costs or generating additional income. Such schemes are designed to produce savings that match the interest and MRP charge to the Revenue Estimates for the borrowing. As an example, the Affordable Housing Scheme in the CIP generates rental income to pay the annual interest and MRP charge.

2.6 The Prudential Code for Capital Finance in Local Authorities was introduced to support Councils' local plans for capital investment. It requires Councils' to consider Prudential Indicators, which are measures of borrowing and impact on the Revenue Estimates. One such Prudential Indicator, among others, measures the Council's outstanding borrowing, another the impact on future Revenue Estimates.

2.7 Such Prudential Indicators need to be considered together with the local circumstances. This includes the Council Plan, the need for capital investment and the proportion of

schemes that are Invest to Save. In considering Invest to Save schemes, any risks to those schemes should be taken into account. Examples include higher interest rates increasing the cost of the scheme; or delayed scheme completion reducing the savings in the Revenue Estimates.

3. PROPOSED CAPITAL INVESTMENT PLAN 2019-23

- 3.1 In preparing the CIP, ongoing reviews of the phasing of expenditure on existing capital schemes have been undertaken together with an updated projection of capital funding. Where appropriate, scheme estimates have been revised.
- 3.2 The CIP will be reviewed as part of the 2018-2019 Outturn report to Council. This will include the effect of any changes in the delivery of the current programme in 2018-19. Also there may be further Government Capital Grants announced prior to the start of 2019-20 and the outcome of specific grant bids will be announced.
- 3.3 The proposed CIP for 2019-23 provides for capital expenditure of £503.5m. Capital expenditure is forecast as per Table 1 below and please see Appendix 1 for a detailed CIP.

Table 1: Profile of capital expenditure

Financial year	£m
2019-20	146.5
2020-21	160.3
2021-22	106.5
2022-23	90.2
Total	503.5

- 3.4 Firstly the planned expenditure shown above rolls forward the 2018-19 approved CIP as shown in the quarter 3 monitoring but after excluding the forecast 2018-19 spend: £91.4m against a £154.8m budget. The underspend of £63.4m has therefore been reprofiled from the current year into future ones.
- 3.5 Secondly there are a number of miscellaneous changes to the CIP, reflecting for example, additional Capital Grants.
- 3.6 Thirdly and importantly, £54.3m of new schemes are proposed in this report; it is further proposed to continue existing schemes at a cost of £7m and remove other schemes costing £10.4m from the CIP. Table 2 below shows the three set of changes from the Q3 2018-19 CIP to the 2019-20 proposed plan:

Table 2: Changes to the 2019-20 CIP	£m
Q3 2018-19 CIP Total approved Budget	536.5
Exclude forecast 2018-19 capital spend	(91.4)
Miscellaneous changes, e.g Capital Grants	7.5
Proposed new capital schemes 19-20 onwards	54.3
Proposed Rolling Programme	7.0
Proposed schemes to be removed	-10.4
Total 2018-19 to 2022-23	503.5

- 3.7 The most significant of the new proposals are £54.3m additions to the Council's CIP

made up of:

- Four proposed new capital bids were outlined in the published budget proposals. In addition, it is proposed to continue the Empty Private Sector Homes Strategy, making a total of five. A brief description of these proposals and their benefits is given in the Table below.

Proposed Scheme	Total Budget £000	Description / Benefit
(1) Street lighting	45,583	The Council has 59,524 street lights, of which at present 3,977 are energy LED lanterns. This is a £46m project to replace all lanterns with an LED light source and implement a full Central Management System (CMS). The project will provide cashable savings in terms of energy reduction and also reduced maintenance costs. Also a more reliable service and the CMS will have the ability to accurately record the energy consumption by each unit.
(2) Continuation of Empty Private Sector Homes Strategy	3,306	The scheme enables the Council to bring long term empty homes back into use by the use of enforcement powers and the development of a range of initiatives. Previous capital receipts from properties that have been acquired can be reinvested in the continuation of this programme.
(3) Wyke Manor Sports Facilities	2,503	This proposal will deliver a new sports hub on the former Wyke Manor School site.
(4) Former Sugden End Landfill Site	1,961	Sugden End is a former landfill site, and it is a requirement that it has an engineered low permeability cap placed upon it. This proposal will provide green open space assessable to the public, including grassland, wetland habitat and woodland plantation.
(5) Children's Home provision	1,000	This is the proposed review of the current accommodation. This includes purchasing a currently leased property and the replacement of another to provide modern appropriate accommodation.
Proposed new schemes	54,353	

- 3.8 The Street Lighting scheme (1) is funded from borrowing but is Invest to Save. The scheme is designed so that the interest and MRP charge in the Revenue Estimates will at least be matched by savings in energy and maintenance costs.
- 3.9 The schemes for Empty Private Sector Homes (2) and Wyke Manor Sports Facilities (3) do not require borrowing and are mainly funded from capital grants and capital receipts.
- 3.10 The works to the Sugden End Landfill Site (4) and the Children's Home scheme (5) require some borrowing which is not Invest to Save. However, the annual interest and MRP charge in the Revenue Estimates for this will be just £0.1m. The MRP charge in particular is low because it is spread over the long lifetimes for the schemes.
- 3.11 Sugden End Landfill Site has already been subject to a detailed business case and approved by Project Advisory Group in full. Also Empty Private Sector Homes is a continuation of a current scheme. However, the remaining schemes are all subject to further work and a detailed, costed business case. The new schemes are held in a Reserves & Contingencies section of the CIP and as such cannot be released to budget managers until further approval from Executive.
- 3.12 The £7.0m rolling programme includes the ongoing investment that is needed to continue existing services, for example, the replacement of vehicles (£3.0m), corporate landlord projects to ensure assets are maintained to appropriate standards (£2.0m); and a general contingency for capital expenditure not foreseen (£2.0m).
- 3.13 The 2019-20 proposals also remove from the CIP schemes costed at £10.4m. These comprise the Roydsdale Way Car Park and the Investment Strategy for Enterprise Zone schemes. The first scheme is no longer required. The second currently does not have a suitable proposal in place but this will be revisited and considered as an Invest to Save scheme if plans are further developed.

4. FUNDING OF THE CAPITAL PROGRAMME

- 4.1 The overall funding sources of the CIP over the period 2019-23 are summarised in Table 3 below.

Table 3: Analysis of funding sources

Funding source	£m
Capital Grants	199.4
Borrowing: Invest to Save Borrowing	160.4
Borrowing: other	120.5
Capital Receipts	18.7
Direct Revenue Financing	3.4
Reserves	1.1
Total	503.5

- 4.3 The largest single source of funding for the CIP comes from capital grants at nearly £200m. The other important source of funding is borrowing, totalling £281m: a majority of this is for Invest to Save schemes. Most of the borrowing which is not Invest to Save is for schemes that were approved in previous years.
- 4.4 All borrowing, regardless of whether it is Invest to Save, leads to capital financing costs

that are budgeted for in the Revenue Estimates. However, Invest to Save schemes generate savings that are designed to offset these costs.

5. PRUDENTIAL INDICATORS

- 5.1 The Prudential Indicators measure the amount of borrowing and the impact of capital financing costs on the Revenue Estimates. The revised 2017 CIPFA Prudential Code sets out how the Prudential Indicators are calculated. The Code also requires the Prudential Indicators to be approved by Full Council.
- 5.2 An important Prudential Indicator shows the Council's outstanding debt to finance its CIP. This Prudential Indicator is known technically as the Capital Financing Requirement (CFR).
- 5.3 The projected CFR based on the proposed 2019-23 CIP is detailed in Appendix 2, table b. The projections are also summarised in Table 4 below:

Table 4: Capital Financing Requirement

	31/03/20 Projection £m	31/03/21 Projection £m	31/03/22 Projection £m	31/03/23 Projection £m
Projected CFR	764	824	867	889

- 5.4 Based on the proposed 2019-23 CIP, the CFR is projected to increase, as set out in Table 4 above.
- 5.5 However, the Council's actual borrowing from external organisations is less than its CFR, in practice. Some items of capital expenditure were finance lease contracts (similar to hire/purchase); nearly all of these contracts are part of the Private Finance Initiative (PFI). Also external borrowing is lower because the Council utilises earmarked reserves and balances held for other purposes. However, this alternative borrowing via finance lease contracts or the Council's own cash balances, still impacts on the Revenue Estimates.
- 5.6 The capital financing costs prescribed by the Prudential Indicator must include the implicit interest and MRP in the finance contracts. Further these capital financing costs include investment income. This is so the Prudential Indicator shows the loss of income from Councils using their cash reserves to temporarily fund capital expenditure, as an alternative to borrowing from external parties.
- 5.7 Previously the Council set the long term objective of reducing its Capital Financing costs to below 15% of the Net Revenue Stream. This was achieved in previous years due to debt being repaid by the Council or by replacing debt with new borrowing at lower interest rates. Table 5 below summarises the latest Capital Financing costs included in the Revenue Estimates based on the proposed 2019-23 CIP, per Appendix 1.

Table 5: Ratio of Capital Financing costs to the Net Revenue Stream

	2019-20 £m	2020-21 £m	2021-22 £m	2022-23 £m
MRP overprovision	-6.5	0	0	0
MRP, excluding PFI	19.9	21.6	24.3	26.1
MRP PFI, finance lease	4.4	4.4	4.4	4.4
Old West Yorkshire Waste debt	0.2	0.2	0.2	0.2
Interest on external borrowing	18.4	20.7	23.6	25.5
Interest on PFI	16.7	16.1	15.5	14.9
Premium on debt repayment	0.3	0.3	0.3	0.3
Investment income	-0.7	-0.7	-0.7	-0.7
Total Capital Financing Costs	52.7	62.6	67.6	70.7
Projected Net Revenue Stream	362.5	397	397	397
Ratio to Net Revenue Stream	14.5 %	15.8 %	17.0 %	17.8%
Invest to Save element of Total Capital Financing Costs	6.4	8.1	9.6	12.3
<i>Invest to Save contribution to Ratio to Net Revenue Stream</i>	<i>1.8%</i>	<i>2%</i>	<i>2.4%</i>	<i>3.1%</i>

- 5.8 There are a number of things to consider in interpreting this Prudential Indicator, which are detailed below.
- 5.9 Firstly, as can be seen in Table 5 above, there is an increase in the ratio of total capital financing costs to the Net Revenue Stream (Net Budget Requirement). However, it can also be seen that about half of this increase is due to the capital financing costs from Invest to Save schemes. As stated above, the Invest to Save schemes are designed to generate savings that compensate for the additional Capital Financing Costs. However, these savings cannot be included in the Prudential Indicator.
- 5.10 Other issues in Table 5 are that the Capital Financing costs are reduced in 2019-20 due to the final tranche of the estimated MRP overprovision (£6.5m). This overprovision relates to pre 2008 debt, on which principal repayments were previously charged to the Revenue Estimates based on old regulatory guidance now superseded. As a result, the repayments could be spread out over a longer period (see 10 July 2018 2017-18 Minimum Revenue Provision Policy Update).
- 5.11 The 2019-20 MRP overprovision of £6.5m is the final tranche of a £52.5m overprovision, also taken in 2017-18 and 2018-19. The £52.5m will be repaid back between 2018-2019 to 2065-66, when the value of money is less due to inflation and is already included in the capital financing costs shown in Table 5.
- 5.12 Other issues to consider, is that it is likely there will be a change to accounting rules from 2020-2021. As a result, more of the Council's leases will be treated as finance leases. Therefore more of the costs of these leases could be treated as capital financing costs for the purposes of calculating the Prudential Indicator. This is not projected in Table 5, since the rules around this are still to be decided.
- 5.13 Additional issues to consider are that the projected capital financing costs assume that interest rates will be 3.1% in 2019-20 and 3.3% in the following financial years. This is based on projections from the Council's Treasury Management Advisors. There is a risk

that interest rates will be higher than projected, for example as a result of an economic downturn, in which case the capital financing costs could also be higher.

- 5.14 An interest rate rise is therefore a key risk. In order to manage this risk, a contingency is included in the budgeted revenue estimates. This contingency will also cover other risks, such as changes to some of the assumptions around Invest to Save schemes. There are a number of other items in the budgeted revenue estimates which do not form part of the Prudential Indicator that calculates the ratio of capital financing costs to the Net Revenue Stream.
- 5.15 There are differences between the capital financing costs used for the Prudential Indicator and the Council's budgeted figures. Briefly reviewing these differences will help assess the financial implications of the Prudential Indicator shown in Table 5 above. These differences are shown in Table 6 below.

Table 6: Budgeted Revenue Estimates (for capital)

	2019-20	2020-21	2021-22	2022-23
	£m	£m	£m	£m
Total Budget	52.7	62.6	67.6	70.7
Exclude PFI interest	-16.7	-16.1	-15.5	-14.9
PFI adjustment	-7.8	-7.8	-7.9	-8.5
Miscellaneous	1.5	1.5	1.5	1.5
Risk contingency	0.4	2.5	2.2	1.9
Total Budgeted revenue estimates (for capital)	30.1	42.7	47.9	50.7

- 5.16 Per Table 6, PFI interest is excluded from the Council's definitions because it is already included in the Revenue Estimates as part of a combined rental payment. PFI is similar to a hire purchase contract, on which rental payments are made, with the underlying reality that the payments include a cost for interest and MRP. These are normally only split out from the rental payments in the statutory accounts but are also shown separately in the Prudential Indicator.
- 5.17 The PFI adjustment shown in Table 6 relates to a revision to the Council's MRP policy set out previously (The Council's Capital Investment Plan for 2018-19 onwards, Full Council 22 February 2018). In this revision, the PFI MRP Policy was brought in line with the main MRP Policy. As a result, the MRP charge to the Revenue Estimates is over the life of the asset rather than the term of the PFI agreement.
- 5.18 There has never previously been a net draw in the revenue budget for the Council's PFI schemes because the rentals are fully funded from a specific government grant. However, applying the revised MRP policy will create a temporary net saving in the Revenue Estimates, because costs will reduce and the grant is applied in line with previous practice.
- 5.19 There are other miscellaneous differences between the capital financing costs shown in the Prudential Indicator and the Council's budgeted figures. Of significance though is the amount included for the risk contingency which covers a number of risks including interest rises and changes to Invest to Save assumptions.

6. REPAYMENT OF DEBT

- 6.1 The Local Government Act 2003 requires the Council to make a provision for the repayment of borrowing used to finance its capital expenditure, known as the Minimum Revenue Provision (MRP).
- 6.2 The MRP is the amount of principal capital repayment that is set aside each year in order to repay the Capital Financing Requirement (CFR) based on the requirement of statutory regulation and the Council's own accounting policies.
- 6.3 The Council is required to state as part of its budget process the policy for determining its MRP. The policy was changed last year for PFI assets generating savings in the current and future years. This year there is one proposed change to the policy adopted last year in relation to asset lives. The method for calculating the MRP on each category of debt is outlined below:
- a) The policy for charging MRP on historic supported borrowing is on the asset life method calculated on an equal instalment basis over 50 years.
 - b) Unsupported or prudential borrowing MRP is based on the Asset Life method – that is, the expenditure financed from borrowing is divided by the expected asset life. For schemes funded before 31st March 2012 the MRP is calculated on the annuity basis and for schemes funded after 1st April 2012 the MRP is calculated on an equal instalment basis. This means no change to existing policy.
 - c) Since 2009/10 the appropriate financing costs for the Council's Building Schools for the Future (BSF) Private Finance Initiative (PFI) schemes have been included in MRP calculations. In 2018-19 the MRP policy for PFI assets was brought into line with the main MRP Policy and the charge of the principal to the revenue account is now over the life of the school building assets.
 - d) Asset lives are reviewed on an ongoing basis to match the MRP charge to the Revenue Estimates with the service benefit derived from the asset.
- 6.4 The CFR represents the amount of capital expenditure that has been financed from borrowing, less any amounts that the Council has set aside to repay that debt through the MRP. Borrowing may come from loans taken from the Public Works Loan Board (PWLB) or commercial banks, finance leases (including PFI) or from the use of the Council's own cash balances.
- 6.5 External debt can be less than the CFR. External debt cannot exceed the CFR (other than for short term cashflow purposes or cashflow management.)
- 6.6 There is an International Financial Reporting Standards requirement that assets funded from finance leases (including PFI deals) are brought onto the balance sheet. This also includes the liability as well as the asset. Therefore the term borrowing does not just include loans from the Public Works Loan Board and banks, but also the liability implicit in PFI and other finance leases.
- 6.7 The CIP will need to be reviewed through the planning cycle to ensure it remains affordable within revenue resources and to take account of the actual implementation of

capital schemes.

7. OTHER FINANCIAL ACCOUNTING CONSIDERATIONS

- 7.1 In March 2016 DCLG published statutory guidance on the flexible use of capital receipts for a three year period covering 2016-17 to 2018-19. Councils were previously only allowed to spend such money on further capital projects or repay debt. But now capital receipts can be used to fund the revenue costs of transformation projects which are designed to generate on going revenue savings in the delivery of public services and /or to transform service delivery in a way that reduces costs or demand for services in the future. As part of the 2018-19 Local Government Finance Settlement, the Secretary of State announced an extension of this flexibility for a further three years to 2022.
- 7.2 There are no plans to use this flexibility in the 2019-20 financial year. However, given the size and scale of the transformation programme, it is possible that the Council may seek approval from the Secretary of State to use capital receipts in this flexible manner in the future.

8. FINANCIAL & RESOURCE APPRAISAL

- 8.1 The CIP as proposed remains balanced to forecast capital resources up to and including 2022-23. Projects beyond that period will require the identification of resources such as capital receipts from the sale of Council owned assets, additional and specific funding or prudential borrowing. The latter would have revenue budget implications.

9. RISK MANAGEMENT AND GOVERNANCE ISSUES

- 9.1 The uncertainties regarding the funding that will be available to the Council; and the control of the capital programme are considered within the Director of Finance's Section 151 report providing his assessment of the proposed budget.
- 9.2 The existing governance arrangements for controlling the capital programme remain appropriate.
- 9.3 Particular risks relating to the delivery of the 2019-23 CIP are interest rate increases and the delivery of Invest to Save schemes in line with financial forecasts. Other risks are incorrectly forecasting spend, or not understanding the critical paths to deliver schemes, so that borrowing is not taken out at the time which minimises capital financing costs. Further there is a risk around HMRC VAT and partial exemption limits.
- 9.4 Within its Treasury Management Strategy the Council will further consider how to manage the risk of higher interest rates. Within its Capital Strategy, the Council will look to bring together all aspects of capital spend. As part of this strategy, the officer group monitoring capital spend will review the CIP on a monthly basis to adjust capital estimates or the phasing of budgets between years, as necessary in response to budget pressures. In particular, consideration will be given to the deferral or pausing of schemes awaiting approval from Executive.
- 9.5 There is also the risk that cost estimates for current schemes increase or schemes

overspend. The inclusion of contingencies within the CIP and the revenue estimates means that there is some scope for meeting additional unforeseen and unfunded capital expenditure that may arise.

9.6 The Capital Strategy will also review the Council's leasing or buying of assets. Also within its Capital Strategy, the Council will seek to strengthen its Balance Sheet position by minimising other liabilities.

9.7 The Capital Strategy and Treasury Management Strategy will be updated for the 2019-20 financial year and presented to Council on 19 March 2019.

11. IMPLICATIONS FOR CORPORATE PARENTING

None

12. ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

None.

13. LEGAL APPRAISAL

13.1 The legal issues are set out in the body of the report. Legal Services will provide further advice on the implementation of the Capital Programme as required.

14. OTHER IMPLICATIONS

14.1 Equality and diversity, sustainability, greenhouse gas emissions impacts, community safety, Human Rights Act, Trade Union and Ward Implications will be considered on an individual project basis.

15. NOT FOR PUBLICATION DOCUMENTS

15.1 None.

16. RECOMMENDATIONS

16.1 The Executive requests Council to approve that:

a) The Capital Investment Plan as set out at Appendix 1 is adopted. Commitments against reserve schemes and contingencies can only be made after a business case has been assessed by the Project Appraisal Group and approved by Executive.

b) Approve the following capital expenditure schemes:

- £2m Property Programme to maintain Council assets, subject to final Project Appraisal Group appraisal.
- £1.961m for the restoration of the former Sugden End Landfill Site.

c) The Chief Executive, Strategic Directors and Directors enter into commitments on capital schemes within the Capital Investment Plan subject to approval of business

cases by Executive up to the approved amounts each year except that, where it is indicated that schemes are funded or partly funded from specific resources such as capital grants or contributions, revenue or capital receipts, the approved amount will be subject to the securing of those resources and be adjusted to reflect the amounts actually received.

- d) Where necessary, the payments arising under the Capital Investment Plan are met from loans.
- e) In order to provide the flexibility necessary to manage effectively the Capital Investment Plan, the Chief Executive, Strategic Directors and Directors be specifically empowered to advance or defer approved schemes subject to consultation with the Director of Finance and the availability of resources.
- f) Additional capital schemes shall only commence where the scheme is wholly funded from specific resources on the approval of the Director of Finance in accordance with Financial Regulations. Also the Section 151 Officer be granted delegated powers up to the authorised limit to approve new schemes subject to Executive approval and taking into account latest revenue budget projections.
- g) The Borrowing Limits and Prudential Indicators as set out in Appendix 2 are adopted by the Council.
- h) The Minimum Revenue Provision (MRP) policy as set out in paragraph 6 of this report be approved.

16. APPENDICES

- Appendix 1 – Proposed Capital Investment Plan for 2019-20 to 2022-23
- Appendix 2 – Borrowing Limits and Prudential Indicators

17. BACKGROUND DOCUMENTS

- Proposed Financial Plan Update 2019/20 - 2020/21 – Executive Report 4 December 2018
- 2019-20 and 2020-21 Budget Update and Financial Outlook - Executive Report 5 February 2019
- The Council's Revenue Estimates for 2019-20 – Executive Report 19 February 2019
- Director of Finance Section 151 Report – Executive 19 February 2019

Appendix 1: Proposed Capital Investment Plan

		Budget					Funding				
		Forecast 2018-19	2019-20	2020-21	2021-22	2022-23	Total	Specific Grants, cap receipts, reserves	Total Invest to Save Borrow	Other Borrowing	Grand Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Health & Wellbeing											
CS0237a	Great Places to Grow Old - Adult Residential Strategy	0	500	6,000	2,638	0	9,138	0	0	9,138	9,138
CS0237b	Keighley Road Extra Care	6,570	33	0	0	0	6,603	690	1,000	4,913	6,603
CS0237c	Keighley Road Residential Care	2,648	89	0	0	0	2,737	0	2,400	337	2,737
CS0373	BACES DFG	793	443	443	443	0	2,122	0	0	2,122	2,122
CS0239	Community Capacity Grant	78	606	1,500	0	0	2,184	2,184	0	0	2,184
CS0348	Whiteoaks Respite Centre	0	0	0	0	0	0	0	0	0	0
CS0311	Autism Innovation Capital Grant	19	0	0	0	0	19	19	0	0	19
CS0312	Integrated IT system - new scheme	90	0	0	0	0	90	90	0	0	90
CS0335	Electric Vehicle Charging Infra	0	1	0	0	0	1	1	0	0	1
Total - Health & Wellbeing		10,198	1,672	7,943	3,081	0	22,894	2,984	3,400	16,510	22,894
Children's Services											
CS0249	Schools DRF	0	0	0	0	0	0	0	0	0	0
CS0256	2yr old Nursery Educ Expansion Programme	5	0	0	0	0	5	5	0	0	5
CS0278	Targeted Basic Needs	12	22	0	0	0	34	34	0	0	34
CS0286	Outdoor Learning Centres	18	9	0	0	0	27	27	0	0	27
CS0022	Devolved Formula Capital	868	750	0	0	0	1,618	1,618	0	0	1,618
CS0030	Capital Improvement Work	54	15	0	0	0	69	69	0	0	69
CS0240	Capital Maintenance Grant	3,000	1,500	0	0	0	4,500	4,500	0	0	4,500
CS0240b	Capital Maintenance Grant 1819	400	2,900	0	0	0	3,300	3,300	0	0	3,300
CS0244a	Primary Schools Expansion Programme	1,700	7,700	600	0	0	10,000	9,928	0	72	10,000
CS0244b	Silsden Sch	750	5,588	2,172	0	0	8,510	8,510	0	0	8,510
CS0244c	SEN School Expansion	805	2,000	0	0	0	2,805	2,805	0	0	2,805
CS0360	Early Years 30 hrs childcare	6	0	0	0	0	6	6	0	0	6
CS0314	Foster Home Adaptations	0	1	0	0	0	1	1	0	0	1
CS0362	Secondary School Expansion	2,800	6,135	6,900	1,798	0	17,633	17,633	0	0	17,633
CS0377	LA SEN Free Schools	0	4,650	2,000	350	0	7,000	7,000	0	0	7,000
CS0421	Healthy Pupil Grant	108	220	0	0	0	328	328	0	0	328
Total - Children's Services		10,526	31,490	11,672	2,148	0	55,836	55,764	0	72	55,836

		Budget					Funding				
		Forecast					Specific	Total	Other	Grand	
		2018-19	2019-20	2020-21	2021-22	2022-23	Total	Grants, cap receipts, reserves	Invest to Save Borrow	Borrowing	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Place - Economy & Development Services											
CS0134	Computerisation of Records	10	0	0	0	0	10	10	0	0	10
CS0136	Disabled Housing Facilities Grant	4,000	2,628	5,753	2,028	4,392	18,801	8,392	0	10,409	18,801
CS0137	Development of Equity Loans	845	1,468	1,200	1,195	766	5,474	3,132	0	2,342	5,474
CS0144	Empty Private Sector Homes Strategy	600	1,087	825	825	831	4,168	0	0	4,168	4,168
CS0308	Affordable Housing Programme 2015-2018	8,640	383	0	0	0	9,023	693	8,330	0	9,023
CS0250	Goitside	0	1	177	0	0	178	0	0	178	178
CS0280	Temp Housing Clergy House	232	0	0	0	0	232	0	232	0	232
CS0335	Bfd Cyrenians 255 - 257 Manningham Ln	14	0	0	0	0	14	0	0	14	14
CS0084	City Park	15	190	0	0	0	205	0	0	205	205
CS0085	City Centre Growth Zone	200	1,550	4,400	0	0	6,150	6,150	0	0	6,150
CS0179	Buck Lane	50	60	0	0	0	110	0	0	110	110
CS0288	Canal Road	0	100	0	0	0	100	0	0	100	100
CS0281	Re-use Fmr College Bldng Keighley	50	533	0	0	0	583	0	0	583	583
CS0266	Superconnected Cities	66	841	0	0	0	907	0	0	907	907
CS0291	One City Park (fmr Tyrlls)	0	500	4,300	0	0	4,800	4,800	0	0	4,800
CS0265	LCR Revolving Econ Investmt Fund	0	1,151	0	0	0	1,151	1,151	0	0	1,151
CS0345	Develop Land at Crag Rd, Shply	262	0	0	0	0	262	262	0	0	262
CS0382	New Bolton Woods Regen Sch P3	3,507	0	0	0	0	3,507	3,507	0	0	3,507
CS0363	Markets Redevelopment - City Centre	500	2,815	11,850	4,760	0	19,925	1,420	4,700	13,805	19,925
Total - Place - Economy & Development Services		18,991	13,307	28,505	8,808	5,989	75,600	29,517	13,262	32,821	75,600

Place - Planning, Transport & Highways											
CS0131	Keighley Twn Cent Heritage Init	156	0	0	0	0	156	0	0	156	156
CS0178	Ilkley Moor	18	0	0	0	0	18	18	0	0	18
CS0179	Landscape Environmental Imp	21	0	0	0	0	21	21	0	0	21
CS0285	Strategic Development Fund	0	1,167	0	0	0	1,167	0	0	1,167	1,167
CS0071	Highways S106 Projects	135	386	0	0	0	521	521	0	0	521
CS0372	Countryside S106 Projects	0	135	0	0	0	135	135	0	0	135
CS0091	Capital Highway Maintenance	4,958	4,953	0	0	0	9,911	9,911	0	0	9,911
CS0095	Bridges	729	0	0	0	0	729	729	0	0	729
CS0096	Street Lighting	144	0	0	0	0	144	144	0	0	144
CS0099	Integrated Transport	479	108	0	0	0	587	587	0	0	587
CS0103	WY Casualty Reduction Partnrship	0	0	0	0	0	0	0	0	0	0
CS0164	Local Intgrtd Transp Area Com	0	0	0	0	0	0	0	0	0	0
CS0168	Connect the City (Westfield Agree)	16	0	0	0	0	16	16	0	0	16

		Budget					Funding				
		Forecast					Specific	Total		Grand	
		2018-19	2019-20	2020-21	2021-22	2022-23	Total	Grants, cap receipts, reserves	Invest to Save Borrow	Other Borrowing	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CS0172	Saltaire R/bout Cngest & Sfty Wrks	0	281	0	0	0	281	281	0	0	281
CS0252	Measures to Support Hubs	0	45	0	0	0	45	45	0	0	45
CS0264	Highway to Health	2,183	0	0	0	0	2,183	2,183	0	0	2,183
CS0282	Highways Strategic Acquisitions	176	0	0	0	0	176	0	0	176	176
CS0289	Local Pinch Point Fund	495	0	0	0	0	495	0	0	495	495
CS0293	West Yorks & York Transport Fund	5,832	11,908	35,795	27,014	29,830	110,379	110,379	0	0	110,379
CS0396	WYTF Corr Imp Projects	754	2,893	6,948	0	0	10,595	10,595	0	0	10,595
CS0296	Pothole Fund	74	0	0	0	0	74	74	0	0	74
CS0306a	Strat Transport Infrastr Priorities	0	1,000	1,690	0	0	2,690	0	0	2,690	2,690
CS0306b	Connectivity Project	0	596	1,000	0	0	1,596	0	0	1,596	1,596
CS0302	Highways Prop Liab Redn Strat	97	0	0	0	0	97	0	0	97	97
CS0310	Clean Vehicle Tech Fund	0	3	0	0	0	3	3	0	0	3
CS0317	VMS Signs	39	0	0	0	0	39	39	0	0	39
CS0329	Challenge Fund	1,389	0	0	0	0	1,389	1,389	0	0	1,389
CS0333	Flood Risk Mgmt	196	0	0	0	0	196	196	0	0	196
CS0335	Street Lighting Invest to Save	0	0	0	0	0	0	0	0	0	0
CS0329	Damens County Park	108	0	0	0	0	108	0	0	108	108
CS0332	Flood funding	387	0	0	0	0	387	387	0	0	387
CS0331	Air Quality Monitoring	9	0	0	0	0	9	9	0	0	9
CS0350	Street Lighting Invest to Save	825	0	0	0	0	825	0	0	825	825
CS0365	Nat Productivity Inv Fund	27	0	0	0	0	27	27	0	0	27
CS0370	LTP IP3 Safer Roads	1,182	779	0	0	0	1,961	1,961	0	0	1,961
CS0371	LTP IP3 Public Transport	686	0	0	0	0	686	686	0	0	686
CS0375	Sign Shop	19	0	0	0	0	19	0	19	0	19
CS0379	NPIF UTM	1,730	1,770	0	0	0	3,500	2,333	0	1,167	3,500
CS0384	Pothole Fund 1819	829	0	0	0	0	829	829	0	0	829
CS0385	ULEV Taxi scheme LTP3	50	0	0	0	0	50	50	0	0	50
CS0386	Cycling & Walking Schemes LTP3	19	0	0	0	0	19	19	0	0	19
CS0414	LTP IP3 Safer Rds 1819 Shipley	120	0	0	0	0	120	120	0	0	120
CS0415	LTP IP3 Safer Rds 1819 Bfd West	144	0	0	0	0	144	144	0	0	144
CS0416	LTP IP3 Safer Rds 1819 Kghly	123	0	0	0	0	123	123	0	0	123
CS0417	LTP IP3 Safer Rds 1819 Bfd South	128	0	0	0	0	128	128	0	0	128
CS0418	LTP IP3 Safer Rds 1819 Bfd East	145	0	0	0	0	145	145	0	0	145
CS0419	IP3 Safer Rds Strat Proj 1819	120	0	0	0	0	120	120	0	0	120
CS0398	Bfd City Ctre Townscape Herit	25	475	1,115	845	290	2,750	2,500	0	250	2,750
Total - Place - Planning, Transport & Highways		24,567	26,499	46,548	27,859	30,120	155,593	146,847	19	8,727	155,593

		Budget					Funding				
		Forecast 2018-19	2019-20	2020-21	2021-22	2022-23	Total	Specific Grants, cap receipts, reserves	Total Invest to Save Borrow	Other Borrowing	Grand Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Place - Waste, Fleet & Transport											
CS0060	Replacement of Vehicles	3,000	3,000	3,000	3,000	3,000	15,000	0	15,000	0	15,000
CS0063	Waste Infrastructure and Recycling projects	205	0	0	0	0	205	205	0	0	205
CS0283	Above Ground Fuel Storage	110	0	0	0	0	110	0	0	110	110
Total Place - Waste, Fleet & Transport		3,315	3,000	3,000	3,000	3,000	15,315	205	15,000	110	15,315
Place - Neighbourhood & Customer Services											
CS0066	Ward Investment Fund	35	0	0	0	0	35	0	0	35	35
CS0122	Community Hubs	25	0	0	0	0	25	0	0	25	25
CS0278	Cust Serv Strategy	233	0	0	0	0	233	0	0	233	233
CS0289	Community Resilience Grant	22	0	0	0	0	22	22	0	0	22
Total Place - Neighbourhood & Customer Service		315	0	0	0	0	315	22	0	293	315
Place - Sports & Culture											
CS0151	Building Safer Communities	47	0	0	0	0	47	47	0	0	47
CS0328	Cliffe Castle Various	35	0	0	0	0	35	35	0	0	35
CS0340	St George's Hall	5,424	0	0	0	0	5,424	0	0	5,424	5,424
CS0121	Roberts Park	0	0	0	0	0	0	0	0	0	0
CS0129	Scholemoor Project	0	0	0	83	0	83	0	0	83	83
CS0162	Capital Projects - Recreation	100	0	0	0	0	100	100	0	0	100
CS0187	Comm Sports Field & Facilities	28	0	0	0	0	28	0	0	28	28
CS0229	Cliffe Castle Restoration	131	19	0	0	0	150	150	0	0	150
CS0347	Park Ave Cricket Ground	21	0	0	0	0	21	21	0	0	21
CS0367	King George V Playing Fields	50	1,017	0	0	0	1,067	0	0	1,067	1,067
CS0392	Russell Hall Comm Grn	14	0	0	0	0	14	14	0	0	14
CS0393	Queensbury Play Areas	24	0	0	0	0	24	24	0	0	24
CS0394	Harold Walk	20	0	0	0	0	20	20	0	0	20
CS0425	Littlemoor Park Footpath £11k	11	0	0	0	0	11	11	0	0	11
CS0426	Wibsey Park Outdoor Gym £13.7k	14	0	0	0	0	14	14	0	0	14
CS0428	Woodhead Road Rec Fencing	13	0	0	0	0	13	13	0	0	13
CS0403	Bereavemnt Strategy - Consult Fees	250	0	0	0	0	250	250	0	0	250
CS0424	Mir Park & Springmill Street	13	0	0	0	0	13	13	0	0	13
CS0429	Menston Recreation Ground £15k	15	0	0	0	0	15	15	0	0	15
CS0242	War Memorial	1	0	0	0	0	1	1	0	0	1

		Budget					Funding				
		Forecast					Specific	Total	Other	Grand	
		2018-19	2019-20	2020-21	2021-22	2022-23	Total	Grants, cap receipts, reserves	Invest to Save Borrow	Borrowing	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CS0277	Wyke Manor Demo	150	102	0	0	0	252	252	0	0	252
CS0245	Doe Park	0	37	0	0	0	37	37	0	0	37
CS0349	Chellow Dene	51	0	0	0	0	51	0	0	51	51
CS0356	Sedbergh SFIP	7,747	8,859	49	0	0	16,655	0	0	16,655	16,655
CS0354	Squire Lane Sports Facility	0	300	2,000	5,400	1,700	9,400	0	0	9,400	9,400
CS0107	Markets	40	0	0	0	0	40	40	0	0	40
Total - Place - Sports & Culture		14,199	10,334	2,049	5,483	1,700	33,765	1,057	0	32,708	33,765

Corp Resources - Estates & Property Serv											
CS0094	Property Programme (bworks)	109	500	0	0	0	609	0	0	609	609
CS0318	Property Programme 15/16	0	10	0	0	0	10	0	0	10	10
CS0373	Argos Chambers / Britannia House	151	600	0	0	0	751	0	0	751	751
CS0306	Property Programme 17/18	679	0	0	0	0	679	0	0	679	679
CS0401	Property Programme 18/19	1,400	511	0	0	0	1,911	0	0	1,911	1,911
CS0408	Dishwasher	31	0	0	0	0	31	0	0	31	31
CS0230	Beechgrove Allotments	0	274	0	0	0	274	0	0	274	274
CS0209	Burley In Wharfedale Culvert	17	0	0	0	0	17	0	0	17	17
CS0054	Carbon Management	797	820	0	0	0	1,617	0	0	1,617	1,617
CS0305	Healthy Heating Scheme	136	0	0	0	0	136	0	0	136	136
CS0420	Electric vehicle charging infrast	270	400	0	0	0	670	670	0	0	670
CS2000	DDA - monies to RCNA	100	50	50	62	0	262	0	0	262	262
CS0381	Godwin St Fmr Odeon	1,900	290	0	0	0	2,190	2,000	190	0	2,190
CS0422	Soup Kitchen	57	0	0	0	0	57	0	0	57	57
CS0409	Coroner's Accommodation	20	2,330	0	0	0	2,350	0	0	2,350	2,350
CS0383	Jacobs Well demolition	495	0	0	0	0	495	0	495	0	495
Total - Regen - Estates & Property Services		6,162	5,785	50	62	0	12,059	2,670	685	8,704	12,059

Reserve Schemes & Contingencies											
CS0395	General Contingency	603	2,000	2,000	2,000	2,000	8,603	0	0	8,603	8,603
CS0391a	Prop Programme 2018-19	400	0	0	0	0	400	0	0	400	400
CS0397	Property Programme	0	2,000	2,000	2,000	2,000	8,000	0	0	8,000	8,000
CS0399	Strategic Acquisition	0	20,000	10,000	10,000	0	40,000	0	40,000	0	40,000
CS0427	Coronial Equipment	600	0	0	0	0	600	0	0	600	600
CS0431	Cartwright Hall Café	57	50	0	0	0	107	0	107	0	107
CS0277b	Wyke Manor Ph2 Sports Dev	0	493	0	0	0	493	0	0	493	493

		Budget					Funding				
		Forecast					Specific	Total		Grand	
		2018-19	2019-20	2020-21	2021-22	2022-23	Total	Grants, cap receipts, reserves	Invest to Save Borrow	Other Borrowing	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CS0403a	Bereavement Strategy	186	4,000	7,000	5,814	0	17,000	0	0	17,000	17,000
CS0423	Highways IT upgrade	350	0	0	0	0	350	0	0	350	350
CS0306c	Strategic Acq - Highways	550	0	0	0	0	550	0	0	550	550
CS0400	Keighley One Public Sector Est	0	500	4,000	4,000	9,500	18,000	0	18,000	0	18,000
CS0402	Canal Road Land Assembly	0	450	0	0	0	450	0	0	450	450
CS0283a	Above Ground Fuel Storage	40	0	0	0	0	40	0	0	40	40
CS0401	Depots	0	0	3,000	0	0	3,000	0	0	3,000	3,000
2018-19 new schemes											
CS0404	Sports Pitches	0	5,000	5,000	10,000	0	20,000	5,000	0	15,000	20,000
CS0405	City Hall / RFL	0	1,000	3,000	3,000	3,000	10,000	2,000	5,000	3,000	10,000
CS0407	Affordable Housing	345	3,500	3,803	5,500	16,076	29,224	6,230	22,994	0	29,224
CS0408	Top of town	0	0	0	0	3,000	3,000	0	0	3,000	3,000
CS0410	Godwin St (fmr Odeon)	0	8,000	3,500	0	0	11,500	0	11,500	0	11,500
CS0411	Parry Lane	0	0	0	0	0	0	0	0	0	0
CS0412	Borg Warner	0	0	0	0	0	0	0	0	0	0
CS0413	LD Home - Branshaw	0	0	1,200	0	0	1,200	0	0	1,200	1,200
2019-20 new schemes											
CS0277c	Wyke Manor sports	0	1,403	1,100	0	0	2,503	2,503	0	0	2,503
CS0434	Street Lighting	0	4,181	13,801	13,801	13,801	45,584	0	45,584	0	45,584
CS0435	Sugden End Landfill site	0	856	1,105	0	0	1,961	0	0	1,961	1,961
CS0436	Children's Home (A)	0	500	0	0	0	500	0	500	0	500
CS0437	Children's Home (B)	0	500	0	0	0	500	250	0	250	500
Total - Reserve Schemes & Contingencies		3,131	54,433	60,509	56,115	49,377	223,565	15,983	143,685	63,897	223,565
TOTAL - All Services		91,404	146,520	160,276	106,556	90,186	594,942	255,049	176,051	163,842	594,942

Appendix 2

BORROWING LIMITS AND PRUDENTIAL INDICATORS

In compliance with the Council's duty under Section 3 of the Local Government Act 2003 to set an affordable borrowing limit and in accordance with Regulation 2 of The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and the Prudential Code for Capital Finance in Local Authorities 2017 the Council makes the following determinations.

(a) The capital expenditure (all of which is non-Housing Revenue Account (HRA)) in each of the following financial years will be:

	2019/20	2020/21	2021/22	2022/23
	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m
Capital expenditure	146	160	107	90

Financing of capital expenditure £m	2019/20	2020/21	2021/22	2022/23
	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m
Capital receipts	7	5	3	3
Capital grants	65	68	31	34
Capital reserves	1	0	1	0
Revenue	1	1	0	0
Net financing need for the year (Corporate, Invest to save and Finance leases)	72	86	72	53

(b) The capital financing requirement at the end of each of the following financial years will be:

£m	2019/20	2020/21	2021/22	2022/23
	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m
Opening CFR	710	764	824	867
Increase in borrowing (table above)	72	86	72	53
Less MRP and other financing movements	-18	-26	-29	-31
Closing CFR	764	824	867	889

(c) In the medium term external borrowing will only be for capital purposes and will not (except in the short term) exceed the capital financing requirement in 2019/20, 2020/21 and 2021/22 as determined in (b) above.

(d) The ratio of capital financing costs to the net revenue stream in each of the following financial years is forecast to be:

Ratio of Capital Financing costs to the Net Revenue Stream

	2019-20 £m	2020-21 £m	2021-22 £m	2022-23 £m
MRP overprovision	-6.5	0	0	0
MRP, excluding PFI	19.9	21.6	24.3	26.1
MRP PFI, finance lease	4.4	4.4	4.4	4.4
Old West Yorkshire Waste debt	0.2	0.2	0.2	0.2
Interest on external borrowing	18.4	20.7	23.6	25.5
Interest on PFI	16.7	16.1	15.5	14.9
Premium on debt repayment	0.3	0.3	0.3	0.3
Investment income	-0.7	-0.7	-0.7	-0.7
Total Capital Financing Costs	52.7	62.6	67.6	70.7
Projected Net Revenue Stream	362.5	397	397	397
Ratio to Net Revenue Stream	14.5 %	15.8 %	17.0 %	17.8%

Borrowing position

(e) The actual external debt of the authority at 31 March 2018 was £322 million in external borrowing and £174 million in Other Long Term Liabilities (including PFI and other finance leases).

	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Borrowing as at 1 April	314	386	472	544
Additional borrowing capital spend	72	86	72	53
Borrowing as at 31 March	386	472	544	597
Other long-term liabilities (OLTL) as at 1 April	166	158	150	142
Expected change in OLTL	-8	-8	-8	-9
OLTL 31 March	158	150	142	133
Total gross debt at 31 March	544	622	686	730
The Capital Financing Requirement	764	824	867	889
Under / (over) borrowing	220	202	181	159

(f) The operational boundary for external debt in future years will be:

Financial Year	Borrowing £m	Other Long Term Liabilities £m
2019/20	410	180
2020/21	480	170
2021/22	550	160
2022/23	610	150

(g) The authorised limit for external debt in future years will be:

Financial Year	Borrowing £m	Other Long Term Liabilities £m
2019/20	430	200
2020/21	500	190
2021/22	570	180
2022/23	630	170

(h) In relation to the borrowing limits set at (f) and (g) above the Section 151 Officer is authorised to amend the separately identified figures for borrowing and for other long term liabilities provided that the total limits remain unchanged and subject to such action subsequently being reported to Council.

(i) The authority has adopted the CIPFA Code of Practice for Treasury Management in the Public Services.

(j) The upper limit for fixed interest rate exposure in 2019/20, 2020/21 and 2021/22 will be +175% of net outstanding principal sums.

(k) The upper limit for variable interest rate exposure in 2019/20, 2020/21 and 2021/22 will be +20% of net outstanding principal sums.

(l) The upper and lower limits for the amount of fixed rate borrowing maturing in each of the periods below expressed as a percentage of total estimated fixed rate borrowing will be:

Maturing in:	Upper Limit	Lower Limit
Under 1 year	20%	0%
1 to 2 years	20%	0%
2 to 5 years	50%	0%
5 to 10 years	75%	0%
10 years and above	90%	20%

(m) There is a limit of £20 million for the Council to invest sums for periods longer than 365 days.

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Report of the Director of Finance to the meeting of Executive to be held on 19 February 2019 and Council to be held on 21 February 2019

Document BC

Subject:

2019/20 Budget Proposals and Forecast Reserves – S151 Officer Assessment

Summary statement:

This report assesses the robustness of the proposed budget for 2019/20, the adequacy of forecast levels of reserves and associated risks.

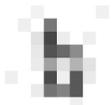
It concludes that the estimates are sufficiently robust for the Council to set the budget. It also concludes that the General Fund and unallocated reserves should be maintained at their current levels over the period of the financial strategy to ensure the continued financial resilience of the Council.

Andrew Crookham
Director of Finance

**Portfolio: Leader of Council and
Corporate**

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Overview & Scrutiny Area: N/A



1. SUMMARY

This report assesses the robustness of the proposed budget for 2019/20, the adequacy of the forecast levels of reserves and associated risks in the context of the Council's financial outlook up to 2020/21 and beyond.

The Council is setting its budget for 2019/20, and making decisions about savings for 2020/21, which will require implementation action to be undertaken during 2019/20.

It should be noted that the process aligns with years three and four of the four year financial strategy which commenced in 2017/18 and which sought to align our finances to the outcomes in the Council Plan 2017-2021.

For the past three budget rounds, the Council's S151 Officer has concluded that the General Fund reserve at a level of £10.8m and unallocated reserves in the range of £12-15m is adequate and this report concurs with that view. That said, where opportunities arise to exceed this level, these should be exploited given the continued uncertainty in the local government finance environment.

The report concludes that the estimates are sufficiently robust for the Council to set the budget for 2019/20. However, it should be noted that there are significant and uncertain medium term risks to the Council's financial position that require mitigating actions to start to be identified during the 2019/20 financial year.

2. BACKGROUND

Under Section 25 of the Local Government Act 2003, when the Council sets the budget, the Council's S151 Officer is required to report on:

- the robustness of the estimates made for the purposes of the calculations, and
- the adequacy of the proposed financial reserves.

This report comments on the revenue and capital estimates in the proposed budget. The assessment is informed by extensive personal involvement in the development of the proposed budget.

3. OPTIONS

This report does not set out alternative options. Legislation requires Council to have regard to this report and the assessment when setting the budget.

4. FINANCIAL & RESOURCE APPRAISAL

The financial appraisal underpinning this assessment is set out in the separate reports to this Executive on planned revenue and capital spending.

Context

- In setting a four year plan commencing in 2017/18, the organisation signalled its intent on managing the longer term financial sustainability of the authority, reducing the recurrent cost base within anticipated resources by 2020/21. This would see £110m of savings delivered over the four years, set against modest increases in Council Tax and Business Rates and a projected zero Revenue Support Grant (RSG) in the final year. The £110m of savings would be on top of £218m delivered during the period from 2011/12 to 2016/17.
- The following sections seek to highlight a number of significant changes since the plan was adopted, the risks of those changes and how they impact on the delivery of the 2019/20 budget and our longer term financial and reserve strategies.

2018/19 Projected Position

- The Q3 monitoring report presented to Executive on 5 February 2019 forecasts a £0.4m overspend for 2018/19.
- Whilst this signals a likely continuation in the Council's ability to broadly manage its finances within budget, year on year, it does also mask a number of significant in year financial challenges and has only been possible via the inclusion of fortuitous one-off income items.
- The Council has well established procedures for measuring progress against agreed savings plans and these are reported in the quarterly monitoring reports. 2018/19 marks the second year where approximately half (48% projected for 2018/19, 49% actual in 2017/18) of agreed savings will not be delivered on schedule. This clearly represents cause for concern and the formulation of the 2019/20 budget, outlined in further detail below, has been done so with this track record in mind.
- Alongside the non-delivery of savings, the Council has also faced unanticipated financial pressures in Waste and Children's Services. In the latter, this is both in relation to a sharp increase in the number of Looked After Children (LAC) and costs associated to the 'Inadequate' OFSTED inspection judgement reported in October 2018.
- In response to these challenges, various one-off measures have been deployed including the sizeable revenue impact of slippage on the capital programme. Latterly, the more positive projected year end position has only become possible due to one-off fortuitous income items around Social Care, Business Rates and a VAT refund.
- We have also instigated a number of improvements to the financial control environment including monthly reporting at Corporate Management Team and a fortnightly panel approval process for filling vacancies, agency staff and external contractor expenditure.
- This serves to show the Council has deployed appropriate arrangements to manage the 2018/19 challenge, however it also highlights a number of issues to take heed of in future budget setting, particularly around optimism bias in the formulation and planning of savings proposals and the subsequent timing and resources required to deliver them.

Funding and Resources

- Over the last year we have been required to amend our assumptions around future

funding, with Members being regularly updated on developments around the Fair Funding Review and 75% Business Rates localisation. Whereas the original four year plan was predicated on comparative resources related to Revenue Support Grant (RSG) equalling nil by 2020/21, the current budget is predicated on that figure being approximately £20m, a £14m reduction from 2019/20. Whilst the Government has signalled that “austerity is over”, the uncertainties around the quantum of Local Government funding once Brexit, and the subsequent Comprehensive Spending Review, is settled dictate prudence is still required when it comes to predicting external funding levels. It is also important to note this figure plays a key part in determining the size of future budget gaps from 2020/21 onwards.

- Following our inclusion in a 100% Business Rates Pool Pilot in 2018/19, the successful bid for the North and West Yorkshire Business Rates Pool to become a 75% pilot in 2019/20 is welcome, and has unlocked resources that will help the Council meet short term expenditure pressures outlined in further detail below.
- Council Tax remains our most stable and reliable revenue stream and will account for 53% of our net expenditure requirement in 2019/20, up from 35% in 2010/11. As a historically low taxing authority, it continues to be important to maximise the on-going benefit of increases in the Band D rate as and when they are available and this budget proposes the maximum allowable increase in the general rate (2.99%).

Formulating the 2019/20 Budget

- One of the Council’s key functions in terms of managing its finances is securing value for money from its activities, something which is measured on an annual basis by our external auditors. Given the challenges we have experienced in delivering agreed savings in 2017/18 and 2018/19, in order to satisfy this requirement it was clear that corrective action was required to our budget strategy, firstly in terms of base budget expenditure in 2019/20 and for later years, a subsequent realignment of that expenditure, proposals for which will be formulated during the coming year.
- On the former, this has required us to:
 - rebase the Health and Wellbeing budget to reflect new trajectories for the Demand Management savings programme. These revisions have been well supported by external expertise but do mean that the total savings from the programme will now be £20m compared to £32m in the original plan.
 - implement a number of structural corrections to Children’s Services around LAC, SEND and the response to the OFSTED judgement. On the latter, there is a mixed approach between recurring (pay and supervisory capacity) and non-recurring expenditure (improvement work), with the expectation that much of the investment is provided on an ‘invest to save’ basis as the Council implements a more effective and efficient system to support the district’s vulnerable children.
 - amend elements of the Place budget in relation to Waste and Street Lighting.
- In making the budget balance and mindful of recent progress against delivery, services were not asked to identify further savings beyond those already identified in the original plan. The main reasons for this are capacity, both in services and corporately, something the Council needs to be mindful of in the coming years, and timing; good transformation can take between two and three years to stick and seeking new cuts in an unplanned fashion would just exacerbate issues experienced during 2017/18 and 2018/19. Instead, we have deployed a number of short term technical savings outlined

in more detail in the reports to create time for more robust and deliverable plans to be put in place.

- Alongside this, changes to our Minimum Revenue Provision policy were approved by Council in July 2018. As well as contributing to short and medium term budget savings, the change in policy also released £53.5m in useable resources onto the balance sheet to provide increased resilience to help manage the various uncertainties outlined in this and the other budget papers.

Other Expenditure Pressures

- The original four year plan was predicated on 1% year on year pay increases, which was the right assumption at the time, given the pattern of pay offers from 2010 onwards. Since that time, assumptions around public sector pay have evolved and 2019/20 will be the second year of a two year pay deal. This creates structural cost pressures for the Council given each 1% in pay equates to c.£2.1m. In addition, the move to the National Living Wage locks in further cost both to our budget and the wider supply chain on which we rely.
- The estimates make provision for total inflationary increases to our cost base of c.£13.7m, which have also increased from the time we set the original plan, and careful monitoring of external forces on prices will become a theme of our financial planning, in particular as the impacts of Brexit become known.

2019/20 Savings Plans

- Earlier sections of this paper refer to the challenges in delivering existing savings and the approach to setting the 2019/20 budget. Underpinning the process has been a significantly improved iterative check and challenge process, which has included Executive Members and management teams, and has focussed on the robustness and deliverability 2019/20 savings plans. This commenced during the summer of 2018 and was completed at the end of January 2019.
- All savings are allocated to a Strategic Director and progress measured through departmental Budget Delivery Boards and the overall Council Plan Delivery Board.

2020/21 Savings and Medium Term Outlook

- In presenting two years of proposals, there is currently a projected gap of £27m in 2020/21 requiring further mitigation, which is after the identification of £17.9m of new savings outlined in the papers. Over the medium term, this gap reduces to between £20-25m as the timing effects of Demand Management programme in Health and Wellbeing materialises.
- Clearly this gap is sizeable and reflective of the significant uncertainty in the funding environment set out earlier in this paper. It is however not insurmountable provided the Council continues to proactively transform its approach to service delivery including making potentially difficult decisions about service provision levels, clearly refines and aligns its outcomes to resources in the next iteration of the Council Plan and maximises the current opportunity afforded by its resilient balance sheet.

Other Considerations

- The proposed allocation of the Dedicated Schools Grant (DSG) has been the subject of extensive and detailed development, scrutiny and ratification by the Schools Forum and

its working groups.

- In terms of Capital, the budget makes provision for a modest and affordable increase in our capital financing budget to cover the cost of a number of new significant regeneration projects designed to stimulate the local economy.
- Continuing developments in the integration of health and social care, which will likely be further impacted by the delayed Green Paper, may bring consequences to our longer term financial planning assumptions not currently factored in.
- Building on this last point, it is important to acknowledge the growing interdependencies in public sector finances, and in particular Health, and the way that we use our funds, and partners use theirs, will have an increasing bearing on outcomes in the district.

Summary

Given the steps set out in the earlier sections of this paper, it is concluded that the estimates are sufficiently robust for Council to set the 2019/20 budget. However, Members need to be mindful of the significant challenges that remain in 2020/21 and beyond, which will require proactive work in the coming year to ensure the longer term financial sustainability of the authority.

Reserves

The Council's financial strategy during the period of austerity has been to maintain the strength of the balance sheet in order to provide resilience in a turbulent environment, whilst reducing the recurrent net cost base. The Council adopted and has adhered to a policy on the use of reserves which has served it well.

The balance sheet includes:

- The General Fund Reserve
- Unallocated Corporate Reserves
- reserves set aside for designated purposes and for specific liabilities and risks.

The first two reserves are essentially the Council's backstop for unforeseen risks and pressures. Previous budget decisions, including setting aside funding for transformation, means that the General Fund Reserve sits at £10.8m and Unallocated Corporate Reserves currently sit at £14.5m, and these are not projected to change over the remaining years of the plan.

As can be seen in the Budget Appraisal above, the financial challenges facing the Council are significant and put into context, the combined total of the two reserves is less than the current projected budget gap for 2020/21.

Therefore, the projected levels for 2019/20 and beyond remain adequate ***only if***

- the 2019/20 budget, with its focus on corrective action and more robust planning, is delivered to plan
- indicative savings, spending and transformational plans in future years are developed, agreed and implemented in order to mitigate against the projected medium term structural budget gaps

- The amount of contingency in the annual base budget remains adequate
- Potential liabilities are manageable within the balance sheet's provisions and reserves
- Local sources of taxation and other income turn out as planned.

It is therefore concluded that:

- the reserves are adequate for the 2019/20 proposed budget
- the Council has a clear reserves plan for the medium term
- the key to financial resilience lies firmly in successfully implementing plans.

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

The potential impacts of the identified risks have been modelled in Appendix 1 to this paper. This risk analysis will be used to inform management action during the year. The existing and proposed governance mechanisms to manage the budget are examined as part of the risk assessment.

6. LEGAL APPRAISAL

This assessment is made in accordance with the requirements of the Local Government Acts 1972 and 2003. The Council's Constitution provides that each year, before the budget is determined the S151 Officer will produce a report for the Executive showing ongoing commitments and a forecast of the total resources available to the Council to enable the Executive to determine any financial strategy guidelines.

7. OTHER IMPLICATIONS

The Equality and Diversity issues arising from the new budget proposals are analysed in the reports accompanying the budget documentation presented to Executive on 5 February and 19 February 2019, plus addenda presented at the meeting. The Interim Trade Union feedback on the budget proposals is documented and reported in a similar way. The Trade Union feedback and the feedback from the public engagement and consultation programme on the proposals previously approved by Budget Council in February 2018 was fully considered by Council at that time.

8. RECOMMENDATIONS

That Members have regard to this report in setting the budget, and in particular note the conclusions that:

- the estimates presented to Council are sufficiently robust
- the reserves are adequate for the 2019/20 proposed budget
- the projected corporate reserves, on current estimates, are adequate in the medium term, subject to the implementation of the rest of the proposed financial plan and

identification of further proposals to mitigate the projected structural gap of £20-25m.

As with all budgets there is the potential for amendments to be proposed/agreed which could change the overall package of proposals. In that respect, it should be highlighted that this statement would be amended or added to if a decision was proposed that lead to the Council's reserves falling below their recommended level. In addition, any other amendments would be considered against the scale of the overall budget and depending upon the extent and nature, may result in a revised statement.

9. APPENDICES

9.1 Appendix 1: Risk-Based Assessment

10. BACKGROUND DOCUMENTS

- Proposed Financial Plan updated 2019/20 – 2020/21 - Executive Report 4 December 2018 (Doc Z)
- 2019/20 Budget Update– Executive Report 5 February 2019 (Doc AQ)
- Consultation Feedback and Equality Assessments for the 2019/20 and 2020/21 Council Budget Proposals – Executive Report 5 February 2019 (Doc AR) and the addendum to that report circulated to Executive on 5 February 2019
- Interim Trade Union Feedback on the Council's Budget Proposals for the 2019/20 and 2020/21 Council Budget - Executive Report 5 February 2019 (Doc AS) and the addendum to that report circulated to Executive on 5 February 2019
- The Council's Revenue Estimates 2019/20 – Executive Report 19 February 2019 (Document AZ)
- Allocation of the Schools Budget 2019/20 Financial Year – Executive Report 19 February 2019 (Document BA)
- Council's Capital Investment Plan 2019/20 to 2022/23 – Executive Report 19 February 2019 (Document BB)
- Qtr 3 Finance Position Statement for 2018/19 – Executive Report 5 February 2019 (Document AT)

Risk-Based Assessment of Potential Events Affecting the Proposed 2019/20 Budget and Beyond

The table outlines: the risk event that could occur and cause the plan to vary; the mitigations that are in place; and an assessment of the potential quantified impact of the individual risk materialising, together with the additional mitigating factors.

Risk Event	Description and Mitigation in Place	Residual Risk Rating (Likelihood/Impact) and Contingency
		Likelihood: Low <20% <Medium < 50%< High<70% Impact: Low <£2m< Medium < £3m < High < £5m
Taxation streams are unstable	Collection Rates, bad debt provisions, appeals provisions, rateable property and the cost of the Council Tax Reduction Scheme are all volatile and are regularly monitored. Business Rates performance continues to be more volatile than Council Tax, with the outcome of appeals significantly reducing the tax yield. In year losses and gains can be handled through the Collection Fund, while variances can be dealt with in future year's plans.	High/Medium Contingency provided through adjustment of plans for subsequent years.
Other income streams unstable	Non-taxation income streams remain less volatile than in previous years. NHS funding streams may be at risk in the wake of current financial control difficulties. Past performance suggests that unplanned income may materialise, offsetting generally the risks against the aggregate net revenue budget. The Council is becoming more successful at securing competitive grants.	Low/Low Contingency provided through in-year budget control. Continuous dialogue with NHS partners over funding flows More active bidding for external funds Close monitoring of trading
Member support for the budget diminishes	The Executive and individual Portfolio Holders have been involved at a very detailed level in the development of the proposals. The financial plan reflects the Council Plan which has also had significant member input.	Low/Low Contingency provided through adjustment of plans for subsequent years
Plans for implementation of	Each savings proposal is required to be accompanied by a project plan setting out the implementation path. This process has been	Medium/Low

Risk Event	Description and Mitigation in Place	Residual Risk Rating (Likelihood/Impact) and Contingency
		Likelihood: Low <20% <Medium < 50%< High<70% Impact: Low <£2m< Medium < £3m < High < £5m
changes are not robust	strengthened via iteration for the 2019/20 process. The impact of the plans has been tested in consultation. The degree of risk in each individual proposed change varies, and requires continuous project management. Implementation requires dedicated project management resource (which continues to be funded in the budget).	Mitigation provided through continuous improvement of plans.
Planning is insufficiently flexible to respond to unexpected events	Governance arrangements allow Strategic Directors, under delegated authorities, and in consultation with Portfolio Holders, to flex plans during the year. If necessary, recourse can be had to the Executive to approve changes within the overall agreed budget envelope	Low/Low
Implementation of change is poorly controlled, or compromised by insufficient internal capacity	<p>From 2011/12 to 2018/19, the Council has managed to implement savings of around £255m. Looking at performance in 2018/19, 52% of specific savings plans are forecast to convert into actual savings on time (compared with 51% in 2017/18). Given the cumulative impact of the savings since 2010, it will be increasingly hard to find mitigating savings. The degree of risk varies across Departments.</p> <p>The standard “7 Keys” programme and project management method, which has been adopted across Departments, will continue.</p> <p>There is a risk that the multiple impacts of discrete changes on individuals or single organisations are not apparent until implementation, with unintended consequences that may need addressing.</p>	<p>Medium/High</p> <p>Compensating action to reduce net costs</p> <p>Non-recurrent funds are available to pay for change management, to reduce the risk of insufficient capacity</p> <p>Contingency in base budget.</p>
Risks to timely implementation of changes to packages of care in adults and children	The programme of change for Adult Services continues to be risk-laden in view of: the proportionate value of savings in relation to the overall savings programme in the medium term up to 2022/23; the interconnectedness of the changes; the number and range of stakeholders to be consulted and managed; the statutory framework;	<p>High/High</p> <p>Use of dedicated programme management resource</p>

Risk Event	Description and Mitigation in Place	Residual Risk Rating (Likelihood/Impact) and Contingency
		Likelihood: Low <20% <Medium < 50%< High<70% Impact: Low <£2m< Medium < £3m < High < £5m
services	the close links between local decisions and nationally-sponsored policy and thinking on new models of health and social care; the financial challenges faced by businesses in the social sector; and recent actual experience of managing change. The package of proposals to reform entitlements to and methods of transporting children with high needs to and from school has not yet yielded the intended financial benefits.	Continued collaboration with NHS and other partners Learning from developments in other local authorities Adoption of higher risk appetite in the assessment of individual cases Use of external support/expertise
Uncertainties over the integration of health and social care, including delays in developing new models of care to support changes to service delivery	The future of adult social care is heavily influenced by national policy on integration. Work to develop “integrated care systems” could run slower than is necessary to inform/support local changes, with potential adverse financial and client impacts. Governance mechanisms including the Health and Wellbeing Board and supporting bodies are in place, allowing shared planning with NHS partners, and joint participation in nationally led initiatives. Negotiations continue over the distribution of the Better Care Fund. Financial pressures in the NHS could trigger higher degrees of organisational change, which divert leadership attention away from the job of managing client demand which lies at the heart of the adult services changes required to deliver the budget.	High/Medium The Council may have to make unilateral changes if the pace of change is too slow
Changes related to staff cannot be implemented to plan	Consultation with Trade Unions commenced on 26 November 2018, and has continued since. Implementation will focus on avoiding compulsory redundancy. The voluntary redundancy framework has proved to be effective, though there is a need to ensure that the skill base of the workforce is maintained. Staff related changes account for c £8.6m, or 56% of the total budget changes in 2019/20.	Low/Low Compensating action to reduce net costs Vacancy Management Contingency provided in base budget
Changes related to	The new budget proposals foresee a reduction to spending with	Low/Medium

Risk Event	Description and Mitigation in Place	Residual Risk Rating (Likelihood/Impact) and Contingency
		Likelihood: Low <20% <Medium < 50%< High<70% Impact: Low <£2m< Medium < £3m < High < £5m
external suppliers cannot be implemented to plan	external suppliers of £5.8m or 37% of total net budget changes in 2019/20. Past experience suggests that through individual contract negotiation budgets can be managed through a combination of volume and price; and increasingly through re-commissioning for revised levels of service. Suppliers of adult social care continue to show signs of financial stress, including from the anticipated impact of the National Living Wage.	Compensating action to reduce net costs Contingency provided in base budget
Changes related to income generation cannot be implemented to plan	The proposed budget assumes aggregate income from non-taxation sources rises by c 0.5% annually as a result of inflation. Targeted increases in income in 2018/19 are £1.2m or 7% of total net budget changes in 2019/20.	Low/Low Compensating action to reduce net costs Contingency provided in base budget
Customer/ citizen behaviour is inconsistent with plan	Some budgets require significant degrees of change in behaviour and expectations on the part of service users and their representatives; and continuing consultation processes may pose risks to implementation. Experience to date says the most sensitive areas are in Adult Services; in Children's specialist services, and in local everyday services such as parking, public conveniences, and community amenities.	Medium/Medium Compensating action to reduce net costs Contingency provided in base budget
External stakeholder groups resist and delay change	Experience suggests that where change affects groups who have the capacity to organise challenge to the implementation of agreed budget decision, the result can be delay, which inhibits the timely delivery of savings	Medium/Low Stakeholder management as part of implementation Contingency planning
Demographic changes place unplanned burden on resources	The proposed budget has been increased to account for £1.5m of demographic growth in Adult Services, and £0.6m from Looked After Children. The Schools budgets (funded by the DSG) reflect the latest pupil census. It is expected that demographic growth and changes in the composition of the population will continue to lead to service pressures, which may need to be factored into future plans.	Low/Low Contingency provided through adjustment of plans for subsequent years

Risk Event	Description and Mitigation in Place	Residual Risk Rating (Likelihood/Impact) and Contingency
		Likelihood: Low <20% <Medium < 50%< High<70% Impact: Low <£2m< Medium < £3m < High < £5m
Insufficient inflation allowance is provided in the plan	Expenditure budgets have been selectively inflated at indices appropriate for the relevant line. Where appropriate, budget managers will need to absorb unfunded inflation through reducing consumption of goods and services. Pay budgets have been inflated to reflect the current status of negotiation on national pay awards. The impact of potential greater inflationary pressures in the economy on the medium term outlook will need to be managed.	Low/Low Compensating action to reduce net costs
Capital investment is poorly controlled	The level of contingency in the capital plans is in line with historically consistent levels. Some individual projects have yet to reach full business case stage, so their cost will need to be monitored. Recent experience suggests that capital projects take longer to implement than implied by the financial plan; but the revenue budget implications tend to be favourable. That said, we have calculated a one-off sum related to capital financing in order to allow us to reprofile agreed savings.	Low/Low Close monitoring is required to ensure that schemes do not overspend Contingency provided through adjustment of plans for subsequent years
Sources of funds for capital investment do not materialise	In addition, to the capital receipts expected to be released as a result of specific schemes, the Capital Investment Plan assumes £3.5m of general capital receipts from emerging sales of Council property plus £1.1m from a specific scheme. If they do not materialise, the plan (or individual projects within in which are dependent on receipts) will need to be reviewed.	Low/Low Contingency provided through adjustment of plans for subsequent years
Interest Rates are higher than anticipated over the life of the plan	Should there be sharp rate rises, this would have a corresponding impact on the capital financing budget as external borrowing becomes more expensive. This may in turn have an impact on the affordability of the capital programme, in particular in later years. Interest Rates assumed in the budget are based on the latest available information from professional treasury management advisors. Regular updates are received and form part of our monitoring processes.	Medium/Medium Compensating action to reduce net costs Reprofiling and reprioritisation of the capital plan
The baseline	The proposed budget is set using the 2018/19 baseline as amended	Medium/Medium

Risk Event	Description and Mitigation in Place	Residual Risk Rating (Likelihood/Impact) and Contingency
		Likelihood: Low <20% <Medium < 50%< High<70% Impact: Low <£2m< Medium < £3m < High < £5m
budget is structurally compromised	for specific changes. The 2018/19 forecast outturn shows a combination of overspend pressures and compensating underspends, the most significant of which have been accounted for as part of those specific changes.	Strategic Directors can use their delegated budgets flexibly
Changes in school funding and in school structures created unforeseen and unfunded liabilities	Three factors could lead to financial stress in schools, which, under some circumstances, could create liabilities for the Council's budget: the increasing gap between funding and inflation-driven costs; the impact of the National Funding Formula on individual schools; conversions to academies. No additional provision has been made in the budget for these risks	Medium/Medium Support for/intervention in individual schools On-going dialogue with Regional Schools Commissioner Engagement with Bradford Schools Forum
Internal governance arrangements are not fit for purpose	Constitutional arrangements, internal delegations, and the financial control environment are in place and, from audit testing, are effective. The Schools Forum and the supporting mechanisms are likewise effective at enabling a mature discussion about the use of local authority and DSG funds to support schools and pupils. Governance arrangements for health and social care are also well established. Internal governance supporting change management also reduces the risk of departmental silo mentality.	Low/low
Governance arrangements with external parties are not fit for purpose	Governance arrangements at District level were re-tuned during 2016. Reforms continue in the education governance landscape. The Health and Wellbeing Board and supporting arrangements are in place, though the pace of development is often overtaken by national NHS developments. At regional level, Combined Authority governance is bedded in, though further changes may evolve in the wake of the fluid devolution agenda. These factors do not increase financial risk as much as absorb leadership and management attention.	Low/Low

Report of the Assistant Director, Office of the Chief Executive to the meeting of Executive to be held on 5 February 2019.

AR

Subject:

Consultation feedback and equality assessment for the 2019-20 Council budget and proposals for 2020-21 Council budget.

Summary statement:

On 4 December 2018 the Executive approved new budget proposals for consultation with the public, interested parties, staff and the Trade Unions. This report and appendices provide feedback from the public engagement and consultation programme and sets out a summary of the equality assessments carried out on the Executive's Budget proposals for 2019-20 and 2020-21. There is particular reference to the Council's responsibilities under equality legislation to enable the Executive to have due regard to the Public Sector Equality Duty when considering its recommendations to Council on a budget for 2019-20 and proposals for the 2020-21 budget.

David Walmsley Assistant Director: Office of the Chief Executive	Portfolio: Corporate
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SUMMARY

- 1.0 On 4 December 2018 the Executive approved new budget proposals for consultation with the public, interested parties, staff and the Trade Unions. This report and appendices provide feedback from the public engagement and consultation programme and sets out a summary of the equality assessments carried out on the Executive's Budget proposals for 2019-20 and 2020-21. There is particular reference to the Council's responsibilities under equality legislation to enable the Executive to have due regard to the Public Sector Equality Duty when considering its recommendations to Council on a budget for 2019-20 and proposals for the 2020-21 budget.

BACKGROUND

2. Best Value and the Equality Act

- 2.1 Statutory guidance on Best Value introduced in September 2011 and reaffirmed in March 2015 reminds local authorities that they are under a duty to consult service users and potential service users, local voluntary and community organisations, and small businesses. This duty applies at all stages of the commissioning cycle, including whenever authorities are considering the decommissioning of services.
- 2.2 There should also be opportunities for organisations, service users and the wider community to put forward options on how to reshape the service or project. Local authorities should assist this engagement by making available all appropriate information in line with the Government's transparency agenda.
- 2.3 The Equality Act 2010 protects people from unlawful discrimination on the basis of 'protected characteristics'. The Equality Act 2010 defines protected characteristics as age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Council's approach to equalities goes beyond this, by looking at equality more broadly and taking into account the impact of our decisions on people on low income or with a low wage.
- 2.4 The 2010 Act also introduced a specific Public Sector Equality Duty which requires local authorities, in the exercise of their functions, including when making decisions, to have *due regard* to the need to:
 - eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act;
 - advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
 - foster good relations between people who share a protected characteristic and people who do not share it.
- 2.5 In discharging this duty, local authorities not only need to understand how different people will be affected by their activities, proposals and decisions, they also need to demonstrate that they have given due regard by publishing information that shows they have consciously discharged their responsibilities as part of the decision-making process.

- 2.6 There is a range of guidance materials on the Public Sector Equality Duty from The Equality and Human Rights Commission (EHRC), last updated in 2014, to assist the bodies that are subject to the duty, to understand the duty and meet their responsibilities. This notes that a public body will only be able to comply with the general equality duty in relation to a decision, if the ultimate decision maker:
- understands the body's obligations under the general equality duty.
 - has sufficient information.
 - demonstrably takes this information fully into account throughout the decision-making process.
- 2.7 The EHRC emphasises the importance of ensuring that the duty is complied with before a decision is taken, while options are being developed and appraised, as well as at the time of the actual decision. The duty cannot be used retrospectively to justify a decision.

OTHER CONSIDERATIONS

3. Supporting the 2019-20 and 2020-21 Budget Setting Process

- 3.1 The public engagement and consultation programme in relation to the budget proposals for 2019-20 and 2020-21 was agreed by the Executive at its meeting on 4 December 2018. At the meeting the Executive reaffirmed its commitment to a public engagement and consultation programme designed to meet the legislative duties and to fulfil the following objectives:
- Support the 2019-20 and 2020-21 budget setting process in as fair and as transparent a way as possible.
 - Ensure that the Council meets its specific duties under equality legislation, in particular that the potential impact of the proposals on groups or individuals who share protected characteristics are considered, assessed and consulted upon. This would also be extended to those on low income/low wage.
 - Ensure that Trade Unions and staff are consulted appropriately and in a timely manner.
 - Meet Best Value Statutory Guidance regarding the way local authorities should work with Voluntary and Community Sector (VCS) organisations and small businesses when facing difficult funding decisions.
 - Comply with the principles on consulting and engaging with the VCS contained in Bradford District Partnership's Compact.
 - Ensure the Council complies with all other legal duties to consult.
- 3.2 While the Council is not required under statute to produce or publish equality impact assessment (EIA) forms specifically, a local decision has previously been taken to continue to use EIA forms. Equality impacts are considered by officers and elected members as part of the development of the budget proposals, with assessments recorded through an EIA form. The forms can then assist members of the public and other interested parties to view potential equality impacts. This will show where a disproportionate impact has been identified, or where an impact affects a number of people or particularly vulnerable groups. Mitigations will have also been considered, and where these have been possible, they have also been captured on the EIA forms.

- 3.3 Case law has confirmed that in order to fulfil the duty under S149 of the Equality Act 2010, Elected Members need to have considered equality impacts and given due regard to the three aims of the equality duty as part of their decision making processes.
- 3.4 EIA forms outlining identified equality impacts on the new budget proposals agreed by the Executive at their meeting on 4 December 2018 have been available on the Council's web site since that time. <https://www.bradford.gov.uk/your-council/council-budgets-and-spending/budget-eias-2019-20/>
- 3.5 Following a review and assessment of the consultation feedback, EIA forms will be updated then republished at the same time as the papers for the Executive meeting on 19 February 2019.

4. Cumulative Equality Impacts on the 2019-20 and 2021-21 Budget Proposals

- 4.1 An analysis of the equality assessments was undertaken to identify any cumulative impacts and/or high levels of impact across all the proposals agreed at the Executive meeting on 4 December 2018 for consultation. This analysis was shared with Executive members at the time. Detail of the analysis is described below, alongside the summary presented at Appendix 1.
- 4.2 A review of all equality impact assessments demonstrates that some proposals are more likely to impact on some people than others, and that certain protected characteristic groups will also be impacted more greatly than others. The equality assessments will continue to be reviewed as the proposals are implemented and further consulted on.
- 4.3 Individual proposals that have more than one high level impact on different number of protected characteristic groups are listed below.
- A prepared and skilled workforce (4C3)
 - West Yorkshire Combined Authority (WYCA) Transport Levy reduction (4R2)
 - Oral Health Improvement – school nursing & health visiting (4PH1 Part a)
 - Sexual Health Services (4PH3)
 - Welfare Advice and Customer Service Transformation (6X1)
 - Youth Services (5E2)
- 4.4 The protected characteristic of age is very high primarily for young people across the proposals listed at 4.3. Older people are however also affected through the WYCA levy changes and potential reduced subsidies for public transport, as well as welfare advice and customer services proposed changes. Of the total 32 proposals undergoing consultation 17 show impact on age.
- 4.5 Likewise for disability, there are fewer proposals showing high impact, but still 13 showing impact across all proposals. The areas of most concern are the proposal for a Prepared and Skilled Workforce (through bringing in the service in house at a reduced cost); the WYCA Transport Levy impacting on subsidies; and the changes to Welfare Advice and Customer Services.

- 4.6 Across all proposals 19 show impacts on people with low income and low wage. Most high impacts will be felt through the range of Public Health proposals in the Better Health, Better Lives outcome, but also the Prepared and Skilled Workforce and Youth Service proposals both of which will involve a reduced budget and changes to service delivery.
- 4.7 Another protected characteristic being affected by a larger number of proposals, 12 in total, is race again through the Prepared and Skilled Workforce proposal and the changes to Welfare Advice and Customer Services.
- 4.8 Pregnancy/maternity also features with proposals supporting the health and wellbeing of mothers of young children, primarily impacted by the range of Public Health proposals (e.g. sexual health, school nursing/health visiting).

5. Consultation Process

- 5.1 The consultation programme for the budget proposals for 2019-20 and 2020-21 is part of an open, on going conversation between the Council and citizens, voluntary and community sector, businesses, Council employees and trade unions about the future of local services.
- 5.2 The consultation programme opened with the publication of the report the 'Proposed financial plan updated 2019-20 to 2020-21' on 26 November 2018 which the Executive approved for consultation on 4 December 2018.
- 5.3 The consultation and engagement programme has included the promotion of the open public consultation to groups, networks and individuals throughout the district. This has primarily been via the website with a supporting freepost address for those people wishing to write to us. An easier-to-read with accompanying audio version of the budget information was also made available. There have also been regular posts promoting the consultation through the Council's corporate social media accounts and Stay Connected e-mail newsletters for residents. The consultation has been promoted to:
- Partner organisations from across the district
 - Parish and Town Councils
 - Voluntary and Community Sector – with discussions on going throughout the year
 - Business community – via forums, networks and the Chamber
 - Members of Parliament
 - Communities of interest
 - Citizens Panel
- 5.4 To ensure interested people are able to maximise their engagement in the consultation, a number of Council services have undertaken additional consultation on some of the proposals. Those additional activities are listed below.

Proposal	Consultation dates	Consultation overview
Libraries (4E9)	17 – 21 January 2019	<ul style="list-style-type: none"> • 5 Stakeholder engagement events at: Ilkley, Shipley, Keighley, Eccleshill, Wibsey Libraries. <p>Aimed at general public, parish/town councils,</p>

		<p>Elected Members, community organisations, accountable bodies.</p> <ul style="list-style-type: none"> • Additional sessions at other district libraries are also taking place outside of the formal consultation period.
Museums & Galleries (5E1)	19 – 20 January 2019	<ul style="list-style-type: none"> • 3 Stakeholder engagement events at: Cartwright Hall, Cliffe Castle, Industrial Museum • Aimed at Friends of groups, general public, parish/town councils, Elected Members, community organisations.
Welfare Advice & Customer Services (6X1)	17 January and 24 January 2019	<ul style="list-style-type: none"> • Two consultation events covering all Health and Wellbeing Department proposals including one specifically focussed on disability and older people with BSL Interpreters provided. • This is in addition to regular engagement and consultation that takes place as part of service delivery. • Direct conversations with existing providers, in shaping a future service regardless of budget available.
Public Health (4PH1,2,3,4,8, 6PH2)		
Adult Demand Management (6A1)		

5.5 Engagement and consultation is an on going process and there will be further specific consultation with service users and other interested parties on specific proposals as appropriate following the approval of the budget at the Council meeting on 21 February 2019.

6. Consultation – Number of Responses

- 6.1 This report provides information on feedback received at the date of submitting this report for publication on 25 January 2019. Any feedback received between this date and the consultation closing on 27 January 2019 will be provided as an addendum to the Executive meeting on 5 February 2019.
- 6.2 From the views shared since 26 November 2018 as part of the current consultation, as of 25 January 2019 the Council had received 332 comments from people or groups. Of this, 202 were in direct relation to the different budget proposals for 2019-20 and 2020-21, including the proposed increases to Council Tax. A further 130 comments have been made that are not specific to particular proposals for the next two years. These comments were received from the online questionnaire (234), postal questionnaire (88) and letters and emails (10). Of the letters and emails received, 5 have been representations from organisations with an interest in the proposals, be that other public sector organisations or small organisations currently delivering services on behalf of the Council.
- 6.3 Further to this there has been additional input through the proposal specific workshop/focus group consultations (as outlined at 5.4). These were well attended by a range of service users, community organisations and volunteers, with the following

numbers engaging in more detailed conversations with Council service representatives.

Proposal	Number of attendees
Libraries (4E9)	172
Museums & Galleries (5E1)	60
Welfare Advice & Customer Services (6X1)	56
Public Health (4PH1,2,3,4,8, 6PH2)	
Adult Demand Management (6A1)	

6.4 Monitoring of the corporate social media accounts and Stay Connected newsletters on the budget consultation has shown over 1100 click-throughs to the online consultation pages. It is worth noting that overall activity on the corporate social media accounts around the consultation has however been far greater than that in terms of reach and posts shared, and not all responses represented feedback on the overall budget proposals or an individual proposal.

6.5 The proposals generating most comments through the survey and letters/emails received were:

Proposal	Number of responses
Welfare Advice & Customer Services (6X1)	141
Libraries (4E9)	93
Raise in council tax	53
Youth service (5E2)	5

6.6 A further 14 proposals only received one or two comments. Street Cleansing, which was consulted on last year, has also received a further 13 comments this year, even though the budget for this proposal has already been agreed.

7. Consultation – Feedback on Proposals

7.1 The following provides some of the headline comments made on both specific budget proposals for the next two years and also other areas of Bradford Council’s work and consequent spending. These comments have come through the online/postal questionnaire, social media, direct emails, letters, service specific consultation and meetings with Parish and Town Councils, businesses and the Voluntary and Community Sector.

7.2 Listed below are the feedback headlines on some of the budget proposals identified for the next two years (2019-20 and 2020-21). Fuller detail is presented at the end of appendix 2.

Welfare advice and customer services (6X1)

- There are a great many vulnerable, disabled, non English speaking, non-IT literate people who need support, as well as people who are facing challenging life circumstances through no fault of their own. It is felt the equality impact assessment needs to focus more on these groups, and more mitigations considered for those with complex health problems and mental health issues.
- Moving to primarily digital services will not support those who need face to face support, and the expectation that this will get a greater focus with more digital is

not felt to be realistic.

- Commissioning through the voluntary and community sector leads to more volunteers, training and employment opportunities and therefore greater value for money.
- There is strong support not to centralise services, but to keep community hubs. It is suggested this broadens access, allows personal relationships and trust to be built, and provides timely interventions (which can be critical). Some people cannot travel outside of their immediate communities, meaning a central Bradford service would be inaccessible.
- It has been highlighted that the users of these services are some of the most vulnerable in the district, and continuing this support can lessen costs in the public system later on and provide greater social value. Issues are often time critical and any service reductions will lead to longer waiting times.
- It is felt that there are more opportunities for collaboration with other public and voluntary services.
- Responses have been received from some providers of community based advice services but also from people who have volunteered in centres and have seen the front line value of what they provide.

Libraries (4E9)

- Respondents are highlighting the valuable service libraries offer beyond borrowing books, acting as a community hub for social groups and education.
- Many are also highlighting that volunteers can't be relied on solely to run libraries. Professional staff are seen as being experts in their field, accountable and offering good customer service.
- There are suggestions that City Library should be moved in to a Council owned building.
- It is also suggested that house builders should pay levies to provide library services where new homes are built.
- Though most respondents are keen for libraries to remain located across the district in community hubs, a few are supportive of a centralised service, with mention of using a currently Council owned building from which an 'Ideas Centre' could operate for the benefit of the whole district.
- It was suggested that government should be lobbied to invest in the alleviation of digital poverty, therefore maximising future provision of services such as libraries.
- It was felt that there were more revenue opportunities from libraries.
- Further consideration should be given to combining with other community hubs, with many public and voluntary services running from one place in each community in the district.

Council tax increases

- There have been numerous suggestions that increases in Council Tax are not fair, as wages are not rising as high.
- Some people have questioned the balance between increased Council Tax but reducing services.
- A couple of comments suggest that Council Tax could go up more to pay for much needed services such as welfare advice.
- A couple of people feel that more effort should be put in to collecting unpaid tax.

Youth service (5E2)

- It is felt that existing funding reductions have already led to increases in anti social behaviour and crime.
- It was suggested that young people need a safe space to meet with friends, discuss with trusted adults issues of concern and life choice.

- Consultees feel that as a preventative service, it should be invested in.

7.3 Further comments were also received on proposals not specifically being consulted on, and general comments for the Council to consider. The highlights of these are provided below, with further detail presented at appendix 2.

<p>Cleansing Services</p> <ul style="list-style-type: none"> • It was suggested that the cleanliness of the district needed improving, with particular concerns over fly tipping. • Residents and businesses should clean up the public space around their properties themselves. • It was felt that more litter bins should be placed at bus stops and outside takeaways.
<p>Lobbying</p> <ul style="list-style-type: none"> • There was a suggestion that more lobbying with central government is needed, to reduce the austerity measures. For example to bring in investment for digital capability, energy efficient lighting and anti knife crime.
<p>Efficiencies</p> <ul style="list-style-type: none"> • There was a suggestion that there should be fewer Councillors, and that Councillor and Officer payments/salaries should be reduced. • It was felt there was greater opportunity to raise income, through increased parking charges, and recovering unpaid debts.
<p>Housing</p> <ul style="list-style-type: none"> • Concern was felt over a lack of social housing and shared ownership schemes, and that brownfield sites, especially former mill buildings, be renovated for housing.
<p>Climate Change</p> <ul style="list-style-type: none"> • ‘Decarbonisation’ of the district’s economy is felt to be vital and should be a key part of the Council’s financial plan. • It is felt that more of the district’s strategic planning needs to be orientated around climate proofing for the future. • Examples of assessing climate impact on the economy have been shared, demonstrating how money could be saved and the economy stimulated.

7.4 **Feedback directly from voluntary and community sector (VCS)**

In the context of the Council’s budget proposals a dedicated session was held with members of the VCS Bradford District Assembly, senior officers of the Council and the Executive Member responsible for Neighbourhoods and Community Safety. It has been agreed that closer working relations are needed between the Council and VCS to help ensure the best outcomes for communities. We need to collectively make the most of the skills, talents and finances (Council’s own budget and/or external funding) in the district.

It has been agreed that a work programme will be developed to help create a new model of working, focusing on the key challenges facing the district, including making the most of commissioning processes. There is acknowledgement from the VCS of the financial challenges facing public services, and an eagerness to contribute to a thriving district. Some providers have already been engaged directly in future service shaping, independent of the budget consultation. This has most recently been done around the delivery of advice services across the district.

Comments from the sector on specific proposals have been captured in the feedback on proposals, as listed in appendix 2.

7.5 **Feedback directly from the business sector**

The business community are aware and acknowledge the financial position of the Council, and encourage the best money saving practices be adopted. There was concern about the capital investment proposal to replace all street lights with LED bulbs. It was felt that this should only be done once the life of current bulbs had been reached.

8. **FINANCIAL & RESOURCE APPRAISAL**

- 8.1 The financial impact of decisions arising from the consultation will be considered at the Executive meeting on 5 February 2019 and will be evaluated and incorporated into the final budget proposals from Executive to Council on 21 February 2019.

9. **RISK MANAGEMENT AND GOVERNANCE ISSUES**

- 9.1 Equality assessments have been carried out on the initial proposals and will continue to be updated alongside mitigations being considered.

10. **LEGAL APPRAISAL**

- 10.1 S149 of the Equality Act 2010 (the Public Sector Equality Duty) provides as follows :

- (1) A public authority must, in the exercise of its functions have due regard to the need to;
 - a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
 - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it

- (3) Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to;
 - a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
 - b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
 - c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

- (4) The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

(5) Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to;

- a) tackle prejudice, and
- b) promote understanding.

(6) Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act.

- 10.2 The Council must ensure that it has sufficient information to enable it to identify whether a proposal, if implemented, would disproportionately affect particular groups with relevant protected characteristics and if so whether any such adverse impact can be avoided or mitigated.
- 10.3 The courts have established a number of principles which the Council should take into account in making decisions:
- the duty means that the potential impact of a decision on people with different protected characteristics must always be taken into account as a mandatory relevant consideration
 - where large numbers of vulnerable people, many of whom share a protected characteristic, are affected, consideration of the matters set out in the duty must be very high
 - even if the number of people affected by a particular decision may be small, the seriousness or the extent of discrimination may be great. The weight given to the aims of the duty is not necessarily less when the number of people affected is small.
- 10.4 There is also a duty on all Best Value authorities to consult when making changes to services or ending service provision.
- 10.5 In addition to these specific legal duties, the Council has put out its proposals for public consultation and accordingly must have regard to the responses before making budget decisions.
- 10.6 In summary it is necessary to ensure that Executive have comprehensive information when considering the recommendations to make to Council on a budget for 2019-2020 and proposals for 2020-2021. Case law has confirmed that, in order to fulfil the duty under S149 Equality Act 2010, Elected Members need to read in full the EIA forms and consultation feedback as it is a legal requirement that Elected Members have regard to all the relevant information and accordingly Elected Members are referred to all the information in this report including appendices and to the [equality assessments](#).

11. OTHER IMPLICATIONS

11.1 EQUALITY & DIVERSITY

Where specific equality and diversity issues have been raised as a result of

consultation, they are considered in the appendices of this report and through the equality impact assessment forms.

11.2 SUSTAINABILITY IMPLICATIONS

None

11.3 GREENHOUSE GAS EMISSIONS IMPACTS

None

11.4 COMMUNITY SAFETY IMPLICATIONS

The Council has a legal obligation under the Crime and Disorder Act 1998 to consider any community safety implications of its decisions.

11.5 HUMAN RIGHTS ACT

None

11.6 TRADE UNION

The Trade Union consultation feedback received to date on the proposals is subject to a separate report to this meeting of the Executive.

11.7 WARD IMPLICATIONS

As implementation plans are developed for the delivery of any budget decisions, following 21 February 2019, ward impacts will be further addressed.

11.8 IMPLICATIONS FOR CORPORATE PARENTING

There are no issues in relation to corporate parenting.

11.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

There are no impacts arising from this report on data protection and information security matters. Feedback from the consultation is anonymous. If any personal details were to be provided, they would not be published, and be securely held.

12. NOT FOR PUBLICATION DOCUMENTS

None

13. RECOMMENDATIONS

- 13.1 That in accordance with Section 149 of the Equality Act 2010, the Executive has regard to the information contained in this report, appendices and equality assessments when considering the recommendations to make to the Council on a budget for 2019-20 and proposals for 2020-21 on 21 February 2019.

14. APPENDICES

- Appendix 1 – Cumulative equality impacts for budget proposals (2019-20 and 2020-21) as agreed on 4 December 2018 for consultation
- Appendix 2 – Consultation feedback – service and equalities

15. BACKGROUND DOCUMENTS

Report to Executive on 4 December 2018: Proposed Financial Plan 2019-20 and 2020-21 – document Z with accompanying appendices

<https://bradford.moderngov.co.uk/ieListDocuments.aspx?CId=143&MId=6826&Ver=4>

Equality Impact Assessments (for budget proposals 2019-20 and 2020-21)

<https://www.bradford.gov.uk/your-council/council-budgets-and-spending/budget-eias-2019-20/>

Appendix 1 – Cumulative equality impacts for budget proposals (2019-20 and 2021-21), as agreed on 4 December 2018 for consultation

1. Total level of impacts across each protected characteristic group

Protected Characteristic	Impact Levels			
	High	Medium	Low	TOTAL
Age	6	4	7	17
Disability	3	5	5	13
Gender reassignment	0	2	6	8
Race	2	1	9	12
Religion/belief	0	3	6	9
Pregnancy/Maternity	3	2	6	11
Sexual Orientation	1	2	4	7
Sex	2	3	4	9
Marriage & Civil Partnership	0	1	4	5
Low Income/Low Wage	6	6	7	19

2. Proposals with multiple high impacts

Outcome	EIA Ref	EIA Heading	Age	Disability	Race	Pregnancy & Maternity	Sexual Orientation	Sex	Low income /low wage
Skills, Jobs, Economy	4C3	A prepared and skilled workforce	H	H	H	H	N	M	H
	4R2	West Yorkshire Combined Authority Transport Levy	H	H	N	N	N	N	M
Better Health, Better Lives	4PH1 part a	Oral Health Improvement - Services for Children 0-19	H	L	L	M	N	N	H
	4PH3	Sexual Health Services	H	M	L	H	H	H	H
	6X1	Welfare Advice and Customer Service Transformation	H	H	H	H	M	H	H
Safe, Clean & Active Communities	5E2	Youth Service	H	M	L	L	L	N	H

Appendix 2 – Consultation feedback – service and equalities

(Where proposals have received no comment through the consultation, these have not been included in the table below.)

NEW PROPOSALS FOR 2019/20 & 2020/21					
Ref	Proposal for Change	Equalities Impact	Mitigation	Feedback on service impacts	Feedback on equality impacts
		As published in November 2018			
OUTCOME: Better Health Better Lives					
6X1	<p>Welfare Advice & Customer Service transformation Fundamental change to the way the Council and its partners deliver customer facing Services, focussed on customers getting the 'right support at the right time'.</p>	<p>Welfare Advice services could support the full range of people with protected characteristics. Current services are available from independent office bases sited in town and city centres and multiple outreach venues.</p> <p>The proposal is likely reduce direct 'face to face' time for customers as well as centralising service access routes.</p> <p>It is unlikely that the specialist service for people with complex and/or continuing long term health conditions could be maintained</p> <p>Some possible outcomes from the above could be longer waiting times to access services; Increase in those not able to manipulate and/or access internet based options being 'excluded' from services. This is more likely to affect older people, those on low incomes; those without access to computers and/or smart phones; people of no 'fixed abode' and refugees.</p> <p>Overall welfare advice services help people to stabilise their incomes and other aspects of their lives such as financial management, with a focus on preventative advice and offer earlier intervention to avoid adverse impacts, the changes could initially mean Increased use of Housing Options and Council benefit services</p>	<p>To manage what is likely to be a greater call on both services, the project will source more comprehensive digital access methods with increased functionality for customers.</p> <p>Three integration pilots between the Council and current welfare advice contract holders have already started with the aim of reducing 'wasted' contact for the public; filtering queries to the 'right place at the right time' aiming to open up the system enough to manage the complex and difficult problems presented more efficiently. Learning from these will be applied to underpin the new approach</p> <p>New multifunctional IT systems that can support customers to manage lower level 'self service' functions themselves. Any new IT systems should also be able to manage case work and integrate performance management systems across partner delivery agencies</p> <p>Changing systems to a 'self service' orientated models will require publicity and appropriate support in order for the public to understand the change.</p>	<p>The service can't rely on digital as many people do not have good IT skills. When testing digital services, Government figures have shown that 23% of people completing their online survey between 31 January 2016 and 22 May 2018 required help from a non-GOV.UK source. There will also be a further cost of technical IT support being needed in remaining centres. IT systems cannot provide a personal/individual enough service.</p> <p>With library services reducing/changing there are also limited places for access to public computers. English language limitations also make online information inaccessible. Some people also need home visits, which helps people to be more independent. Reducing these services will likely put more people in to poverty and crisis and needing to use food banks or meal provision.</p> <p>These services delivered by the VCS are valued by citizens. They help mitigate short term impacts and help people to stabilise their income over the longer term. They offer early help and preventative support for people thereby saving overall system costs. Some people are concerned that crime levels may go up if people become destitute and desperate. The service also offers good value for money and employment and training opportunities, which can develop the dedicated volunteers into future advisers, administrators, lawyers etc. Every pound spent on good advice leads to money being spent in Bradford - it was suggested that approx £1m in funding reaps £8m in financial benefit (CAB).</p> <p>Current providers work with thousands of people each year, many of whom are vulnerable, experiencing severe financial hardship, experiencing mental health issues and/or domestic violence; people with disabilities; and the homeless. These cuts may leave many people without access to any form of advice, which is necessary as navigating the 'system' can be very complicated. Also when statutory services get things wrong and people are denied help or money, they will not have the support to get justice.</p> <p>Many people cannot access digital methods or afford the return bus fare to the city centre should the service be centralised – including some older people. Public transport is also not accessible to everyone.</p>	<p>The stated mitigation will not provide acceptable outcomes for a range of people. Exclusion is likely to increase, even with intentions for face to face time being released. Currently vulnerable people are having difficulty with Universal Credit applications.</p> <p>More consideration of mitigations is needed for those with complex/long term health conditions. People with mental health issues also need to be considered. This is exacerbated where these people do not have family and friends to help them.</p> <p>Technology and self-help must be additional to traditional ways of accessing service. Cost reduction measures must not make access to services any more difficult for vulnerable groups; access must be prioritised over reducing costs.</p> <p>Equality impacts need to identify people who can't access online systems.</p> <p>It was stated that during 2017-2018 over 57% of people presenting for advice had some form of disability or long term health condition, with these people therefore disproportionately impacted by any reduction in advice services.</p> <p>The cost of a day bus ticket in to the city centre to seek support is not insubstantial on a low income and the alternative of a long walk each way (usually involving a hill) is not achievable for older or less mobile residents.</p> <p>Some women in particular who don't have English as a first language (in some cases former asylum seekers) need help to ensure their potentially inconsistent employment and benefit support are complimentary, ensuring a regular minimum income. Advice services provide this. Any reduced service will impact on these women especially.</p> <p>Information was shared from analysis undertaken by Bradford Community Advice Network in 2015 as stating there were significantly higher proportions of some key protected characteristic groups among advice clients than in the district's population.</p>

				<p>Having drop-in and appointment provision within walking distance improves engagement with hardest-to-reach residents and gives them a safe and secure place to discuss their needs.</p> <p>Advice is often of a time critical nature - less face to face contact time will reduce the quality of support and lead to longer waiting times. There are already long queues at centres with the service already over stretched. Existing central services do not have capacity and often suggest people use their local centres.</p> <p>The Council should continue to work with the VCS within the communities that they are based. Creating hubs with other services is to be encouraged but should still be community based so that additional social value can be provided.</p> <p>GP services could be included in community hubs, alongside advice support. There is a suggestion as well that advice services run from NHS settings are more effective.</p> <p>It is felt this proposal will have a negative effect on other proposals such as the Adults Demand Management (and Homes First vision) with greater demand likely to be created for social workers. Some however value the investment in a more effective digital system.</p> <p>An alliance with local CCGs should be discussed to collaborate on services - e.g. the Bradford Champions groups organise walking groups and singing sessions for vulnerable/elderly to ensure they are not isolated and stuck at home.</p> <p>It is suggested that there are now more people in deprivation coming to Bradford putting yet more pressure on advice services. It is felt that customer services and advice services are two distinct functions that should not be amalgamated. Any integration must maintain independent advice.</p> <p>Current process is hard to navigate which causes stress, major risk that this will get worse. The advice sector and VCS organisations have already identified gaps in services e.g. loss of advocacy service for people with disabilities. Good effective advice supports the growth and links in local communities. If removed grey economies could develop, leaving people being excluded and isolated, leading to greater dependency. It was felt that this could potentially increase criminality. Might also lead to increasing fears and lead to illegitimate exploitation of people. Need to promote where other funding is available to support advocacy and advice. It is also felt there are currently not enough welfare and benefits experts.</p> <p>There is also concern that professionals from other organisations are having to take on roles such as filling out PIP forms. Any reductions will increase this pressure. It is also suggested that a triage type process could be introduced which would alleviate the burden.</p>	<p>Disabled (physical, sensory, mental health, learning, cognitive) clients made up 45% of clients; Black and minority ethnic communities made up 53%; 47% of advice interviews were conducted in languages other than English; Children's Centres and GP surgery sessions had 65% female attendance.</p> <p>People with disabilities already have barriers and the loss of welfare benefit will have a major impact on their ability to maintain their independence.</p> <p>There was concern of the impacts on children for this proposal.</p>
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6PH1	Air Quality Monitoring Programme Reduction of posts in Pollution team and reduce the numbers of operational 'real time' automatic air quality management stations from seven to four.	Proposal will impact provision across the district, but disproportionately impact on low income/low wage households. Poor air quality is more prevalent within the ring road of Bradford, the location of the most deprived wards of the district. Although the removal of monitoring equipment does not change air quality, the ensuing loss of evidence base may impact of the identification of reduction strategies and an ability to measure their effectiveness.	The recent Ministerial Direction to deliver a business case will present opportunities for DEFRA funding. It is possible that funding may be secured to maintain the operation of the AQM stations in conjunction with the delivery of the full business case	Loss of staffing will lead to no specialist expertise in the council. Short term funding may help but is not a long term solution.	No equality comments provided.
OUTCOME: Safe Clean Active					
6E1	Parking Charge Increases Increase parking charges, and introduce charges, across the district for on- and off-street parking	Could disproportionately impact those on low incomes/wages as the cost increase will be more significant for this group.	Consideration could be given to purchasing an annual parking permit for designated car park in area rather paying daily parking charges. These can also be set up as a monthly direct debit to make it more affordable for people. They could also consider using private car parks on the outskirts of the city centre where tariff may be cheaper.	Increasing parking charges will reduce consumer spending in Bradford city centre.	No equality comments provided.
6X1	Welfare Advice & Customer Service transformation	<i>See comments under 6X1 in Better Health Better Lives outcome.</i>	<i>See comments under 6X1 in Better Health Better Lives outcome.</i>	<i>See comments under 6X1 in Better Health Better Lives outcome.</i>	<i>See comments under 6X1 in Better Health Better Lives outcome.</i>

PROPOSALS ALREADY CONSULTED ON IN 2017/18, FOR FURTHER CONSULTATION

Ref	Proposal for Change	Equalities Impact	Mitigation	Feedback on service impacts	Feedback on equality impacts
		As published in November 2018			
OUTCOME: Better Health Better Lives					
4PH2	Substance Misuse Service – combination of redesign, and re-commissioning recovery service, dual diagnosis service, supervised medication programme, and inpatient detoxification services.	Impact assessments have identified that this range of proposals could have impacts on a wide range of service users across the range of protected characteristics.	Any new contracts will continue to have the same equality requirements of the Provider under the Equality Act 2010 as the current tender. The new service specification being commissioned requires that the service is provided through various types of provision and that the service is integrated throughout providing continuity for service users. Services will be more community based with access points in multiple sites in non-substance misuse specific services making it easier for all sections of society to access them.	Support for the most vulnerable must be maintained. Drug use goes hand in hand with mental ill health, family breakdown, anti-social behaviour and crime and homelessness – putting a strain on other services. It was felt the integration of services needed to be maximised, and opportunities further promoted. It was suggested that the NHS is shortly to receive more funding and that funds could be pooled to better support a sexual health service. The reduction of resources will have an impact on people with mental health issues. Some agree that we should go with the integration of services however this needs to be supported with tangible / actual support services. For example housing. It was suggested that early help is the right way forward however the lack of tangible performance measures may make it hard for policy makers to measure the impact of interventions and prioritise and shape services.	No equality comments provided.
4PH3	Sexual Health - combination of redesign, review and ceasing services Health development with young people, sex and relationship education in schools, emergency hormonal contraception	Some of the services are designed specifically for parts of the population who share a protected characteristic. Therefore services are provided disproportionately to those parts of the population and the impact will reflect this.	The SRHS that is commissioned is part of a wider Sexual Health economy with GPs providing oral contraception and STI testing which is commissioned by NHSE from GP practices as part of their core service offer. Bradford residents would still be able to access SHRS (oral contraceptives and STI screening) within their community through their GP practice and Long Acting Reversible Contraceptives (coils and implants) and STI testing and treatment, through the SHRS that would stay situated centrally within the city centre making it accessible to all. The Council should pay more attention to local factors rather than relying on national trends.	It was suggested that these services are running with high numbers and consequent concerns that reductions might create a waiting list situation.	It has been suggested by a practitioner that people of BME backgrounds are most likely to be impacted by this proposal, and that more support from within those communities needs to be enabled, with targeted training for them. It is felt that this service will disproportionately affect homosexual and bisexual people, women, young people and some BME people. It is felt this service has been historically underfunded and already cut too much. There was also concern over the impact on equality groups generally.
4PH4	Tobacco –combination of redesign, review of current service model to a stop smoking service targeted at smokers from the most disadvantaged groups and ceasing other services.	At this stage the evidence is not available to confirm whether there will be disproportionate impacts. Further analysis will be needed to build on the equality assessment.	Smoking is strongly related to health inequality and poverty. Services are designed to ensure that disadvantaged smokers make full use of Stop Smoking Services, and medications may increase the quit rates amongst less affluent smokers. However there may be a negative impact as the service becomes targeted and it may potentially stigmatise smokers, for example, based on social class or health condition.	Areas of social deprivation needs a focus and be prioritised in service design. Need to ensure targeted services are accessible to the most isolated and have tangible results. Accountability was also felt to be needed. There was concern that if we target particular people, then those not targeted are left unsupported which might create inequalities. It could be a false economy to reduce services now as smokers will be those who will disproportionately need greater care support. A more creative approach on health checks is felt to be needed, to increase take up, but it will also help address issues such as social isolation. There are wider health benefits from this service, so	No equality comments provided.

				resources should be pooled across the Health and Social Care system to maximise the impact of resources and investment, while improving overall impacts.	
4E11	Sport and Physical Activity – investigate all methods of future operational service delivery with a combination of transfer, closure, new facilities, alternative delivery models and raising additional income.	No impacts identified	N/A	There was concern over the potential of Bingley Swimming Pool closing.	No equality comments provided.
6A1	Adults - Overall Demand Management Strategy - moving from a dependency model to one that promotes independence and resilience (e.g. reducing numbers coming in to care, care system culture change, speeding up integration, redesign enablement, reviewing financial needs, continued personalisation).	<p>Older people and people with Mental Health & Learning Disabilities will predominantly be affected by this proposal but the focus will be on personalised services for people so the impact on protected characteristics will be mitigated at individual level.</p> <p>As part of the Strategy to reduce residential and nursing places it is intended that more extra care schemes are developed, which will help to improve people's lives and reduce expenditure across all groups.</p> <p>As the proposal is developed, the detail of impacts will be further assessed to ensure any potential implications on protected characteristics are minimised.</p>	<p>Our approach will seek to focus on people's strengths and enabling people to manage properly understood, proportionate and positive risks in living their lives. We will undertake individual assessments and carry out extensive engagement with service users, carers and advocates to ensure seamless transitions for any service users affected. This will enable us to meet our duty under the Care Act 2014 and mitigate against any disproportionate negative impact on any person with a protective characteristic.</p> <p>By offering other options for people in terms of housing and care support, people will have the opportunity to access appropriate services that meet their assessed needs and be in a position to maintain their independence and to continue to have a positive contribution and be inclusive in their local community. This will ensure where possible people with particular characteristics are not disproportionately affected. We will further review the potential impact on protected characteristics as part of the development of the delivery programme</p>	<p>There is concern for the future of community care. This service should be seen as a top priority for the Council. Those people already being asked to contribute to their care from their benefits are being put at risk of poverty. It is also felt that external contracts for assessing care needs are not effective.</p> <p>There is a strong link between changes in social care and the reliance on advice services. The two proposals need to be considered alongside each other - as people get into more debt they end up needing more services, which will have an impact on their general health and wellbeing and this in most cases will mean they will need support from the public sector. Concern has been shared on the reliance of online services, and a loss of face to face services.</p> <p>There was a strong feeling from some that there is a disproportionate burden on Adult Social Care and as such Health partners need to provide more support.</p> <p>It was felt that joined up services was a good idea – however it seems that history shows a focus on being medically led rather than having a wellbeing approach, bringing an imbalance.</p> <p>Health and other professionals view a person from their main condition (e.g. autism) – this tends to mask other issues, which is a major risk and the consequence could be that other serious health issues are not picked up.</p> <p>Prevention services need investment to make sure the number of complex health needs is reduced. These services also need to be clearly communicated to those who are on the margins of society.</p>	Overall the disproportionate effect of this budget proposal will have a big impact on poor and disable people.

OUTCOME: Better Skills More Jobs and a Growing Economy

4E8	Events and Festivals – review to develop a more sustainable and balanced events programme and review grant funding while protecting key organisations.	Potential for greater impact on people of low income / low wage. The events are primarily free to attend and any reduction in their delivery could reduce the opportunity for people to attend cultural activities.	Review of Events and Festivals framework is on going and will take into account the protected characteristics to mitigate any disproportionate impacts.	Events should not be decreased as they are one of the best things Bradford offers for everyone such as the light festival and literature festival. It is amazing for the great number of children living in Bradford. Others think that events should be reduced so that money can be invested in more basic services like public toilets, or welfare advice. Cultural events should take place across the district and not just in Bradford city centre.	No equality comments provided.
4E9	Libraries – Review provision of Library Services across the district, consider	Potential reduction in the number of libraries directly managed by the Council may impact on those groups, young and old or low income/low wage that have no	Consultation with and support for communities to help develop proposals and implementation of models of community	Concern over the loss of the quality and diverse offering Bradford district libraries offer. The service is recognised by national bodies and is seen as a 'jewel	Concern over the number of children, young people and families who could find themselves disenfranchised as their local

	alternative delivery models.	alternative access to information or educational/reading materials through other sources (e.g. on-line, purchased) or use libraries as social gathering points.	management outside Council control.	<p>in our crown'. Libraries are useful, current and life enhancing and are thought to be statutory by law and should be valued.</p> <p>Consideration should be given to imposing library levies on house builders.</p> <p>Libraries need a core of professionals running them; reliance on volunteers does not create an effective service, with paid staff also being more accountable. There are also consequences with DWP for volunteers, which it isn't felt is acknowledged. It is suggested that libraries could be merged to make them more cost effective.</p> <p>More could be made of library buildings such as using them for live music, renting out space/rooms. It was also suggested that paid memberships be set up or have greater fees for books as a means of getting an income. A further alternative was for people to buy in as stakeholders, going beyond just Friends Of groups. It was felt that opening hours could be reduced/adjusted to open when most needed.</p> <p>Libraries are not just for borrowing books but are used as bases for education, computer use and printing, learning, socialising (especially for lonely vulnerable people), genealogy groups, reading groups for boys, craft fairs, speakers, computer courses.</p> <p>Concern over existing investment in building fabric being lost.</p> <p>City Library should be moved to a property that is owned by the Council. There is also concern that the home delivery service will be cut.</p> <p>One respondent shared their view that the Council should provide a single point of contact in Bradford for the district, remodelling an existing building (Media Museum, Margaret McMillan Tower suggested). The focus should be beyond a traditional library service and become an 'ideas centre' incorporating café, book shop, gallery, research etc. Community libraries would then be sold to create the revenue.</p> <p>Government should be approached to provide investment to alleviate digital poverty (this would help the library service amongst others).</p> <p>Particular concern has been raised over the impact on children and their future development. This included concern on the impact on schools with more outreach suggested as an alternative.</p> <p>If there is any move to having library 'clusters' more consultation will be needed to ensure they are recognised by communities themselves.</p> <p>The Council seems to be considering a number of hubs across different proposals, including libraries. There was a suggestion that these should be better aligned.</p>	<p>library is lost and larger libraries in the district offer a reduced service.</p> <p>It is felt the impact of a reduced library service will impact on those people with low incomes.</p> <p>The concern over the potential loss of the home delivery service will have a detrimental impact on those who are house bound – it provides a valuable service that gives quality of life for those with few other options for pastimes. Some suggest they would be willing to pay a nominal fee to continue having access to this service.</p>
4C3	Children's Services – When the current Connexions contract ends in August 2019, re-design the activity to bring the service in house at a reduced cost. Skills House to be funded from base from April 2020, along with seeking partner contributions for an expanded service, some of the costs will be	This proposal in regard to the Connexions Service contract will have a negative impact on people who share a protected characteristic. This service directly supports young people who are NEET, the cohort being comprised of young people with complex and multiple needs related to the protected characteristics and long-term low-income unemployed adults	To mitigate the potential disproportionate impact of the Connexions Service proposal, there will be a re-design of the Connexions type activity to provide a minimum statutory service with a greater reliance on the Bradford Pathways approach that will be underpinned with more effective information, advice and guidance framework. Greater linkages and working with other front line staff working with young people will also be explored. It is not feasible to fully mitigate	It is suggested that removing preventative services from young people in Bradford will only lead to more cases reaching a higher threshold of need - this will damage those young people, impact on their families and their futures and add more pressure to already over-subscribed social care case loads. There is particular concern for young people not in education, employment or training. It was suggested that managerial levels could be further reduced to help costs.	No equality comments provided.

	offset through the reductions in the Connexions contract.		the impact of the proposals given proposed funding levels		
5E1	Museums and Galleries – Review of service to include potential for income generation, service efficiency and integration and remodelling of operational delivery	No impacts identified	N/A	<p>There was a suggestion that some of the district's arts collections could be sold to raise revenue for vital services currently at risk. Museums are used as locations for people to meet, and are a valuable resource for communities, especially those people and groups who would not be able to afford to pay for their own venues. There was concern over any reduction in opening hours, as that would further reduce visitor numbers.</p> <p>There was some support for joining up services further. For example promoting museums through art installations in libraries; community outreach skills shared; story telling moved from libraries to museums. Volunteering was seen as positive but that people needed support and training, that professionals can't be fully replaced; pooling knowledge across volunteer groups (eg Friends of...); running taster sessions for volunteers.</p> <p>There are opportunities for greater commercialisation through selling or promoting art collections; exploring the available public space for events; linking up with Visitor Information Centres; and creating a history/art trail.</p> <p>Venues need to be made more informal, welcoming and inclusive. Further exploration of funding opportunities that 'Friends Of' groups can bring in.</p>	No equality comments provided.

OUTCOME: Safe Clean and Active Communities

4E1	Parks and Bereavement management rationalisation; withdrawal from direct management of sport pitches and bowling greens; raise prices of bereavement services.	<p>Impact on clubs with lower level of membership / players and/or financial resources at their disposal which could ultimately result in some clubs to merge or disband</p> <p>With regard to bereavement service proposals, any increase in charges, particularly at a rate above inflation, will by definition have a disproportionate effect upon those on low incomes for a service that cannot be viewed as discretionary.</p> <p>Given that cremation charges are currently lower than burial charges, particularly should a new grave be required, any percentage price rise will generate a higher cash increase in the cost of burials than that of cremations. This could represent a disproportionate effect for those religious/faith communities that due to their beliefs have no choice between funeral types. The Muslim and East European communities fall in this latter group.</p> <p>The implementation of a flat rate cash increase to both cremations and burials would however have increased the cremation charge to a level disproportionate to that of the burial charge in terms of comparator values of neighbouring Councils.</p>	<p>There is a growing interest from local communities, residents, Parish/Town Councils and sports clubs to become more involved in the operation of public assets, particularly where the opportunity exists to develop community use. Such as having direct access to a range of grant funding bodies whilst 'ownership' allows increased sponsorship and fund raising opportunities.</p> <p>The Service would seek to support individuals/groups of clubs both directly and through the National Governing Bodies to take overall responsibility and would consider an incremental approach over a defined period. Prior investment in the assets to transfer together with elements of seed funding and appropriate rent will allow financially sustainable organisations to develop.</p> <p>The most deprived/low income communities receive support for the cost of funerals from the Council through Adult Services.</p> <p>The proposed above inflation increase in charges for funerals will result in local service users continuing to pay less than the average within West Yorkshire for all services.</p> <p>It is intended to introduce a reduced rate for</p>	Cricket pitches need refurbishing.	No equality comments provided.
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			<p>the walling of graves to coffin height which will mitigate the effect of the increases for those faith groups that adopt such a requirement</p> <p>It was suggested that cremation charges shouldn't be increased to offset the costs of burial.</p>		
4E2	Waste Collection and Disposal Services – increased levels of recycling, reduction in residual waste and improved efficiencies.	The proposal is likely to have no or a low impact on everyone so it is considered that there is no disproportionate impact on any group who share protected characteristics. It is however recognised that a move to alternate weekly collection could result in the residual waste bin being heavier to move around.	The Council already provides assisted bin lifts for residents where mobility or accessibility issues arise. In this circumstance the resident can call the Contact Centre and a home visit will be arranged to assess how the Council can help.	Current provision does not work, as some streets still have a huge amount of rubbish on them, encouraging vermin that is also getting in to people's homes. Find ways of recycling waste to use as heating. Suggestion to provide incentives for recycling as other Councils do.	No equality comments provided.
5E2	Youth Service – Reduction in the support of youth support activities across the district. In 2019/20 this was to cease youth work grants (already consulted on), and in 2020/21 this is to reduce the Council's Youth Service base budget, with the EIA reflecting these impacts.	There will be disproportionate impact on young people aged 13-19 and on young people with disabilities up to the age of 25. The reduction will mean that the Youth Service will be less responsive to emerging needs of young people and there is likely to be a negative impact in some of the work areas where youth workers currently make positive interventions. Some of the areas of work this will include are: Child sexual exploitation, anti-social behaviour, community tensions and school holiday programmes.	The Youth Service will attempt to raise external funds to continue the interventions the service currently undertakes. Mental Health work currently is funded by Health and the plan will be to continue this.	<p>Existing cuts to youth services have led to anti social behaviour and crime. Young people need a safe space to go to meet with friends, discuss with a trusted adult issues of concern and think about life choices. There are knock on effects of these cuts to other services, such as policing. As a preventative service it should be invested in. Some felt that there are already insufficient services for young people and that further reduction will lead to alienation and impact other services.</p> <p>There is also concern that any reduction in youth services at the same time as a reduction in advice services will leave young people with little support.</p>	No equality comments provided.
OTHER					
15a	Council Tax (CT)	n/a	n/a	<p>Wages are not rising as fast as CT increases, therefore leading to more people in poverty. There is concern from some that they will not be able to feed their families – having paid their rent, kept a car on the road so they can get to work there is little money left. Some think that CT should increase so that greater investment can be made in services and vulnerable people better supported.</p> <p>It was suggested that the percentage of CT from claimants on benefit should be increased from 25% to 50%. This increase in income will help the Council and will help to not increase the CT by 2.99%. It is felt a lot of debts were written off by the Council last year, so increasing CT will only increase that debt. Others believe that more effort is needed to recover debts. There was a suggestion of having CT paid directly from payslips to avoid non payment.</p> <p>It is suggested that more CT needs spending on outlying areas, rather than just central Bradford. There was also concern that where parish and town councils exist there is additional taxation (precept) propping up the Council's withdrawal of services, which is not fair. Concern that CT payment is particularly difficult for disabled people, some of whom are already not using their heating during cold weather.</p>	No equality comments provided.

GENERAL COMMENTS ON PROPOSALS NOT FORMALLY FOR CONSULTATION

Ref	Proposal for Change	Equalities Impact	Mitigation	Feedback on service impacts	Feedback on equality impacts
		As published in November 2018			

OUTCOME: A Great Start and Good Schools for All Our Children

4C2	Early Years - From 2017 part of the Dedicated Schools Grant will be removed. Plans are being formulated to develop a coherent and targeted suite of early years' services including early help, family centres and early years' including Children's Centres. The proposal is included here as there could be staffing implications.	<i>This proposal was consulted on in full previously. See Executive Document AC 7th November 2017.</i>		<p>There was concern that with increasing demand reductions could not practically be made to this service. Support should be accessible without thresholds, and before crisis is reached.</p> <p>The Council seems to be considering a number of hubs across different proposals. There was a suggestion that these should be better aligned – with children's early help/prevention services and libraries mentioned in particular.</p>	No equality comments provided.
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OUTCOME: Safe Clean and Active Communities

4E5	Street Cleansing and Public Conveniences – reduction in street cleansing resources for 2019/20	<i>2019/20 proposal has already been consulted on so the Equality Impact Assessment has not been replicated</i>		<p>Greater focus needed on sanitation and keeping the streets clean. Concern over levels of fly tipping. There was a suggestion that bins should be upgraded. Suggested to have quarterly bulk waste clean ups. Also to require residents and businesses to keep public spaces around their homes/offices clean, reducing the burden on the Council. Put in place more litter bins such as at all bus stops and takeaways. Suggestion that enforcement to stop littering should be publicised more as a deterrent.</p> <p>There were a few comments about closure of public toilets and the consequent loss of a valuable community resource, and possible health issues.</p>	No equality comments provided.
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OTHER COMMENTS – NOT RELATING TO PROPOSALS

Topic	Comments
Lobbying	There are a number of services which should be funded by government which district leaders need to lobby government for – anti knife crime initiatives, energy efficient street lighting. Government should be approached to provide investment to alleviate digital poverty (this would help the library service amongst others). There was an acknowledgement that Bradford Council should not be blamed for austerity.
Business investment	The Council needs to do more work on encouraging new businesses to set up in the district. Have a review of the retail offer in Bradford city centre, with a strategy to attract more consumers by controlling the costs for coming in to Bradford.
Efficiencies	It was felt that the number of Councillors should be reduced, and that wages should be decreased for both Councillors (including special payments) and Officers (in particular the most senior officers). In some services it was felt there are too many layers of management and staff are being demotivated by poor management styles. Catering costs should be reduced. Christmas meals should not be at the tax payers' expense. The Lord Mayor's car is not a requirement. More enforcement to raise money, for example around parking, and better checking of people's finances to ensure they are paying what they should be. There was some support for long term investments that will save money in the longer term. It was suggested that the Council should invest in local organisations rather than contractors from outside of the district. Also there should be less reliance on consultants to undertake projects, where often the outcome is already known. There is a suggestion of bringing together a wide range of services (housing, customer services, career and life skills advice) into one building. Enhanced procurement processes would help, with Manchester given as a good practice example. It is felt that there is a lot of overlap in outcomes trying to be achieved by various services, and that they should be better connected.
Education	There should be more funding for education. The school system should change, with a greater number of small schools rather than fewer big schools, where respect between teachers and pupils is harder to develop, has greater impact on transport to/from the school with the numbers of pupils involved.
Highways	Reduced spending on highways is already having big impacts, with repairs being made very slowly. A rolling programme of repairs to stay on top of the problem is suggested. Some consultees support greater investment in our highway infrastructure. Gritting of estates and pavements should be reduced and more grit bins provided for communities to be self sufficient.
Capital investment	Building a new sports facility in Wyke was not deemed by some to be a good investment with the cuts having to be made. It has been questioned whether investment schemes will reap the benefits suggested – for example businesses should undertake impact assessments to identify the real social impact of schemes such as redeveloping rail stations.
Housing/Homelessness	Concern over the lack of social housing and shared ownership schemes. There was a supportive comment stating that the Council were doing what they can with homelessness (and youth unemployment). Other comments suggest that homelessness needs greater prioritisation and should be offered like NHS services at the point of need. There is a suggestion that more consultation work should be done on the use of brownfield sites in the district and that former mill buildings should be given a new lease of life rather than sit unoccupied. This would protect historical buildings and safeguard more green sites. It was suggested that the Council could make more money through renting property, and through this providing employment.
Health - general	The Council should take back the responsibility for providing a service to people with mental illness and not send the service out to tender which is then run as a business, not a service.
Income opportunities	There are opportunities for creating income through nominal charges– a community group suggested a small charge for sending event risk assessments for a local event to the Council would have been acceptable. Rate relief seems to be imbalanced – some businesses qualifying, others not.
Active citizens	The PeopleCan initiative was supported but was felt to need further promotion. Community wealth building should be used to empower the local community.
Climate Change	Concern over lack of any reference to climate change in the budget. Efforts are needed to reduce carbon dioxide emissions, tighter building control, converting any unused premises into homes. It is also suggested that investment is needed in a Peace Museum to complement the work the university does on this agenda. "Decarbonisation" of both the Council as an organisation and the district economy is a strategic priority that must be reflected in the Council's priorities and all of its financial planning. It was stated that any strategy for the district to deliver Council priorities that rest on a fossil fuelled economic growth model is reckless and no longer tenable. Continued reliance on this model will not deliver the health, jobs, better homes, education or environment that we need. A Council and community-wide Climate Emergency Plan or Zero Carbon Plan is needed. More tree planting is needed. One respondent provided the following web resource for assessing climate impact on the economy - Can Do Cities: http://www.candocities.org/energy-and-carbon/bradford which shows how much you could save if you reduce energy use, stimulate the economy, create new jobs, cut household bills and reduce the running costs of buildings, transport and industry. It was also suggested that clean energy should be generated on council properties. Investments can pay back very quickly if the current best performing technologies are used. Hydro plans, such as in Saltaire, should also be considered as an investment.

Addendum to the Report of the Assistant Director, Office of the Chief Executive to the meeting of the Executive to be held on 5 February 2019 (Document 'AR')

Subject:

Consultation feedback and equality assessment for the 2019-20 Council budget and proposals for 2020-21 Council budget.

1. Summary

- 1.1 The report (Document AR) of the Assistant Director, Office of the Chief Executive was published on 28 January 2019 to be presented to the Executive at the meeting to be held on 5 February 2019. The report includes information from the public engagement and consultation programme in relation to the budget proposals for the 2019-20 and 2020-21 budget.
- 1.2 The public consultation and engagement programme continued until 27 January 2019 meaning that there is a requirement to provide details of further information and comments received from 25 January when the report was submitted for publication to the end of the consultation. This addendum therefore provides an update on feedback received during these additional few days.

2. Updates to the feedback received through the consultation

- 2.1 By the end of the consultation on 27 January 2019, the Council had received 588 comments from people or groups. Of this, 498 were in direct relation to the different budget proposals for 2019-20 and 2020-21, including the proposed increases to Council Tax. A further 90 comments have been made that are not specific to particular proposals for the next two years. These comments were received from the online questionnaire (333), postal questionnaire (158) and letters and emails (15). Of the letters and emails received, 7 have been representations from organisations with an interest in the proposals, be that other public sector organisations or small organisations currently delivering services on behalf of the Council.

2.2 Monitoring of the corporate social media accounts and Stay Connected newsletters on the budget consultation has shown 1697 click-throughs to the online consultation pages.

2.3 The proposals generating most comments through the survey and letters/emails received were:

Proposal	Number of responses
Welfare Advice & Customer Services (6X1)	247
Libraries (4E9)	119
Raise in council tax	68
Youth service (5E2)	8

2.4 A further 20 proposals received fewer than five comments. Street Cleansing, which was consulted on last year, has also received 14 comments this year, even though the budget for this proposal has already been agreed.

2.5 From publication of Document AR to the end of the consultation on 27 January 2019, there were no further proposal specific consultations.

2.5 Appendix 2 of Document AR, presented again at appendix 1 of this addendum, has been updated to include further comments received on each proposal over the last three days of the consultation. This includes comments received through the online survey, postal questionnaires and emails from the general public and voluntary and public sector partner organisations. The additional comments have been highlighted in bold.

Appendix 1 – Consultation feedback – service and equalities

(Where proposals have received no comment through the consultation, these have not been included in the table below. New comments from the feedback provided in Document AR are highlighted in **bold**)

NEW PROPOSALS FOR 2019/20 & 2020/21					
Ref	Proposal for Change	Equalities Impact	Mitigation	Feedback on service impacts	Feedback on equality impacts
		As published in November 2018			
OUTCOME: Better Health Better Lives					
6X1	<p>Welfare Advice & Customer Service transformation</p> <p>Fundamental change to the way the Council and its partners deliver customer facing Services, focussed on customers getting the 'right support at the right time'.</p>	<p>Welfare Advice services could support the full range of people with protected characteristics. Current services are available from independent office bases sited in town and city centres and multiple outreach venues.</p> <p>The proposal is likely reduce direct 'face to face' time for customers as well as centralising service access routes.</p> <p>It is unlikely that the specialist service for people with complex and/or continuing long term health conditions could be maintained</p> <p>Some possible outcomes from the above could be longer waiting times to access services; Increase in those not able to manipulate and/or access internet based options being 'excluded' from services. This is more likely to affect older people, those on low incomes; those without access to computers and/or smart phones; people of no 'fixed abode' and refugees.</p> <p>Overall welfare advice services help people to stabilise their incomes and other aspects of their lives such as financial management, with a focus on preventative advice and offer earlier intervention to avoid adverse impacts, the changes could initially mean Increased use of Housing Options and Council benefit services</p>	<p>To manage what is likely to be a greater call on both services, the project will source more comprehensive digital access methods with increased functionality for customers.</p> <p>Three integration pilots between the Council and current welfare advice contract holders have already started with the aim of reducing 'wasted' contact for the public; filtering queries to the 'right place at the right time' aiming to open up the system enough to manage the complex and difficult problems presented more efficiently. Learning from these will be applied to underpin the new approach</p> <p>New multifunctional IT systems that can support customers to manage lower level 'self service' functions themselves. Any new IT systems should also be able to manage case work and integrate performance management systems across partner delivery agencies</p> <p>Changing systems to a 'self service' orientated models will require publicity and appropriate support in order for the public to understand the change.</p>	<p>The service can't rely on digital as many people do not have good IT skills or even own telephones with access to the internet. When testing digital services, Government figures have shown that 23% of people completing their online survey between 31 January 2016 and 22 May 2018 required help from a non-GOV.UK source. There will also be a further cost of technical IT support being needed in remaining centres. IT systems cannot provide a personal/individual enough service.</p> <p>With library services reducing/changing there are also limited places for access to public computers. English language limitations also make online information inaccessible. Some people also need home visits, which helps people to be more independent. Reducing these services will likely put more people in to poverty and crisis and needing to use food banks or meal provision.</p> <p>These services delivered by the VCS are valued by citizens. They help mitigate short term impacts and help people to stabilise their income over the longer term. They offer early help and preventative support for people thereby saving overall system costs. Some people are concerned that crime levels may go up if people become destitute and desperate. The service also offers good value for money (and additional services as a consequence) and employment and training opportunities, which can develop the dedicated volunteers into future advisers, administrators, lawyers etc. Every pound spent on good advice leads to money being spent in Bradford - it was suggested that approx £1m in funding reaps £8m in financial benefit (CAB).</p> <p>Current providers work with thousands of people each year, many of whom are vulnerable, experiencing severe financial hardship, experiencing mental health issues and/or domestic violence; people with disabilities; and the homeless. It was also suggested that some people are isolated, dealing with being controlled and are only allowed to attend their local community centre, which is their only means of getting trusted advice. A number of people are provided with GP and First Response contact details due to their poor health. These cuts may leave many people without access to any form of advice, which is necessary as navigating the 'system' can be very complicated. Also when statutory services get things wrong and people are denied help or</p>	<p>The stated mitigation will not provide acceptable outcomes for a range of people. Exclusion is likely to increase, even with intentions for face to face time being released. Currently vulnerable people are having difficulty with Universal Credit applications.</p> <p>More consideration of mitigations is needed for those with complex/long term health conditions. People with mental health issues also need to be considered. This is exacerbated where these people do not have family and friends to help them.</p> <p>Technology and self-help must be additional to traditional ways of accessing service. Cost reduction measures must not make access to services any more difficult for vulnerable groups; access must be prioritised over reducing costs.</p> <p>Fuller analysis is needed on who uses these services and the impacts on them – some say especially for older people and for those who can't access online systems.</p> <p>It was stated that during 2017-2018 over 57% of people presenting for advice had some form of disability or long term health condition, with these people therefore disproportionately impacted by any reduction in advice services.</p> <p>The cost of a day bus ticket in to the city centre to seek support is not insubstantial on a low income and the alternative of a long walk each way (usually involving a hill) is not achievable for older or less mobile residents.</p> <p>Some women in particular who don't have English as a first language (in some cases former asylum seekers) need help to ensure their potentially inconsistent employment and benefit support are complimentary, ensuring a regular minimum income. Advice services provide this. Any reduced service will impact on these women especially.</p> <p>Information was shared from analysis undertaken by Bradford Community Advice Network in 2015 as stating there were significantly higher proportions of some key</p>

				<p>money, they will not have the support to get justice.</p> <p>Many people cannot access digital methods or afford the return bus fare to the city centre should the service be centralised – including some older people. Public transport is also not accessible to everyone.</p> <p>Having drop-in and appointment provision within walking distance improves engagement with hardest-to-reach residents and gives them a safe and secure place to discuss their needs.</p> <p>Advice is often of a time critical nature - less face to face contact time will reduce the quality of support and lead to longer waiting times. There are already long queues at centres with the service already over stretched. Existing central services do not have capacity and often suggest people use their local centres.</p> <p>The Council should continue to work with the VCS within the communities that they are based. Creating hubs with other services is to be encouraged but should still be community based so that additional social value can be provided.</p> <p>GP services could be included in community hubs, alongside advice support. There is a suggestion as well that advice services run from NHS settings are more effective.</p> <p>It is felt this proposal will have a negative effect on other proposals such as the Adults Demand Management (and Homes First vision) with greater demand likely to be created for social workers. Some however value the investment in a more effective digital system.</p> <p>An alliance with local CCGs should be discussed to collaborate on services - e.g. the Bradford Champions groups organise walking groups and singing sessions for vulnerable/elderly to ensure they are not isolated and stuck at home.</p> <p>It is suggested that there are now more people in deprivation coming to Bradford putting yet more pressure on advice services. It is felt that customer services and advice services are two distinct functions that should not be amalgamated. Any integration must maintain independent advice.</p> <p>Current process is hard to navigate which causes stress, major risk that this will get worse. The advice sector and VCS organisations have already identified gaps in services e.g. loss of advocacy service for people with disabilities. Good effective advice supports the growth and links in local communities. If removed grey economies could develop, leaving people being excluded and isolated, leading to greater dependency. It was felt that this could potentially increase criminality. Might also lead to increasing fears and lead to illegitimate exploitation of people. Need to promote where other funding is available to</p>	<p>protected characteristic groups among advice clients than in the district's population.</p> <p>Disabled (physical, sensory, mental health, learning, cognitive) clients made up 45% of clients; Black and minority ethnic communities made up 53%; 47% of advice interviews were conducted in languages other than English; Children's Centres and GP surgery sessions had 65% female attendance.</p> <p>People with disabilities already have barriers and the loss of welfare benefit will have a major impact on their ability to maintain their independence.</p> <p>There was concern of the impacts on children for this proposal.</p>
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				<p>support advocacy and advice. It is also felt there are currently not enough welfare and benefits experts.</p> <p>There is also concern that professionals from other organisations are having to take on roles such as filling out PIP forms. Any reductions will increase this pressure. It is also suggested that a triage type process could be introduced which would alleviate the burden.</p> <p>It is felt that existing providers of advice services are already collaborating closely - sharing resources and skills, updating practices, problem solving. The legal need for trained advisors has also been highlighted meaning provision by generic staff is not possible. Due to Bradford's demographics advisors need to speak multiple languages, provide interpreters and provide home visits. There is also concern for the loss of expertise should these employees be made redundant.</p> <p>It is suggested that over 50% of clients are aged over 46 and statistically therefore less skilled to use digital services.</p> <p>It is felt that this contradicts Localism, NHS England's Well-being 5 Year Plan, Self-care & Prevention Agenda and community led support that is multi-agency and community based. Not only will this have the potential to exacerbate health inequalities but it will also result in general health and wellbeing deterioration in those communities who are dependent on welfare benefits at a time when GP services are already stretched.</p>	
6PH1	<p>Air Quality Monitoring Programme Reduction of posts in Pollution team and reduce the numbers of operational 'real time' automatic air quality management stations from seven to four.</p>	<p>Proposal will Impact provision across the district, but disproportionately impact on low income/low wage households. Poor air quality is more prevalent within the ring road of Bradford, the location of the most deprived wards of the district. Although the removal of monitoring equipment does not change air quality, the ensuing loss of evidence base may impact of the identification of reduction strategies and an ability to measure their effectiveness.</p>	<p>The recent Ministerial Direction to deliver a business case will present opportunities for DEFRA funding. It is possible that funding may be secured to maintain the operation of the AQM stations in conjunction with the delivery of the full business case</p>	<p>Loss of staffing will lead to no specialist expertise in the council. Short term funding may help but is not a long term solution.</p>	<p>No equality comments provided.</p>
6PH2	<p>Health Checks It is proposed that the current service will cease in 20/21 when it is no longer mandated. Options for efficient and targeted delivery of the programme will be explored with CCGs to consider how Health Checks and Healthy Hearts can work in a complimentary way and more effective way</p>	<p>The proposal will impact on adults in the age range of 40-74. It will however not discriminate disproportionately between the other protected characteristics these people hold</p>	<p>The service will be commissioned until such time as it ceases to be a mandated service. During this period, the service will continue to be monitored and data analysed to identify impact on the population of Bradford, and also work with partner organisations (e.g. PH England, Y&H Health Check Forum) for feedback on service or evidence based changes in the Yorkshire & Humber and UK wide. Any risks identified can then be mitigated accordingly</p>	<p>There is concern that a cessation of funding for the NHS Health Checks programme will result in adults taking little or no action to improve their own well-being until their condition deteriorates to a point where more serious interventions are needed. The Health Checks can actively reduce health inequalities allaying concerns that the programme would be taken up only by the "worried well". Furthermore, that it can successfully engage people with the greatest health needs, actively reducing health inequalities</p> <p>It is felt that these health checks need to focus on people with mental health conditions, learning disabilities and autism to acknowledge the huge inequality in life expectancy within these groups of people.</p> <p>It is felt to be a false economy to stop the annual</p>	<p>No equality comments provided.</p>

adult health checks.

OUTCOME: Safe Clean Active

6E1	Parking Charge Increases Increase parking charges, and introduce charges, across the district for on- and off-street parking	Could disproportionately impact those on low incomes/wages as the cost increase will be more significant for this group.	Consideration could be given to purchasing an annual parking permit for designated car park in area rather paying daily parking charges. These can also be set up as a monthly direct debit to make it more affordable for people. They could also consider using private car parks on the outskirts of the city centre where tariff may be cheaper.	Increasing parking charges will reduce consumer spending in Bradford city centre. Any increases should only be applied in areas of long-term parking where small shops etc will not be affected.	No equality comments provided.
6X1	Welfare Advice & Customer Service transformation	<i>See comments under 6X1 in Better Health Better Lives outcome.</i>	<i>See comments under 6X1 in Better Health Better Lives outcome.</i>	<i>See comments under 6X1 in Better Health Better Lives outcome.</i>	<i>See comments under 6X1 in Better Health Better Lives outcome.</i>

OUTCOME: Well Run Council

Page 166	Reduction in Grant to Parish and Town Councils – reduction in Council Tax support grant cut by central government	N/A	N/A	<p>It was felt this cut is being proposed with the expectation that central government will not make this grant in the 2020/21 Financial Settlement but without any certainty that this will take place. It was suggested the council is being premature in deciding this cut before knowing the reduction will take place. It is proposed that this decision be modified such that IF this grant is received from central government it must be passed on to town and parish councils.</p> <p>It was highlighted that a succession of government ministers from 2013 to 2017 has made it clear that there is an expectation that where this grant is received it should be passed onto parish and town councils.</p>	No equality comments provided.
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PROPOSALS ALREADY CONSULTED ON IN 2017/18, FOR FURTHER CONSULTATION

Ref	Proposal for Change	Equalities Impact	Mitigation	Feedback on service impacts	Feedback on equality impacts
		As published in November 2018			
OUTCOME: Better Health Better Lives					
4PH1	School Nursing and Health Visiting - redesign through development of a new service model which is fully aligned to the Prevention and Early Help model. <i>Please note this proposals affects both Better Health, Better Lives and Great Start, Good Schools but for clarity is shown here</i>	The services will be re-commissioned as part of the proposed Prevention and Early Help which was outlined in the Executive paper in November 2017. There is potential to impact on children and families across some protected characteristics but these will be mitigated wherever possible by focusing on identifying children at risk and targeting services on more vulnerable families and their children. An earlier consultation for this model completed in Feb 2018.	Using a phased approach will help to plan and prepare any emerging risks which can then be managed through the proposed Prevention and Early Help approach for a more integrated model for children and young people and the service will continue to provide statutory services.	There was concern over the apparent disinvestment from preventative services, such as school nursing and health visiting. There was concern the impact this proposal would have on already high rates of obesity and diabetes. There is also concern over the mental health of young people. A MIND funded programme (Ecominds) was outlined as having good results with similar schemes further supported.	No equality comments provided
4PH2	Substance Misuse Service – combination of redesign, and re-commissioning recovery service, dual diagnosis service, supervised medication programme, and inpatient detoxification services.	Impact assessments have identified that this range of proposals could have impacts on a wide range of service users across the range of protected characteristics.	Any new contracts will continue to have the same equality requirements of the Provider under the Equality Act 2010 as the current tender. The new service specification being commissioned requires that the service is provided through various types of provision and that the service is integrated throughout providing continuity for service users. Services will be more community based with access points in multiple sites in non-substance misuse specific services making it easier for all sections of society to access them.	Support for the most vulnerable must be maintained. Drug use goes hand in hand with mental ill health, family breakdown, anti-social behaviour and crime and homelessness – putting a strain on other services. It was felt the integration of services needed to be maximised, and opportunities further promoted. It was suggested that the NHS is shortly to receive more funding and that funds could be pooled to better support a sexual health service. The reduction of resources will have an impact on people with mental health issues. Some agree that we should go with the integration of services however this needs to be supported with tangible / actual support services. For example housing. It was suggested that early help is the right way forward however the lack of tangible performance measures may make it hard for policy makers to measure the impact of interventions and prioritise and shape services. It is suggested that the council should be fully appraised of the effectiveness, including cost effectiveness, and impact of community pharmacy services, with further discussions welcomed.	It is suggested that more analysis on equality impacts is needed before any budget reductions and closures of services are made for those proposals that are related to health inequality and poverty.
4PH3	Sexual Health - combination of redesign, review and ceasing services Health development with young people, sex and relationship education in schools, emergency hormonal contraception	Some of the services are designed specifically for parts of the population who share a protected characteristic. Therefore services are provided disproportionately to those parts of the population and the impact will reflect this.	The SRHS that is commissioned is part of a wider Sexual Health economy with GPs providing oral contraception and STI testing which is commissioned by NHSE from GP practices as part of their core service offer. Bradford residents would still be able to access SHRS (oral contraceptives and STI screening) within their community through their GP practice and Long Acting Reversible Contraceptives (coils and implants) and STI testing and treatment, through the SHRS that would stay situated centrally within the city centre making it accessible to all.	It was suggested that these services are running with high numbers and consequent concerns that reductions might create a waiting list situation. There is concern that young people who access current services such as through HALE, would not use their GP practice or a city centre service due to lack of trust. The level of STIs and pregnancies would therefore increase for young people. It is suggested that the council should be fully appraised of the effectiveness, including cost effectiveness, and impact of community pharmacy services, with further discussions welcomed. There is also likely to be an impact if PrEP were to	It has been suggested by a practitioner that people of BME backgrounds are most likely to be impacted by this proposal, and that more support from within those communities needs to be enabled, with targeted training for them. It is felt that this service will disproportionately affect homosexual and bisexual people, women, young people and some BME people. It is felt this service has been historically underfunded and already cut too much. There was also concern over the impact on equality groups generally.

			The Council should pay more attention to local factors rather than relying on national trends.	become available on the NHS.	
4PH4	Tobacco –combination of redesign, review of current service model to a stop smoking service targeted at smokers from the most disadvantaged groups and ceasing other services.	At this stage the evidence is not available to confirm whether there will be disproportionate impacts. Further analysis will be needed to build on the equality assessment.	Smoking is strongly related to health inequality and poverty. Services are designed to ensure that disadvantaged smokers make full use of Stop Smoking Services, and medications may increase the quit rates amongst less affluent smokers. However there may be a negative impact as the service becomes targeted and it may potentially stigmatise smokers, for example, based on social class or health condition.	<p>Areas of social deprivation needs a focus and be prioritised in service design. Need to ensure targeted services are accessible to the most isolated and have tangible results. Accountability was also felt to be needed. There was concern that if we target particular people, then those not targeted are left unsupported which might create inequalities. It could be a false economy to reduce services now as smokers will be those who will disproportionately need greater care support.</p> <p>A more creative approach on health checks is felt to be needed, to increase take up, but it will also help address issues such as social isolation. There are wider health benefits from this service, so resources should be pooled across the Health and Social Care system to maximise the impact of resources and investment, while improving overall impacts.</p> <p>Concern that a reduction in this service will reduce the number of people quitting and the consequent impacts on the health of the population. Smoking is quoted as being the leading cause of socioeconomic inequalities in health in the UK and accounts for around half the difference in life expectancy between the least and most deprived groups. Evidence shows that specialist stop smoking services are the most effective way to help a smoker quit.</p> <p>A tailored and targeted approach to reach disadvantaged smokers is needed, but not at the expense of other smokers in the community. Better referral pathways would help with this. The following tobacco control measures are suggested – e-cigarettes, quit campaigns, illicit tobacco control, and tobacco control alliances.</p> <p>It is suggested that the council should be fully appraised of the effectiveness, including cost effectiveness, and impact of community pharmacy services with further discussions welcomed.</p>	It is suggested that the equality impact assessment needs further consideration, research and evidence analysis.
4E11	Sport and Physical Activity – investigate all methods of future operational service delivery with a combination of transfer, closure, new facilities, alternative delivery models and raising additional income.	No impacts identified	N/A	There was concern over the potential of Bingley Swimming Pool closing.	No equality comments provided.
6A1	Adults - Overall Demand Management Strategy - moving from a dependency model to one that promotes independence and resilience (e.g. reducing numbers coming in to care, care system culture change,	Older people and people with Mental Health & Learning Disabilities will predominantly be affected by this proposal but the focus will be on personalised services for people so the impact on protected characteristics will be mitigated at individual level. As part of the Strategy to reduce residential and nursing places it is intended that more extra care schemes are	Our approach will seek to focus on people's strengths and enabling people to manage properly understood, proportionate and positive risks in living their lives. We will undertake individual assessments and carry out extensive engagement with service users, carers and advocates to ensure seamless transitions for any service	There is concern for the future of community care. This service should be seen as a top priority for the Council. Those people already being asked to contribute to their care from their benefits are being put at risk of poverty. It is also felt that external contracts for assessing care needs are not effective. There is a strong link between changes in social care	Overall the disproportionate effect of this budget proposal will have a big impact on poor and disable people.

	speeding up integration, redesign enablement, reviewing financial needs, continued personalisation).	developed, which will help to improve people's lives and reduce expenditure across all groups. As the proposal is developed, the detail of impacts will be further assessed to ensure any potential implications on protected characteristics are minimised.	users affected. This will enable us to meet our duty under the Care Act 2014 and mitigate against any disproportionate negative impact on any person with a protective characteristic. By offering other options for people in terms of housing and care support, people will have the opportunity to access appropriate services that meet their assessed needs and be in a position to maintain their independence and to continue to have a positive contribution and be inclusive in their local community. This will ensure where possible people with particular characteristics are not disproportionately affected. We will further review the potential impact on protected characteristics as part of the development of the delivery programme	and the reliance on advice services. The two proposals need to be considered alongside each other - as people get into more debt they end up needing more services, which will have an impact on their general health and wellbeing and this in most cases will mean they will need support from the public sector. Concern has been shared on the reliance of online services, and a loss of face to face services. There was a strong feeling from some that there is a disproportionate burden on Adult Social Care and as such Health partners need to provide more support. It was felt that joined up services was a good idea – however it seems that history shows a focus on being medically led rather than having a wellbeing approach, bringing an imbalance. Health and other professionals view a person from their main condition (e.g. autism) – this tends to mask other issues, which is a major risk and the consequence could be that other serious health issues are not picked up. Prevention services need investment to make sure the number of complex health needs is reduced. These services also need to be clearly communicated to those who are on the margins of society.	
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OUTCOME: Better Skills More Jobs and a Growing Economy

4E7	Remodel of Visitor Information & frontline service - reduce the number and/or size of Visitor Information Centres (VICs), moving to a more digital basis promoting the district to target audiences, with the potential for VIC information points as co-located provision and increasing the commercial opportunities for the Bradford City of Film.	The Council recognises that any move toward increasing dependency on digital/online access to Services or information may potentially have a detrimental impact on residents who do not have English as a first language or who don't/can't access IT. Making services available electronically could impact on those unable to access due to ability or lack of available technology.	Alternative options including visitor information points, taking information to the visitor and support from local voluntary groups and businesses. There was concern over any cuts to the information centre in Haworth.	There was concern over the closure of the Haworth VIC, due to the high levels of tourist footfall.	No equality comments provided.
4E8	Events and Festivals – review to develop a more sustainable and balanced events programme and review grant funding while protecting key organisations.	Potential for greater impact on people of low income / low wage. The events are primarily free to attend and any reduction in their delivery could reduce the opportunity for people to attend cultural activities.	Review of Events and Festivals framework is on going and will take into account the protected characteristics to mitigate any disproportionate impacts.	Events should not be decreased as they are one of the best things Bradford offers for everyone such as the light festival and literature festival. It is amazing for the great number of children living in Bradford. Others think that events should be reduced so that money can be invested in more basic services like public toilets, or welfare advice. Cultural events should take place across the district and not just in Bradford city centre.	No equality comments provided.
4E9	Libraries – Review provision of Library Services across the district, consider alternative delivery models.	Potential reduction in the number of libraries directly managed by the Council may impact on those groups, young and old or low income/low wage that have no alternative access to information or educational/reading materials though other sources (e.g. on-line, purchased) or use libraries as social gathering points.	Consultation with and support for communities to help develop proposals and implementation of models of community management outside Council control.	Concern over the loss of the quality and diverse offering Bradford district libraries offer. The service is recognised by national bodies and is seen as a 'jewel in our crown'. Libraries are useful, current and life enhancing and are thought to be statutory by law and should be valued.	Concern over the number of children, young people and families who could find themselves disenfranchised as their local library is lost and larger libraries in the district offer a reduced service.

				<p>Consideration should be given to imposing library levies on house builders.</p> <p>Libraries need a core of professionals running them; reliance on volunteers does not create an effective service, with paid staff also being more accountable. There are also consequences with DWP for volunteers, which it isn't felt is acknowledged. It is suggested that libraries could be merged to make them more cost effective.</p> <p>More could be made of library buildings such as using them for live music, renting out space/rooms. It was also suggested that paid memberships be set up or have greater fees for books as a means of getting an income. A further alternative was for people to buy in as stakeholders, going beyond just Friends Of groups. It was felt that opening hours could be reduced/adjusted to open when most needed.</p> <p>Libraries are not just for borrowing books but are used as bases for education, computer use and printing, learning, socialising (especially for lonely vulnerable people), genealogy groups, reading groups for boys, craft fairs, speakers, computer courses.</p> <p>Concern over existing investment in building fabric being lost.</p> <p>City Library should be moved to a property that is owned by the Council. There is also concern that the home delivery service will be cut.</p> <p>One respondent shared their view that the Council should provide a single point of contact in Bradford for the district, remodelling an existing building (Media Museum, Margaret McMillan Tower suggested). The focus should be beyond a traditional library service and become an 'ideas centre' incorporating café, book shop, gallery, research etc. Community libraries would then be sold to create the revenue.</p> <p>Government should be approached to provide investment to alleviate digital poverty (this would help the library service amongst others).</p> <p>Particular concern has been raised over the impact on children and their future development. This included concern on the impact on schools with more outreach suggested as an alternative.</p> <p>If there is any move to having library 'clusters' more consultation will be needed to ensure they are recognised by communities themselves.</p> <p>The Council seems to be considering a number of hubs across different proposals, including libraries. There was a suggestion that these should be better aligned.</p>	<p>It is felt the impact of a reduced library service will impact on those people with low incomes.</p> <p>The concern over the potential loss of the home delivery service which will have a detrimental impact on those who are house bound – it provides a valuable service that gives quality of life for those with few other options for pastimes. Some suggest they would be willing to pay a nominal fee to continue having access to this service.</p>
4C3	<p>Children's Services – When the current Connexions contract ends in August 2019, re-design the activity to bring the service in house at a reduced cost. Skills House to be funded from base from April 2020, along with seeking partner contributions for an expanded service, some of the costs will be offset through the reductions</p>	<p>This proposal in regard to the Connexions Service contract will have a negative impact on people who share a protected characteristic. This service directly supports young people who are NEET, the cohort being comprised of young people with complex and multiple needs related to the protected characteristics and long-term low-income unemployed adults</p>	<p>To mitigate the potential disproportionate impact of the Connexions Service proposal, there will be a re-design of the Connexions type activity to provide a minimum statutory service with a greater reliance on the Bradford Pathways approach that will be underpinned with more effective information, advice and guidance framework. Greater linkages and working with other front line staff working with young people will also be explored. It is not feasible to fully mitigate the impact of the proposals given proposed</p>	<p>It is suggested that removing preventative services from young people in Bradford will only lead to more cases reaching a higher threshold of need - this will damage those young people, impact on their families and their futures and add more pressure to already over-subscribed social care case loads. There is particular concern for young people not in education, employment or training. It was suggested that managerial levels could be further reduced to help costs.</p> <p>It is felt that other solutions have not been investigated, such as commissioning out the</p>	<p>No equality comments provided.</p>

	in the Connexions contract.		funding levels	whole service including services delivered through SkillsHouse.	
4R2	West Yorkshire Combined Authority (WYCA) Transport Levy – proposed reduction in the levy Bradford pays to WYCA for transport operations	This proposal could have an adversely disproportionate impact on both the young (under 18's) and elderly sectors of the community as the funding which is being reduced is specifically used to fund schemes/programmes which are delivered for these groups.	<p>The negative impacts would need to be considered within the wider West Yorkshire context in consultation with WYCA with whom the ultimate decisions on which aspects of their budgets to reduce would rest.</p> <p>Some aspects of expenditure of the Transport Levy are protected by national regulation and hence are likely to remain largely unaffected by any reductions as a consequence of this proposal. It is therefore anticipated that those elements of expenditure which are discretionary are likely to bear the majority of any agreed levy reduction.</p>	There was a suggestion that no subsidies should be paid.	No equality comments provided.
5E1	Museums and Galleries – Review of service to include potential for income generation, service efficiency and integration and remodelling of operational delivery	No impacts identified	N/A	<p>There was a suggestion that some of the district's arts collections could be sold to raise revenue for vital services currently at risk. Museums are used as locations for people to meet, and are a valuable resource for communities, especially those people and groups who would not be able to afford to pay for their own venues. There was concern over any reduction in opening hours, as that would further reduce visitor numbers.</p> <p>There was some support for joining up services further. For example promoting museums through art installations in libraries; community outreach skills shared; story telling moved from libraries to museums. Volunteering was seen as positive but that people needed support and training, that professionals can't be fully replaced; pooling knowledge across volunteer groups (eg Friends of...); running taster sessions for volunteers. It was felt that was already too great a reliance on volunteers with their workloads continually increasing.</p> <p>There are opportunities for greater commercialisation through selling or promoting art collections; exploring the available public space for events; linking up with Visitor Information Centres; and creating a history/art trail.</p> <p>Venues need to be made more informal, welcoming and inclusive. Further exploration of funding opportunities that 'Friends Of' groups can bring in. It was felt that museums/galleries (as well as libraries) offer people a way of engaging their minds, which in turn provides mental health support which is vitally important.</p> <p>There was particular support for the Industrial Museum and Bolling Hall as they are particularly unique as locations and their offer. The Industrial Museum is seen as a 'jewel in our crown'. There is a suggestion that the Industrial museum shop could extend what it sells to create more revenue. It was suggested that museums should be charged for except for people on low incomes who should be provided with an 'access free card'.</p>	No equality comments provided.

OUTCOME: Safe Clean and Active Communities

4E1	<p>Parks and Bereavement management rationalisation; withdrawal from direct management of sport pitches and bowling greens; raise prices of bereavement services.</p>	<p>Impact on clubs with lower level of membership / players and/or financial resources at their disposal which could ultimately result in some clubs to merge or disband</p> <p>With regard to bereavement service proposals, any increase in charges, particularly at a rate above inflation, will by definition have a disproportionate effect upon those on low incomes for a service that cannot be viewed as discretionary.</p> <p>Given that cremation charges are currently lower than burial charges, particularly should a new grave be required, any percentage price rise will generate a higher cash increase in the cost of burials than that of cremations. This could represent a disproportionate effect for those religious/faith communities that due to their beliefs have no choice between funeral types. The Muslim and East European communities fall in this latter group.</p> <p>The implementation of a flat rate cash increase to both cremations and burials would however have increased the cremation charge to a level disproportionate to that of the burial charge in terms of comparator values of neighbouring Councils.</p>	<p>There is a growing interest from local communities, residents, Parish/Town Councils and sports clubs to become more involved in the operation of public assets, particularly where the opportunity exists to develop community use. Such as having direct access to a range of grant funding bodies whilst 'ownership' allows increased sponsorship and fund raising opportunities.</p> <p>The Service would seek to support individuals/groups of clubs both directly and through the National Governing Bodies to take overall responsibility and would consider an incremental approach over a defined period. Prior investment in the assets to transfer together with elements of seed funding and appropriate rent will allow financially sustainable organisations to develop.</p> <p>The most deprived/low income communities receive support for the cost of funerals from the Council through Adult Services.</p> <p>The proposed above inflation increase in charges for funerals will result in local service users continuing to pay less than the average within West Yorkshire for all services.</p> <p>It is intended to introduce a reduced rate for the walling of graves to coffin height which will mitigate the effect of the increases for those faith groups that adopt such a requirement</p> <p>It was suggested that cremation charges shouldn't be increased to offset the costs of burial.</p>	<p>Cricket pitches need refurbishing.</p> <p>There is concern that parks are being neglected across the district.</p>	No equality comments provided.
4E2	<p>Waste Collection and Disposal Services – increased levels of recycling, reduction in residual waste and improved efficiencies.</p>	<p>The proposal is likely to have no or a low impact on everyone so it is considered that there is no disproportionate impact on any group who share protected characteristics. It is however recognised that a move to alternate weekly collection could result in the residual waste bin being heavier to move around.</p>	<p>The Council already provides assisted bin lifts for residents where mobility or accessibility issues arise. In this circumstance the resident can call the Contact Centre and a home visit will be arranged to assess how the Council can help.</p>	<p>Current provision does not work, as some streets still have a huge amount of rubbish on them, encouraging vermin that is also getting in to people's homes. Find ways of recycling waste to use as heating. Suggestion to provide incentives for recycling as other Councils do.</p> <p>The council should adopt a zero tolerance policy to litter.</p>	No equality comments provided.
5E2	<p>Youth Service – Reduction in the support of youth support activities across the district. In 2019/20 this was to cease youth work grants (already consulted on), and in 2020/21 this is to reduce the Council's Youth Service base budget, with the EIA reflecting these impacts.</p>	<p>There will be disproportionate impact on young people aged 13-19 and on young people with disabilities up to the age of 25. The reduction will mean that the Youth Service will be less responsive to emerging needs of young people and there is likely to be a negative impact in some of the work areas where youth workers currently make positive interventions. Some of the areas of work this will include are: Child sexual exploitation, anti-social behaviour, community tensions and school holiday programmes.</p>	<p>The Youth Service will attempt to raise external funds to continue the interventions the service currently undertakes. Mental Health work currently is funded by Health and the plan will be to continue this.</p>	<p>Existing cuts to youth services have led to anti social behaviour and crime. Young people need a safe space to go to meet with friends, discuss with a trusted adult issues of concern and think about life choices. There are knock on effects of these cuts to other services, such as policing. As a preventative service it should be invested in. Some felt that there are already insufficient services for young people and that further reduction will lead to alienation and impact other services.</p>	No equality comments provided.

				<p>There is also concern that any reduction in youth services at the same time as a reduction in advice services will leave young people with little support.</p> <p>It was felt that existing partnership approaches should be more deeply and strategically embedded to ensure that income generation activity does not impact on other organisations and result in a net loss of income to the district.</p> <p>It was suggested that the council should keep the youth work grants and commission the VCS to run the youth service for the council. Reducing costs in house overall but still getting positive outcomes for young people.</p> <p>There is concern that the Opportunity Area funding has completely by-passed some young people, who are desperate for adequate leisure and recreation activities.</p> <p>There is concern for the overall impact on young people across all the proposals, and whether the most vulnerable are being impacted, especially through funding reductions to youth services.</p>	
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OTHER

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n/a	Council Tax (CT)	n/a	n/a	<p>Wages are not rising as fast as CT increases, therefore leading to more people in poverty. There is concern from some that they will not be able to feed their families – having paid their rent, kept a car on the road so they can get to work there is little money left. Some think that CT should increase so that greater investment can be made in services and vulnerable people better supported.</p> <p>It was suggested that the percentage of CT from claimants on benefit should be increased from 25% to 50%. This increase in income will help the Council and will help to not increase the CT by 2.99%. It is felt a lot of debts were written off by the Council last year, so increasing CT will only increase that debt. Others believe that more effort is needed to recover debts. There was a suggestion of having CT paid directly from payslips to avoid non payment.</p> <p>It is suggested that more CT needs spending on outlying areas, rather than just central Bradford. There was also concern that where parish and town councils exist there is additional taxation (precept) propping up the Council's withdrawal of services, which is not fair. Concern that CT payment is particularly difficult for disabled people, some of whom are already not using their heating during cold weather.</p> <p>It was felt that more CT could be paid by people with multiple properties.</p>	No equality comments provided.
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GENERAL COMMENTS ON PROPOSALS NOT FORMALLY FOR CONSULTATION					
Ref	Proposal for Change	Equalities Impact	Mitigation	Feedback on service impacts	Feedback on equality impacts
		As published in November 2018			
OUTCOME: A Great Start and Good Schools for All Our Children					
4C2	Early Years - From 2017 part of the Dedicated Schools Grant will be removed. Plans are being formulated to develop a coherent and targeted suite of early years' services including early help, family centres and early years' including Children's Centres. The proposal is included here as there could be staffing implications.	<i>This proposal was consulted on in full previously. See Executive Document AC 7th November 2017.</i>		<p>There was concern that with increasing demand reductions could not practically be made to this service. Support should be accessible without thresholds, and before crisis is reached.</p> <p>The Council seems to be considering a number of hubs across different proposals. There was a suggestion that these should be better aligned – with children's early help/prevention services and libraries mentioned in particular.</p>	No equality comments provided.
OUTCOME: Safe Clean and Active Communities					
4E5	Street Cleansing and Public Conveniences – reduction in street cleansing resources for 2019/20	<i>2019/20 proposal has already been consulted on so the Equality Impact Assessment has not been replicated</i>		<p>Greater focus needed on sanitation and keeping the streets clean. Concern over levels of fly tipping. There was a suggestion that bins should be upgraded. Suggested to have quarterly bulk waste clean ups. Also to require residents and businesses to keep public spaces around their homes/offices clean, reducing the burden on the Council. Put in place more litter bins such as at all bus stops and takeaways. Suggestion that enforcement to stop littering should be publicised more as a deterrent.</p> <p>There were a few comments about closure of public toilets and the consequent loss of a valuable community resource, and possible health issues.</p>	No equality comments provided.

OTHER COMMENTS – NOT RELATING TO PROPOSALS

Topic	Comments
Lobbying	There are a number of services which should be funded by government which district leaders need to lobby government for – anti knife crime initiatives, energy efficient street lighting. Government should be approached to provide investment to alleviate digital poverty (this would help the library service amongst others). There was an acknowledgement that Bradford Council should not be blamed for austerity. It is felt that stronger negotiations with central government are needed which concentrate less on party politics and more on issues affecting our ‘impoverished area’ more directly and robustly.
Business investment	The Council needs to do more work on encouraging new businesses to set up in the district. Have a review of the retail offer in Bradford city centre, with a strategy to attract more consumers by controlling the costs for coming in to Bradford.
Efficiencies	It was felt that the number of Councillors should be reduced, and that wages should be decreased for both Councillors (including special payments) and Officers (in particular the most senior officers). In some services it was felt there are too many layers of management and staff are being demotivated by poor management styles. Catering costs should be reduced. Christmas meals should not be at the tax payers’ expense. The Lord Mayor’s car is not a requirement. More enforcement to raise money, for example around parking, and better checking of people’s finances to ensure they are paying what they should be. There was some support for long term investments that will save money in the longer term. It was suggested that the Council should invest in local organisations rather than contractors from outside of the district. Also there should be less reliance on consultants to undertake projects, where often the outcome is already known. There is a suggestion of bringing together a wide range of services (housing, customer services, career and life skills advice) into one building. Enhanced procurement processes would help, with Manchester given as a good practice example. It is felt that there is a lot of overlap in outcomes trying to be achieved by various services, and that they should be better connected. It is suggested that the time of wardens could be better utilised; also that they could be replaced by volunteers. Union subsidies should also be reduced. It is also felt that investing in statues is not a good use of money.
Education	There should be more funding for education. The school system should change, with a greater number of small schools rather than fewer big schools, where respect between teachers and pupils is harder to develop, has greater impact on transport to/from the school with the numbers of pupils involved. Greater measures need to be put in place to attract and retain teachers – bus tours is not seen as sufficient. Maximising the use of the Opportunity Area funding is also recommended, such as through a virtual ‘out of schools hours’ school, with an emphasis on the outdoors. There is a suggestion that there should once again be a pool of supply staff rather than using expensive private agencies. It is suggested that money is not being well spent through the Community Play and Development Services and those who most need the service cannot afford it. With school budgets being cut, the council should invest more in children’s services.
Highways	Reduced spending on highways is already having big impacts, with repairs being made very slowly. A rolling programme of repairs to stay on top of the problem is suggested. Some consultees support greater investment in our highway infrastructure. Gritting of estates and pavements should be reduced and more grit bins provided for communities to be self sufficient. It was suggested that a park and ride be set up for people to get in to the city centre.
Capital investment	Building a new sports facility in Wyke was not deemed by some to be a good investment with the cuts having to be made. It has been questioned whether investment schemes will reap the benefits suggested – for example businesses should undertake impact assessments to identify the real social impact of schemes such as redeveloping rail stations. It was suggested that a new Outdoor Education facility, on a city centre site (such as the Holdsworth Street, Leeming Street, Canal Road triangle) should be provided. It should have specialist equipment, training and minibus transport and be jointly funded. A comprehensive programme of outdoor experience is suggested, building on the work of some Bradford schools, which will promote healthier, fitter adults in the future.
Housing/Homelessness	Concern over the lack of social housing and shared ownership schemes. There was a supportive comment stating that the Council were doing what they can with homelessness (and youth unemployment). Other comments suggest that homelessness needs greater prioritisation and should be offered like NHS services at the point of need. There is a suggestion that more consultation work should be done on the use of brownfield sites in the district and that former mill buildings should be given a new lease of life rather than sit unoccupied. This would protect historical buildings and safeguard more green sites. It was suggested that the Council could make more money through renting property, and through this providing employment.
Health - general	The Council should take back the responsibility for providing a service to people with mental illness and not send the service out to tender which is then run as a business, not a service.
Income opportunities	There are opportunities for creating income through nominal charges– a community group suggested a small charge for sending event risk assessments for a local event to the Council would have been acceptable. Rate relief seems to be imbalanced – some businesses qualifying, others not. Other suggestions for income generation include more speeding fines, parking charges, fines for dog fouling, peak time congestion charges, parking permits near hospitals.
Active citizens	The PeopleCan initiative was supported but was felt to need further promotion. Community wealth building should be used to empower the local community. It was felt that a new approach was needed to engaging and supporting volunteers with good examples available from other Local Authorities. People need to be given a reason to engage and get involved. There is also concern over the increasing population and the impacts this will have on the district and rural areas.
Climate Change	Concern over lack of any reference to climate change in the budget. Efforts are needed to reduce carbon dioxide emissions, tighter building control, converting any unused premises into homes. It is also suggested that investment is needed in a Peace Museum to complement the work the university does on this agenda. "Decarbonisation" of both the Council as an organisation and the district economy is a strategic priority that must be reflected in the Council's priorities and all of its financial planning. It was stated that any strategy for the district to deliver Council priorities that rest on a fossil fuelled economic growth model is reckless and no longer tenable. Continued reliance on this model will not deliver the health, jobs, better homes, education or environment that we need. A Council and community-wide Climate Emergency Plan or Zero Carbon Plan is needed. More tree planting is needed. One respondent provided the following web resource for assessing climate impact on the economy - Can Do Cities: http://www.candocities.org/energy-and-carbon/bradford which shows how much you could save if you reduce energy use, stimulate the economy, create new jobs, cut household bills and reduce the running costs of buildings, transport and industry. It was also suggested that clean energy should be generated on council properties. Investments can pay back very quickly if the current best performing technologies are used. Hydro plans, such as in Saltaire, should also be considered as an investment.

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Report of the Director of Human Resources to the meeting of Executive to be held on 05 February 2019

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Subject:

Interim Trade Union feedback on the Council's budget proposals for 2019/20 and 2020/21.

Summary statement:

This report and appendices provide interim feedback from the Council's Trade Unions on the Council's budget proposals for 2019/20 and 2020/21 for consideration by Executive.

Anne Lloyd
Director of Human Resources

Portfolio Holder:
Leader of Council and Corporate

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Overview & Scrutiny Area:
Corporate

1. SUMMARY

This report and appendices provide interim feedback from the Council's Trade Unions on the Council's budget proposals for 2019/20 and 2020/21 for consideration by Executive.

2. BACKGROUND

- 2.1 On 27 November 2017 the Council issued a letter under Section 188 Trade Union and Labour Relations (Consolidation) Act 1992 ("TULRCA") notifying the Trade Unions about the potential impact on the workforce because of the need to achieve additional savings in the financial years 2018/19 and 2019/20 from those approved by Budget Council in February 2017. This potential impact also included staffing reduction proposals for 2019/20. This commenced a period of consultation under TULRCA. Consultation on these proposals is ongoing.
- 2.2 On 26 November 2018 the Council issued a further letter under Section 188 TULRCA notifying the Trade unions about the potential impact on the workforce in 2019/20 and 2020/21 because of the need to achieve additional savings in those years. The issuing of the Section 188 letter on 26 November 2018 commenced a statutory minimum 45 day consultation period with the Council's Trade Unions which includes consultation about ways of avoiding dismissals, reducing the numbers of employees to be dismissed and mitigating the consequences of the dismissals. This includes considering feedback received from the Trade Unions and any alternative proposals they may have to try and minimise the impact of the proposed budget reductions on the workforce. Consultation with the Trade Unions will continue beyond the minimum 45 day period where necessary particularly focusing on the impact of any proposed budget reductions on the workforce with a view to seeking ways to avoid and/or reduce the potential number of job losses and minimise any adverse impact in terms of job losses.
- 2.3 Consultation has been taking place with the relevant Trade Unions since 26 November 2018 on the proposals, in order for final proposals to be prepared for Budget Council on 21 February 2019.
- 2.4 The Trade Unions were notified of the following key issues within the S188 letter on 26 November 2018:
- The Report of the Director of Finance to the meeting of the Executive on the 4 December 2018 which provided the financial plan for the Council for the financial years 2019/20 to 2020/21.
 - This report set out the update on budget decisions and Council Tax including new proposals for consultation with the public, interested parties, staff and Trade Unions for 2019/20 and 2020/21.
 - The report also provided a revised outlook to 2021/22 to allow further development of spending proposals to keep the Council effective and financially sustainable.
 - That the Council estimates that the total number of employees within the Council that are potentially at risk of redundancy as a consequence of the proposals detailed in the letter dated 26 November 2018 is 168 Full Time Equivalent (FTE's) in 2019/20 and 111 FTE's in 2020/21.

- That these proposed reductions of 168 Full Time Equivalent (FTE's) in 2019/20 and 111 FTE's in 2020/21 are in addition to those proposals currently subject to separate consultation processes under Section 188 TULRCA 1992 which commenced on 27 November 2017 relating to the proposed 68 FTE reductions for 2019/20.
- That the Council will look at every aspect of its operation to make the savings. If savings can be suggested which mean that there will be fewer or no redundancies then the Council will carefully consider such possibilities.

3. THE PROCESS

- 3.1** Following the issuing of the S188 letter on 26 November 2018 consultation is taking place with the Council's Trade Unions.
- 3.2** An initial corporate consultation meeting was held on 6 December 2018 with the following Trade Unions on the Council's proposals: Unison, GMB, UNITE, UCATT with the Teacher Trade Unions also attending for the Council's financial overview.
- 3.3** Consultation is on-going at departmental level with Unison, GMB, UNITE and UCATT.
- 3.4** Consultation is also taking place with Teachers / Education Trade Unions at Departmental level as appropriate. Other Trade Unions are being consulted on a Departmental basis where appropriate.
- 3.5** A Trade Union consultation meeting on the potential workforce implications of the budget proposals took place at a corporate level on 6 December 2018. Consultation will continue up to the meeting of the Executive on 19 February 2019 and consultation will continue in relation to any impacts on the workforce following the budget decisions.
- 3.6** Departmental Trade Union consultation meetings have taken place to discuss the proposals in more detail, and feedback from these meetings is recorded in the appendices.
- 3.7** The feedback and the management responses given in this report are interim and consultation with the Trade Unions continues.

The Council is currently consulting with the Trade Unions on:

- The financial position of the Council.
 - Possible strategies for making savings and the projected implications for workforce reductions if such strategies, following consultation, are implemented.
 - The continuation of strategies to minimise the impact of workforce reductions (voluntary expressions of interest, if applicable, bumped redundancies, vacancy control, controlling agency spend and maximising non workforce savings etc).
 - Potential reduction of services in some areas of the Council
- 3.8** In terms of consultation:
- The size of cuts that the Council is facing-creates very considerable demands on the Council and its resources.

- The Council is consulting and will continue to consult about ways of avoiding any dismissals, reducing the numbers of employees to be dismissed, and mitigating the consequences of the dismissals, and will be doing so with a view to reaching agreement.
- The Council serves the S188 letter at an early stage of a lengthy and complex consultation process on the budget proposals, which undergo a number of adjustments and changes through consultation and Executive approval.
- The Council consults over a longer period than the minimum required by S188 TULCRA.
- The Council values the contribution of the Trade Unions in this process of consultation.

3.9 Additional feedback received from the Trade Unions following this report being published will be tabled at Executive on the day of the meeting as an Addendum to the report.

3.10 Consultation will continue on the implementation of the decisions made at full Council on 21 February 2019. The industrial relations implications will largely depend on whether decisions can be implemented through vacancy control and voluntary means. Therefore, much will depend on the number of vacancies and voluntary redundancies agreed, together with the opportunities for redeployment which will all help to achieve the FTE reductions and mitigate against the potential number of compulsory redundancies.

4. KEY ISSUES ARISING FROM THE TRADE UNION FEEDBACK ON THE COUNCIL'S BUDGET PROPOSALS FOR 2019/20 and 2020/21

4.1 Feedback on the Departmental Budget Proposals

The Trade Unions' feedback received to date in relation to the Council's budget proposals for 2019/20 and 2020/21 together with management's responses to that feedback is outlined in the attached documents on a departmental basis (Appendices 1 to 4).

4.2 At the Corporate Consultation meeting on 6 December 2018, the following general summary issues were raised by the trade unions::

- Vacancy Control
- Use of Agency Staff
- Availability of Workforce Information

Management have responded that all of the above matters will be addressed within the Departmental consultation process due to the potential impacts on service delivery.

5. FINANCIAL & RESOURCE APPRAISAL

5.1 The Director of Finance submitted Proposed Financial Plan Updated for 2019/20 to 2020/21 (Document "Z") to the Executive on 4 December 2018 which opened the consultation process for the current budget process, including the financial context within which the Council is operating. Document "AQ" elsewhere on this agenda updates the Executive on any changes noted in the budget process to date.

6. RISK MANAGEMENT AND GOVERNANCE ISSUES

- 6.1 All risks in relation to the budget proposals and workforce implications are being managed through the Council's Risk Management Strategy with governance through Council Management Team.

7. LEGAL APPRAISAL

- 7.1 Pursuant to Section 188 Trade Union and Labour Relations (Consolidation) Act 1992 (TULRCA 1992) the Council as employer is required to consult the recognised Trade Unions where there is a potential to dismiss by reason of redundancy 20 or more employees. If 100 or more employees are at risk of dismissal by reason of redundancy the consultation period is a minimum of 45 days.
- 7.2 Under Section 195 TULRCA 1992 "dismissal as redundant" is defined as all dismissals "for a reason not related to the individual concerned".
- 7.3 Such consultation with the Trade Unions under Section 188 TULCRA 1992 shall include consultation about ways of avoiding the dismissals, reducing the numbers of employees to be dismissed and mitigating the consequences of the dismissals.

8. OTHER IMPLICATIONS

8.1 EQUALITY & DIVERSITY

A Corporate Staffing Equality Impact Assessment (EQIA) will be produced on the Council's Budget proposals. This will be tabled with the Trade Unions. Feedback from the Trade Unions on the Equality Impact Assessment will be taken and will be fed into future feedback addendum. Departmental EIA's on proposals with all workforce implications are consulted on in departmental consultation meetings. All EQIA's with regards to Workforce implications will be subject to review as proposals are developed and amended as a consequence of continuing consultation.

8.2 SUSTAINABILITY IMPLICATIONS

None

8.3 GREENHOUSE GAS EMISSIONS IMPACTS

None

8.4 COMMUNITY SAFETY IMPLICATIONS

None

8.5 HUMAN RIGHTS ACT

None

8.6 TRADE UNION

Consultation with the Trade Unions on the Council's Budget proposals for 2019/20 and 2020/21 is on-going.

The issues raised by the Trade Unions at the Corporate Consultation meeting on 6 December 2018 and Departmental consultation meetings are reflected in the attached spreadsheets at appendices 1, 2, 3 and 4 and these will be updated as consultation continues.

The Trade Unions have provided the following statements:

Unison and GMB:

In response to the latest section 188 proposals, the joint trade Unions, UNISON and GMB recognise the financial difficulties that Local Authority has been facing over the past few years. We understand that these financial restrictions are being driven by central government cuts.

Our members are working harder than ever before to continue to deliver the high standard of services expected of them. The government's austerity programme is wrecking communities and the huge job cuts that the Council are proposing over the next few years will undoubtedly have a negative impact on the range and quality of services that it is able to offer. In the spirit of joint working we will continue to play our part in mitigating the impact that such measures undoubtedly represent.

Whilst it would be unfair to lay the blame at the door of Bradford Council for the financial difficulties it is facing, UNISON and GMB have a duty to challenge the Council where we believe it is not doing all it possibly can to mitigate the consequences of the government funding cuts. We have particularly serious concerns about the proposals and how they represent a rise in "real" workloads for an ever decreasing number of dedicated staff who remain to deliver the services that the Council is providing.

We also believe that the Council needs to do more to ensure that, where jobs are at risk, workers are offered alternative posts and/or retraining to ensure that their skills are retained and that they do not face the awful prospect of compulsory redundancy. This is something that the unions can never be in agreement with. We raised this last year and we are now pleased to be able to advise that we have been able to ensure a more robust process is now in place and have been able to influence processes for our members. We do however feel that more could be done by local Managers to support staff affected in this way.

Finally, whilst both unions recognise that the Council needs good management in order to function properly, we have lately seen a move towards the creation of additional upper layers of management – including the return of some posts that had already been deleted in previous years. We have also noticed a rise in the use of Agency staff and a willingness to engage "consultants", both of which represent a significant real terms cost. Such spending will continue to be challenged. We have aired our concerns about this and will continue to challenge the Council where there appears to be any drift towards the creation of new highly paid management posts at the expense of other workers and the services they deliver.

Unite:

Prior to the Section 188 consultations Unite the Union Branch set out the basis of our consultations in a document called Unite Branch Position S188 Consultation provided to HR and Strategic Directors. Unite General Secretary Len McCluskey clearly set out the mandate to protect public services and jobs.

Councils are facing massive reductions in funding, but it is their choice on what services they cut. In Bradford we have seen massive cuts to both jobs and frontline services whilst giving financial support to private enterprise. Council employees have to work harder than ever before to keep the services running that the people of Bradford rely upon, but there is only so much that anyone can do. The cuts made by this Council will undoubtedly have a negative impact on the range and quality of services that it is able to offer. It is clear when posts are made redundant the member of staff disappears but the work remains that is not a redundancy situation but just a saving.

We have particularly serious concerns about the proposals relating to Libraries, Youth Service, Children's Services, Adults Services and Street cleansing.

In previous years, Departments have put forward cuts, which were never achieved and over £12.8m of previously agreed cuts remain outstanding see Qtr2 Finance Position Statement for 2018-19 Executive November 6 2018. Other departments have seen the Council approved savings wiped out and to be found by other services. There appears to be no accountability for those who propose cuts and then fail to achieve them or in effect have them written off despite full council approving those cuts. See Appendix F - SCHEDULE OF AMENDMENTS TO PREVIOUS BUDGET DECISIONS Executive meeting Dec 4 2018 where a full break down can be found. Named officers and portfolio holders should be held accountable to full Council for failure to meet savings that they have put forward. A post was created at AD level as a secondment for 2 years to deliver the £58m cuts package and as we can see from the financial updates that has failed that's why accountability to full council is a must.

We also believe that the Council needs to do more to ensure that, where jobs are at risk, workers are offered alternative posts and/or retraining to ensure that their skills are retained and that they do not face the awful prospect of compulsory redundancy. This is something that the unions can never be in agreement with. We have raised this issue a number of times with the Council and we are hopeful that we will be able to make some progress on getting a more robust redeployment procedure in the near future. To that end Unite have been asking the employer to set up its own internal agency since 2012 but it has failed to do so. In the last financial year we have spent approx. £6m on agency staff. That excludes casual staff. We have senior managers creating posts often in excess of £50k where we find a direct link between them and those appointed.

Unite recognise that the Council needs good management, under the last Chief Executive we saw a whole tier of managers (approx. 800) taken out of the structure. Over the last 2 years there has been a clear move towards the creation of additional upper layers of management – including the return of some posts that had already been deleted in previous years. This is at a cost, it means that employees that deliver front line services, such as those who keep are children safe and our streets clean lose their jobs. That cannot be right.

Despite a statutory duty to consult under S188 TULRCA the employer has failed to consult on proposals put forward with a specific example of the cuts to library service. Despite Council approving a cut for 2019/20 no proposals have been put forward by management at this time despite management insisting 2019/20 proposals are not open for consultation. Therefore the consultation falls below the legal requirement and leaves those decisions open to legal challenge. There are other examples too. The Council are refusing to consult on non-staffing cuts.

Despite requests for reasonable time off to consult of on S188 matters, time off was only allowed to attend the actual meeting. No time was allowed to consult with our

members, service users or other trade union colleagues. The Council have attempted to choose who can or cannot attend a consultation meeting that is unacceptable to Unite.

In terms of consultation as of January 14th there have been very few meetings arranged to consult on the Council's initial Budget proposals. It has become a process of management indicating a way forward and there is no other alternative.

The proposed budget cuts put forward attack the most vulnerable members of our society who need our support the most. The cuts put forward attack the very core of the Council's Plan.

Last year Unite made the following statement to you "In the last financial year Unite took part in a 2 year budget setting process and 12 months on are required to consider further cuts resulting in a funding gap this despite some services failing to deliver cuts from previous years totalling over £20 million. The external Peer Review highlighted this issue of accountability for this area of decision making yet next year the same situation will arise. Management are quite quick to carry out the staffing cuts but reluctant to deliver the difficult decisions. To reiterate when posts are made redundant the member of staff disappears but the work remains, that is not a redundancy situation but just a saving

It is also becoming a trend that Councillors, Strategic Directors and Assistant Directors who have chosen to leave the authority are allowed to put forward cuts that affect the very existence of people in the district without any accountability as they ride off into the sunset. That appears to be immoral to our Union"

The Ofsted Inspection concluded that Childrens Services were found not to be meeting the high standards our children deserve and therefore parts of the service were rated inadequate. The Council immediately responded by bringing in a person with a proven track record of success within this area, only to hamper that person with cuts decided by those that have failed to deliver in previous years in effect asking her to operate whilst in a financial straightjacket.

Whilst understanding the current financial climate we vigorously oppose any attack on employee terms and conditions and any compulsory redundancies. It's with regret we see cuts to both services provided by the Council and the transfer of public services to the private sector, or transferred to the voluntary sector or services run by volunteers and apprentices that may not have the necessary skills or resources to deliver service user needs.

The impact on the local economy, service users and staff affected is immeasurable. The continued decimation of Local Authority funding and consequential cuts to services to the most vulnerable in society cannot be described as good. Austerity is not solely to blame, we have a choice on how we spend the money given to us and we should do that wisely and fairly.

The quality of the EQIA's do not meet the requirements set out in the Public Sector Equality Duty that came in to force in April 2011 (s.149 of the Equality Act 2010) and public authorities are now required, in carrying out their functions, to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010 to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;

- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The EQIA's are lip service to the process and with such a diverse community and workforce deserve to be taken into consideration and their views respected. It will be seen yet again that Unite stand alone to defend public services and jobs in Bradford but that is the remit of Unite the Union regardless of who the Convenor may be.

8.7 WARD IMPLICATIONS

None

9. NOT FOR PUBLICATION DOCUMENTS

None

10. RECOMMENDATIONS

That Executive considers and has regard to the interim feedback received from the Council's Trade Unions in relation to the budget proposals when considering the recommendations to make to Council on a budget for 2019/20 and proposals for 2020/21 on 21 February 2019.

11. APPENDICES

Appendix 1	Department of Children's Services proposals
Appendix 2	Department of Place proposals
Appendix 3	Department of Health and Wellbeing proposals
Appendix 4	Department of Corporate Services proposals: <ul style="list-style-type: none">(a) Legal & Democratic Services(b) Financial Services(c) IT Services(d) Estates & Property Services(e) Chief Executive's Office

12. BACKGROUND DOCUMENTS

- Section 188 TULCRA 1992 Letter to Trade Unions - 26 November 2018.
- Director of Finance –Budget Update Report for Executive – 04 December 2018

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Department of Children's Services													
						Employees							
			Saving			Current		Likely FTE Reductions					
Ref	Service	Proposal Definition	2019 - 20 £'000	2020 - 21 £'000	Total £'000	FTE's	Head count	2019 - 20	2020 - 21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4C2	Education & Learning	Early Help - From 2017 part of the Dedicated Schools Grant will be removed. Plans are being formulated to develop a coherent and targeted suite of early years' services including early help, family centres and early years' including Children's Centres. The proposal is included here as there could be staffing implications.	3660.00	2915.00	6575.00	233.00	279.00	50.00	50.00	32.00	2.00	OJC 1 6.12.18. GMB asked about legal supprt.	OJC 1 6.12.18. Management advised that this was to accommodate the rise in looked after children.
												OJC 1 6.12.18. Unite asked about the number of vacancies, could they absorb the redundancies along with the additional budget that had gone back in.	OJC 1 6.12.18. Management advised that the money was to cover rises in looked after children & address the issues raised by ofsted. Depending on the skills needed some redundancies may be offet, but most of the additional posts required will need social work qualification. The reductions in business support has been achieved without compulsory redundacies so far.
												Level 2 - 13/12/18 Unison queried if the 50 FTE reductions were part of the original budget cuts. Could Management confirm which team and what these posts were.	Management to clarify and respond next week. HR advised that if they were included in this sheet the posts should not have been consulted on previously.
												Level 2 - 13/12/18 Unite expressed concerns re statements that the Council is investing in Children's Services. There has been a cut of over £20m from last year. What is the current budget overall? There is no way the Council can say they are investing.	Management agreed to bring back the overall budget for last year, this year broken down into areas.

												OCJ 2 20.12.18 Clarity needed on the 50 jobs. Significant if 50 FTE posts are to be lost.	Management agreed to identify leads for each proposal and seek detailed information about where these cuts are coming from. <u>Update 10/01/19:</u> Lead Jim Hopkinson/Kal Nawaz. The 50 displaced staff figures for 2019/20 relate to the restructure already undertaken which will yield the savings for 2019/20 of £3.66 million as some staff are still and will still be going through the redundancy process as we approach April 2019. No new restructure will be undertaken in this area in 2019/20. There is a further £2.9 million savings to be achieved in 2020/21. We have already achieved a significant part of this saving through the restructure undertaken. Additionally, we are still not able to confirm the shortfall for the traded offer so it is not possible to be clear about whether or not there may need to be a further restructure in 2020/21. The SEND report that was presented to the Executive in April 2018 stated that there might be further staff savings if the traded income is not met. However, since this report in April 2018, further work has been done on this area to clarify the duties under the SEND legislation. Any further changes linked to SEND will ensure statutory duties are fully met. A figure of 50 posts for 2020/21 was previously attributed to SEND but this will be adjusted in light of more recent reports.
Page 188												OJC 2 10/01/19 Agreed no further information needed on this budget line.	
												OJC 2 17/01/19 Unite asked for detailed budget information.	Management to follow up
4C3	Employment & Skills	Children's Services – When the current Connexions contract ends in August 2019, re-design the activity to bring the service in house at a reduced cost. Skills House to be funded from base from April 2020, along with seeking partner contributions for an expanded service, some of the costs will be offset through the reductions in the Connexions contract.	50.00	100.00	150.00	53.00	60.00	6.00	0.00	13.00	2.00	Level 2 - 13/12/18 Unison asked for more information on this proposal.	Management to provide an update.
												Level 2 - 13/12/18 NEU queried whether the 6 FTE posts would come from natural wastage. Unison question whether the staff concerned were Council staff.	Management to provide detail.

												OJC 20.12.18 Management to provide update.	Update 21/12/18: The reduced payments for 2019/20 financial year have been profiled. The contract is delivered by Prospects Services, the assumptions around potential reduction in staff is based on our perception of what the cut would equate to in FTE. The reduction will need to be managed by Prospects and ultimately it will be their decision as to whether staff are made redundant or if they are reallocated to work on other contracts locally, regionally or nationally.
												OJC 16/01/19 No further comment.	
												OJC 2 17/01/19 Unison asked if the staff affected were aware of the proposal.	Management advised that they were unaware as they were not staff employed by the Council.
5C1	Children & Disability Service	Review Respite Provision after the introduction of personalised budgets – The savings will be achieved through a two stranded approach: Income generation through building on an existing pilot; proactively marketing surplus beds to other Local Authorities on a full cost recovery basis; Refocusing existing residential respite provision to meet the needs of younger adults and older teenagers, enabling costs to be shared with adults services; The review will also focus on improved service efficiencies.	400.00	0.00	400.00	76.00	86.00	1.00	0.00	15.00	2.00	Level 2 - 13/12/18 NEU noted £400k proposed saving in this area. Bed selling may generate £200k and noted hope to sell other beds but don't feel this will make savings as there will still be salary costs, etc. so the net effect may not be a benefit. Need to know how this saving is to be made.	Management to advise further.
												Level 2 - 13/12/18 Unison noted that consideration needs to be given to using beds for other LA's at the expense of our CYP.	
												OJC 20.12.18	Management to provide update. Update 10/01/19: Lead David Byrom/Clare Mulgan Respite Review Programme is ongoing. David Byrom is leading on this work. Savings will be made via three areas: - Increased funding from Health; - Trading beds with other LA's; - Working with Adult Services on Transitions.
												OJC 10/01/19 Unison noted potential for trading beds must not be done at expense of our children.	

												NEU reiterated that although this will bring money in it wouldn't be a £200k saving as there would be costs associated.	Management noted comments and advised there was capacity to sell beds.
Total			4110.00	3015.00	7125.00	362.00	425.00	57.00	50.00	60.00	6.00		

Department of Place													
						Employees				Issue 4 - 24.1.19			
						Current		Potential FTE Reductions					
Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4E1	Sport & Culture	Parks and Bereavement - management rationalisation; withdrawal from direct management of sport pitches and bowling greens; raise prices of bereavement services.	60.0	50.0	110.0	116.0	117.0	0.0	1.0	4.0	2	<p>Level 2 - 13.12.18 Unison asked what vacancies there were, how long the posts had been vacant and how much saving had been achieved.</p>	<p>Level 2 - 13.12.18 The saving will be generated from additional income from the Bereavement Service. There are currently vacancies in the service area, so there are no staff implications.</p> <p>Level 2 - 13.12.18 PB said that there were no savings as the posts were critical to the delivery of the service and had been filled by temporary and agency staff.</p> <p>Level 2 - 10.1.19 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p>
4E2	Waste & Transport Services	Waste Collection and Disposal Services - increased levels of recycling, reduction in residual waste and improved operational efficiencies.	-84.0	276.0	192.0	0.0	0.0	0.0	0.0	0.0	0	<p>Level 2 - 13.12.18 GMB asked what had happened to the funding for the tromel.</p>	<p>Level 2 - 13.12.18 JM said that there are no savings required in 2019-20 and that there would be additional funding made available to cover the increase in the number of properties. The saving will be achieved in 2020-21 by a continuation of the work around AWC and looking at increased income generation from trade waste and garden waste collections amongst other things. The services will be better marketed with a view to driving up income. There will also be a review of the Council's skip offer and charges to charities/RSLs, etc.</p>
												<p>Level 2 - 13.12.18 GMB asked how the MRF was being staffed.</p>	<p>Level 2 - 13.12.18 JM said that the majority of funding for the tromel would have come from savings made through reduced costs. A new way of working has now been introduced which has removed one shift and reduced the amount of residual waste. Some capital funding has paid for the new conveyor belt at the MRF and the accommodation changes at Harris Street.</p> <p>JM said that the staffing is a mix of agency and full time staff and management are looking at increasing full and temporary contracts and reducing agency numbers.</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
												<p>Level 2 - 13.12.18 Unison asked whether the Trade Waste service is reviewed as being suitable for businesses that sign up to it. An example of fly tipping/ dumping was given which suggested that appropriate trade waste contracts were not in place.</p> <p>GMB said that where side waste is next to a trade waste bin details are recorded on crew time sheets, but these were not always followed up.</p> <p>Unite asked who was responsible for achieving this saving, and the others on the spread sheet.</p> <p>Level 2 - 20.12.18 United clarified their position around the query about responsibility for achieving the budget saving as identified. Their concern was that it income generation was not sufficient to achieve the saving, job losses may be the alternative considered by management.</p>	<p>Level 2 - 13.12.18 JM said that the Trade Waste service is being reviewed, however not all businesses are customers of the Council. Where there is evidence of fly tipping this should be reported and it will be investigated.</p> <p>Management noted this information.</p> <p>SH said that the management of the Department are responsible for achieving the savings and offered to discuss any one in further detail with any of the Unions as required.</p> <p>Level 2 - 20.12.18 SH reiterated the management position at the last meeting, i.e. the Department is responsible for achieving the savings and management are happy to discuss any proposal in further detail with any Unions as required.</p>
												<p>GMB raised the question of the recent announcement by Government that every household would have a good waste collection.</p> <p>GMB said that they believed that the Conservatives (didn't know whether it was locally or nationally) if re-elected would want to go back to weekly refuse collections.</p>	<p>SH said that the Government had released a Green Paper for consultation, starting in January 2019, on changes to waste services. There will be various elements to consultation including food waste, green waste and deposit return schemes for cans and plastic bottles. The government is also looking at Producer Pays Responsibility and has said that any changes would be fully funded to Councils. Following consultation it will be some time, possibly 2022, before any changes become a reality through changed legislation. The Council will develop a Waste Strategy to respond to new legislative requirements.</p> <p>SH said he was not aware of this possibility.</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
Page 193												<p>Level 2 - 20.12.18 Unite clarified their position around the query about responsibility for achieving the budget saving as identified. Their concern was that if income generation was not sufficient to achieve the saving, job losses may be the alternative considered by management.</p> <p>GMB raised the question of the recent announcement by the Government that every household would have a food waste collection.</p> <p>GMB said that he believed that the Conservatives (didn't know whether it was locally or nationally) if re-elected would want to go back to weekly refuse collections.</p>	<p>Level 2 - 20.12.18 SH reiterated the management position at the last meeting, i.e. the Department is responsible for achieving the savings and management are happy to discuss any proposal in further detail with any of the Unions as required.</p> <p>SH said that the Government had released a Green Paper for consultation, starting in January 2019, on changes to waste services. There will be various elements to the consultation including food waste, green waste and deposit return schemes for cans and plastic bottles. The Government is also looking at Producer Pays Responsibility and has said that any changes would be fully funded to Councils.</p> <p>Following consultation it will be some time, possibly 2022, before any changes become a reality through changed legislation. The Council will develop a Waste Strategy to respond to new legislative requirements.</p> <p>SH said he was not aware of this possibility.</p>
												<p>Level 2 - 10.1.19 GMB asked how long permanent staff who are working on the MRF would be on shifts and whether they were getting any recognition for this.</p>	<p>Level 2 - 10.1.19 JM said that management are in discussion about Trade Waste with a view to increasing income and that they hoped that the computer issues which affected sign up to Green Waste last year would not be repeated resulting in additional customers and increased income.</p> <p>Level 2 - 10.1.19 JM said that this issue would be clarified and discussed at Level 3.</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4E7	Sport & Culture	Remodel of Visitor Information & frontline service - reduce the number and/or size of Visitor Information Centres (VICs), moving to a more digital basis promoting the district to target audiences, with the potential for VIC information points as co-located provision and the commercial opportunities for the Bradford City of Film.	50.0	70.0	120.0	9.5	12.0	0.0	4.0	0.0	0		<u>Level 2 - 20.12.18</u> No additional information <u>Level 2 - 10.1.19</u> No additional information
4E8	Sport & Culture	Events and Festivals – review to develop a more sustainable and balanced events programme and review grant funding while protecting key organisations.	150.0	100.0	250.0	4.0	4.0	0.0	1.0	2.0	0		<u>Level 2 - 20.12.18</u> No additional information <u>Level 2 - 10.1.19</u> No additional information

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4E9	Sport & Culture	Libraries – review provision of Library Services across the district, consider alternative delivery models	950.0	1050.0	2000.0	69.0	98.0	20.0	30.0	8.0	0	<p>Level 2 - 13.12.18 Unison asked whether the options for the service would be taken to Scrutiny in January.</p> <p>Unison asked about the use of casuals in libraries and whether the detail which had previously been requested on the accrual of employment rights had been completed. It is essential to know which staff have employment rights and which do not in a restructure.</p> <p>Unite expressed a concern that the 2019-20 savings had not been correctly consulted on.</p> <p>Unite asked for an EIA for each library which looked at the effects on staff and the community the library served.</p>	<p>OJC 1 - 6.12.18. Management advised that EQI's and the full committee report were on the external website, HR to send the link out.</p> <p>Level 2 - 13.12.18 PB said that a report will be taken to Scrutiny on 22 January, 2019. the detail of the report will be the same as the information we intend to share with the Unions in early January.</p> <p>PB said he will ask managers to review and check that all staff are being employed correctly.</p> <p>JC said that th restructure would look at which staff are in scope.</p> <p>PB said that the 2019-20 savings had been considered at Level 2 and were delegated to Level 3 however there was no detail to bring forward. This information will be available at Level 3 in January 2019.</p> <p>SH said that the EIA is always about staff and users of a service. PB said that he will review the provision of EIAs in the light of these comments and consider whether any of the libraries are unique in relation to the issues considered in the EIA.</p>
												<p>Level 2 - 13.12.18 Unison asked for the figures on the costs of running each library and whether these costs could be removed by relocating.</p>	<p>Level 2 - 13.12.18 PB said that this is a significant saving which potentially affects 30 staff in 2020-21. Detailed proposals will be brought forward for discussion at Level 3 early in the New Year.</p> <p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p>
4E10	Sport & Culture	Theatres and Community Halls – Halls to be transferred through Community Asset Transfer. Theatres to generate greater income	130.0	140.0	270.0	56.0	66.0	0.0	2.0	0.0	0		<p>Level 2 - 13.12.18 This budget saving will be achieved through increased income generation, booking fees and the re-opening of St. George's Hall.</p> <p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4E11	Sport & Culture	Sport and Physical Activity – investigate all methods of future operational service delivery with a combination of transfer, closure, new facilities, alternative delivery models and raising additional income.	50.0	130.0	180.0	123.0	176.0	0.0	2.0	29.0	2		<p>OJC - 1 6.12.18. Management advised that the vacancies would have to have the skills that were not required, & casual usage would always be considered over redundancies.</p> <p>OJC - 1 6.12.18. Management advised that some facilities such as RSDC will be closing and others such as Sedburgh will be opening, others may be asset transfers.</p> <p>OJC -1 6.12.18. Management advised that there would be.</p> <p>Level 2 - 13.12.18 This saving will be achieved by transfers, closures and new facilities and particularly relates to Baildon Recreation Centre and the model for delivering elite swimming and diving.</p> <p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19</p>
5E1	Sport & Culture	Museums & Galleries - Review of service to include potential for income generation, service efficiency and integration and remodelling of operational delivery.	260.0	500.0	760.0	41.5	50.0	10.0	15.0	2.5	0		<p>Level 2 - 13.12.18 The Service will look at the potential for income generation and increased service efficiencies and potentially affects a significant number of staff. Management will consider opening hours, seasonal working and downsizing the museum collection and relocating the storage of the collection.</p> <p>Level 2 - 13.12.18 PB said that the service offers free entry to buildings and therefore does not generate income through visitor footfall. The proposal will look at reducing the opening hours in the less busy periods and increasing outreach work. New voluntary donations will be encouraged and grants for outreach work will be explored and may be available by running the service differently.</p> <p>PB confirmed that Amion have been engaged as consultants, through a competitive tendering process. Their draft report has been delivered and management are awaiting the final report.</p> <p>PB confirmed that management were considering a cafe at Cartwright Hall. He said that they were only considering establishing a cafe there where an increase in visitor numbers had resulted in feedback that a cafe would be an added attraction. It also had potential to support the introduction of a wedding offer at the Hall.</p> <p>Level 2 - 13.12.18 Unison said that it appeared contradictory to be reducing staff and opening hours to achieve income generation.</p> <p>Unite asked whether external consultants had been used.</p> <p>Unison asked whether introducing a café in service buildings was a backward step.</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
													<p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p> <p>Level 2 - 10.1.19 PB said that following the last Level 2, management will review the proposal to re-instate a café at Cartwright Hall.</p> <p>Level 2 - 10.1.19 PB said that when the proposal was complete management will review the EIA and also the previous request to consider whether some/all libraries needed an individual EIA rather than one for the Service.</p>
5E2	Neighbourhoods & Customer Services	Youth Service – Reduction in the support of youth support activities across the district. In 2019/20 this was to cease youth work grants (already consulted on), and in 2020/21 this is to reduce the Council's Youth Service base budget, with the EIA reflecting these impacts.	311.0	513.0	824.0	54.0	138.0	13.0	0.0	0.0*	0		<p>* number of part time posts (3&6 hours etc)</p> <p>Level 2 - 13.12.18 ID said that the information on the spread sheet was the worst case scenario in terms of implications for staffing. The ambition is to generate income and the Buddy Scheme might be a way of doing this. He highlighted the need to be aware of double taxation and the precept issues. The service will look at the use of buildings, the possibility of bringing services together and reviewing the hours of delivery.</p> <p>ID referred to a broader corporate review of the Youth Service and Youth Offending Scheme which is about to start and may impact on this proposition.</p> <p>Level 2 - 20.12.18 No additional information</p>
													<p>Level 2 - 10.1.19 No additional information</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4R2	Planning Transportation & Highways	West Yorkshire Combined Authority (WYCA) Transport Levy – proposed reduction in the levy Bradford pays to WYCA for transport operations	500.0	500.0	1,000.0	0.0	0.0	0.0	0.0	0.0	0	<p>OJC 1 - 6.12.18. Unite asked when decisions would be made from WYCA on the levy.</p> <p>Level 2 - 13.12.18 Unison asked how management knew that WYCA would agree to this budget proposals and what management's alternative proposal would be if this were not the case.</p> <p>GMB asked whether there were any vacancies attached to this budget proposal.</p>	
4R11	Planning Transportation & Highways	Planning, Transportation and Highways - installation of LED Lanterns, which provides better light coverage, and retrofit lamp/gear trays.	60.0	0.0	60.0	0.0	0.0	0.0	0.0	0.0			<p>Level 2 - 13.12.18 JJ confirmed that there are no staff implications for this budget proposal and that the saving will be achieved through reduced energy costs due to the installation of LED lanterns across the District.</p> <p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p>
4R13	Economy & Development	Economic Development Service – Management and support being removed in line with contractual end dates for External funded programmes and initiatives	26.0	56.0	82.0	38.0	38.0	1.0	1.0	1.0	0		<p>Level 2 - 13.12.18 This proposal will be achieved through the removal of support to third parties and management are currently in discussion with contract holders. Management are hopeful of being able to generate income and retain staff.</p> <p>Level 2 - 10.1.19 No additional information</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
6E1	Neighbourhoods & Customer Services	Parking Charges increases - Increase parking charges and introduce charges across the district for on and off street parking.	300.0	195.0	495.0	0.0	0.0	0.0	0.0	0.0	0	OJC 1 - 6.12.18. Unite asked if Council run car parks were operating at capacity.	OJC 1 - 6.12.18. Management advised that it was a mixed picture that was kept under review. Level 2 - 13.12.18 This proposal will be achieved through income generation due to the implementation of new parking restrictions. It is anticipated that the increase in income will lead to an increase in staff numbers to monitor and enforce new schemes.
													Level 2 - 20.12.18 No additional information Level 2 - 10.1.19 ID said that whilst there wasn't anywhere to record that information, one possible impact from this proposal would be a need for an additional two Wardens. The proposal had been considered at Executive on 8 January, 2019 and it was agreed to look at how to implement the aspects of the proposal which did not require major legal changes.
6X1	Neighbourhoods & Customer Services	Welfare Advice and Customer Service transformation - Fundamental change to the way the Council and its partners deliver customer facing services, focussed on customers getting the "right support at the right time"	0.0	844.0	844.0	127.0	129.0	0.0	22.0	9.0	0	OJC 1 - 6.12.18. Unite stated that there were a lot of casual staff in the call centre. Level 2 - 13.12.18 Unison asked whether there is a way to deliver this proposal. Unison asked whether the service could be incorporated into libraries. Unison said that they believed that the Contact Centre used a high number of casual staff.	OJC 1 - 6.12.18. Management advised that if there were any redundancies casual staff would go first. Level 2 - 13.12.18 This proposal is a reduction in the round with Welfare Advice, Adults and Customer Services. It is anticipated that this will push more contact on line or to self service. This is a broader review, with no detail known as yet. Level 2 - 13.12.18 ID said that the detail is not known at the moment however the Council will always support the most vulnerable. ID/SH said that this is a possibility with scope to include welfare advice. ID confirmed that at times the Contact Centre does use high numbers of casual staff, e.g. Council tax time, high volume Alhambra shows, etc. No casuals have been used in December. Level 2 - 20.12.18 No additional information Level 2 - 10.1.19 No additional information

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
												<u>Level 2 - 10.1.19</u> Unison asked whether there was a working group looking at this budget proposal, and if so, are trade unions represented.	<u>Level 2 - 10.1.19</u> ID said there is a working group led by Joanne Hyde; Joanne Conlon is representing Customer Services. He is not aware of the composition of the group and undertook to ask the question of Joanne Hyde.
		TOTAL	2763.0	4424.0	7187.0	638.0	828.0	44.0	78.0	55.5	4		

Department of Health & Wellbeing Services													
						Employees							
						Current		Likely FTE Reductions					
Ref	Service	Proposal Definition	2019 - 20 £'000	2020 - 21 £'000	Total £'000	FTE's	Head count	2019 - 20	2020 - 21	Vacs.	VR Req.	TU Feedback	Management Information/Response
6X1	Public Health - Customer Services and Welfare Advice transformation programme	Welfare Advice & Customer Service transformation Fundamental change to the way the Council and its partners deliver customer facing Services, focussed on customers getting the 'right support at the right time'.	0.00	1700.00	1700.00	0.00	0.00	0.00	0.00	0.00		OJC 1 6.12.18. Unison asked what the differences were for H&W compared to place, as already discussed by place SD.	OJC 1 6.12.18. Management advised that a lot of the reductions in place would affect the commissioning side rather than staff.
												OJC 1 6.12.18. Unite asked if there would be an impact on other departments, such as customer services and revenues and	OJC 1 6.12.18. Management advised that this was not know, everything was subject to review & change.
												OJC 2 08.01.19 - No issues raised	08.01.19 Future Gov currently looking at streamlining the service to ensure better value for money. Joined up working with Martin Stubbs Dept - Revs and Bens
6PH1	Public Health - Environmental health	Air Quality Monitoring Programme Reduction of posts in Pollution team and reduce the numbers of operational 'real time' automatic air quality management stations from seven to four.	0.00	55.00	55.00	0.00	0.00	1.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 Already agreed to be removed from spreadsheet . Now subject to DEFRA and Joint Air Quality Unit to implement the next clean air stage.
6PH2	Public Health - NHS Health Checks	Health Checks It is proposed that the current service will cease in 20/21 when it is no longer mandated. Options for efficient and targeted delivery of the programme will be explored with CCGs to consider how Health Checks and Healthy Hearts can work in a complimentary way and more effective way	0.00	175.00	0.00	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 This is currently a mandated service and looking at merging with GP Healthy Hearts and CCGs to reduce duplication.
4PH1	Public Health - School Nursing	School Nursing and Health Visiting - redesign through development of a new service model which is fully aligned to the Prevention and Early Help model.	1959.00	988.00	2947.00	0.00	0.00	0.00	0.00	0.00		OJC 1 6.12.18. Unison asked when might happen to the staff post transfer.	OJC 1 6.12.18. Management advised that this will be an integrated service with other departments, the outcome of the integration and review was subject to ongoing change & review.

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												OJC 2 08.01.19 - No issues raised	08.01.19 Procurement in process. Issues ongoing with providers and possibility of bringing in house. Scoping exercise to be finished this week before going back to elected members. Management are optimistic this will ensure integration going forward.
4PH2	Public Health - Substance Misuse	Substance Misuse Service – combination of redesign, and re-commissioning recovery service, dual diagnosis service, supervised medication programme, and inpatient detoxification services.	625.00	2919.00	3544.00	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 Transformation work currently underway to move dual diagnosis team in with CHMT. Positive feedback so far and going really well.
4PH3	Public Health - Sexual Health	Sexual Health - combination of redesign, review and ceasing services Health development with young people, sex and relationship education in schools, emergency hormonal contraception	0.00	647.60	647.60	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 currently 2 parts to the integrated Sexual Health Service via Locala and Mesmac. Provision being redesigned and a move towards changes in prescribing and drive to GP services.
4PH4	Public Health - Tobacco	Tobacco –combination of redesign, review of current service model to a stop smoking service targeted at smokers from the most disadvantaged groups and ceasing other services.	2.00	304.20	306.20	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 Resdesign of service with a targeted approach going forward looking at prescribing and re-commissioning through pharmacists. Framework to go out to tender.
4PH8	Public Health	Warm Homes Healthy People – reduction in the short term winter activity based programme	20.00	0.00	20.00	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - to remove already agreed	08.01.19 - to be removed from spreadsheet already agreed.
4PH10	Public Health	Public Health – reduction in staffing in line with redirecting investment profile towards reducing demand and maintaining health and wellbeing	310.00	350.00	660.00	86.00	97.00	13.00	0.00	5.00		OJC 2 08.01.19 - Unison requested confirmation regarding number of vacancies on hold and staff	08.01.19 further staff meetings are taking place last week. Clarification on numbers to be checked. No VR considered at present until restrcture complete.
6A1	Adult and Community Services	Adults - Overall Demand Management Strategy - moving from a dependency model to one that promotes independence and resilience (e.g. reducing numbers coming in to care, care system culture change, speeding up integration, redesign enablement, reviewing financial needs, continued personalisation).	1587.00	4477.00	6064.00	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 ~Very positive. Packages of care changing and this quarter overspend reduced to £5.5m . Management have confidence in the system and LD improvements are ongoing.

5PH1	Public Health	A Home From Hospital Service – Bradford Respite and Integrated Care Support (BRICCS) review and redesign of the service	170.10	0.00	170.10	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 currently reviewing at BCF schemes. The aim is to free up resources so it can be financed differently. Lyn Sowray and Liz Barry are meeting with provider to take forward.
TOTAL			4673.1	11615.8	16113.9	86	97	14	0	5			

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Department of Corporate Resources													
Ref	Service	Proposal Definition	Saving			Employees						TU Feedback	Management Information/Response
			2019 - 20 £'000	2020 - 21 £'000	Total £'000	Current		Likely FTE Reductions		Vacs.	VR Req.		
						FTE's	Head count	2019 - 20	2020 - 21				
4L1	Legal & Democratic Services	Legal and Democratic Services – to reflect the reduced size and scope of the Council, reductions to Civic, Legal and Committee Services, including Overview and Scrutiny are proposed	75.0	120.0	195.00	114.00	132.00	0.00	3.40	14.00	0.00	OJC1 6.12.18 Unite asked if the potential savings would be offset by the vacancies.	OJC 1 6.12.18 management advised that this would depend where the vacancies were and what skills were needed.
													OJC Level 2 20.12.18 Proposal is for £75k to be achieved through changes to the Committee system, on-going vacancy control and income generation.
													Level III arranged for 30/01/19.
Total			75.00	120.00	195.00	114.00	132.00	0.00	3.40	14.00	0.00		

Department of Corporate Resources													
Ref	Service	Proposal Definition	Saving			Employees						TU Feedback	Management Information/Response
			2019 - 20 £'000	2020 - 21 £'000	Total £'000	Current		Likely FTE Reductions		Vacs.	VR Req.		
						FTE's	Head count	2019 - 20	2020 - 21				
4F2	Finance	Insurance – reduce the total cost of insurance, including premiums paid to the Council's insurer, the cost of maintaining and internal insurance fund for self-insured risks and the cost of meeting claims	300.00	250.00	550.00	0.00	0.00	0.00	0.00	0.00	0.00		No level III Meetings held as yet, no reductions planned for 2019/20.
4F	Finance	West Yorkshire Joint Committees – cap contribution to Joint Committees at £1.1m which will require concerted action with other Councils	35.00	15.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00		No level III Meetings held as yet, no reductions planned for 2019/20.
6F1	Finance	Reduction in Grant to Parish and Town Councils – reduction in Council Tax support grant cut by central government	0.00	161.00	161.00	0.00	0.00	0.00	0.00	0.00	0.00		No level III Meetings held as yet, no reductions planned for 2019/20.
													OJC Level 2 20.12.18 Management advised that the proposed budget savings were all house-keeping issues.
Total			335.00	426.00	761.00	0.00	0.00	0.00	0.00	0.00	0.00		

Department of Corporate Resources													
Ref	Service	Proposal Definition	Saving			Employees						TU Feedback	Management Information/Response
			2019 - 20 £'000	2020 - 21 £'000	Total £'000	Current		Likely FTE Reductions		Vacs.	VR Req.		
						FTE's	Head count	2019 - 20	2020 - 21				
6S1	ICT	Information Technology Services – a blended reduction in IT Services staffing costs and reduction in supplies and services budget	250.00	0.00	250.00	146.00	151	10.00	0.00	15.00	8	Meeting 13.12.18 - It appears that there are a greater proportion of posts at the lower banded levels are being deleted at the price of creating managerial level posts.	Meeting 13.12.18 Structure proposals were tabled to Trade Unions. Managers are overloaded with doing the day to day work and do not always have the opportunity to support and develop staff in the way that management would like them to. Reducing spans of control for managers will enable them to be able to do this. Having said this, management will review the details of this.

													<p>UNITE's position was that management should not have commenced consultation at level III until the proposals had been consulted on at level II, Corporate Resources. UNITE requested that the staff briefings on the proposals, scheduled for later the same day were postponed. <u>OJC Level 2 14.01.19</u> Unite advised that Management has supplied some useful information but it is still not clear what the breakdown is for IT. The £440k saving has been removed so it needs to be a new proposal which needs to be consulting on. Unite were not confident that budget cuts could be made in FM and IT at this time.</p>	<p>Management noted the comments from UNITE and pointed out that the proposals were not limited to being driven by the need to make budget reductions, there is an additional need to streamline the ICT service and make changes to enable it to be fit to meet the Authority's needs in the future.</p>
Page 206													<p>Unite referred to the £440k that has been removed from proposed savings in ICT, asked why it had been removed and asked for an audit trail of the process followed to remove that saving. Unite were concerned that managers appeared to be proposing budget cuts which they had no intention of achieving. Unite were also concerned that the £440k was not mentioned at OJC Level 1. Management advised that not having an audit trail for the Unions was a learning curve for the future. Unite were concerned that changes have been made to budget proposals for 2019 / 2020 which have not been consulted upon Unison said that there wasn't any clarification as to why the proposed restructure costs have reduced what confidence could they have that the costs and number of job losses will increase again. Unison have previously asked about savings in</p>	<p>Management agreed that they would be consulting upon any proposed changes. Unite said that re-consulting does not mean that the proposed cuts can go ahead now. Management said that there is no intention to implement proposals until the consultation period is ended and proposals have gone to Budget Council in February. Proposals are due to be implemented from 1 April 2019.</p>
Total			250.00	0.00	250.00	146.00	151.00	10.00	0.00	15.00	8			

Department of Corporate Resources													
						Employees							
						Current		Likely FTE Reductions					
Ref	Service	Proposal Definition	2019 - 20 £'000	2020 - 21 £'000	Total £'000	FTE's	Head count	2019 - 20	2020 - 21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4R14	Estates & Property	Asset Management – Seek to invest in non-operational property to generate surplus income	200.00	240.00	440.00	0.00	0.00	0.00	0.00	0.00	0.00		No staffing impact.
4R16	Estates & Property	Facilities Management – reduction in the maintenance budget as the size of the operational estate shrinks	980.00	55.00	1035.00	926.00	1698.00	21.00	0.00	29.00	2.00	OJC III 13.12.18 GMB asked why the numbers affected was so large this year.	OJC III 13.12.18 management explained that the numbers had been brought forward from 2020/21as other savings had not materialised as planned moves & closures had been slower than anticipated. Management expect that most of the cuts will be managed by vacancy control & VR, & would not affect front line staff, although they do not intend to replace a vacant joiner post.
												OJC III 22.1.19 UCATT asked for a breakdown of the 980 saving.	OJC III 22.1.19 Management advised that 200 would be rates savings, 480 closure transfer of buildings & the remaining 300 staff. A meeting will take place with ISG staff on 23.1.19 to explain how the potential impact of the Government ceasing the use of composite fire doors will impact on the business.
												OJC III 22.1.19 GMB asked if all vacancies would be deleted & all VR's accepted.	OJC III 22.1.19 Management advised that they would need to consider if the vacancies & VR requests were in the right part of the business where reductions can be made. Proposals are being drawn up & should be tabled in the next 2 weeks or so.
												OJC Level 2 20.12.18 This is an invest to grow proposal to generate surplus income. 4R16 is around the FM Built Environment and has three elements: 1. Rates savings 2. Reduction of running costs for Richard Dunn Sports Centre and Queensbury Pool 3. Growing revenue from the Service	OJC Level 2 20.12.18 Unite asked when the sports centre and pool were to close. Management advised September 2019. Unite said that this would only produce half year savings. Management advised that they also had one-off savings around other maintenance budgets.
Total			1180.00	295.00	1475.00	926.00	1698.00	21.00	0.00	29.00	2.00		

Chief Executive's Office													
						Employees							
						Current		Likely FTE Reductions					
Ref	Service	Proposal Definition	2019 - 20 £'000	2020 - 21 £'000	Total £'000	FTE's	Head count	2019 - 20	2020 - 21	Vacs.	VR Req.	TU Feedback	Management Information/Response
5X1		Review of PA Support structure across Senior Mangement to streamline and standardise the service.	75.00	0.00	75.00	67.00	73.00	1.00	0.00	4.00	0.00	Meeting 13.12.18 Unison queried why the Senior Management / PA proposed budget saving had been assigned to the Office of the Chief Executive. Management confirmed that this is a Council wide issue and Finance is aware that it is not a proposed saving for OCX. Unison said this was good news as OCX has been cut to the bone.	Meeting 13.12.18. Management advised no further staff reductions planned.
													OJC Level 2 20.12.18 This proposal is to look at the PA structure across the Council and to ensure that it is consistent. Further conversations on this will be held in due course Unite asked if the four vacancies was just PAs and Management confirmed that it was.
Total			75.00	0.00	75.00	67.00	73.00	1.00	0.00	4.00	0.00		

Department of Children's Services													
						Employees							
			Saving			Current		Likely FTE Reductions					
Ref	Service	Proposal Definition	2019 - 20 £'000	2020 - 21 £'000	Total £'000	FTE's	Head count	2019 - 20	2020 - 21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4C2	Education & Learning	Early Help - From 2017 part of the Dedicated Schools Grant will be removed. Plans are being formulated to develop a coherent and targeted suite of early years' services including early help, family centres and early years' including Children's Centres. The proposal is included here as there could be staffing implications.	3660.00	2915.00	6575.00	233.00	279.00	50.00	50.00	32.00	2.00	OJC 1 6.12.18. GMB asked about legal supprt.	OJC 1 6.12.18. Management advised that this was to accommodate the rise in looked after children.
												OJC 1 6.12.18. Unite asked about the number of vacancies, could they absorb the redundancies along with the additional budget that had gone back in.	OJC 1 6.12.18. Management advised that the money was to cover rises in looked after children & address the issues raised by ofsted. Depending on the skills needed some redundancies may be offet, but most of the additional posts required will need social work qualification. The reductions in business support has been achieved without compulsory redundacies so far.
												Level 2 - 13/12/18 Unison queried if the 50 FTE reductions were part of the original budget cuts. Could Management confirm which team and what these posts were.	Management to clarify and respond next week. HR advised that if they were included in this sheet the posts should not have been consulted on previously.
												Level 2 - 13/12/18 Unite expressed concerns re statements that the Council is investing in Children's Services. There has been a cut of over £20m from last year. What is the current budget overall? There is no way the Council can say they are investing.	Management agreed to bring back the overall budget for last year, this year broken down into areas.

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Page 210												OCJ 2 20.12.18 Clarity needed on the 50 jobs. Significant if 50 FTE posts are to be lost.	Management agreed to identify leads for each proposal and seek detailed information about where these cuts are coming from. Update 10/01/19: Lead Jim Hopkinson/Kal Nawaz. The 50 displaced staff figures for 2019/20 relate to the restructure already undertaken which will yield the savings for 2019/20 of £3.66 million as some staff are still and will still be going through the redundancy process as we approach April 2019. No new restructure will be undertaken in this area in 2019/20. There is a further £2.9 million savings to be achieved in 2020/21. We have already achieved a significant part of this saving through the restructure undertaken. Additionally, we are still not able to confirm the shortfall for the traded offer so it is not possible to be clear about whether or not there may need to be a further restructure in 2020/21. The SEND report that was presented to the Executive in April 2018 stated that there might be further staff savings if the traded income is not met. However, since this report in April 2018, further work has been done on this area to clarify the duties under the SEND legislation. Any further changes linked to SEND will ensure statutory duties are fully met. A figure of 50 posts for 2020/21 was previously attributed to SEND but this will be adjusted in light of more recent reports.	
												OJC 2 10/01/19 Agreed no further information needed on this budget line.		
													OJC 2 17/01/19 Unite asked for detailed budget information.	Management to follow up
													OJC 2 24/01/19 Unite noted budget info provided but asked if specific budget info could be provided in terms of 4C2.	Management to follow up
4C3	Employment & Skills	Children's Services – When the current Connexions contract ends in August 2019, re-design the activity to bring the service in house at a reduced cost. Skills House to be funded from base from April 2020, along with seeking partner contributions for an expanded service, some of the costs will be offset through the reductions in the Connexions contract.	50.00	100.00	150.00	53.00	60.00	6.00	0.00	13.00	2.00	Level 2 - 13/12/18 Unison asked for more information on this proposal.	Management to provide an update.	

											Level 2 - 13/12/18 NEU queried whether the 6 FTE posts would come from natural wastage. Unison question whether the staff concerned were Council staff.	Management to provide detail.	
											OJC 20.12.18 Management to provide update.	Update 21/12/18: The reduced payments for 2019/20 financial year have been profiled. The contract is delivered by Prospects Services, the assumptions around potential reduction in staff is based on our perception of what the cut would equate to in FTE. The reduction will need to be managed by Prospects and ultimately it will be their decision as to whether staff are made redundant or if they are reallocated to work on other contracts locally, regionally or nationally.	
											OJC 16/01/19 No further comment.		
											OJC 2 17/01/19 Unison asked if the staff affected were aware of the proposal.	Management advised that they were unaware as they were not staff employed by the Council.	
											OJC 2 24/01/19 Unite noted budget info provided but asked if specific budget info could be provided in terms of 4C3.	Management to follow up	
5C Page 211	Children & Disability Service	Review Respite Provision after the introduction of personalised budgets – The savings will be achieved through a two stranded approach: Income generation through building on an existing pilot; proactively marketing surplus beds to other Local Authorities on a full cost recovery basis; Refocusing existing residential respite provision to meet the needs of younger adults and older teenagers, enabling costs to be shared with adults services; The review will also focus on improved service efficiencies.	400.00	0.00	400.00	76.00	86.00	1.00	0.00	15.00	2.00	Level 2 - 13/12/18 NEU noted £400k proposed saving in this area. Bed selling may generate £200k and noted hope to sell other beds but don't feel this will make savings as there will still be salary costs, etc. so the net effect may not be a benefit. Need to know how this saving is to be made.	Management to advise further.
											Level 2 - 13/12/18 Unison noted that consideration needs to be given to using beds for other LA's at the expense of our CYP.		

												OJC 20.12.18	Management to provide update. Update 10/01/19: Lead David Byrom/Clare Mulgan Respite Review Programme is ongoing. David Byrom is leading on this work. Savings will be made via three areas: - Increased funding from Health; - Trading beds with other LA's; - Working with Adult Services on Transitions.
												OJC 10/01/19 Unison noted potential for trading beds must not be done at expense of our children.	
												NEU reiterated that although this will bring money in it wouldn't be a £200k saving as there would be costs associated.	Management noted comments and advised there was capacity to sell beds.
												OJC 2 24/01/19 Unite noted budget info provided but asked if specific budget info could be provided in terms of 5C1.	Management to follow up
Total			4110.00	3015.00	7125.00	362.00	425.00	57.00	50.00	60.00	6.00		

General Comments:

OJC Level 2 - 07/02/19

UNITE colleague said that he was unsure what his Branch position was regarding the Budget, but would come back with any comments. UNITE commented that the public had been told by the Council and Children's Overview & Scrutiny Committee about the investment made in Children's Services, but there was still a large deficit, even with the investment coming in to the Council. NASUWT said we needed to be reminded that the TU were here purely to support Members through issues and not to generalise about the budget situation. Management said it would be appropriate to wait until the budget report was published and then to allow for comment.

Department of Corporate Resources													
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						FTE's	Head count	2019 - 20	2020 - 21				
4L1	Legal & Democratic Services	Legal and Democratic Services – to reflect the reduced size and scope of the Council, reductions to Civic, Legal and Committee Services, including Overview and Scrutiny are proposed	75.0	120.0	195.00	114.00	132.00	0.00	3.40	14.00	0.00	OJC1 6.12.18 Unite asked if the potential savings would be offset by the vacancies.	OJC 1 6.12.18 management advised that this would depend where the vacancies were and what skills were needed.
													OJC Level 2 20.12.18 Proposal is for £75k to be achieved through changes to the Committee system, on-going vacancy control and income generation.
													No level III Meetings held as yet, no reductions planned for 2019/20.
													Level III 30.01.19 - No discussions on budget, no reductions planned for 2019/20
Total			75.00	120.00	195.00	114.00	132.00	0.00	3.40	14.00	0.00		

Department of Corporate Resources													
Ref	Service	Proposal Definition	Saving			Employees						TU Feedback	Management Information/Response
			2019 - 20 £'000	2020 - 21 £'000	Total £'000	Current		Likely FTE Reductions		Vacs.	VR Req.		
						FTE's	Head count	2019 - 20	2020 - 21				
4F2	Finance	Insurance – reduce the total cost of insurance, including premiums paid to the Council's insurer, the cost of maintaining and internal insurance fund for self-insured risks and the cost of meeting claims	300.00	250.00	550.00	0.00	0.00	0.00	0.00	0.00	0.00		No level III Meetings held as yet, no reductions planned for 2019/20.
4F4	Finance	West Yorkshire Joint Committees – cap contribution to Joint Committees at £1.1m which will require concerted action with other Councils	35.00	15.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00		No level III Meetings held as yet, no reductions planned for 2019/20.
6F1	Finance	Reduction in Grant to Parish and Town Councils – reduction in Council Tax support grant cut by central government	0.00	161.00	161.00	0.00	0.00	0.00	0.00	0.00	0.00		No level III Meetings held as yet, no reductions planned for 2019/20.
													OJC Level 2 20.12.18 Management advised that the proposed budget savings were all house-keeping issues.
Total			335.00	426.00	761.00	0.00	0.00	0.00	0.00	0.00	0.00		

Department of Corporate Resources													
Ref	Service	Proposal Definition	Saving			Employees						TU Feedback	Management Information/Response
			2019 - 20 £'000	2020 - 21 £'000	Total £'000	Current		Likely FTE Reductions		Vacs.	VR Req.		
						FTE's	Head count	2019 - 20	2020 - 21				
6S1	ICT	Information Technology Services – a blended reduction in IT Services staffing costs and reduction in supplies and services budget	250.00	0.00	250.00	146.00	151	10.00	0.00	15.00	8	Meeting 13.12.18 - It appears that there are a greater proportion of posts at the lower banded levels are being deleted at the price of creating managerial level posts.	Meeting 13.12.18 Structure proposals were tabled to Trade Unions. Managers are overloaded with doing the day to day work and do not always have the opportunity to support and develop staff in the way that management would like them to. Reducing spans of control for managers will enable them to be able to do this. Having said this, management will review the details of this.

											<p>UNITE's position was that management should not have commenced consultation at level III until the proposals had been consulted on at level II, Corporate Resources. UNITE requested that the staff briefings on the proposals, scheduled for later the same day were postponed.</p> <p>OJC Level 2 14.01.19 Unite advised that Management has supplied some useful information but it is still not clear what the breakdown is for IT. The £440k saving has been removed so it needs to be a new proposal which needs to be consulting on. Unite were not confident that budget cuts could be made in FM and IT at this time.</p>	<p>Management noted the comments from UNITE and pointed out that the proposals were not limited to being driven by the need to make budget reductions, there is an additional need to streamline the ICT service and make changes to enable it to be fit to meet the Authority's needs in the future.</p>
											<p>OJC Level 2 20.12.18 Unite referred to the £440k that has been removed from proposed savings in ICT, asked why it had been removed and asked for an audit trail of the process followed to remove that saving. Unite were concerned that managers appeared to be proposing budget cuts which they had no intention of achieving. Unite were also concerned that the £440k was not mentioned at OJC Level 1. Management advised that not having an audit trail for the Unions was a learning curve for the future. Unite were concerned that changes have been made to budget proposals for 2019 / 2020 which have not been consulted upon Unison said that there wasn't any clarification as to why the proposed restructure costs have reduced what confidence could they have that the costs and number of job losses will increase again. Unison have previously asked about savings in Procurement and have not received a response. Management will chase up this response and provide more detail at the next meeting. Management agreed to provide a Business Case to support savings.</p>	<p>Management agreed that they would be consulting upon any proposed changes. Unite said that re-consulting does not mean that the proposed cuts can go ahead now. Management said that there is no intention to implement proposals until the consultation period is ended and proposals have gone to Budget Council in February. Proposals are due to be implemented from 1 April 2019.</p>
												<p>OJC Level 2 30.01.19 Agreed to move the consultation to a Side Level 2 meeting.</p>
											<p>Level 2 Side Meeting 08.02.19: Unite did not wish to discuss the proposed organisational structure until Full Council on 21st February 2019 had approved the budget proposal. They would talk in principle but will not consider the details of the proposal until it has been passed at Full Council. Unite stated this is a Section 188 issue and not a workforce change issue.</p>	<p>Level II Side Meeting 08.02.19 - Management advised that the rationale for the proposals would be presented for the Trade Unions' consideration.</p>

												Unite raised the question as to why the budget proposals for the next two years had been reduced.	The 2019/20 and 2020/21 proposals were based on a transition away from SAP and the Councils workforce being much reduced. After working throughout the year on the SAP project, it was determined that the move away from SAP could not be achieved in the previously stated timelines and was therefore removed from the budget proposal. The Council has not reduced as much in size as previously thought and therefore that reduction has been removed from the future year's budget forecast.
												Unite insisted that previous years budget savings had not been made.	Management stated that nearly £10m had been saved by the IT service over the last few years.
												Unite pointed out that IT had a £6m reserve that was not being used.	Management stated that the reserve was in place to allow for continuous investment in technology to avoid obsolescence and the need for unplanned for capital investment in the future.
												TUs stated they wished to work with management but will not agree to a structure in which manager posts are being created while frontline posts were being reduced.	Management explained that in some areas (such as the business relationship manager roles) additional manager posts were required and that also in some of the frontline areas additional posts were being created as well.
Page 215												Unite agreed that the level of IT services does need improving.	Management feels that the proposals tabled are required to meet this need for improvement.
												Unite & UNISON queried why management do not use Workforce Development to carry out training.	The proposals have been put together in conjunction with HR and currently workforce development does not have the capacity to provide this type of training without it being procured which will incur additional cost.
												Unite asked for information on the number of staff who need basic IT training needs.	15% of resolved calls into the service have a fault code of "user training needed"
												UNISON queried why we need to create extra Business Relationship Manager posts. Unite echoed this and asked that we create more positions lower down.	It is essential that the IT service is fully aligned with the needs of each Council service. To do this we need dedicated IT staff to understand in detail how each Council service works and to identify how technology can be used to make it more efficient. These roles will also ensure we are managing the IT workload by having a clear view of service priorities. The role will also be a point of escalation. These roles have been developed in conjunction with services. These posts will also provide potential opportunities for progression for existing staff. Management stated that in key areas positions lower down the organisation were being created.
												Unite raised the issue of out of hours staff not dealing with desktop support calls.	Out of hours staff will have the ability to resolve desktop support calls where applicable.

												UNISON mentioned that education ICT does not seem to be mentioned in the rationale.	Management advised this was being looked into.
												UNISON asked for clarity on cost pressures not mentioned in the rationale and they have concerns about post deletion savings.	Management will advise in due course.
												Unite asked that management consider VR requests at the earliest point.	Management agreed to do this, at the appropriate point in the restructure process.
												GMB stated they have the same misgivings as Unite and the proposed structure looks top heavy.	Management reiterated that these posts create a potential progression opportunity and these posts are needed provide a dedicated resource to identify specific improvements in each of the areas proposed.
												UNISON stated they cannot advise members that manager posts are being created and frontline staff posts are being deleted.	Management explained that in some areas (such as the business relationship manager roles) additional manager posts were required and that also in some of the frontline areas, posts were being created as well.
												Unite requested to see the rationale for education ICT before the next meeting in draft.	Management will provide some further information.
												Unite stated that apprentice posts should not be included in the figures.	Management advised they would look into this.
Total			250.00	0.00	250.00	146.00	151.00	10.00	0.00	15.00	8		

Department of Corporate Resources													
Ref	Service	Proposal Definition	Saving		Total £'000	Employees		Likely FTE Reductions		Vacs.	VR Req.	TU Feedback	Management Information/Response
			2019 - 20 £'000	2020 - 21 £'000		Current							
						FTE's	Head count	2019 - 20	2020 - 21				
4R14	Estates & Property	Asset Management –Seek to invest in non-operational property to generate surplus income	200.00	240.00	440.00	0.00	0.00	0.00	0.00	0.00	0.00		No staffing impact.
4R16	Estates & Property	Facilities Management – reduction in the maintenance budget as the size of the operational estate shrinks	980.00	55.00	1035.00	250.00	258.00	21.00	0.00	15.00	3.00	OJC III 13.12.18 GMB asked why the numbers affected was so large this year.	OJC III 13.12.18 management explained that the numbers had been brought forward from 2020/21as other savings had not materialised as planned moves & closures had been slower than anticipated. Management expect that most of the cuts will be managed by vacancy control & VR, & would not affect front line staff, although they do not intend to replace a vacant joiner post.
												OJC III 22.1.19 UCATT asked for a breakdown of the 980 saving.	OJC III 22.1.19 Management advised that 200 would be rates savings, 480 closure transfer of buildings & the remaining 300 staff. A meeting will take place with ISG staff on 23.1.19 to explain how the potential impact of the Government ceasing the use of composite fire doors will impact on the business.

Chief Executive's Office													
Ref	Service	Proposal Definition	Saving		Total £'000	Employees		Likely FTE Reductions		Vacs.	VR Req.	TU Feedback	Management Information/Response
			2019 - 20 £'000	2020 - 21 £'000		Current	Head count	2019 - 20	2020 - 21				
						FTE's							
5X1		Review of PA Support structure across Senior Mangement to streamline and standardise the service.	75.00	0.00	75.00	67.00	73.00	1.00	0.00	4.00	0.00	Meeting 13.12.18 Unison queried why the Senior Management / PA proposed budget saving had been assigned to the Office of the Chief Executive. Management confirmed that this is a Council wide issue and Finance is aware that it is not a proposed saving for OCX. Unison said this was good news as OCX has been cut to the bone.	Meeting 13.12.18. Management advised no further staff reductions planned.
													OJC Level 2 20.12.18 This proposal is to look at the PA structure across the Council and to ensure that it is consistent. Further conversations on this will be held in due course Unite asked if the four vacancies was just PAs and Management confirmed that it was.
Total			75.00	0.00	75.00	67.00	73.00	1.00	0.00	4.00	0.00		

Department of Health & Wellbeing Services													
Ref	Service	Proposal Definition	Saving			Employees				Vacs.	VR Req.	TU Feedback	Management Information/Response
			2019 - 20	2020 - 21	Total	Current		Likely FTE					
			£'000	£'000	£'000	FTE's	Head count	2019 - 20	2020 - 21				
6X1	Public Health - Customer Services and Welfare Advice transformation programme	Welfare Advice & Customer Service transformation Fundamental change to the way the Council and its partners deliver customer facing Services, focussed on customers getting the 'right support at the right time'.	0.00	1700.00	1700.00	0.00	0.00	0.00	0.00	0.00		OJC 1 6.12.18. Unison asked what the differences were for H&W compared to place, as already discussed by place SD.	OJC 1 6.12.18. Management advised that a lot of the reductions in place would affect the commissioning side rather than staff.
												OJC 1 6.12.18. Unite asked if there would be an impact on other departments, such as customer services and revenues and benefits.	OJC 1 6.12.18. Management advised that this was not know, everything was subject to review & change.
												OJC 2 08.01.19 - No issues raised	08.01.19 Future Gov currently looking at streamlining the service to ensure better value for money. Joined up working with Martin Stubbs Dept - Revs and Bens
												OJC2 12.02.19 Unions asked whether costs could be mitigated to partners?	OJC 12.02.19 Management confirmed that work is on-going and this has been a key discussion at all Budget Consultation meetings. The Leader is keen all partners play a part. A Programme board is now established with Joanne Hyde and David Cawthray involved to ensure work with health colleagues is undertaken.
6P	Public Health - Environmental health	Air Quality Monitoring Programme Reduction of posts in Pollution team and reduce the numbers of operational 'real time' automatic air quality management stations from seven to four.	0.00	55.00	55.00	0.00	0.00	1.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 Already agreed to be removed from spread sheet . Now subject to DEFRA and Joint Air Quality Unit to implement the next clean air stage.
												OJC 12.02.19 No issues raised	
6PH2	Public Health - NHS Health Checks	Health Checks It is proposed that the current service will cease in 20/21 when it is no longer mandated. Options for efficient and targeted delivery of the programme will be explored with CCGs to consider how Health Checks and Healthy Hearts can work in a complimentary way and more effective way	0.00	175.00	0.00	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 This is currently a mandated service and looking at merging with GP Healthy Hearts and CCGs to reduce duplication.
												OJC 2 12.02.19	12.02.19 Management confirmed work is on-going and n alternative will be put in place and Living Well programme will help. LB to look at links between Healthy Hearts and Ots.

4PH1	Public Health - School Nursing	School Nursing and Health Visiting - redesign through development of a new service model which is fully aligned to the Prevention and Early Help model.	1959.00	988.00	2947.00	0.00	0.00	0.00	0.00	0.00		OJC 1 6.12.18. Unison asked when might happen to the staff post transfer.	
												OJC 2 08.01.19 - No issues raised	08.01.19 Procurement in process. Issues on-going with providers and possibility of bringing in house. Scoping exercise to be finished this week before going back to elected members. Management are optimistic this will ensure integration going forward.
												OJC 2 12.02.19	12.02.19 Management confirmed that negotiations have reopened with re-evaluation of the bid. Management explained liabilities and continuity of staffing.
4PH2	Public Health - Substance Misuse	Substance Misuse Service – combination of redesign, and re-commissioning recovery service, dual diagnosis service, supervised medication programme, and inpatient detoxification services.	625.00	2919.00	3544.00	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 Transformation work currently underway to move dual diagnosis team in with CHMT. Positive feedback so far and going really well.
												OJC 2 12.02.19 No issues raised	On-going remodelling by care Trust.
4PH3	Public Health - Sexual Health	Sexual Health - combination of redesign, review and ceasing services Health development with young people, sex and relationship education in schools, emergency hormonal contraception	0.00	647.60	647.60	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 currently 2 parts to the integrated Sexual Health Service via Locala and Mesmac. Provision being redesigned and a move towards changes in prescribing and drive to GP services.
												OJC 2 12.02.19 - No issues raised	Management advised currently out for consultation
4PH4	Public Health - Tobacco	Tobacco –combination of redesign, review of current service model to a stop smoking service targeted at smokers from the most disadvantaged groups and ceasing other services.	2.00	304.20	306.20	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 Redesign of service with a targeted approach going forward looking at prescribing and re-commissioning through pharmacists. Framework to go out to tender.
												OJC 2 12.02.19 No issues raised	
4PH8	Public Health	Warm Homes Healthy People – reduction in the short term winter activity based programme	20.00	0.00	20.00	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - to remove already agreed	08.01.19 - to be removed from spread sheet already agreed.
												OJC 2 12.02.19 No issues raised	
4PH10	Public Health	Public Health – reduction in staffing in line with redirecting investment profile towards reducing demand and maintaining health and wellbeing	310.00	350.00	660.00	86.00	97.00	13.00	0.00	5.00		OJC 2 08.01.19 - Unison requested confirmation regarding number of vacancies on hold and staff transferring	08.01.19 further staff meetings are taking place last week. Clarification on numbers to be checked. No VR considered at present until restructure complete.

												OJC 2 12.02.19	management confirmed the restructure is currently out for consultation and finishes on 15th March All discussions at level 3.
6A1	Adult and Community Services	Adults - Overall Demand Management Strategy - moving from a dependency model to one that promotes independence and resilience (e.g. reducing numbers coming in to care, care system culture change, speeding up integration, redesign enablement, reviewing financial needs, continued personalisation).	1587.00	4477.00	6064.00	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 ~Very positive. Packages of care changing and this quarter overspend reduced to £5.5m . Management have confidence in the system and LD improvements are on-going.
												OJC 2 12.02.19 No issues raised	
5PH1	Public Health	A Home From Hospital Service – Bradford Respite and Integrated Care Support (BRICCS) review and redesign of the service	170.10	0.00	170.10	0.00	0.00	0.00	0.00	0.00		OJC 2 08.01.19 - No issues raised	08.01.19 currently reviewing at BCF schemes. The aim is to free up resources so it can be financed differently. Lyn Sowray and Liz Barry are meeting with provider to take forward.
												OJC 2 12.02.19 - No issues raised	
TOTAL			4673.1	11615.8	16113.9	86	97	14	0	5			

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Department of Place													
						Employees				Issue 6 - date to be confirmed			
						Current		Potential FTE Reductions					
Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4E1	Sport & Culture	Parks and Bereavement - management rationalisation; withdrawal from direct management of sport pitches and bowling greens; raise prices of bereavement services.	60.0	50.0	110.0	116.0	117.0	0.0	1.0	4.0	2	<p>Level 2 - 13.12.18 Unison asked what vacancies there were, how long the posts had been vacant and how much saving had been achieved.</p>	<p>Level 2 - 13.12.18 The saving will be generated from additional income from the Bereavement Service. There are currently vacancies in the service area, so there are no staff implications.</p> <p>Level 2 - 13.12.18 PB said that there were no savings as the posts were critical to the delivery of the service and had been filled by temporary and agency staff.</p> <p>Level 2 - 10.1.19 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p> <p>Level 2 - 24.1.19 No additional information</p> <p>Level 2 - 7.2.19 No additional information</p>
4E2	Waste & Transport Services	Waste Collection and Disposal Services - increased levels of recycling, reduction in residual waste and improved operational efficiencies.	-84.0	276.0	192.0	0.0	0.0	0.0	0.0	0.0	0	<p>Level 2 - 13.12.18 GMB asked what had happened to the funding for the tromel.</p> <p>GMB asked how the MRF was being staffed.</p>	<p>Level 2 - 13.12.18 JM said that there are no savings required in 2019-20 and that there would be additional funding made available to cover the increase in the number of properties. The saving will be achieved in 2020-21 by a continuation of the work around AWC and looking at increased income generation from trade waste and garden waste collections amongst other things. The services will be better marketed with a view to driving up income. There will also be a review of the Council's skip offer and charges to charities/RSLs, etc.</p> <p>Level 2 - 13.12.18 JM said that the majority of funding for the tromel would have come from savings made through reduced costs. A new way of working has now been introduced which has removed one shift and reduced the amount of residual waste. Some capital funding has paid for the new conveyor belt at the MRF and the accommodation changes at Harris Street.</p> <p>JM said that the staffing is a mix of agency and full time staff and management are looking at increasing full and temporary contracts and reducing agency numbers.</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
Page 224												<p>Level 2 - 13.12.18 Unison asked whether the Trade Waste service is reviewed as being suitable for businesses that sign up to it. An example of fly tipping/ dumping was given which suggested that appropriate trade waste contracts were not in place.</p> <p>GMB said that where side waste is next to a trade waste bin details are recorded on crew time sheets, but these were not always followed up.</p> <p>Unite asked who was responsible for achieving this saving, and the others on the spread sheet.</p> <p>Level 2 - 20.12.18 United clarified their position around the query about responsibility for achieving the budget saving as identified. Their concern was that it income generation was not sufficient to achieve the saving, job losses may be the alternative considered by management.</p>	<p>Level 2 - 13.12.18 JM said that the Trade Waste service is being reviewed, however not all businesses are customers of the Council. Where there is evidence of fly tipping this should be reported and it will be investigated.</p> <p>Management noted this information.</p> <p>SH said that the management of the Department are responsible for achieving the savings and offered to discuss any one in further detail with any of the Unions as required.</p> <p>Level 2 - 20.12.18 SH reiterated the management position at the last meeting, i.e. the Department is responsible for achieving the savings and management are happy to discuss any proposal in further detail with any Unions as required.</p>
												<p>GMB raised the question of the recent announcement by Government that every household would have a good waste collection.</p> <p>GMB said that they believed that the Conservatives (didn't know whether it was locally or nationally) if re-elected would want to go back to weekly refuse collections.</p>	<p>SH said that the Government had released a Green Paper for consultation, starting in January 2019, on changes to waste services. There will be various elements to consultation including food waste, green waste and deposit return schemes for cans and plastic bottles. The government is also looking at Producer Pays Responsibility and has said that any changes would be fully funded to Councils. Following consultation it will be some time, possibly 2022, before any changes become a reality through changed legislation. The Council will develop a Waste Strategy to respond to new legislative requirements.</p> <p>SH said he was not aware of this possibility.</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
Page 225												<p>Level 2 - 20.12.18 Unite clarified their position around the query about responsibility for achieving the budget saving as identified. Their concern was that if income generation was not sufficient to achieve the saving, job losses may be the alternative considered by management.</p> <p>GMB raised the question of the recent announcement by the Government that every household would have a food waste collection.</p> <p>GMB said that he believed that the Conservatives (didn't know whether it was locally or nationally) if re-elected would want to go back to weekly refuse collections.</p>	<p>Level 2 - 20.12.18 SH reiterated the management position at the last meeting, i.e. the Department is responsible for achieving the savings and management are happy to discuss any proposal in further detail with any of the Unions as required.</p> <p>SH said that the Government had released a Green Paper for consultation, starting in January 2019, on changes to waste services. There will be various elements to the consultation including food waste, green waste and deposit return schemes for cans and plastic bottles. The Government is also looking at Producer Pays Responsibility and has said that any changes would be fully funded to Councils.</p> <p>Following consultation it will be some time, possibly 2022, before any changes become a reality through changed legislation. The Council will develop a Waste Strategy to respond to new legislative requirements.</p> <p>SH said he was not aware of this possibility.</p>
												<p>Level 2 - 10.1.19 JM said that management are in discussion about Trade Waste with a view to increasing income and that they hoped that the computer issues which affected sign up to Green Waste last year would not be repeated resulting in additional customers and increased income.</p> <p>Level 2 - 10.1.19 GMB asked how long permanent staff who are working on the MRF would be on shifts and whether they were getting any recognition for this.</p>	<p>Level 2 - 10.1.19 JM said that this issue would be clarified and discussed at Level 3.</p> <p>Level 2 - 24.1.19 No additional information</p> <p>Level 2 - 7.2.19 No additional information</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4E7	Sport & Culture	Remodel of Visitor Information & frontline service - reduce the number and/or size of Visitor Information Centres (VICs), moving to a more digital basis promoting the district to target audiences, with the potential for VIC information points as co-located provision and the commercial opportunities for the Bradford City of Film.	50.0	70.0	120.0	9.5	12.0	0.0	4.0	0.0	0		<p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p> <p>Level 2 - 24.1.19 No additional information</p> <p>Level 2 - 7.2.19 No additional information</p>
4E8	Sport & Culture	Events and Festivals – review to develop a more sustainable and balanced events programme and review grant funding while protecting key organisations.	150.0	100.0	250.0	4.0	4.0	0.0	1.0	2.0	0		<p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p> <p>Level 2 - 24.1.19 No additional information</p> <p>Level 2 - 7.2.19 No additional information</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4E9	Sport & Culture	Libraries – review provision of Library Services across the district, consider alternative delivery models	950.0	1050.0	2000.0	74.0	98.0	13.0	30.0	8.0	0	<p>Level 2 - 13.12.18 Unison asked whether the options for the service would be taken to Scrutiny in January.</p> <p>Unison asked about the use of casuals in libraries and whether the detail which had previously been requested on the accrual of employment rights had been completed. It is essential to know which staff have employment rights and which do not in a restructure.</p> <p>Unite expressed a concern that the 2019-20 savings had not been correctly consulted on.</p> <p>Unite asked for an EIA for each library which looked at the effects on staff and the community the library served.</p>	<p>OJC 1 - 6.12.18. Management advised that EQI's and the full committee report were on the external website, HR to send the link out.</p> <p>Level 2 - 13.12.18 PB said that a report will be taken to Scrutiny on 22 January, 2019. the detail of the report will be the same as the information we intend to share with the Unions in early January.</p> <p>PB said he will ask managers to review and check that all staff are being employed correctly.</p> <p>JC said that th restructure would look at which staff are in scope.</p> <p>PB said that the 2019-20 savings had been considered at Level 2 and were delegated to Level 3 however there was no detail to bring forward. This information will be available at Level 3 in January 2019.</p> <p>SH said that the EIA is always about staff and users of a service. PB said that he will review the provision of EIAs in the light of these comments and consider whether any of the libraries are unique in relation to the issues considered in the EIA.</p>
												<p>Level 2 - 13.12.18 Unison asked for the figures on the costs of running each library and whether these costs could be removed by relocating.</p>	<p>Level 2 - 13.12.18 PB said that this is a significant saving which potentially affects 30 staff in 2020-21. Detailed proposals will be brought forward for discussion at Level 3 early in the New Year.</p> <p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
													<p>Level 2 - 24.1.19 JB outlined the work which she had been doing which includes putting more information into the public domain and having briefings with staff. She will be looking at 4 categories:</p> <ul style="list-style-type: none"> - increased income targets which have no staffing targets - material and book fund reductions which have no staffing impact - review of centralised/back office posts. There is an anticipated staff impact on 10 FTE posts in an area carrying 2 vacancies, so the overall staff impact is anticipated to be 8 FTE - development of community hubs based at Keighley, Shipley and City which it is anticipated will impact on 3 FTE posts; there are currently 3 vacancies in this area <p>JB confirmed that part of the work being done will also to be look at a reduction in the casual budget through more effective resource management.</p> <p>Management agreed to amend the information on the spreadsheet to reflect the information given for this proposal.</p> <p>Level 2 - 24.1.19 JB said that the issue would be discussed at Level 3 on 11 February. She confirmed that new structures will not go live until 1 July, 2019. This allows time for proposals to be confirmed at Budget Council followed by formal consultation.</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
Page 229												<p>Level 2 - 24.1.19 Unison said that staff felt that they were getting information after it had been reported in the media and that they were offering up ideas for savings but were being totally ignored.</p> <p>Unison asked about the budget target of £950,000 and whether it could be reduced now that the rental costs for City Library are being returned to the Service.</p> <p>Unison said that managers were feeling excluded and were concerned that a programme lead had been brought in when there were colleagues could have taken the lead.</p> <p>Unison are concerned about the feelings of managers being disregarded and will be meeting the Leader on Monday to raise their concerns with her.</p>	<p>Level 2 - 24.1.19 JB said that management has received feedback from staff and that it is being taken into consideration.</p> <p>PB explained that the figure would remain the same because the returned monies are being treated as transitional funding. However, the proposals from management will not reach the original target.</p> <p>PB apologised and said that management did not have the information soon enough to share with Unions before meetings with Members.</p> <p>JB said that she was aware of these feelings and lessons would be learned to ensure that relationships are better maintained. She confirmed that management is mindful of the Trade Union position.</p> <p>PB said that he was aware of the Union request to review EIAs; this would be done following discussion at Level 3.</p>
													<p>Level 2 - 7.2.19 No additional information; issues to be progressed at Level 3 w/b 11.2.19</p>
	4E10	Sport & Culture	Theatres and Community Halls – Halls to be transferred through Community Asset Transfer. Theatres to generate greater income	130.0	140.0	270.0	56.0	66.0	0.0	2.0	0.0	0	<p>Level 2 - 13.12.18 This budget saving will be achieved through increased income generation, booking fees and the re-opening of St. George's Hall.</p> <p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p> <p>Level 2 - 24.1.19 No additional information</p> <p>Level 2 - 7.2.19 No additional information</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4E11	Sport & Culture	Sport and Physical Activity – investigate all methods of future operational service delivery with a combination of transfer, closure, new facilities, alternative delivery models and raising additional income.	50.0	130.0	180.0	123.0	176.0	0.0	2.0	29.0	2		<p>OJC - 1 6.12.18. Management advised that the vacancies would have to have the skills that were not required, & casual usage would always be considered over redundancies.</p> <p>OJC - 1 6.12.18. Management advised that some facilities such as RSDC will be closing and others such as Sedburgh will be opening, others may be asset transfers.</p> <p>OJC -1 6.12.18. Management advised that there would be.</p> <p>Level 2 - 13.12.18 This saving will be achieved by transfers, closures and new facilities and particularly relates to Baildon Recreation Centre and the model for delivering elite swimming and diving.</p> <p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p> <p>Level 2 - 24.2.19 No additional information</p> <p>Level 2 - 7.2.19 No additional information</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
5E1	Sport & Culture	Museums & Galleries - Review of service to include potential for income generation, service efficiency and integration and remodelling of operational delivery.	260.0	500.0	760.0	49.5	50.0	4.5	15.0	2.5	0	<p>Level 2 - 13.12.18 The Service will look at the potential for income generation and increased service efficiencies and potentially affects a significant number of staff. Management will consider opening hours, seasonal working and downsizing the museum collection and relocating the storage of the collection.</p> <p>Level 2 - 13.12.18 Unison said that it appeared contradictory to be reducing staff and opening hours to achieve income generation.</p> <p>Unite asked whether external consultants had been used.</p> <p>Unison asked whether introducing a café in service buildings was a backward step.</p>	<p>Level 2 - 13.12.18 PB said that the service offers free entry to buildings and therefore does not generate income through visitor footfall. The proposal will look at reducing the opening hours in the less busy periods and increasing outreach work. New voluntary donations will be encouraged and grants for outreach work will be explored and may be available by running the service differently.</p> <p>PB confirmed that Amion have been engaged as consultants, through a competitive tendering process. Their draft report has been delivered and management are awaiting the final report.</p> <p>PB confirmed that management were considering a cafe at Cartwright Hall. He said that they were only considering establishing a cafe there where an increase in visitor numbers had resulted in feedback that a cafe would be an added attraction. It also had potential to support the introduction of a wedding offer at the Hall.</p>
												<p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p> <p>Level 2 - 10.1.19 PB said that following the last Level 2, management will review the proposal to re-instate a café at Cartwright Hall.</p> <p>Level 2 - 10.1.19 PB said that when the proposal was complete management will review the EIA and also the previous request to consider whether some/all libraries needed an individual EIA rather than one for the Service.</p>	<p>Level 2 - 10.1.19 Unison said that they didn't think the EIA properly reflects the effects of the proposals in that it does not encompass all affected groups and the level of effect is not currently high enough for the protected characteristics already covered. They believed it should also encompass Library staff who are predominantly female.</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
Page 232													<p>Level 2 - 24.1.19 JB said that management are looking at more ambitious income targets and a refreshed business plan which will include a review of the back office function, operating hours (weekly and seasonal) using information on footfall provided by staff, and using buildings for other activities. Management stressed that they recognise the work being done at Bowling Hall and Bradford Industrial Museum. The proposal being considered by management have a staffing impact of 3.5 FTE on back office staff and 1 FTE from other area, resulting in an anticipated impact of 4.5 FTE.</p> <p>Management agreed to amend the information on the spreadsheet to reflect the information given for this proposal.</p> <p>Level 2 - 24.1.19 PB said that management are looking at ways of developing the Service and will talk to all managers and staff. Management will follow the Managing Workforce Change Procedure, with implementation in July 2019.</p> <p>Level 2 - 7.2.19 No additional information; issues to be progressed at Level 3 w/b 11.2.19</p>
	5E2	Neighbourhoods & Customer Services	Youth Service – Reduction in the support of youth support activities across the district. In 2019/20 this was to cease youth work grants (already consulted on), and in 2020/21 this is to reduce the Council's Youth Service base budget, with the EIA reflecting these impacts.	311.0	513.0	824.0	54.0	138.0	13.0	0.0	0.0*	0	<p>* number of part time posts (3&6 hours etc)</p> <p>Level 2 - 13.12.18 ID said that the information on the spread sheet was the worst case scenario in terms of implications for staffing. The ambition is to generate income and the Buddy Scheme might be a way of doing this. He highlighted the need to be aware of double taxation and the precept issues. The service will look at the use of buildings, the possibility of bringing services together and reviewing the hours of delivery.</p> <p>ID referred to a broader corporate review of the Youth Service and Youth Offending Scheme which is about to start and may impact on this proposition.</p> <p>Level 2 - 20.12.18 No additional information</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
													<p>Level 2 - 10.1.19 No additional information</p> <p>Level 2 - 24.1.19 ID said that a Programme Board has been set up to review Youth Service and YOT provision which will be chaired by Gladys Rhodes-White. He will feed back on meetings at future Level 2/3 meetings.</p> <p>Level 2 - 7.2.19 ID said taht the inital meeting of the Programme Board determined that there were too many differences between the Youth Service and YOT and that it would not be appropriate to review them together in terms of the budget saving. It was agreed that the two services be separated and that the Youth Service revert to the proposal to generate additional income to achieve the budget proposal.</p>
4R2	Planning Transportation & Highways	West Yorkshire Combined Authority (WYCA) Transport Levy – proposed reduction in the levy Bradford pays to WYCA for transport operations	500.0	500.0	1,000.0	0.0	0.0	0.0	0.0	0.0	0	<p>OJC 1 - 6.12.18. Unite asked when decisions would be made from WYCA on the levy.</p> <p>Level 2 - 13.12.18 Unison asked how management knew that WYCA would agree to this budget proposals and what management's alternative proposal would be if this were not the case.</p> <p>GMB asked whether there were any vacancies attached to this budget proposal.</p>	<p>Level 2 - 24.1.19 No additional information</p> <p>Level 2 - 7.2.19 No additional information</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
4R11	Planning Transportation & Highways	Planning, Transportation and Highways - installation of LED Lanterns, which provides better light coverage, and retrofit lamp/gear trays.	60.0	0.0	60.0	0.0	0.0	0.0	0.0	0.0			<p>Level 2 - 13.12.18 JJ confirmed that there are no staff implications for this budget proposal and that the saving will be achieved through reduced energy costs due to the installation of LED lanterns across the District.</p> <p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p> <p>Level 2 - 24.1.19 No additional information</p> <p>Level 2 - 7.2.19 No additional information</p>
4R13	Economy & Development	Economic Development Service – Management and support being removed in line with contractual end dates for External funded programmes and initiatives	26.0	56.0	82.0	38.0	38.0	1.0	1.0	1.0	0		<p>Level 2 - 13.12.18 This proposal will be achieved through the removal of support to third parties and management are currently in discussion with contract holders. Management are hopeful of being able to generate income and retain staff.</p> <p>Level 2 - 10.1.19 No additional information</p> <p>Level 2 - 24.1.19 SON confirmed that the budget saving for 2019/20 will be achieved through income generation.</p> <p>Level 2 - 7.2.19 No additional information</p>
6E1	Neighbourhoods & Customer Services	Parking Charges increases - Increase parking charges and introduce charges across the district for on and off street parking.	300.0	195.0	495.0	0.0	0.0	0.0	0.0	0.0	0	<p>OJC 1 - 6.12.18. Unite asked if Council run car parks were operating at capacity.</p>	<p>OJC 1 - 6.12.18. Management advised that it was a mixed picture that was kept under review.</p> <p>Level 2 - 13.12.18 This proposal will be achieved through income generation due to the implementation of new parking restrictions. It is anticipated that the increase in income will lead to an increase in staff numbers to monitor and enforce new schemes.</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
													<p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 ID said that whilst there wasn't anywhere to record that information, one possible impact from this proposal would be a need for an additional two Wardens. The proposal had been considered at Executive on 8 January, 2019 and it was agreed to look at how to implement the aspects of the proposal which did not require major legal changes.</p> <p>Level 2 - 24.1.19 ID confirmed that there was no detrimental staffing impact for this proposal. Management are making good progress in understanding the Traffic Regulation Orders which will be required to increase charges.</p> <p>Level 2 - 24.1.19 ID said that if the proposal was not approved the saving would become a corporate pressure.</p> <p>Level 2 - 7.2.19 No additional information</p>

Ref	Service	Proposal Definition	2019-20 £'000	2020-21 £'000	Total	FTE's	Head count	2019/20	2020/21	Vacs.	VR Req.	TU Feedback	Management Information/Response
6X1	Neighbourhoods & Customer Services	Welfare Advice and Customer Service transformation - Fundamental change to the way the Council and its partners deliver customer facing services, focussed on customers getting the "right support at the right time"	0.0	844.0	844.0	127.0	129.0	0.0	22.0	9.0	0	<p>OJC 1 - 6.12.18. Unite stated that there were a lot of casual staff in the call centre.</p> <p>Level 2 - 13.12.18 Unison asked whetehre there is a way to deliver this proposal.</p> <p>Unison asked whether the service could be incorporated into libraries.</p> <p>Unison said that they believed that the Contact Centre used a high number of casual staff.</p>	<p>OJC 1 - 6.12.18. Management advised that if there were any redundancies casual staff would go first.</p> <p>Level 2 - 13.12.18 This proposal is a reduction in the round with Welfare Advice, Adults and Customer Services. It is anticipated that this will push more contact on line or to self service. This is a broader review, with no detail known as yet.</p> <p>Level 2 - 13.12.18 ID said that the detail is not known at the moment however the Council will always support the most vulnerable.</p> <p>ID/SH said that this is a possibility with scope to include welfare advice.</p> <p>ID confirmed that at times the Contact Centre does use high numbers of casual staff, e.g. Council tax time, high volume Alhambra shows, etc. No casuals have been used in December.</p> <p>Level 2 - 20.12.18 No additional information</p> <p>Level 2 - 10.1.19 No additional information</p>
												<p>Level 2 - 10.1.19 Unison asked whether there was a working group looking at this budget proposal, and if so, are trade unions represented.</p>	<p>Level 2 - 10.1.19 ID said there is a working group led by Joanne Hyde; Joanne Conlon is representing Customer Services. He is not aware of the composition of the group and undertook at ask the question of Joanne Hyde.</p> <p>Level 2 - 24.1.19 No additional information on the saving. ID confirmed that the Trade Unions were not involved at this stage. Management have undertaken to engage with them at the appropriate time.</p> <p>Level 2 - 7.2.19 No additional information</p>
		TOTAL	2763.0	4424.0	7187.0	651.0	828.0	31.5	78.0	55.5	4		



Report of the Director West Yorkshire Pension Fund to the meeting of Governance and Audit Committee to be held on 24 January 2019

AA

Subject:

Northern Pool Joint Governance Committee Inter Authority Agreement

Summary statement:

In order to comply with Government Investment Pooling Guidelines it is necessary for The Administering Authority (AA) of the West Yorkshire Pension Fund to enter into an agreement with Tameside and Wirral Metropolitan Borough Councils as the AAs of the two other pension funds making up the Northern Pool. The first draft of this agreement was approved by the West Yorkshire Pension Fund Investment Advisory Panel at its meeting on 26 July 2018.

Rodney Barton
Director

Portfolio:

Leader of Council & Corporate

Report Contact: Rodney Barton
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E-mail: rodney.barton@bradford.gov.uk

Overview & Scrutiny Area:

Corporate

1. SUMMARY

- 1.1 In order to comply with Government Investment Pooling Guidelines it is necessary for The Administering Authority (AA) of the West Yorkshire Pension Fund to enter into an agreement with Tameside and Wirral Metropolitan Borough Councils as the AAs of the two other pension funds making up the Northern Pool. To ensure the agreement is operational by 1 April 2019, ahead of the next progress report to the Secretary of State it is necessary for this to be approved at this meeting.
- 1.2 The first draft of this agreement was approved by the West Yorkshire Pension Fund Investment Advisory Panel at its meeting on 26 July 2018, for submission to the Governance and Audit Committee, and in due course Council, subject to review by the City Solicitor, and authorised the Director, WYPF, to amend it as expedient or necessary and put in place any ancillary documentation

2. BACKGROUND

- 2.1 The Northern Pool (NP) partners are Merseyside, Greater Manchester and West Yorkshire Pension Funds, three large, cost effective Metropolitan funds. Individual funds will retain their current role of setting asset allocation and investment policy, and will delegate the oversight of implementing that policy to the Joint Committee.
- 2.2 A Joint Committee will be formed which will have responsibility for ensuring the appropriate structure and resources are in place to implement the policy required by each fund, those resources to be provided by the three Funds. Staff will remain in their current employment, but will be seconded to act for the other funds where that is required.
- 2.3 The Joint Committee will consist of two Members appointed by each Fund plus a total of three trade union representatives. It will not have any direct involvement in the appointment of managers, or selection of investments. These matters will be fully delegated to professional officers. Its role is set out in Schedule 2 to the Agreement, which could be summarised as exercising oversight over investment performance, investment activities, the appointment of the joint custodian, delivery of the shared objectives, and to help drive efficiencies.
- 2.4 The long term vision for the pool is to provide access to
 - a range of internal and externally managed listed assets at low cost
 - collective investment in alternatives, while building skill to enable cost reduction by increasing direct access
 - working arrangements with other pools where greater size may add value.
- 2.5 The investment philosophy is to maintain simple arrangements, with a relatively low number of managers, low manager and portfolio turnover, an increasing proportion of assets managed internally within the pool, with individual funds retaining the ability to select asset class, territory, and active or passive management.

3. OTHER CONSIDERATIONS

3.1 The programme for establishing the NP consists of

- Establishing the Northern Pool Joint Governance Committee by entering into the Northern Pool Operating Agreement (Appendix A), including the Terms of Reference for the Joint Governance Committee
- Procuring a joint custodian for all the assets of the Pool
- Developing the GLIL Infrastructure vehicle (see Appendix B), including FCA regulation to facilitate it becoming the national LGPS vehicle for infrastructure investment
- Developing NPEP (see Appendix B), a joint private equity vehicle.

3.2 Establishing the Joint Governance Committee is now the only outstanding item, as the custodian, infrastructure and private equity vehicles are in place.

4. FINANCIAL & RESOURCE APPRAISAL

4.1 There are no direct financial implications, as the costs will be fully recovered from the West Yorkshire Pension Fund.

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

5.1 This agreement is designed to ensure there are clear governance arrangements, and that risks are effectively managed and fully reported.

6. LEGAL APPRAISAL

6.1 The drafts of the Northern Pool Joint Governance Committee Agreement have been reviewed by the City Solicitor, and the comments taken into account.

7. OTHER IMPLICATIONS

7.1 None

8. NOT FOR PUBLICATION DOCUMENTS

8.1 This legal agreement (Appendix A) has commercial implications, and is therefore not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

9. RECOMMENDATIONS

9.1 **It is recommended that the Northern Pool Joint Governance Committee Agreement, Appendix A, be approved for submission to the 21 February Council meeting to ensure it is operational by 1 April 2019, and the Committee authorise the Director, WYPF, in consultation with the City Solicitor to amend it as expedient or necessary and put in place any ancillary documentation.**

10. APPENDICES

10.1 Appendix A: Northern Pool Joint Governance Committee Agreement (not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972).

10.2 Appendix B: Description of GLIL and NPEP

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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GLIL

GLIL is a joint venture between the Northern Pool partners and LPPI, the pool for the London Pension Fund Authority, Lancashire and Berkshire pension funds.

Management is undertaken by the partners, its four directors being appointed by the four partners, while the transaction team consists of staff seconded from the four partners.

It is a distinctive and credible investor in infrastructure assets, and is regulated by the Financial Conduct Authority. It has commitments from the partners of £1.8 billion, and £1 billion is committed to assets.

It aims to participate alongside the most sophisticated infrastructure investors as a peer, giving access to the widest pool of available deals at the best possible price.

NPEP

NPEP is a joint venture between the Northern Pool partners to invest in private equity funds with commitments of £1 billion.

The purpose of NPEP is to capture fee savings as a result of larger commitment sizes in private equity investment on a platform that will enable lower cost implementation of private equity investment strategy through reduced use of funds of funds, and greater investment through co-investment opportunities, which attract very low, if any, fees.

It will also increase the resilience and depth of the team and resources committed to private equity investment across the Pool, and broaden the scope of opportunities.

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