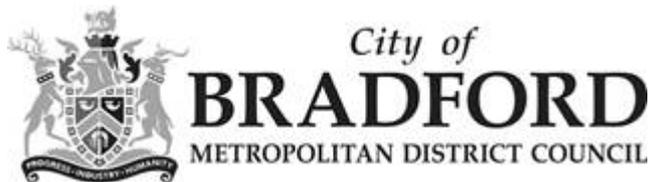


Public Document Pack



Department of Corporate Resources

Members of Council

Committee Secretariat

Legal and Democratic Services
Room 112, 1st Floor
City Hall
Bradford
West Yorkshire
BD1 1HY

Tel: 01274 432435
Contact: Adrian Tumber
Email: adrian.tumber@bradford.gov.uk
Your Ref: AT/Council

Date: 12 February 2020

Dear Councillor

BUDGET MEETING OF COUNCIL – THURSDAY, 20 FEBRUARY 2020

You are requested to attend the Budget meeting of the Council to be held in the Council Chamber, City Hall, Bradford, on Thursday, 20 February 2020 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

1 - 18

(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 "Q"**) 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 2020/21 and 2021/22 during the Budget Council meetings on 20 February 2020 and 18 February 2021.

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 2020/21 and 2021/22 and to set the Council Tax and Business Rates for 2020/21 and 2021/22.**
- (2) Approves the dispensation for a period of two years until 19 February 2021.**
- (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 meetings held on 14 January 2020 be signed as a correct record (previously circulated).

(Adrian Tumber – 01274 432435)

3. APOLOGIES FOR ABSENCE

4. WRITTEN ANNOUNCEMENTS FROM THE LORD MAYOR (Standing Order 4)

(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 (Standing Order 4)

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 (Standing Order 15)

7.1 RECOMMENDATION FROM THE EXECUTIVE - BUDGET 2020/21

19 - 156

The Executive at its meeting on 18 February 2020 will make recommendations to Council on the Budget for 2020/21.

The following reports are submitted:

- (i) The Council's Revenue Estimates for 2020/21

The report of the Director of Finance provides details of the Council's Revenue Estimates for 2020/21 (**Executive Document "BA"**). This report may require updating following the meeting of the Executive on 18 February 2020.

(Chris Chapman – 01274 433656)

- (ii) Allocation of the Schools' Budget 2020/21 Financial Year

The report of the Director of Finance seeks approval of the recommendations of the Schools Forum in allocating the Dedicated Schools Grant (DSG) for 2020/21 (**Executive Document "BB"**).

(Andrew Redding – 01274 432678)

- (iii) The Council's Capital Investment Plan for 2020/21 to 2023/24

The report of the Director of Finance proposes the Capital Investment Plan for 2020/21 to 2023/24 and an updated Capital Strategy for 2020/21 (**Executive Document "BC"**). This report may require updating following the meeting of the Executive on 18 February 2020.

(James Hopwood – 01274 432882)

- (iv) 2020/21 Budget Proposals and Forecast Reserves - Section 151 Officer Assessment

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

financial year 2020/21, 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 18 February 2020.

(Chris Chapman – 01274 433656)

- (v) Consultation Feedback and Equality Assessment on new proposals in the Council Budget for 2020/21

The report of the Assistant Director, Office of the Chief Executive, appendices and addendum (**Executive Document "AR"**) provide feedback from the public engagement and consultation programme and the consultation with Trade Unions and sets out a summary of the equality assessments as outlined in the Proposed Financial Plan Updated (2020/21).

(Phil Witcherley – 01274 431241)

Note

In view of the short timescale between the Executive on 18 February and the meeting of Council on 20 February the budget recommendations from the Executive to Council will be e-mailed to all Members of Council following the Executive on 18 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 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.

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Q

REPORT OF THE MONITORING OFFICER

APPLICATIONS FOR DISPENSATION

SECTION 33 OF THE LOCALISM ACT 2011

THE RELEVANT AUTHORITIES (DISCLOSABLE PECUNIARY INTERESTS) REGULATIONS 2012

20 February 2020

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 2020/21 and 2021/22 during the Budget Council meetings on 20 February 2020 and 18 February 2021.

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 2020/21 and 2021/22 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 21 February 2019 approved dispensations for two years, including 2020/21. 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 2021.

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 2020/21 and 2021/22.

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 2020/21 and 2021/22 and to set the Council Tax and Business Rates for 2020/21 and 2021/22.

2. Approves the dispensation for a period of 2 years until 19 February 2021.
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

22 January 2020

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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 20 February 2020.

EMPLOYMENT

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

SPONSORSHIP

<u>Labour</u>	<u>Con</u>	<u>Lib Dem</u>	<u>Green</u>	<u>BFD Ind</u>	<u>The Ind</u>	<u>The QW Ind</u>
Dodds	Davies	Griffiths	Love			
Engel	Ellis	Reid				
Farley	Gibbons	Stubbs				
Green	Green	J Sunderland				
Hinchcliffe	Heseltine	R Sunderland				
Tariq Hussain	Pennington					
Iqbal	Poulsen					
Jabar	D Smith					
Imran Khan	Winnard					
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>The Ind</u>	<u>The QW Ind</u>
Salam Shafiq	D Smith				Naylor	

LAND

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

LAND (CONT)

<u>Labour</u>	<u>Con</u>	<u>Lib Dem</u>	<u>Green</u>	<u>BFD Ind</u>	<u>The Ind</u>	<u>The QW Ind</u>
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Mohammed
Mukhtar
Mullaney
Nazir
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>The Ind</u>	<u>The QW Ind</u>
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	D Smith	J Sunderland				
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CORPORATE TENANCIES

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

						Cromie
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SECURITIES

<u>Labour</u>	<u>Con</u>	<u>Lib Dem</u>	<u>Green</u>	<u>BFD Ind</u>	<u>The Ind</u>	<u>The QW Ind</u>
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	D Smith					
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The following members have disclosed a personal interest in the item on the agenda relating to the Budget 2020 – 21 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 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
Cllr R Sunderland

Green

Cllr Love

The Independents

Cllr Hawkesworth

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 Jenkins
Cllr Imran Khan
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

4. Members of other public authorities.

Adoption Panel

Cllr Berry (Lab)
Cllr Davies (Con)

Airedale Drainage Commissioners

Cllr Ellis (Con)
Cllr Goodall (Con)

Airedale Partnership

Cllr Ross-Shaw (Lab)

Association for Public Service Excellence (APSE)

Cllr Berry (Lab)

Better Start Bradford

Cllr Mir (Lab)

Bradford & Airedale Citizens Advice Bureau

Cllr Watson (Lab)
Cllr Riaz (Con)

Bradford Business Improvement District

Cllr Ross-Shaw (Lab)

Bradford College

Cllr Choudhry (Lab)
Cllr Riaz (Con)

Bradford Deaf Community Association

Cllr Akhtar (Lab)
Cllr Iqbal (Lab)

Bradford Economic Partnership

Cllr Hinchcliffe (Lab)

Cllr Ross-Shaw (Alt) (Lab)

Bradford District Care NHS Foundation Trust

Cllr Aneela Ahmed (Lab)

Cllr Hargreaves (Con)

Bradford Trident

Cllr Mir (Lab)

Cllr Salam (Lab)

Bridge Project

Cllr Berry (Lab)

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 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)

Harehills Education Trust

Cllr Lintern (Lab)

Cllr Slater (Lab)

Cllr Brown (Con)

Haworth Exhibition Trust

Cllr Farley (Lab)

Cllr Poulsen (Con)

Ilkley Business Improvement Board

Cllr Ross-Shaw (Lab)

Ilkley Youth & Community Association and Childrens Centre

Cllr Gibbons (Con)

Joseph Nutter's Foundation

Cllr Lee (Lab)

Cllr Thirkill (Lab)

Keighley Community LLED Local Development

Cllr Ali (Con)

Cllr Firth (Lab)

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)

Nell Bank Charity

Cllr Ferriby (Lab) – Not appointed by the Council but in her own right.

North Regional Association for Sensory Support (NRASS)

Cllr Wainwright (Lab)

Cllr Gibbons (Con)

Play Partnership

Cllr Swallow (Lab)

Rural Action Yorkshire

Cllr Hawkesworth (The Ind)

Salt Foundation

Cllr Jenkins (Lab)

Cllr Love (Green)

Sir Titus Salt Trust

Cllr Amran (Lab)

Cllr Hinchcliffe (Lab)

Cllr Thirkill (Lab)

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 – Court

Cllr Hinchcliffe (Lab)

West Yorkshire Combined Authority

Cllr Hinchcliffe (Lab) (Chair)

Cllr I Khan (Alt) (Lab)

Cllr Poulsen (Not appointed 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 Winnard (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 Engel (Lab)
Cllr Hassan Khan (Lab)
Cllr Salam (Lab)
Cllr Ellis (Con)

West Yorkshire Fire and Rescue Authority
Cllr Mohammed (Lab)
Cllr Shaheen(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 Imran Khan (Lab)
Cllr Bibby (Con)
Cllr Salam (Alt) (Lab)
Cllr Winnard (Alt) (Con)

West Yorkshire Pension Fund Investment Advisory Panel

Cllr Thornton (Lab)
Cllr Winnard (Con)

West Yorkshire Pension Fund Joint Advisory Group

Cllr Salam (Lab)
Cllr Thornton (Lab)
Cllr Winnard (Con)

West Yorkshire Pension Fund - The Pension Board

Cllr Lal (Lab)

West Yorkshire Police & Crime Panel

Cllr Dunbar (Lab)
Cllr Tariq Hussain (Lab)
Cllr Brown (Con)

Woodroyd Nursery

Cllr Talat Sajawal (Bfd 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 Duffy (Lab)

Yorkshire Libraries and Information

Cllr Ferriby (Lab)

Yorkshire Purchasing Organisation Holding Company

Cllr Warburton (Lab)

Yorkshire Purchasing Organisation Procurement Holdings Ltd

Cllr Warburton (Lab)
Cllr Whiteley (Con)
Cllr Lal (Alt) (Lab)
Cllr Ellis (Alt) (Con)

Yorkshire Regional Flood & Coastal Committee

Cllr Firth (Sub Member) (Lab)
Cllr Ellis (Con)

Parish Councillors.

Cllr Hinchcliffe (Lab)
Cllr Ross-Shaw (Lab)
Cllr Thirkill (Lab)

Cllr Naylor (The Independents)

Cllr Herd (Con)
Cllr Gibbons (Con)
Cllr D Smith (Con)
Cllr Whitaker (Con)
Cllr Winnard (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 D Smith
Cllr Townend
Cllr Winnard

Lib Dem

Cllr Ahmed
Cllr Stubbs
Cllr J Sunderland

Bradford Independent Group

Cllr Khadim Hussain
Cllr Sajawal

The Independents

Cllr Hawkesworth

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

Labour

Cllr Imran Khan
Cllr Thirkill
Cllr Ross-Shaw

Lib Dem

Cllr Ahmed

The Independents

Cllr Hawkesworth

Conservative

Cllr Brown
Cllr Gibbons
Cllr D Smith

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

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)

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 Mukhtar (Lab)

Bradford City Challenge Foundation Limited
Cllr Imran Khan (Lab)
Cllr Wainwright (Lab)

Bradford Teaching Hospital NHS Trust
Cllr Tariq Hussain (Lab)

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

Canal Road Urban Village
Cllr Ross-Shaw (Lab)

Canterbury Imagination Library
Cllr D Smith (Con)

City of Film
Cllr Ferriby (Lab)

Exceed Academy Trust
Cllr D Smith (Con)

Friends of Bingley Pool
Cllr Heseltine (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 Slater (Lab)

Keighley Association Women and Children's Centre (KAWACC)

Cllr Lee (Lab)

Kirklands (Menston) Trust

Cllr D Smith (Con)

Long Lee Village Hall

Cllr Lee (Lab)

Cllr Slater (Lab)

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 Shafiq

Cllr Swallow

Cllr Tait

Cllr Watson

Conservative

Cllr Ali – Community Governor

Cllr Brown

Cllr Hargreaves

Cllr Pollard

Cllr Poulsen

Cllr D Smith

Bradford Independent Group

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)

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.
All members who are in receipt of a West Yorkshire Police Pension.



Report of the Director of Finance to the meeting of Executive to be held on 18 February 2020 and Council to be held on 20 February 2020

R

Subject:

The Council's Revenue Estimates for 2020/21

Summary Statement:

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

Chris Chapman
Director of Finance

Portfolio:

Leader

Report Contact:

Chris Chapman
Phone: (01274) 433656
E-mail: chris.chapman@bradford.gov.uk

Overview & Scrutiny Area:

Corporate



THE COUNCIL'S REVENUE ESTIMATES FOR 2020/21

1. 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 2020/21.
- 1.2 The revenue estimates are part of the overall budget proposal for the Council which includes:
 - the recommended Capital Investment Plan (Document BC)
 - the allocation of the Schools Budget 2020/21 (Document BB).
 - Section 151 Officer's Assessment of the proposed budgets (Document AZ)
- 1.3 This report is submitted to enable the Executive to make recommendations to Budget Council on the setting of the 2020/21 budget and the Council Tax for 2020/21, as required by Part 3C of the Council's Constitution.

2. PROPOSED REVENUE BUDGET 2020/21

- 2.1 The balanced 2020/21 revenue budget is predicated on total available general resources (Council Tax income, Business Rates income, general government grant and use of reserves) of £378.080m in 2020/21.
- 2.2 The total expenditure takes account of changes to the underlying (base) level of expenditure at the start of the year arising from:
 - Recurring budget pressures and investment proposals totalling £8.559m in 2020/21 (Appendix B)
 - Non-recurring budget pressures and investment proposals totalling £7.798m in 2020/21 (Appendix C)
 - New proposals amounting to a reduction in the budget of £0.330m in 2020/21 (Appendix D)
 - The net effect of previous years' policy decisions, including decisions made by Budget Council in February 2019 in respect of 2020/21 which amounted to a net reduction in the budget for 2020/21 of £14.556m (Appendix E). Appendix F set out amendments to the February 2019 decisions.
 - Provision for pay increases of 2% for 2020/21.
 - Provision for price increases of 2.0% with additional amounts for National Living Wage Increases.
 - The impact on the Council's funding arising from 2020/21 Local Government Settlement (The settlement is still provisional and unconfirmed)
 - Council's decisions about changes to Council Tax, with an increase of 1.99% plus a further 2% Adult Social Care Precept, a total of 3.99%
 - Additional expenditure to deal with recurrent Service pressures
 - One-off and transitional investment in other services
 - Public Health Grant real term increases 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 2020/21

(approved by Executive 2 January 2020) are:

- One off net reduction in funding as a result of the data changes and clarity of funding distribution mechanisms within the provisional local government financial settlement of £0.073m. (Budget Update Report 4 February Executive).
- A saving in Pension Contribution costs of £0.8m following the recent actuarial revaluation.
- Potential additional funding from a newly constituted West Yorkshire Business Rates Pool, still to be confirmed of £0.8m
- A small increase in Business Rate income

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

- Recurring pressures and investment proposals (Appendix B)
- Non recurring pressures and investment proposals (Appendix C)
- New budget proposals (Appendix D)
- Schedule of 2020/21 agreed savings previously consulted upon (for reference only) (Appendix E)
- Schedule of proposed amendments to previous budget decisions (Appendix F)
- Proposed Use of reserves statement (Appendix G).

3. COUNCIL TAX IMPLICATIONS

3.1 In setting the Council Tax for 2020/21, Council will have regard to the Council Tax base approved by the Executive on 7 January 2020. The Council will also wish to note the precepts of the parish and town councils.

4. MATTERS RELATING TO 2020/21 FINANCIAL POSITION

4.1 The 2019/20 financial position is contingent upon the 2019/20 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 2020/21 in preparing the Final Accounts for 2019/20.

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

5.1 The uncertainties regarding the funding that will be available to the Council are considered within the Section 151 Officer's Report (Document AZ). Existing governance arrangements around the Councils financial monitoring will continue.

6. 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 2020/21 at their meeting on 20 February 2020. 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 18 February 2020 following their consideration on 4 February 2020 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 18 February 2020 Executive meeting.

7. 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 4 February 2020 (Document AQ). The equality implications of the 2020/21 proposals previously approved by Budget Council in February 2019 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 assessments for the 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 There are no direct Community safety implications of new budget proposals.

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 feedback from the consultation programme on the Council's new budget proposals and the proposed amendments to previous budget decisions were detailed in a separate report presented to the meeting of Executive on 4 February

2020 (Document AR). The consultation feedback on the proposals previously approved by Budget Council in February 2019 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 ASSESSMENT

None.

8. RECOMMENDATIONS TO COUNCIL

Executive is asked to approve the following recommendations to Council:

8.1 REVENUE ESTIMATES 2020/21

- (a) That the Base Revenue Forecast of £378.080m for 2020/21 be approved as set out in this report.
- (b) That the recurring pressures and investment proposals of £8.559m in 2020/21 be approved.
- (c) That the non-recurring pressures and investment proposals of £7.798m in 2020/21 be approved.
- (d) That the additional service savings and additional income of £0.330m in 2020/21 be approved.
- (e) That the prior agreed savings be noted and the amendment to previous budget decisions totalling £3.030m in 2020/21 be approved.
- (f) That it be noted that within the revenue budget there is a net use of £0.769m in revenue reserves in 2020/21.
- (g) That 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.
- (h) That the comments of Director of Finance set out in Executive Document AZ on the robustness of the estimates and the adequacy of reserves taking account of the recommendations made at 8.1(a) to (g) above be noted.

(i) That an additional earmarked reserve of £0.7m for New Projects is created. This new earmarked reserve will be funded from a reduction in the amounts set aside within the Risk and Transition earmarked reserve. The new projects relate to:

- Parks and Open Spaces £0.5m.
- Libraries equipment, such as flexible shelving £0.2m

8.2 PROPOSED COUNCIL TAX 2020/21

8.2.1 That it be noted that the projected council tax base and expenditure forecasts outlined in this report together with the 2020/21 resources and the budget variations approved out in 8.1 above produce a proposed Band D council tax of £1,427.86 for 2020/21.

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 any 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 2019/20, 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 2019/20 and 2020/21 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 2019/20.

8.6 COUNCIL TAX REQUIREMENT 2020/21

(a) That the council tax base figures for 2020/21 calculated by the Council at its

meeting on 7 January 2020 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 2020/21 under Section 35 of the Local Government Finance Act 1992 are 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:

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

Gross expenditure	£1,141,589,778
Income	£932,934,200
Council Tax requirement	£208,655,578
Council tax base	144,350
Basic amount of council tax	£1,445.48
Adjustment in respect of parish and town council precepts	£ 17.62
Basic amount excluding parish and town councils	£1,427.86

That the precepts of parish and town councils are 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	99,800	1,772	56.32	1,427.86	1,484.18
Baildon	307,500	6,297	48.83	1,427.86	1,476.69
Bingley	173,158	8,602	20.13	1,427.86	1,447.99
Burley	248,550	3,031	82.00	1,427.86	1,509.86
Clayton	73,105	2,442	29.94	1,427.86	1,457.80
Cullingworth	37,801	1,269	29.79	1,427.86	1,457.65
Denholme	49,140	1,170	42.00	1,427.86	1,469.86
Harden	37,035	823	45.00	1,427.86	1,472.86
Haworth, Crossroads and Stanbury	106,129	2,358	45.01	1,427.86	1,472.87
Ilkley	325,750	7,239	45.00	1,427.86	1,472.86
Keighley	528,963	15,230	34.73	1,427.86	1,462.59
Menston	118,422	2,193	54.00	1,427.86	1,481.86
Oxenhope	35,910	1,026	35.00	1,427.86	1,462.86
Sandy Lane	16,092	894	18.00	1,427.86	1,445.86
Shipley	133,900	4,462	30.01	1,427.86	1,457.87
Silsden	87,166	3,013	28.93	1,427.86	1,456.79
Steeton with Eastburn	73,349	1,789	41.00	1,427.86	1,468.86
Wilsden	63,000	1,762	35.75	1,427.86	1,463.61
Wrose	29,308	2,171	13.50	1,427.86	1,441.36
Total of all local precepts	2,544,078	67,543			

- (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	951.91	1,110.56	1,269.21	1,427.86	1,745.16	2,062.46	2,379.77	2,855.72
The parish and town council areas of:								
Addingham	989.45	1,154.36	1,319.27	1,484.18	1,814.00	2,143.82	2,473.63	2,968.36
Baildon	984.46	1,148.54	1,312.61	1,476.69	1,804.84	2,133.00	2,461.15	2,953.38
Bingley	965.33	1,126.21	1,287.10	1,447.99	1,769.77	2,091.54	2,413.32	2,895.98
Burley	1,006.57	1,174.34	1,342.10	1,509.86	1,845.38	2,180.91	2,516.43	3,019.72
Clayton	971.87	1,133.84	1,295.82	1,457.80	1,781.76	2,105.71	2,429.67	2,915.60
Cullingworth	971.77	1,133.73	1,295.69	1,457.65	1,781.57	2,105.49	2,429.42	2,915.30
Denholme	979.91	1,143.22	1,306.54	1,469.86	1,796.50	2,123.13	2,449.77	2,939.72
Harden	981.91	1,145.56	1,309.21	1,472.86	1,800.16	2,127.46	2,454.77	2,945.72
Haworth, Crossroads and Stanbury	981.91	1,145.57	1,309.22	1,472.87	1,800.17	2,127.48	2,454.78	2,945.74
Ilkley	981.91	1,145.56	1,309.21	1,472.86	1,800.16	2,127.46	2,454.77	2,945.72
Keighley	975.06	1,137.57	1,300.08	1,462.59	1,787.61	2,112.63	2,437.65	2,925.18
Menston	987.91	1,152.56	1,317.21	1,481.86	1,811.16	2,140.46	2,469.77	2,963.72
Oxenhope	975.24	1,137.78	1,300.32	1,462.86	1,787.94	2,113.02	2,438.10	2,925.72
Sandy Lane	963.91	1,124.56	1,285.21	1,445.86	1,767.16	2,088.46	2,409.77	2,891.72
Shipley	971.91	1,133.90	1,295.88	1,457.87	1,781.84	2,105.81	2,429.78	2,915.74
Silsden	971.19	1,133.06	1,294.92	1,456.79	1,780.52	2,104.25	2,427.98	2,913.58
Steeton with Eastburn	979.24	1,142.45	1,305.65	1,468.86	1,795.27	2,121.69	2,448.10	2,937.72
Wilsden	975.74	1,138.36	1,300.99	1,463.61	1,788.86	2,114.10	2,439.35	2,927.22
*Wrose	960.91	1,121.06	1,281.21	1,441.36	1,761.66	2,081.96	2,402.27	2,882.72

- (f) That it be noted that for the year 2020-21 the Police and Crime Commissioner and West Yorkshire Fire and Rescue Authority (WYFRA) have indicated the following precepts (*WYFRA precept is provisional and still 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> £
West Yorkshire Fire and Rescue Authority								
*9,507,839	43.91	51.23	58.55	65.87	80.50	95.14	109.78	131.73
Police and Crime Commissioner for West Yorkshire								
28,332,739	130.85	152.66	174.47	196.28	239.90	283.51	327.13	392.56

- (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 2020-21 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	1,126.67	1,314.45	1,502.23	1,690.01	2,065.56	2,441.11	2,816.68	3,380.01
The parish and town council areas of:								
Addingham	1,164.21	1,358.25	1,552.29	1,746.33	2,134.40	2,522.47	2,910.54	3,492.65
Baildon	1,159.22	1,352.43	1,545.63	1,738.84	2,125.24	2,511.65	2,898.06	3,477.67
Bingley	1,140.09	1,330.10	1,520.12	1,710.14	2,090.17	2,470.19	2,850.23	3,420.27
Burley	1,181.33	1,378.23	1,575.12	1,772.01	2,165.78	2,559.56	2,953.34	3,544.01
Clayton	1,146.63	1,337.73	1,528.84	1,719.95	2,102.16	2,484.36	2,866.58	3,439.89
Cullingworth	1,146.53	1,337.62	1,528.71	1,719.80	2,101.97	2,484.14	2,866.33	3,439.59
Denholme	1,154.67	1,347.11	1,539.56	1,732.01	2,116.90	2,501.78	2,886.68	3,464.01
Harden	1,156.67	1,349.45	1,542.23	1,735.01	2,120.56	2,506.11	2,891.68	3,470.01
Haworth, Crossroads and Stanbury	1,156.67	1,349.46	1,542.24	1,735.02	2,120.57	2,506.13	2,891.69	3,470.03
Ilkley	1,156.67	1,349.45	1,542.23	1,735.01	2,120.56	2,506.11	2,891.68	3,470.01
Keighley	1,149.82	1,341.46	1,533.10	1,724.74	2,108.01	2,491.28	2,874.56	3,449.47
Menston	1,162.67	1,356.45	1,550.23	1,744.01	2,131.56	2,519.11	2,906.68	3,488.01
Oxenhope	1,150.00	1,341.67	1,533.34	1,725.01	2,108.34	2,491.67	2,875.01	3,450.01
Sandy Lane	1,138.67	1,328.45	1,518.23	1,708.01	2,087.56	2,467.11	2,846.68	3,416.01
Shipley	1,146.67	1,337.79	1,528.90	1,720.02	2,102.24	2,484.46	2,866.69	3,440.03
Silsden	1,145.95	1,336.95	1,527.94	1,718.94	2,100.92	2,482.90	2,864.89	3,437.87
Steeton with Eastburn	1,154.00	1,346.34	1,538.67	1,731.01	2,115.67	2,500.34	2,885.01	3,462.01
Wilsden	1,150.50	1,342.25	1,534.01	1,725.76	2,109.26	2,492.75	2,876.26	3,451.51
Wrose	1,135.67	1,324.95	1,514.23	1,703.51	2,082.06	2,460.61	2,839.18	3,407.01

- (h) That Council notes the movement in Band D equivalent charges for 2020-21 over 2019-20 as set out in the table below.

	Council Tax 2020-21	Council Tax 2019-20	Percentage change 2020- 21 on 2019-20
	Band D Equivalent	Band D Equivalent	
Bradford Metropolitan District Council	1,427.86	1,373.07	3.99%
West Yorkshire Fire and Rescue Authority	*65.87	64.59	1.98%
West Yorkshire Police Authority	196.28	186.95	4.99%
Local (Parish Council) Precepts:			
Addingham	56.32	56.85	-0.9%
Baildon	48.83	45.00	8.5%
Bingley	20.13	20.00	0.6%
Burley	82.00	67.53	21.4%
Clayton	29.94	25.12	19.2%
Cullingworth	29.79	24.92	19.5%
Denholme	42.00	33.62	24.9%
Harden	45.00	35.00	28.6%
Haworth etc	45.01	37.07	21.4%
Ilkley	45.00	46.60	-3.4%
Keighley	34.73	33.72	3.0%
Menston	54.00	54.00	0.0%
Oxenhope	35.00	30.00	16.7%
Sandy Lane	18.00	18.00	0.0%
Shipley	30.01	-	-
Silsden	28.93	26.10	10.8%
Steeton/ Eastburn	41.00	33.70	21.7%
Wilsden	35.75	30.66	16.6%
Wrose	13.50	8.50	58.8%

9. BACKGROUND DOCUMENTS

Executive reports

- 18th February 2020: 2020/21 Budget Proposals and Forecast Reserves – s151 Officer Assessment
- 4th February 2020: Budget Update Report
- 4th February 2020: Consultation Feedback and Equality Assessment on New Proposals in the 2020/21 Council Budget.
- 7th January: Calculation of Bradford’s Council Tax Base and Business Rates Base for 2020/21
- 2nd January 2020: Proposed Financial plan updated to 2020/21
- Proposed Financial Plan updated 2019/20 – 2020/21 - Executive Report 4 December 2018 (Doc Z)

10 APPENDICES

- 10.1 Appendix A: Council Cumulative Budget 2020/21
- 10.2 Appendix B: Recurring pressures and investment proposals
- 10.3 Appendix C: Non-recurring pressures and investment proposals
- 10.4 Appendix D: New Proposals that were subject to consultation
- 10.5 Appendix E: Schedule of 2020/21 agreed savings previously consulted upon (for reference only)
- 10.6 Appendix F: Schedule of proposed amendments to previous budget decisions
- 10.7 Appendix G: Proposed Use of Reserves statement

COUNCIL CUMULATIVE BUDGET 2020/21

	2020/21 Budget £'000
NET EXPENDITURE	
2019/20 Base Budget	359,911
Reversal of non recurring investment	(6,267)
Recurring pressures (Appendix B)	8,559
Sub total	362,203
FUNDING CHANGES	(8,035)
INFLATION	9,976
Base Net Expenditure Requirement	364,144
Demographic pressures in Adults	1,600
Children's demographic pressure	13,625
One off investments/pressures (Appendix C)	7,798
Capital financing and central budget adjustments	2,309
2019/20 Budget decisions (Appendix E)	(14,556)
Amended prior Budget decisions (Appendix F)	(3,030)
New Budget proposals for consultation 2020/21 and 2021/22 (Appendix D)	(330)
Reverse MRP overprovision from previous years	6,520
Net Expenditure Requirement	378,080
RESOURCES	
Localised Business Rates	(66,352)
Collection Fund surplus	(980)
Top Up Business Rate Grant	(69,259)
Revenue Support Grant	(34,608)
Use of Reserves (Appendix G)	(769)
Council Tax	(206,112)
Total Resources	378,080
Budget (surplus)/shortfall	0
Memorandum	
Council Tax base	144,350
Council Tax Band D	£1,427.86

Recurring pressures and investment proposals

(impact is shown on an incremental basis)

Ref.	Description of proposal	2020-21 Impact £'000	2021-22 Impact £'000	2022-23 Impact £'000
	Better Health Better Lives			
CRP7.1	Additional investment for Children's social care	2,000	0	0
HRP7.1	Public Health - children and young people best start in life and supporting the journey to improvement and success	2,238	0	0
HRP7.2	Public Health – investment in mental health initiatives	555	0	0
HRP7.3	Public Health - Community Capacity for Health and Well Being through working with the Voluntary and Community Sector	500	0	0
HRP7.4	Public Health –Obesity Children's and Adults new investment to support the Living Well Initiative	700	0	0
HRP7.5	Public Health - development of enhanced offer in Libraries focussed on: <ul style="list-style-type: none"> • Tackling poverty • Social isolation • Back into employment • School readiness 	700	0	0
	Total Better Health Better Lives	6,693	0	0
	Better Skills More Jobs & a Growing Economy			
PRP7.1	Leeds City Region commitments previously paid via business rate pool	500	0	0
	Total Better Skills More Jobs & a Growing Economy	500	0	0
	Safe Clean and Active Communities			
PRP7.1	Increased costs associated with waste disposal contract	540	560	580
PRP7.2	Increased costs for waste services due to demographic growth	200	125	200
PRP7.3	Increased recycling and green waste disposal costs*	238	0	0
PRP7.4	Investment for Building Control to meet statutory function*	268	0	0
	Total Safe Clean and Active Communities	1,246	685	780
	Well Run Council			
WRP7.1	Investment in Coroner's service	70	0	0
WRP7.1	Extend council Tax support for care leavers aged 22-25	50	0	0
	Total Well Run Council	120	0	0
	TOTAL	8,559	685	780

*Resources will be put aside as an earmarked reserve pending further review and planned cost mitigation activity.

Non-recurring pressures and investment proposals
(*impact is shown on an incremental basis*)

Ref.	Description of proposal	2020-21 Impact £'000	2021-22 Impact £'000	2022-23 Impact £'000
	Better Health Better Lives			
CNR7.1	Early Help and intervention	2,000	0	(2,000)
	Total Better Health Better Lives	2,000	0	(2,000)
	Great Start Good Schools			
CNR7.2	Secondary School Pupils – Summer Education Support	200	(200)	0
CNR7.3	Five year investment in Child friendly district (up to and including 2024/25)	100	0	0
CNR7.4	Education covenant	28	(28)	0
	Total Great Start Good Schools	328	(228)	0
	Better Skills More Jobs & a Growing Economy			
PNR7.1	Markets provision for temporary funding	300	30	(330)
PNR7.2	Strategic culture bid funding	615	(145)	(470)
PNR7.4	Museums	500	(500)	0
PNR7.5	Matching Towns Fund for Shipley and Keighley	324	(324)	0
PNR7.6	Local Plan additional funding	300	(102)	(198)
	Total Better Skills More Jobs & a Growing Economy	2,039	(1,041)	(998)
	Decent Homes			
PNR7.7	Extend funding for Housing First for an extra year and provide additional outreach workers	360	(360)	0
	Total – Decent Homes	360	(360)	0
	Safe Clean and Active Communities			
PNR7.8	Road safety	71	(71)	0
PNR7.9	Climate change initiatives	1,000	(1,000)	0
PNR7.10	Customer service transformation	500	(500)	0
PNR7.11	Cleaner Streets	350	(350)	
	Total Safe Clean and Active Communities	1,921	(1,921)	0
	Well Run Council			
WNR7.1	Investment in Service & Budget Sustainability	1,000	(1,000)	0
WNR7.2	Real Living Wage	150	(150)	
	Total Well Run Council	1,150	(1,150)	0
	TOTAL	7,798	(4,700)	(2,998)

New proposals which were open for Consultation until 26th January 2020

Ref	Proposal for Change	2020/21 £'000 Impact	Equalities impact on the Equality Duty protected characteristics & low income groups	Mitigation	EIA
7R1	Theatres –increase income and commercial activity	80	No impact identified	n/a	7R1
7R2	Economy and development – generate extra income from project work	50	No impact identified	n/a	7R2
		0			
	Total Better Skills, More Jobs and a Growing Economy	130			
	Safe Clean Active				
7E1	Sport and Physical Activity increased income through marketing leading to additional fitness membership	50	No impact identified	n/a	7E1
7E2	Green Waste Collection & Disposal – increase in prices of £3 for 20/21.	150	This proposal is likely to have no or a low impact on most residents. The exception is people on low incomes for whom the price increase will have a greater impact. Increasing the annual charge by £3 per annum may result in the service being unaffordable to some residents.	Though considered no mitigations have yet been identified.	7E2
	Total Safe Clean Active	200			
	New draft proposals which were open for consultation until 26 Jan	330			

Appendix E

Schedule of agreed savings previously consulted on (for reference only)

REF	Proposal for Change	2020/21 £'000 NOT subject to consultation	2021/22 £'000 NOT subject to consultation	2022/23 £'000 NOT subject to consultation
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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 proposal affects both Better Health, Better Lives and Great Start, Good Schools but for clarity is shown here</i>	988.0		
4PH2	Substance Misuse Service – combination of redesign, and re-commissioning recovery service, dual diagnosis service, supervised medication programme, and inpatient detoxification services.	2,919.0		
4PH10	Public Health – reduction in staffing in line with redirecting investment profile towards reducing demand and maintaining health and wellbeing	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.	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, and continued personalisation).	4,477.0	8,379.0	5,489.0
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.	55.0		
	Total - Better Health Better Lives	8,919.0	8,379.0	5,489.0

Appendix E

Schedule of agreed savings previously consulted on (for reference only)

REF	Proposal for Change	2020/21 £'000 NOT subject to consultation	2021/22 £'000 NOT subject to consultation	2022/23 £'000 NOT subject to consultation
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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.	915.0		
	Total – A Great Start and Good Schools for All Our Children	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.	70.0		
4E8	Events and Festivals – review to develop a more sustainable and balanced events programme and review grant funding while protecting key organisations.	100.0		
4E9	Libraries – Review provision of Library Services across the district, consider alternative delivery models.	1,050.0		
4E10	Theatres and Community Halls – Halls to be transferred through Community Asset Transfer. Theatres to generate greater income	140.0		
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 offset through the reductions in the Connexions contract.	100.0		
4R2	West Yorkshire Combined Authority (WYCA) Transport Levy – proposed reduction in the levy Bradford pays to WYCA for transport operations	500.0		

Appendix E

Schedule of agreed savings previously consulted on (for reference only)

REF	Proposal for Change	2020/21 £'000 NOT subject to consultation	2021/22 £'000 NOT subject to consultation	2022/23 £'000 NOT subject to consultation
5E1	Museums and Galleries – Review of service to include potential for income generation, service efficiency and integration and remodelling of operational delivery	500.0		
4R13	Economic Development Service – Economic Development Service – management and support being removed in line with contractual end dates for External funded programmes and initiatives	56.0		
	Total - Better Skills More Jobs and a Growing Economy	2,516.0		

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.	50.0		
4E2	Waste Collection and Disposal Services – increased levels of recycling, reduction in residual waste and improved efficiencies.	276.2		
6E1	Parking Charge Increases Increase parking charges, and introduce charges, across the district for on- and off-street parking	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'.	844.0		
	Total - Safe Clean Active Communities	1,365.2		

Well Run Council

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

Appendix E

Schedule of agreed savings previously consulted on (for reference only)

REF	Proposal for Change	2020/21 £'000 NOT subject to consultation	2021/22 £'000 NOT subject to consultation	2022/23 £'000 NOT subject to consultation
	reductions to Civic, Legal and Committee Services, including Overview and Scrutiny are proposed			
4R14	Asset Management –Seek to invest in non-operational property to generate surplus income	240.0		
4R16	Facilities Management – reduction in the maintenance budget as the size of the operational estate shrinks	55.0		
6F1	Reduction in Grant to Parish and Town Councils – reduction in Council Tax support grant cut by central government	161.0		
	Total - A Well Run Council, Using All Our Resources to Deliver Our Priorities	841.0		
Total Schedule of Decisions for 2019/20 of Budget Council 2018 for information and 2020/21 proposals subject to consultation		14,556.2	8,379.0	5,489.0

SCHEDULE OF AMENDMENTS TO PREVIOUS BUDGET DECISIONS NOT SUBJECT TO CONSULTATION – (incremental basis)

Ref	Description	Prior Years	2020-21 £'000	2021-22 £'000
Better Health Better Lives				
T1 to T6	Travel Assistance – remaining saving	4,774.0	0	0
	Reduction and re-phasing of saving	(4,774.0)	2,210.0	250.0
4PH3	Sexual Health - combination of redesign, review and ceasing services, for young people, sex and relationship education in schools, emergency hormonal contraception.		647.6	
4PH3	Sexual Health - saving reduction		(427.7)	0
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.		304.2	
4PH4	Tobacco – saving reduction		(204.2)	
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		175.0	
6PH2	Health Checks – saving removed		(175.0)	
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'.		1,200.0	
6X1	Welfare Advice & Customer Service transformation – reduction to saving		(700.0)	
Total Better Health Better Lives		0	3,029.9	250
Safe Clean Active				
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.		513.0	0
5E2	Youth Service - Re-phased		(513.0)	513.0
Total Safe Clean Active		0	0	513.0
Net amendments to previous budget decisions not subject to consultation		0	3,029.9	763.0

Proposed Use of Reserves

Table 6 - Use of Reserves

Pre-agreed use of reserves	2020/21	2021/22	Total
	£'000	£'000	£'000
Transition and Risk Reserve - to fund growth strategy	500	0	500
Transition and Risk Reserve – to fund Children’s Investment Fund	400	0	400
Total pre-agreed use of reserves	900	0	900

Proposed Use of Reserves			
Reduction in amount required for business rate reserve	1,000	0	1,000
Reserves used in Table 7a(i) below for Local Plan	300	198	498
Reserves used in Table 7a(ii) below for New Projects	700		700
Insurance Reserve – provision for Premium increases not required in 2020/21 & 2021/22; therefore moved to Transition & Risk Reserve	300	300	600
Transition & Risk Reserve – transfer from Insurance Reserve earmarked for Project support for approved project activity	(300)	(300)	(600)
Transition & Risk Reserve – transfer to New Projects reserve	(700)		(700)
Indexation Pressures Reserves	(1,931)		(1,931)
Use of Indexation Pressures Reserve for Cleaner Streets and Real Living Wage non-recurring pressures	500		500
Total Proposed Use of Reserves	(131)	198	67

Total use of reserves pre-agreed and proposed	769	198	967
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Table 7a(i) – Proposed redirection of reserves to fund the Local Plan

	2020/21	2021/22	Total
	£'000	£'000	£'000
Strategic Site Assembly Reserve – utilised to fund the Local Plan	300	198	498

Total included in Table 6 above	300	198	498
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Table 7a(ii) – Proposed redirection of reserves to fund New Projects reserve

	2020/21	2021/22	Total
	£'000	£'000	£'000
New Projects (Parks, Open Spaces and Libraries)	700		700

Total included in Table 6 above	700		700
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Table 7b – Proposed redirection of reserves into Transition and Risk Reserve

	2020/21	2021/22	Total
	£'000	£'000	£'000
Insurance reserve	(1,475)		
Transition and Risk Reserve	1,475		

Net effect on reserves	0	0	0
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Report of the Director of Finance to the meeting of the Executive to be held on 18 February 2020 and Council to be held on 20 February 2020.

BB

Subject:

Allocation of the Schools Budget 2020/21 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 2020/21 and subsequent recommendation to Full Council.

Chris Chapman
Director of Finance

Portfolio: Leader of Council

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Overview & Scrutiny Area: Corporate

Draft Version 2 FINAL 6 February 2020

1. SUMMARY

- 1.1 This report informs the Executive of the recommendations of Bradford's Schools Forum in allocating the Dedicated Schools Grant (DSG) and setting the Schools Budget for the 2020/21 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 BC)
 - The Revenue Estimates (Document BA)
- 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 2020/21, 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. The Schools Forum is a decision making and consultative body dealing with the Dedicated Schools Grant and the Schools Budget. 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 for schools and academies (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 that are funded from the Schools Budget.
- Financial arrangements for pupils with special educational needs and disabilities, pupils in pupil referral units and in early years provisions.

The Forum is responsible for decisions on:

- How much funding is centrally retained within the Dedicated Schools Grant.
- Proposals to carry forward deficits on central spend from one year to the next.
- Proposals to de-delegate funding from maintained schools.
- Changes to the Scheme of financial management that governs maintained schools.

Therefore, one of primary functions of the 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, which began at April 2018, the DSG is now constructed in four blocks with each block having a 'national formula' basis. The movement to National Funding Formula is accompanied by transitional protections – capping and floors. The reduction in funding growth for Bradford as a result of the capping of the High Needs Block, in particular, has been highlighted to Council previously.

All four blocks in 2020/21 continue to include capping and floors. However, these have been adjusted by the Government's settlement, which, most significantly, means that Bradford's High Needs Block has increased by 17% per pupil (+ £11.47m) on 2019/20. This puts our High Needs Block in a stronger position. As a consequence, it is not proposed to transfer monies from the Schools Block in support of high needs pressures, whereas £2.0m was transferred in 2019/20.

- 2.3 The Government has recently re-affirmed its intention to implement a 'hard' National Funding Formula for primary and secondary schools / academies. Although local responsibility is expected to 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 'passported' by the Authority to schools. However, the Authority continues in 2020/21 to have responsibility for deciding all formula funding arrangements locally albeit within tight regulations.

- 2.4 Given this direction of travel, a key decision for all authorities has been whether to adopt locally the Government's National Funding Formula for the allocation of DSG to primary and secondary schools / academies. Council took this decision at April 2018 and the Schools Block recommendations for 2020/21 are put forward to ensure that we continue to mirror the Government's National Funding Formula as this incrementally develops.

The Government's 2020/21 primary and secondary mainstream National Funding Formula provides broadly for an increase of 4% on 2019/20. This is substantially improved on the maximum 0.5% increase that has been provided in recent years. However, schools / academies will not uniformly receive 4%. Increases will depend on data and pupil numbers changes but also significantly on the school's / academy's relationship to both the Minimum Funding Guarantee (MFG) and the Government's new mandatory minimum funding levels. On a simple basis, increases in per pupil funding in Bradford, prior to the impact of data and pupil numbers changes, range between + 2.34% and + 7.10%.

In consultation with the Schools Forum, the Authority has received permission from the Education & Skills Funding Agency to set the Minimum Funding Guarantee (MFG) for primary and secondary schools / academies at + 2.34% in 2020/21, meaning all schools / academies will receive a minimum 2.34% increase in per pupil funding using the DfE's prescribed MFG methodology. This is 0.5% higher than the maximum MFG permitted by the normal Regulations and is funded by headroom. Permission was requested for this as the MFG is a very significant factor

in Bradford, in particular for our primary phase, where 121 out of 156 (78%) schools / academies receive funding through it. In total, including the secondary phase, 133 out of 191 (70%) schools / academies in Bradford in 2020/21 are funded on the MFG set at + 2.34%.

The most significant change in the Government's National Funding Formula for mainstream primary and secondary schools / academies in 2020/21 is the new requirement that all primary schools / academies receive a minimum of £3,750, and all secondary schools / academies a minimum of £5,000, per pupil. This begins to deliver the Government's intention to 'level up'. The funding of 25 (out of 156) primary schools / academies and 3 (out of 31) secondary schools / academies in Bradford is increased by this change. The Government has stated its intention to increase the primary phase minimum further to £4,000 in 2021/22. We estimate that 51 (out of 156) primary schools / academies in Bradford will benefit from this.

- 2.5 A matter of significant uncertainty has been the settlement for maintained nursery schools. Bradford currently receives a discrete sum to protect our 7 nursery schools at historic funding levels. Without this, these schools would each lose in the region of a third of their funding, meaning that they are unlikely to remain financially viable in their current forms. The Government has confirmed that this protection will be allocated for the full 2020/21 year and, "that the government remains committed to funding for Maintained Nursery Schools in the longer term; and that any reform to the way they are funded in future will be accompanied with funding protections."

The increases allocated by the wider national settlement for the Early Years Block for 2020/21 however, are lower than the basic settlement for primary and secondary schools / academies. Bradford's rate of funding for 3&4 year olds is increased by £0.06 per hour to £4.63 (+ 1.31%) and for 2 year olds is increased by £0.08 per hour to £5.28 (+ 1.54%).

- 2.6 The proposed allocation of the High Needs Block in Bradford continues to incorporate our response to the growth in the need of children and young people as well as the structural changes taking place in the delivery of provision. The planned budget fully allocates the additional £11.47m, incorporating a response to the following proposed changes:

- The development of new Authority-led resourced provisions in mainstream primary and secondary schools / academies.
- The additional 354 specialist places developed from 2019, which are now budgeted for on a full year basis. Part year budget for a further 100 places is also included.
- The restructuring of our PRU provision, where our High Needs Block funded PRUs going forward deliver provision for pupils permanent excluded.
- The re-alignment of responsibility between the High Needs Block and schools for the funding of alternative provision that is commissioned by schools.

- The amalgamation of Bradford's hospital education, Tracks and medical home tuition provisions into a single Authority managed service.

2.7 A [consultation](#) has recently been completed on proposals for changes to Bradford's High Needs Funding Model. In particular, this consultation set out proposals for an amended approach to the funding of schools and providers for the 'top up' for Education Health and Care Plans (EHCPs), which is now proposed that Council adopt from April 2020. This is explained in Appendix 2. This change will affect the funding allocated to schools and providers for all existing and new EHCPs in all settings. It is our intention to use this new model as the vehicle through which to release to providers in region of £5m of the additional £11.47m High Needs Block funding, recognising that top up for EHCPs in Bradford has not increased in recent years. The minimum value of increase proposed in EHCP top up in 2020/21 is 8.2%. It is important to emphasise that the way that we propose to move to the new Banded Model at April 2020 means that all existing EHCPs will see uplift and no existing EHCPs will reduce in value as a result of model change.

In addition to the new EHCP Banded Model, alongside some smaller technical changes, we propose to establish a new Day Rate Model for the funding of our Pupil Referral Units (PRUs). We also propose to amend and clarify how the cost of specialist equipment is shared between schools / providers and the Authority.

At the meeting held on 8 January 2020, the Schools Forum gave its full support to these changes. Further information on the Banded Model consultation, which closed on 4 February, and responses, is provided in Appendix 2.

2.8 The report to Council on the Schools Budget, presented this time last year, highlighted the extent to which recent increases in funding have not been sufficient to match growth in costs, especially in salaries, leading to schools and providers being required to deliver structural savings.

The increases provided by the 2020/21 DSG settlement are improved. We would highlight in particular that the primary and secondary schools / academies funded on the mandatory minimums will see significant (up to 7.10% per pupil) growth. Two thirds of secondary schools / academies will broadly see 4% per pupil. The Teacher Pay and Pensions Grants will support all schools / academies in continuing to meet a large proportion of the growth in the employer's costs of teacher salaries that has taken place across 2018 and 2019. Through our new Banded Model, we are proposing to substantially increase funding allocated to schools and providers in support of EHCPs. This will improve the position of all providers and of special schools in particular.

The extent to which this settlement will begin to reverse in Bradford the reduction in spending power seen in recent years, or to ensure that this reduction does not continue, however, will be heavily influenced by the value of the national pay award for teachers at September 2020. In addition, locally, education budgets will still be required to absorb the pay award for non-teaching staff, incorporating employer contributions to non-teaching staff pension costs and the increase in the national living wage, as well as increases in the prices of goods and services.

As set out in paragraphs 2.4 and 2.5, the budget position of individual schools, academies, and other providers is dependent on a number of factors and is not uniform. In terms of areas of possible pressure in Bradford, we would highlight:

- The settlement for three quarters of primary schools / academies, and a third of secondary school / academies, is at the level of the Minimum Funding Guarantee, which, although enhanced at + 2.34%, is lower than the 'national headline' of + 4%.
- The combined overall settlement for early years providers is lower than 2%.
- Schools and providers, in their management of their delegated funds, are continuing to need to take prudent decisions understanding that there is still significant uncertainty for the future. The position of the DSG for 2021/22, for example, is largely unknown.

2.9 In summary, Bradford has received in 2020/21 compared against 2019/20:

- An additional £17.14m within the Schools Block (+ 4.05%). £11.98m comes from the Government's broad 4% uplift of its National Funding Formula alongside its commitment to allocate an increased minimum level of per pupil funding. £5.16m comes from the continued growth in pupil numbers in our secondary schools / academies.
- An additional £11.47m within the High Needs Block (+ 17.4%). £11.07m comes from the Government's uplift of its National Funding Formula. £0.40m comes from the growth of our special school population.
- An additional £0.48m within the Early Years Block (+ 1.10%). This is the total increase resulting from the Government's National Funding Formula uplift, net of adjustments for changing delivery numbers. The Early Years Block continues to include the specific protection for maintained nursery schools.
- No overall growth in the Central Schools Services Block, with the modest growth in per pupil funding from National Funding Formula offset by the Government's reduction of its funding of our historic commitments.

2.10 The total estimated amount of DSG available for distribution in 2020/21 is £586.602m, which includes a forecasted cumulative value of under-spend (one off carry forward balance) up to 31 March 2020 of £21.060m (3.6%). The recommended distribution of this Schools Budget is summarised in this table:

Description	Early Years Block £m	Schools Block £m	High Needs Block £m	Central Schools Services Block £m	Total DSG £m
Estimated DSG available 2020/21 (inc. transfers)	£44.194	£437.303	£81.207	£2.838	£565.542
Estimated DSG B'fwd from 2019/20	£4.329	£5.633	£11.098	£0.000	£21.060
Total Estimated DSG (Schools Budget) 2020/21	£48.522	£442.936	£92.305	£2.838	£586.602
Delegated to Schools / Providers	£43.551	£434.644	£74.668	£0.000	£552.862
Non-Delegated Items	£0.643	£2.119	£6.539	£2.838	£12.140
Allocation of B'fwd (One Off)	£0.488	£0.427	£0.000	£0.000	£0.915
Total Funding Allocated	£44.681	£437.190	£81.207	£2.838	£565.917
Difference (C'fwd)	£3.841	£5.746	£11.098	£0.000	£20.685

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

2.11 Members are asked to consider and to approve the recommendations of the Schools Forum as agreed at its meeting on 8 January 2020 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 2020/21

(£000)

Total Estimated DSG (Schools Budget) Available 2020/21 **£586,602**

3.1 The Schools Block **£437,303**

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

For 2020/21, the Schools Block is calculated on National Funding Formula-based primary and secondary per pupil values x October 2019 census pupil numbers, plus additional defined cash allocations. Bradford's primary amount per pupil (£app) is £4,296 (+2.88% on 2019/20); our secondary £app is £5,588 (+3.21% on 2019/20). These values have been derived by the DfE through the amalgamation of the allocations that individual schools / academies in Bradford would receive via the National Funding Formula and following the application of minimum floors.

Additional cash allocations total £14.27m, for Business Rates (£4.18m), split sites (£0.40m), PFI (£6.54m) and Pupil Numbers Growth (£3.15m).

Please note that the funding for the delegated budgets of academies 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 £81,207

This Block funds resources for pupils in mainstream schools with Special Educational Needs & Disabilities (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 mainstream teaching support services, 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 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 High Needs Block spending as it was in 2017/18, 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 then also receives a specific allocation of £1.79m (in 2020/21) for Education in Hospital and home tuition (medical needs) provision.

Please 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 £44,194

This Block funds delegated budgets, and other funds held centrally, relating to the delivery of the entitlement to early years education for eligible 2, 3 and 4 year olds in nursery schools, primary schools / academies with nursery classes and Private, Voluntary and Independent (PVI) settings. The value of this Block is currently estimated and will be finalised on the number of eligible children recorded in the January 2020 and January 2021 censuses x £4,399 per FTE (£4.63 per hour) for children aged 3 & 4 and £5,016 per FTE (£5.28 per hour) for children aged 2.

Estimated figures of £0.454m and £0.196m are included for the Early Years Pupil Premium and the Disability Access Fund. In addition, an estimated £1.00m is included for the DfE’s Maintained Nursery School protection.

(£000)

3.4 The Central Schools Services Block £2,838

The Central Schools Services Block was established at April 2018, when a number of items previously funded via 'top-slice' within the Schools Block were transferred to this Block and given a formula basis. These included 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 2020/21 allocation is calculated on a National Funding Formula. Bradford receives £28.98 per pupil x October 2019 census numbers recorded in primary and secondary schools and academies, plus a lump sum of £0.35m to match 80% of the value of our 'historic commitments' spend we recorded in 2017/18. This additional £0.35m has been reduced from the full £0.44m funded in 2019/20 and is set to be fully phased by the DfE.

3.5 Estimated DSG Balance Brought Forward from 2019/20 £21,060

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 year and differences are added to the DSG in the next. Decisions taken in previous years have already committed a proportion of the sum estimated to be carried forward from 2019/20.

The table in paragraph 2.10 separates the total estimated DSG carry forward balance into the four blocks. This follows our 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.

4. ALLOCATION TO DELEGATED BUDGETS (£000)

Total Allocated to School / Provider Delegated Budgets £552,862

Broken down as follows:

4.1 Early Years Providers via Single Funding Formula £43,551

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 early years education:

- Nursery Schools 3 / 4 year old universal and extended entitlement, incorporating the Maintained Nursery School protection £3.585m.

- Nursery Classes in Primary Provisions 3 / 4 year old universal and extended entitlement £14.799m.
- PVI Providers 3 / 4 year old universal and extended entitlement £15.360m.
- The entitlement for the 40% most deprived 2 year olds £8.645m.
- Early Years SEND Inclusion for 3&4 Year Olds £1.000m.
- Early Years Pupil Premium £0.454m.
- Disability Access Fund £0.196m.
- Adjustment for the spending of balance brought forward (minus) £0.488m.

The Schools Forum recommends that the Early Years Single Funding Formula (EYSFF) that was set out in the Authority's consultation, completed in December 2019, is used to calculate budget shares for all providers delivering provision for 2 and 3 & 4 year olds in 2020/21. A summary of Bradford's recommended EYSFF is attached at Appendix 4. In headline:

- Providers will be funded for the delivery of the 2 year old entitlement on a single flat rate per hour of £5.28, which fully passes onto providers the £0.08 per hour increase allocated to our Early Years Block by the Government.
- Regarding funding the 3 & 4 year old entitlement, whilst recognising that one off monies are still currently available, and will be deployed in 2020/21, we will begin to take incremental action, which is aimed at both reducing the reliance on one off monies and maximising the value of our Universal Base Rate over the medium term. To this end, we will begin to reduce the proportion of our 3 & 4 year old EYSFF that is allocated via the Deprivation & SEND supplement, with the intention to reduce this down by April 2022 to the average of our statistical neighbours, which is currently rounded at 6%. Our current proportion is 9.5%. We will reduce down to the 6% average in three steps over three years, with the proportion reduced from 9.5% to 8.0% in 2020/21, and then indicatively down to 7.0% in 2021/22 and then to 6.0% in 2022/23. We will continue to employ one off monies to set the 3 & 4 Year Old Universal Base Rate in 2020/21 at £4.19 per hour. This is an uplift of + £0.08 per hour on the £4.11 set for 2019/20 and passes through to providers more than the £0.06 increase allocated to our Early Years Block by the Government.
- Regarding the funding of the 3&4 year old entitlements in Maintained Nursery Schools, the protected base rate will be £5.78 per hour (+ £0.08 on 2019/20). The Deprivation and SEN supplement rates for each school will continue to be retained at their 2016/17 values. The sustainability supplement will continue to be calculated on existing variable values using the current methodology.
- The amended SEND Inclusion Fund that was introduced in 2019/20 will

continue to be used to allocate additional monies to early years providers to support their meeting the needs of eligible children identified with low level emerging SEND.

(£000)

4.2 Primary and Secondary Schools and Academies **£434,644**

Primary £236.927m.

Secondary £197.717m.

The Schools Forum has recommended to:

- Use the formula outlined in Appendix 1 to calculate delegated budget shares for primary and secondary schools and academies. This formula has been agreed following consultation with schools / academies in autumn 2019. 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 Government's National Funding Formula, meaning that we:

Amend our minimum levels of per pupil funding to match the mandatory values of £3,750 primary and £5,000 secondary.

Amend our local formula to mirror the Government's 2020/21 National Funding Formula values for existing factors. The values of these factors have broadly increased by 4% on 2019/20.

Continue to include funding for pupil mobility with this being calculated using the Government's factor, newly introduced at April 2020.

- Set the Minimum Funding Guarantee at + 2.34%.
- Continue to use our existing local formula for the funding of schools on split sites as this is not yet covered by the National Funding Formula. Continue to pass through the specific Building Schools For the Future DSG affordability gap values using our current method. Continue to fund business rates at actual cost, with this cost currently estimated.
- Continue to use our existing methodology for the definition of notional SEND budgets for mainstream primary and secondary schools and academies within the Schools Block funding formulae.
- Meet the cost of expanding places in primary and secondary schools and academies through the DSG Growth Fund with a total net cost to the planned budget of £0.433m, excluding items funded by balances brought forward or where the cost is recovered through academy recoupment.
- Continue to operate a Falling Rolls Fund for the primary phase.

(£000)

4.3 **Special Schools and Special Academies** **£31,180**

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 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 2020/21 planned budget of £31.180m is calculated on the delivery of 1,465 places on a full year basis across eight special schools. This includes 175 of the additional 354 places developed from 2019.

As set out in paragraph 2.7, the Authority has recently completed a [consultation](#) on proposals for changes to Bradford's High Needs Funding Model. This consultation set out proposals for an amended approach to the funding of schools and providers for the 'top up' element for Education Health and Care Plans (EHCPs), which we now formally propose to the Council to adopt. The new EHCP Banded Model is set out in Appendix 2. The planned budget of £31.180m incorporates forecasted immediate growth in the cost of top up in special schools as a result of the new Model. An additional provision of £2.00m is set within the High Needs Block to support additional costs where existing EHCPs may be adjusted upwards by the SEND Panel following annual review, appeal or dispute. This provision is itemised separately in paragraph 4.13 as it is available to all settings.

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** **£4,772**

Two key changes being delivered in Bradford that affect the High Needs Block are:

- The restructuring of our PRUs, where our High Needs Block funded PRUs going forward deliver turn-around provision for pupils permanent excluded.
- The re-alignment of responsibility for the funding of alternative provision that is commissioned by schools.

Our four PRUs have previously been funded via the Place-Plus framework in a similar way to our special schools. We have moved already however, to a position where commissioning schools are responsible for paying from their delegated budgets the 'top up' related to their placements (pupils without EHCPs and that are not permanently excluded). This change has related in particular to District PRU.

The Authority retains responsibility for funding from the High Needs Block provision for pupils that the Authority places (those with EHCPs and that are permanently excluded).

The re-shaping of provisions is continuing this academic year and the planned budget reflects this. It is anticipated, at September 2020, that 100 places across Park PRU (50) and Bradford Alternative Provision Academy Central (50) will be available for turn-around provision for pupils permanently excluded. These places will be fully funded by the Authority from the High Needs Block. We proposed within our [consultation](#) to calculate top up for this provision using a Day Rate Model. This is different from the main EHCP model. This proposal has been supported and we ask Council to approve this change as part of its setting of the Schools Budget.

Following the timeline already agreed with schools and the PRU, the High Needs Block's funding of District PRU will fully cease at 31 August 2020. The High Needs Block's funding of year 11 placements with independent alternative providers will also fully cease at this date.

The planned budget of £4.772m is calculated incorporating these changes. Please note that the £4.772m includes the budget to be delegated to Ellar Carr PRU. A consultation has taken place on the proposal to close Ellar Carr as a PRU and to establish an 80 place SEMH provision on its site as a satellite of Beechcliffe Special School. This consultation ended on 9 January and Executive determined the school proposal to increase the number of school places at Beechcliffe Special School on 4 February 2020.

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

(£000)

4.5 Behaviour Centres (Primary Phase) £214

The re-alignment of responsibility for the funding of alternative provision extends to the High Needs Block's budget for the four primary-phase behaviour centres. In regards to these centres, commissioning schools are already responsible for paying the top up for their placement of pupils (that do not have EHCPs and that are not permanently excluded). The High Needs Block currently funds the place element for 50 places across these centres, with around 10 used by the Authority for pupils permanently excluded where the Authority also allocates top up.

The £0.214m planned budget is calculated on the basis that the High Needs Block's funding of the behaviour centres will fully cease by 31 August 2020. It is proposed

that the centres will either continue to offer alternative provision and charge commissioning schools to recover all costs, convert to SEND resourced provisions with the agreement of the Authority, or close. The Authority's provision for pupil permanently excluded will have fully transferred by this date to the 100 places provided by the PRUs.

(£000)

4.6 School-Led SEND Resourced Provisions (Primary & Secondary) £5,531

School-Led SEND Resourced Provisions, formerly known as 'DSPs', are SEND provisions attached to mainstream primary and secondary schools / academies where the school / academy under SLA manages this provision and employs its staffing. Place and top up funding is fully delegated.

The planned budget of £5.531m is calculated on the delivery of 302 places in total across 22 provisions, including 4 new provisions (44 places) developed in 2019 as part of the 354 places that are now budgeted for on a full year basis.

School-Led SEND resourced provisions will continue to be funded using the Place-Plus framework. The new Banded Model set out in Appendix 2, if agreed by Council, will apply to the calculation of top up from April 2020. The planned budget incorporates forecasted immediate growth in the cost of top up as a result of the new Model.

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.

4.7 Authority-Led SEND Resourced Provisions (Primary & Secondary) £4,674

The planned budget for Authority-Led SEND Resourced Provisions now incorporates both the budget for the established sensory provisions (formerly known as 'ARCs') as well as new budget for the SEND resourced provisions that were implemented in 2019 and that are proposed to expand as part of the strategy to deliver 354 additional specialist places.

These are SEND provisions attached to mainstream primary and secondary schools / academies where the Authority, rather than the school, manages this provision and employs its staffing. Funding is partly delegated and partly retained. The top up is retained and managed by the Authority rather than the school. The host school retains the first element of place funding (broadly £4,000) to cover its basic curriculum and site costs.

The planned budget of £4.674m is calculated on the delivery of 235 places in total, with 100 places attached to the established sensory provisions and 135 to the developing SEND provisions. The additional 135 places, part of the 354, are now budgeted for on a full year basis.

Authority-Led SEND resourced provisions will continue to be calculated using the Place-Plus framework. The new Banded Model set out in Appendix 2, if agreed by Council, will apply to the calculation of top up from April 2020.

Please note that a proportion of the planned budget is centrally retained. However, recognising that this budget is spent directly on provision within schools, and in the interests of simplicity, the full budget is recorded here as delegated.

(£000)

4.8 Pupils with EHCPs in Mainstream Schools and Academies £9,245

Top up funding is delegated to mainstream schools / academies for pupils with EHCPs. The new Banded Model set out in Appendix 2, if agreed by Council, will apply to the calculation of this top up from April 2020. The planned budget of £9.245m incorporates forecasted immediate growth in the cost of top up as a result of the new Model. This budget also incorporates a forecasted 15% growth in the number of EHCPs across mainstream schools / academies during 2020/21.

The national high need funding system works on the basis that mainstream schools and academies have sufficient funding already within their delegated allocations to enable them to meet the additional costs of the SEND 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 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 costs up to the £6,000 threshold. 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 2020/21 our existing methodology for the definition of notional SEND budgets pending an expected DfE-led national holistic review.

The planned budget of £9.245m incorporates the SEND Funding Floor, which is a factor that ensures a minimum level of funding for SEND provision in primary and secondary schools / academies. The Schools Forum has recommended that SEND Floor continue to be protected at their 2017/18 financial year values pending an expected DfE-led national holistic review.

4.9 Post 16 Further Education Providers / SPIs £4,716

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 top up, Further Education providers and SPIs are currently funded for the vast majority of their Post 16 students at 60% of the Ranges Model value 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 new Banded Model set out in Appendix 2, if agreed by Council, will apply to the calculation of top up from April 2020 using existing principles. The planned budget of £4.716m incorporates forecasted immediate growth in the cost of top up as a result of the new Model. This budget is based on the funding of 351 places across 5 Bradford-located schools / colleges, including the 2 new post 16 free schools that opened 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)

4.10 Early Years Resourced Provisions £1,038

Early years resourced provisions are attached to maintained nursery schools and will continue to be funded via the Place-Plus framework. The new Banded Model set out in Appendix 2, if agreed by Council, will apply to the calculation of top up from April 2020. The planned budget of £1.038m incorporates forecasted immediate growth in the cost of top up as a result of the new Model as well as the cost of the smaller proposal to add into the funding model for these settings a small setting protection factor.

The 2020/21 planned spending of £1.038m is based, as in 2019/20, on an allocation of 78 FTE places.

4.11 Placements in Out of Authority & Independent Settings £9,840

The cost of placements of pupils with EHCPs in out of authority and independent settings is calculated on an actuals basis with this total cost appropriately shared between the DSG (education), health and social care. 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 increase due to demand. The planned budget of £9.840m for 2020/21 includes provision for an estimated growth of 20% on forecasted 2019/20 spend.

4.12 Provision for the Creation of Additional SEND Places £1,458

The Schools Forum has recommended that part year provision of £1.458m is made within the 2020/21 planned budget to support the creation of a further 100 specialist SEND places. Given the projected continued growth in demand, the Authority will continue to seek to create SEND places on an on-going basis.

4.13 Additional Provision for the New Banded Model £2,000

The Schools Forum has recommended that provision of £2.00m is made within the High Needs Block specifically to support additional top up costs that will arise where

EHCPs are adjusted upwards by the SEND Panel, after the initial 1 April 2020 novation, following annual review, appeal or dispute. This £2.00m will be available to support any higher top up costs across any settings as agreed by the SEND Panel.

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

Total Allocated to non-delegated Budgets £12,140

Broken down as follows:

The School and Early Years Finance (England) Regulations (as amended) 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 £2,119

A total of £2.119m 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.

- £0.869m for items de-delegated from maintained mainstream primary and secondary schools. The Schools Forum recommends the continuation of de-delegation in line with 2019/20, but adjusted for the planned use of brought forward balance in support of two of these funds (primary maternity / paternity insurance and primary academy conversion deficits), meaning that the cost to schools in 2020/21 is reduced.
- £1.000m of provision for new growth (pupil numbers expansion in primary and secondary schools / academies) at September 2020. £0.800m of this is for growth in the secondary phase; £0.200m is for growth in the primary phase.
- £0.250m for a 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.

(£000)

5.2 High Needs Block non-delegated budgets £6,539

A total of £6.539m is recommended to be held centrally within the High Needs Block for the following purposes:

- £3.923m for centrally managed SEND teaching support services.

- £1.447m for the Authority's statutory home tuition and education in hospital provision for children and young people not able to access school for medical reasons. A small proportion of this budget (£0.177m) will be delegated to Tracks for the period April to August prior the full establishment of a centrally managed service at 31 August 2020.
- £0.787m for the DSG's contribution to the Affordability Gap for Building Schools for the Future for special schools.
- £0.382m of smaller budgets, including copyright licences for special schools and PRUs, speech and language therapy services and specialist equipment. We have proposed within our [consultation](#) to amend and clarify how the cost of specialist equipment is shared between schools / providers and the Local Authority, meaning especially that a) special schools will be able to access support for the cost of equipment, and b) schools / providers will be required to meet the first £1,000 of the cost of all equipment, subject to a 'reasonableness cost assessment' made by the SEND Panel.

(£000)

5.3 Early Years Block non-delegated budgets

£643

A total of £0.643m is recommended to be held centrally within the Early Years Block for the following purposes:

- £0.091m for nursery schools to access relevant agreed 'de-delegated' funds.
- £0.037m for copyright licences.
- £0.150 for the extension of the SEND Inclusion Fund to eligible 2 year olds.
- £0.365m for the Early Years Block's contribution to the cost of early years high needs support services, including portage and the pre-5 service. £0.047m of this is a full year budget for the Authority to use to enable staffing capacity to deliver the Early Years SEND Inclusion Fund.

Please note that £0.643m constitutes 1.9% 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

£2,838

The £2.838m is recommended to be allocated as follows:

- £0.010m Schools Forum costs.
- £0.615m Pupil Admissions.
- £1.426m Statutory duties delivered by the Authority on behalf of all state funded

schools including academies.

- £0.375m Copyright licences Schools Block.
- £0.412m New Communities and Travellers.

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

Total allocated on a one off basis in 2020/21 £915

The £0.915m is made up of the following two recommended allocations:

- Schools Block: £0.427m, which is the estimated cost of the financial support for Beckfoot Upper Heaton Academy to be allocated via the long-standing agreed model. There is one final year of support to be provided after 2020/21.
- Early Years Block: £0.488m, which is estimated for the cost of continuing to protect and uplift our EYSFF 3&4 Year Old Universal Base Rate, at a value of £4.19 per hour, whilst, as explained in paragraph 4.1, we take incremental action to reduce our reliance on one off monies.

7. AMOUNT NOT ALLOCATED IN 2020/21 (£000)

Total amount not allocated in 2020/21 £20,685

The £20.685m of balance forecasted to be carried forward into 2021/22 is made up of the following sums.

Schools Block £5.746m:

- £0.782m to support the cost of the agreed financial support model for Beckfoot Upper Heaton Academy for the final year in 2021/22.
- £0.650m for the deficit of a school converting to academy status.
- £0.427m of Growth Fund balance ring-fenced to support additional costs of pupil numbers growth from April 2020.
- £1.252m of balance ring-fenced to de-delegated funds for maintained schools. An amount of this balance (£0.3m) is planned to be released in 2020/21 to support the reduction in the cost of contribution to the maternity / paternity insurance scheme. The balance will also be used to support any further costs arising from deficits held by sponsored primary academy converters, as no new budget is de-delegated for this purpose.
- £0.540m of primary phase headroom in 2020/21 earmarked to be spent in

support of the primary-phase funding formula in 2021/22.

- £2.095m resilience reserve. This sum is effectively the remaining unallocated balance within the Schools Block.

Early Years Block £3.841m:

Earmarked to be used in support of the Early Years Single Funding Formula from April 2021. This is anticipated to be deployed, in part, to continue to protect and uplift universal base rate funding over a transitional period. This balance is also expected to be used to manage any further national system change, including to the funding of maintained nursery schools.

High Needs Block £11.098m:

There is a significant amount of continuing structural change taking place within Bradford's high needs provision, as well as continuing uncertainty in the national funding picture, and in other factors, that are very likely to alter our cost base going forward. The £11.098m balance itself is significantly estimated. The Schools Forum has recommended the following position:

- None of the £11.098m be allocated in 2020/21 at the planned budget stage.
- The first calls on the £11.098m will be meeting the cost of change as well as supporting any unexpected costs or higher than anticipated costs that may arise across 2019 and 2020 and as a result of structural change.
- The £11.098m will also then be available to support the avoidance of cumulative deficit in the High Needs Block over the medium term. Although this cannot be guaranteed, it may also mean that we will not need to propose further transfer of budget from the Schools Block over this period, if transfers continue to be permitted by the Regulations. The indicative trajectory however, does suggest that the High Needs Block is likely to continue to face financial pressure going forward, with the £11.098m supporting financial resilience.

8. RISK MANAGEMENT AND GOVERNANCE ISSUES

If the allocations set out in this report are not fully 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, for certain items, 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 that Act and regulations.

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.

Schools forum generally has a consultative role and 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. The basic structure of the schools national funding formula has not changed for 2020/2021. But it is the Government's stated intention to introduce a 'hard' NFF where every primary and secondary mainstream school's / academy's budget will be set on the basis of a single national formula. The main changes are highlighted in the body of the Report and the Local Authority currently maintains some discretion over how it distributes the funding it receives through the NFF locally in consultation with schools.

The School and Early Years Finance (England) Regulations 2020 require the Local Authority to calculate budgets for all maintained schools using a funding formula and to decide the formula it will use for the funding period. It must, not later than 28 February, (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.

Under new arrangements set out in the proposed School and Early Years Finance (England) Regulations 2020, and in the DSG conditions of grant for 2020-21, local authorities will have either to carry forward any cumulative deficit in their Schools Budget to set against DSG in the next funding period (Y+1); or carry forward some or all of the deficit to the funding period after that (Y+2), in order to determine how much resource is available to be spent during the funding period (Y+1). These arrangements will begin to operate from budget setting for the financial year 2020-21. The School and Early Years Finance (England) Regulations 2020 will come into force in February 2020.

10. OTHER IMPLICATIONS

10.1 EQUALITY & DIVERSITY

The Local Authority must have regard to its public sector equality duties under section 149 of the Equality Act 2010 when exercising its functions and making any

decisions. The Local Authority must carry out an Equalities Impact Assessment to enable intelligent consideration of any proposals. The Local Authority must have due regard to the information in the Equalities Impact Assessment before making any decision in relation to proposals.

The analysis below focuses on the key DSG formula funding policy changes within the School Budget recommendations that are new for 2020/21 and that are for local decision.

High Needs Block

In setting the School's Budget for 2020/21, Council is asked to approve the adoption of changes to Bradford's High Needs Model, including a new Banded Model for the allocation of EHCP top up funding to schools and providers from the High Needs Block. Please see Appendix 3 for a specific Equalities Impact Assessment on the new EHCP Banded Model.

Schools Block Primary & Secondary

Council has already determined to mirror the DfE's National Funding Formula for the calculation of primary and secondary school / academy funding allocations at local level. As such, our equalities impact assessment continues to align with that of the DfE regarding the [National Formula Funding policy](#) and its priorities and impacts on the funding of protected groups.

In setting the School's Budget for 2020/21, Council is asked to approve the recommendation that the Minimum Funding Guarantee (MFG) for primary and secondary schools / academies is set at +2.34%, which is 0.5% higher than the normal Regulations permit. We have received permission from the ESFA and have demonstrated to the ESFA that the allocations for non-MFG schools / academies are not negatively affected, nor is the funding available to children with protected characteristics in these schools. Our application to the ESFA included an equalities impact assessment, which evidenced the positive benefit of this proposal. We have looked at the impact of this proposal on the funding of children with SEND / disabilities (using the Free School Meals (FSM) proxy measure as used in the NFF assessment), from Minority Ethnic backgrounds (using English as an Additional Language (EAL3) as a proxy measure) and faith schools. The purpose and consequence of this proposal is to uplift the funding of schools / academies that remain on the MFG and in particular, in primary phase, where 78% of schools / academies are on the MFG in 2020/21.

Early Years Block

In setting the School's Budget for 2020/21, Council is asked to approve the continued protection of maintained nursery schools. This protection is funded using the specific supplement within the Early Years Block, supported by one off monies. This protection is not funded to the detriment of any other provider or any other aspect of the Early Years Block allocation. The numbers of children with SEND and from more deprived backgrounds is higher in the nursery schools sector and this protection continues to support provision for these children.

In setting the School's Budget for 2020/21, Council is asked to approve the recommendation to begin to reduce the proportion of our 3 & 4 year old Early Years Single Funding Formula (EYSFF) that is allocated via the Deprivation & SEND supplement, with the intention to reduce this down by April 2022 to the average of our statistical neighbours (from 9.5% to 6.0%). This change in 2020/21 takes place alongside the proposed increase in the 3 and 4 year old Universal Base Rate (UBR) from £4.11 to £4.19 per hour for all providers. The Authority set out in [consultation](#) the impact of this and how brought forward balances (one off monies) are currently being used within the Early Years Block to protect the current value of the UBR following the national early years funding reform, where Bradford's rate of funding has reduced by c. 10% between 2017-2019. The use of one off monies is not a permanent solution. To keep within the funding settlement currently available, either the UBR or spending on other factors will need to reduce. Our consultation modelling, using the 2019/20 budget, evidenced that we would need to set a UBR lower than £4.00 per hour in order to continue to spend 9.5% on our Deprivation & SEND supplement going forward without the use of one off monies. Our benchmarking suggests that, where if we did this, we would be 'out of line' with other authorities. It is also the case that reducing our UBR in this way would not support providers in meeting growing costs, especially salaries costs, and this would likely have District-wide implications, including for the quality of provision and places sufficiency. Protecting and uplifting the UBR for all providers helps support universal good quality provision for all children.

The Early Years Pupil Premium, as well as the Disability Access Fund and Early Inclusion Funds, will continue to complement the Early Years Single Funding Formula and will provide additional funds to support children with SEND.

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 2020/21 DSG as set out in this report.**
- b) **Approve the adoption of the new Banded Model for the allocation of EHCP top up funding to schools and providers from the High Needs Block.**
- c) **Approve the total amount of £586.602m 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 2020/21.**

14. APPENDICES

- Appendix 1 – Local Authority Funding Reform Pro-Forma 2020/21.
- Appendix 2 – Proposed new Banded Model for EHCP Top Up Funding including summary and analysis of consultation feedback.
- Appendix 3 Equality Impact Assessment - Proposed new Banded Model for the allocation of top up funding for EHCPs to schools and providers.
- Appendix 4 – Early Years Single Funding Formula 2020/21.

15. BACKGROUND DOCUMENTS

- [Decisions List of Schools Forum 8 January 2020](#) (link to webpage)
- [Consultation on the High Needs Funding Model](#) (link to webpage)
- [Consultation on the Early Years Single Funding Formula 2020/21](#) (link to webpage)

- [Consultation on Schools Block Funding Arrangements 202/21](#) (link to webpage)
- [Statement to Parliament on Maintained Nursery School Funding](#) (link to webpage)
- [ESFA permission for a 2.34% Minimum Funding Guarantee](#)
- Section 151 Officer's Report – Executive 18 February 2020

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Local Authority Funding Reform Proforma

Appendix 1

LA Name:

Bradford

 LA Number:

380

Primary minimum per pupil funding level	Secondary (KS3 only) minimum per pupil funding level	Secondary (KS4 only) minimum per pupil funding level	Secondary minimum per pupil funding level	Disapplication number where alternative MPPF values are
£3,750	£4,800.00	£5,300.00	£5,000.00	

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)	£2,857.46		54,758.00		£156,468,637	£299,319,630	36.60%	7.51%	
	Key Stage 3 (Years 7-9)	£4,018.64		20,887.00		£83,937,394		19.64%	6.28%	
	Key Stage 4 (Years 10-11)	£4,561.73		12,914.75		£58,913,599		13.78%	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	FSM	£450.07	£450.07	11,245.00	7,555.17	£8,461,430	£50,599,964	11.84%	23.08%	10.16%
	FSM6	£560.09	£815.13	14,981.16	12,235.90	£18,364,651			23.08%	10.16%
	IDACI Band F	£210.03	£300.05	7,055.68	4,615.76	£2,866,879			22.45%	19.18%
	IDACI Band E	£250.04	£405.06	9,014.65	5,907.25	£4,646,841			22.45%	19.18%
	IDACI Band D	£375.06	£535.09	7,555.41	4,868.63	£5,438,863			22.45%	19.18%
	IDACI Band C	£405.06	£580.09	3,576.08	2,181.02	£2,713,737			22.45%	19.18%
	IDACI Band B	£435.07	£625.10	7,361.47	4,462.70	£5,992,383			22.45%	19.18%
	IDACI Band A	£600.10	£840.13	1,884.14	1,171.85	£2,115,179			22.45%	19.18%
Description		Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)
3) Looked After Children (LAC)	LAC X March 19			614.07		£0	£7,798,780	0.00%		
4) English as an Additional Language (EAL)	EAL 3 Primary	£535.09		10,917.01		£5,841,537		1.70%		
	EAL 3 Secondary		£1,440.23	991.78		£1,428,395				
5) Mobility	Pupils starting school outside of normal entry dates	£1,286.55	£1,250.20	334.29	79.00	£528,848		0.12%		
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	Primary Low Attainment		£1,065.17	34.98%	19,152.44	£20,400,614	£34,300,401	8.02%	100.00%	
	Secondary low attainment (year 7)	64.53%	£1,610.26	25.11%	8,632.03	£13,899,788				
	Secondary low attainment (year 8)	63.59%		25.64%						
	Secondary low attainment (year 9)	58.05%		25.97%						
	Secondary low attainment (year 10)	48.02%		26.34%						
	Secondary low attainment (year 11)			24.62%						

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	£114,418.30	£114,418.30			£21,853,896	5.11%	

8) Sparsity factor						£0	0.00%		
Please provide alternative distance and pupil number thresholds for the sparsity factor below. Please leave blank if you want to use the default thresholds. Also specify whether you want to use a tapered lump sum or the NFF weighting for any of the phases.									
Primary distance threshold (miles)		Primary pupil number average year group threshold		Fixed, tapered or NFF sparsity primary lump sum?			Fixed		
Secondary distance threshold (miles)		Secondary pupil number average year group threshold		Fixed, tapered or NFF sparsity secondary lump sum?			Fixed		
Middle schools distance threshold (miles)		Middle school pupil number average year group threshold		Fixed, tapered or NFF sparsity middle school lump sum?			Fixed		
All-through schools distance threshold (miles)		All-through pupil number average year group threshold		Fixed, tapered or NFF sparsity all-through lump sum?			Fixed		
9) Fringe Payments						£0	0.00%		
10) Split Sites						£423,539	0.10%		
11) Rates						£3,979,020	0.93%		
12) PFI funding						£6,595,289	1.54%		
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 FY19-20						£0	0.00%	0.00%	0.00%
Additional sparsity lump sum for small schools						£0	0.00%		
Exceptional Circumstance3						£0	0.00%		
Exceptional Circumstance4						£0	0.00%		
Exceptional Circumstance5						£0	0.00%		
Exceptional Circumstance6						£0	0.00%		
Exceptional Circumstance7						£0	0.00%		
Total Funding for Schools Block Formula (excluding minimum per pupil funding level and MFG Funding Total)						£424,870,520	99.39%		
14) Additional funding to meet minimum per pupil funding level						£2,617,418	0.61%		
Total Funding for Schools Block Formula (excluding MFG Funding Total)						£427,487,939	100.00%		
15) Minimum Funding Guarantee				2.34%		£7,580,217			
Where a value less than 0.5% or greater than 1.84% has been entered please provide the disapplication reference number authorising the value						380Bra2021_1			
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)						No			
Capping Factor (%)		Scaling Factor (%)							
Total deduction if capping and scaling factors are applied						£0			
						Total (£)	Proportion of Total funding(%)	Notional SEN (%)	
MFG Net Total Funding (MFG + deduction from capping and scaling)						£7,580,217	1.74%		
Total Funding for Schools Block Formula						£435,068,155		£64,445,153	
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved)									
Additional funding from the high needs budget						£481,376.34			
Growth fund (if applicable)						£1,432,910.09			
Falling rolls fund (if applicable)						£250,000.00			
Other Adjustment to 19-20 Budget Shares						£12,055			
Total Funding For Schools Block Formula (including growth and falling rolls funding)						£436,763,120			
% Distributed through Basic Entitlement						70.02%			
% Pupil Led Funding						91.70%			
Primary: Secondary Ratio						1 :		1.37	

Appendix 2: New Banded Model for the allocation of EHCP Top Up Funding to Schools and Providers included within the National Place-Plus System

Introduction

1.1 Top-up funding (also known as Element 3 or 'Plus' funding) is the funding required by an institution, over and above place funding, to enable a child or young person with high needs to participate in education and learning.

1.2 As with many authorities, Bradford allocates top up from the High Needs Block, to schools and providers that are included within the national 'Place-Plus' system, using a 'banded' or 'range' system. This model is used to assign EHCPs into categories of need for funding purposes. Each range has an applicable level of funding and a school or provider is allocated a set value of top up funding according to the range of the EHCP as determined by the SEND Panel.

1.4 The Authority has been working over the past 18 months with the District Achievement Partnership (DAP) on how we can improve the responsiveness of our model.

1.5 We have developed locally an amended banded approach to the delegation of funding to schools and providers for the 'top up' element of EHCPs, which we now propose to adopt. If agreed by Council, as part of the setting of the Schools Budget for 2020/21, this new Banded Model will replace our existing Ranges Model at 1 April 2020.

The Proposed New Banded Model

2.1 The new model will use at its base the [Bradford Matrix of Need](#), which outlines waves of intervention. This Matrix identifies the responsibilities of schools and providers in their use of already delegated funds in meeting the costs of support. It identifies the point at which top up funding begins, which is EHCP Band 3.

2.2 Whereas our current Ranges Model has 7 Ranges with 7 funding steps, our proposed new Banded Model has 6 bands and 6 funding steps, with values for 1 April 2020 proposed as set out in the table below. This table shows the proposed value of top up by band and the value of contribution, which schools and providers will continue as now to add to the top up from their budgets to produce the total value of funding available for supporting the costs of an EHCP.

In all steps within the model the school or provider, with the exception of EHCPs for 2, 3 and 4 year olds (in pre-reception) in mainstream not specialist provision, is expected to contribute 'element 2' funding, currently at an annual value of £6,000 per 1 FTE, to the cost of the additional needs set out in the EHCP.

	Proposed Top Up Value at April 2020	Element 2 Value FTE the school / provider adds	Total Value of Funding to support the EHCP
Band 3 Low (3L)	£1,670	£6,000	£7,670
Band 3 Medium (3M)	£3,347	£6,000	£9,347
Band 3 High (3H)	£4,974	£6,000	£10,974
Band 4 Low (4L)	£7,747	£6,000	£13,747
Band 4 Medium (4M)	£11,296	£6,000	£17,296
Band 4 High (4H)	£15,051	£6,000	£21,051

The new model is calculated on a provision-mapping approach. The additional educational needs of a child with an EHCP typically will be met through additional adult contact time. Typically this will be delivered in a combination of individual time and time in smaller groups. The overall volume of time will increase as needs increase and the proportion of this time that is delivered on a more bespoke basis will also increase as needs increase. The values of the bands have been built up on notional assumptions about the proportion of additional support given to an EHCP, with this support split between bespoke time and time in smaller groups. This is a model then for the SEND Panel to use to determine the volume and type of support required to then closely meet the needs of an individual EHCP.

2.3 Band 3 (EHCP) typically will support the cost of EHCPs placed in mainstream provisions. Band 4 (EHCP plus) typically will support the cost of EHCPs placed in specialist provisions. However, this is not an absolute position and the SEND Panel will use the model flexibly to closely meet need.

2.4 Schools and providers will receive funding at the band value that provides the closest fit for meeting the cost of the needs of the child or young person described in the EHCP. In the new model, the closest fit may also be found by combining ('stacking') more than one band value. The facility to combine values means that the SEND Panel can use the model in a flexible way to find a very close fit for the funding especially of children and young people with significant secondary needs as well as those that require additional functional support both within and outside of the standard taught school day, where this is not already funded within a single band value.

2.5 To highlight then the main differences between the new proposed Banded Model and the current Ranges Model:

- The new model does not have a 7th step (the equivalent of our current Range 7). It is expected that stacking would deliver a level of support higher than the single band 4H where this is necessary. Specific transition arrangements will be required for current Range 7 EHCPs and transition to the new model is set out further below.
- The SEND Panel can 'stack' values (meaning a school or provider can be allocated more than one band value for an EHCP) in order to find a close fit.
- The new model does not use primary need as a marker for the placement of an EHCP into a band. Placement is based on level of need.
- Whereas the current Ranges Model defines need in terms of 1:1 hours of support, the new model uses a provision mapping approach and a combination of bespoke time and time in smaller groups.
- The values proposed to be allocated by the new model are increased. The values of the 1st two steps in Band 3 increase the most.
- The new model will work alongside a clarified and amended approach to the sharing of the cost of specialist equipment.

2.6 To highlight how the new proposed Banded Model is the same or similar to the current Ranges Model:

- Decisions on the application of the Banded Model – which of the 6 bands a new EHCP is placed in and whether an EHCP is given more than one band value - will continue as now to be taken by Bradford Council's SEND Panel with reference to the evidence submitted through the EHCP assessment process. Appeals and disputes will also continue to be resolved through the Panel process.
- In all steps within the model, the school or provider, with the exception of EHCPs for 2, 3 and 4 years olds (pre-reception) in mainstream not specialist provision, is expected to contribute element 2 funding currently at an annual value of £6,000 to the cost of additional needs.

- The bottom ‘threshold’ for the 1st step of Band 3 (3 Low) is 16 hours of support a week, which is the same as the current model. The new model itself does not change the threshold at which EHCP top up funding can initiate nor does it change the points of access to an EHCP. It purely changes the options that are available to the SEND Panel to use to ensure that an EHCP is appropriately and accurately funded.
- The relationships between the 6 steps in the new model (the size of the gaps between them) remain similar to the current model, with the exception of the 1st two steps in Band 3, which are uplifted.
- For the top-up funding of post 16 high needs students with EHCPs in the Further Education sector, it has been agreed previously with the relevant providers that, as, on average, colleges deliver around 60% of the hours delivered by schools, colleges are funded for the vast majority of students at 60% of the Banded Model value for the primary need of the student. The exceptions are students with the primary need of sensory impairment (Hearing / Visual), where funding continues to be allocated on an actual cost basis. We propose to continue this approach in the application of the new Banded Model from April 2020.
- We are not adjusting at this time in 2020/21 notional SEND or SEND Floor arrangements in respect of mainstream formula funding and its relationship with the EHCP model. Adjustment may take place in the future.
- We will apply the same ‘technical framework’ as now for the operation of the model during the year e.g. the monthly re-calculation of EHCP funding from the census of EHCPs on roll on 10th of each month.

Proposed Implementation / Transition at 1 April 2020

3.1 The Authority aims to adopt the proposed new model as quickly as possible and to use this as a vehicle to release additional High Needs Block that is allocated to Bradford in 2020/21. The Authority also will ensure that the values of top up funding schools and providers receive for existing EHCPs will not reduce as a result of funding model change.

3.2 Our proposed transition process is as follow:

- The top up funding of all existing EHCPs will transfer on to the new system at 1 April 2020 as follows:

Current	Current Value		New Band	New Value	£ Diff	% Diff
Range 4A	£952	Will become	Band 3L	£1,670	+ £718	+ 75.4%
Range 4B	£3,000	Will become	Band 3M	£3,347	+ £347	+ 11.6%
Range 4C	£4,597	Will become	Band 3H	£4,974	+ £377	+ 8.2%
Range 4D	£7,160	Will become	Band 4L	£7,747	+ £587	+ 8.2%
Range 5	£10,440	Will become	Band 4M	£11,296	+ £856	+ 8.2%
Range 6	£13,910	Will become	Band 4H	£15,051	+ £1,141	+ 8.2%
Range 7	£22,857	Will become	Protected 7	£24,732	+ £1,875	+ 8.2%

- We would expect most existing EHCPs on an on-going basis to remain within the band they have been transferred to. The SEND Panel will review, through the annual review process, individual EHCPs where the banding may be disputed, where there are obvious existing inaccuracies or where the needs of the child or young person have changed.

- The new model will work under the guarantee that, for EHCPs in place at 1 April 2020, the value of funding a school or provider receives for an EHCP will not ever drop to a lower valued band after the transfer to the new model unless the SEND Panel agrees that the needs of the child or young person are reduced when compared against the needs presented to the Panel in the original EHCP determination. This guarantee will remain in place until the pupil reaches the end of year 11. This guarantee does not extend to assessment places funded at 1 April 2020 (as these pupils do not yet have EHCPs).
- Schools and providers will be funded for all new EHCPs after 1 April 2020 on the new model without protection.
- The model going forward will retain a transitional 'Protected 7' band, which will continue to fund EHCPs currently graded at Range 7. No new EHCPs will be placed in this band after 1 April 2020. Existing Range 7 pupils will stay funded by the Protected 7 band unless an annual review gives them a higher level of funding using the new model (via stacking), when the pupil would be transferred onto the new model at this point, or where the pupil's needs are agreed to have reduced when compared against the needs presented to the Panel in the original EHCP Range 7 determination. This guarantee will remain in place until the pupil reaches the end of year 11. At 1 April 2020, the value of Protected 7 is set at 2019/20 plus the % increase for Band 4H, which is 8.2%. This 'Protected 7' band will continue to be part of the model until there are no more EHCPs left in the system on it. Its value will continue to be uplifted each year by the same value that Band 4H increases by.
- In transferring the funding of EHCPs in the post 16 FE sector, we propose to continue the approach set out in paragraph 2.6 and to apply the same principles around the protection of current values as applied for other sectors.

Consultation and Responses

A consultation with schools and providers was conducted between 16 December 2019 and 4 February 2020. The consultation document was published on [Bradford School Online](#).

This was presented to the Schools Forum on 8 January 2020. The Schools Forum represents schools, academies and other providers, including early years and further education providers. The Forum has given its formal support to the changes proposed within the consultation document without exclusion.

The consultation was also signposted at, and presented to, other key school / provider groups, including the SENCO's Network, District Achievement Partnership, Bradford Primary Improvement Partnership, Secondary CEOs, and the Primary Catholic Partnership. The feedback from these groups has been significantly positive, referring especially to the additional flexibility that is proposed to be included within the new EHCP model as well as the increase in top up values.

Our formal consultation asked three questions relating to the EHCP Banded Model:

Question 1 – Do you agree with the new Banded Model proposed by the Local Authority? If not, please can you explain why not.

Question 2 – Do you agree with the transition approach to the new model that is proposed by the Local Authority? If not, please can you explain why not

Question 3 – Do you have any comments (including technical comments) on the proposed new Banded Model you would like the Authority to consider?

As has been the case with other consultations on school funding arrangements this year, the number of formal responses received has been quite low. Typically, responses are low (or lower) where schools are in agreement with the Authority's proposals.

We received 5 formal responses: 1 secondary school, 1 special school, 1 FE college and 2 primary schools.

Regarding Question 1: 2 responses "strongly agreed" and 3 responses "agreed on balance".

Regarding Question 2: 2 responses "strongly agreed" and 3 responses "agreed on balance".

Regarding Question 3: 2 responses made no further comments. 3 responses made similar comments:

- Asking for more detailed information to be provided about how the "stacking" function will work in practice and how Panel decisions will be taken.
- Asking for more detailed information on the Band descriptors (criteria for decision making) and the application of these by Panel.
- The necessity of the timeliness of EHCP assessment and the financial pressure on schools that comes from delayed assessment.
- The necessity to ensure that the contributory model for provision of specialist equipment is operated on a fair and transparent basis, and to ensure that the proposed 'reasonableness test' does protect individual schools against being disproportionately affected financially.
- Commenting that place-elements (the £6,000 and £10,000, which are set nationally) have not increased in value for inflation since 2012 and that this is placing financial pressure on schools and providers.
- Asking for improvement in the presentation of the EHCP funding information that is given to providers on a monthly basis to aid providers in their budget tracking and forecasting.

The feedback that has been received evidences clear support for the Authority's proposals. The Authority will respond, as we implement and embed the model, to the requests made for more detailed working information. We also expect to continue to annually review the model going forward to ensure that it remains effective. In doing this, we will continue to take on board feedback received from schools and providers.

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Oc BB Appendix 3 – Equalities Impact Assessment - New Banded Model for the allocation of EHCP top up funding to Schools and Providers included within the National Place-Plus System

1. Proposal Being Assessed

The Authority has developed an amended banded approach to the delegation of High Needs Block DSG funding, to schools and providers in Bradford included within the national Place-Plus System, for the 'top up' element associated with Education Health and Care Plans (EHCPs). This proposal affects the way additional top up funding is allocated to schools and providers to support them in their responsibilities to meet the needs of children and young people that have EHCPs.

2. Description of the proposal under assessment and what change it would result in if implemented.

Top-up funding (also known as Element 3 or 'Plus' funding) is the funding required by an institution, over and above place funding, to enable a child or young person with high needs to participate in education and learning.

As with many authorities, Bradford currently allocates top up from the High Needs Block, to schools and providers that are included within the national 'Place-Plus' framework, using a 'banded' or 'range' system. This model is used to assign EHCPs into categories of need for funding purposes. Each range has an applicable level of funding and a school or provider is allocated a set value of top up funding according to the range of the EHCP as determined by the SEND Panel.

A band system is more responsive to the funding of schools and providers for the needs of an individual child or young person than a blanket lump sum style approach but is not quite as sensitive as an approach where the cost of the needs of a child or young person is calculated on an exact basis. Blanket, band, and individually-costed systems all have pros and cons. The main positive features of band models, and of our proposed new model, are that these help promote consistency and transparency, reduce complication, support the quick assessment and release of funds, whilst also enabling the SEND Panel to find a 'close fit' for funding a school or provider for the needs of a child or young person with an EHCPs. The Council's expectation continues to be that this framework will enable a close fit to be found for the funding of the vast majority of EHCPs. It is accepted that there will be a small number of children or young people that will sit outside this banded framework, most of whom will be placed in specialist independent provisions.

The details of the changes proposed, and the transition to the new model, are given in Appendix 2 of this report.

The impact of the proposed changes on the funding of schools and providers for all children and young people with EHCPs, including those with protected characteristics, is assessed to be entirely positive both immediately at the point of change at 1 April 2020 as well as going forward:

- The new banded model retains the positive features of our existing ranges approach and will continue to be applied equitably across all schools and providers. However, it removes the reference to primary need, which results in a more flexible, responsive and accurate system. Our development work with the District Achievement Partnership has evidenced clearly how our EHCP funding system is improved through this single change.

- Each EHCP will be funded at the band value that provides the closest fit for meeting the cost of the needs of the child or young person. In the new model, the closest fit may also be found by combining ('stacking') more than one band value. This new facility to combine values means that the SEND Panel can use the model in a more flexible way than currently to find a very close fit.
- The bottom 'threshold' for the 1st step of Band 3 (3 Low) is 16 hours of support a week, which is the same as the current model. The new model does not change the threshold at which EHCP funding can initiate nor does it change the points of access to an EHCP. It purely changes the options that are available to the SEND Panel to use to ensure that a school or provider is appropriately and accurately funded.
- The values proposed to be allocated by the new model in 2020/21 are significantly increased, funded by High Needs Block headroom without any negative implication for any other DSG budget. The minimum value of increase in 2020/21 is 8.2%.
- The way that we propose to move to the new Banded Model at April 2020 means that all existing EHCPs will see uplift and no existing EHCPs will reduce in value as a result of model change. The full novation of all EHCPs at 1 April 2020 will avoid disproportionately disadvantaging any sector or type of EHCP that would result from a staggered implementation.

3. Will this proposal advance equality of opportunity for people who share a protected characteristic and/or foster good relations between people who share a protected characteristic and those that do not? If yes, please explain further.

This is a proposal that improves the way schools and providers in Bradford are funded for children and young people with SEND with EHCPs. Although it cannot be evidenced at this stage that this change will directly advance equality of opportunity for children and young people that share a protected characteristic, it is expected that it would support this.

4. Will this proposal have a positive impact and help to eliminate discrimination and harassment against, or the victimisation of people who share a protected characteristic? If yes, please explain further.

This is outside the scope of this proposal - this is a proposal that improves the way schools and providers in Bradford are funded for children and young people with SEND with EHCPs.

5. Will this proposal potentially have a negative or disproportionate impact on people who share a protected characteristic? If yes, please explain further.

No, the impact of the proposed changes, on the funding of schools and providers for all children and young people with EHCPs, and those with protected characteristics, is assessed to be entirely positive.

6. Please indicate the level of negative impact on each of the protected characteristics?

(Please indicate high (H), medium (M), low (L), no effect (N) for each)

Protected Characteristics:	Impact (H, M, L, N)
Age	N
Disability	N
Gender reassignment	N
Race	N
Religion/Belief	N
Pregnancy and maternity	N
Sexual Orientation	N
Sex	N
Marriage and civil partnership	N
Additional Consideration:	
Low income/low wage	N

7. How could the disproportionate negative impacts be mitigated or eliminated?

The impact of the proposed changes, on the funding of schools and providers for all children and young people with EHCPs, and those with protected characteristics, is assessed to be entirely positive.

8. Please consider which other services would need to know about your proposal and the impacts you have identified. Identify below which services you have consulted, and any consequent additional equality impacts that have been identified.

The proposed new banded model has been developed in combination with Local Authority Finance and SEND officers and the District Achievement Partnership. Consultation has taken place with the Schools Forum and directly with key SENCO and Headteacher groups. Wider consultation has also taken place through the publication of the consultation document on Bradford Schools Online. No additional equality impact assessments have been identified to be needed.

9. What evidence do you hold to back up this assessment?

We have worked closely with the District Achievement Partnership, using evidence and examples from special schools on the positive impact of the greater flexibility provided by the proposed model (the removal of the primary need marker as well as the ability to combine values). We have modelled the financial impact of the new model on existing EHCPs and have tested the model against an assumed notional cost base. No further evidence has been identified to be needed.

10. Results from any previous consultations prior to the proposal development.

We have developed this model with support from the District Achievement Partnership over the last 18 months. This work has involved looking at different models and options and then refining a preferred approach. We signalled development work as part of last year's Schools Budget setting and discussed this with the Schools Forum. Formal consultation on the final proposed model has

taken place between December 2019 and February 2020. Details of this consultation and an analysis of responses are included in Appendix 2 of this report. The proposed model was presented to the Schools Forum on 8 January and the Forum gave its full formal support.

Pass-through rate for delivering government funded hours (estimated); excluding one off monies; including lag; Must be greater than 95%:														100.7%		
% spend 3&4 year old EYSFF on supplements - SEND& Deprivation (estimated & note this excludes balances spend); cannot exceed 10%:														8.0%		
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	TOTAL			
		Universal Base Rate Applicable to all Providers	£4.19	£4.19	£4.19	per hour	2,304,034	413,677	2,890,222	1,122,371	80,313	327,656	£14,356,636	£2,069,821	£13,482,909	£29,909,367
2. EYSFF (3 & 4 year olds): Other formula factors		Description	Unit Value (£)			Unit Applied	Number of Units (Universal & Additional 15 hours)			Anticipated Budget (£)						
2. Supplements	Variable 1 Deprivation (Mandatory)		All providers (variable rate) calculated using a 3 year rolling average of Index of Multiple Deprivation (IMD) scores.	PVI	Nursery School		Primary Nursery Class	Unit Applied	PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	TOTAL	
				£0.74	£0.74	£0.74	per hour	1,053,882	231,626	1,310,256	£780,356	£171,509	£970,190	£1,922,056		
	Variable 2 Deprivation (Mandatory)	Rates include a weighting, to allocate additional funding to providers that have above average levels of deprivation.	PVI	Nursery School	Primary Nursery Class	Unit Applied	PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	TOTAL			
			£0.18	£0.18	£0.18	per hour	1,216,655	370,957	1,886,623	£222,827	£67,940	£345,529	£636,295			
3. Maintained nursery school (MNS) lump sums		Description	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 in £5.78 & the deprivation rate is the same as that in 2016/17.	Variable	lump sums
TOTAL FUNDING FOR EARLY YEARS SINGLE FUNDING FORMULA (3 & 4 YEAR OLDS):													£33,742,994			
EYSFF (2 year olds)		Description	Unit Value (£)			Unit Applied	Number of Units			Anticipated Budget (£)						
4. Base Rate(s) per hour, per provider type			Universal Base Rate Applicable to all Providers	PVI	Nursery School		Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	TOTAL		
			£5.28	£5.28	£5.28	per hour	1,173,041	174,132	290,209	£6,193,659	£919,417	£1,532,301	£8,645,377			
TOTAL FUNDING FOR EARLY YEARS SINGLE FUNDING FORMULA (2 YEAR OLDS):													£8,645,377			
5. SEN Inclusion Fund (funded directly to providers)		Description	Unit Value (£)			Unit Applied	Number of Units			Anticipated total budget (£)						
(a) 3 & 4 Year Olds			Funding for Early Years SEND Inclusion (element 2 replication) - allocated using agreed criteria and method	PVI	Nursery School		Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	PVI	Nursery School	Primary Nursery Class	TOTAL		
			£457,627	£75,000	£467,373					£457,627	£75,000	£467,373	£1,000,000			

(Mandatory)	(aii) Funding allocated from HN Block	EY SEND Inclusion is 100% funded from the Early Years Block				
(b) 2 Year Olds (if applicable)	(bi) Funding allocated from EY Block	Funding for Early Years SEND Inclusion (element 2 replication) - allocated using agreed criteria and method	£100,000	£10,000	£40,000	£150,000
	(bii) Funding allocated from HN Block	EY SEND Inclusion is 100% funded from the Early Years Block				
TOTAL FUNDING FOR SEN INCLUSION FUND (TOP-UP GRANT ELEMENT):						£1,150,000
6. Early years contingency funding		Description	Anticipated total budget (£)			
3 & 4 Year Olds		no contingencies are held				£0
2 Year Olds		no contingencies are held				£0
7. Early years centrally retained funding		Description	Anticipated total budget (£)			
3 & 4 Year Olds		please document LI Appendix 1 (de-delegated funds for nursery schools; EY SEND activities transferred from the HNB; EY SEND Inclusion management)				£456,089
2 Year Olds		no central funds for 2 year olds are held				£0
TOTAL FUNDING FOR EARLY YEARS CENTRAL EXPENDITURE:						£456,089
8. Early years pupil premium			Anticipated total budget (£)			
3 & 4 Year Olds						£453,885
TOTAL FUNDING FOR EARLY YEARS PUPIL PREMIUM:						£453,885
9. Disability access fund			Anticipated total budget (£)			
3 & 4 Year Olds						£196,185
TOTAL FUNDING FOR EARLY YEARS DISABILITY ACCESS FUND:						£196,185

Report of the Director of Finance to the meeting of Executive to be held on 18 February 2020

BC

Subject:

Capital Investment Plan 2020-21 to 2023-24

Summary statement:

Section A of this report presents the Council's Capital Investment Plan 2020-21 to 2023-24.

Section B presents an updated Capital Strategy for 2020-21. This strategy underpins the spending proposals within the Capital Investment Plan.

Chris Chapman
Director of Finance

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Portfolio:

Leader of the Council

Overview & Scrutiny Area:

Corporate

1. SUMMARY

1.1 This report proposes the Council's Capital Investment Plan (CIP) from 2020-21 to 2023-24. The report also includes the updated Capital Strategy in Section B.

1.2 This report is part of the overall 2020-21 budget proposal for the Council which includes:

- The Council's Revenue Estimates for 2020-21 (Document BA)
- Allocation of the Schools Budget 2020-21 Financial Year (Document BB)
- Section 151 Officer's Assessment of the proposed budgets (Document BC)

2. OVERVIEW

2.1 **SECTION A** of this report proposes the 2020-21 Capital Investment Plan (CIP). This will cover:

- Capital Investment Plan; Background
- The Capital Schemes
- Minimum Revenue Provision (MRP)
- The Prudential Indicators

2.2 **SECTION B** of this report sets out the 2020-21 Capital Strategy. This includes:

- Guiding Principles
- Governance Framework for Capital Decisions
- Capital Resources to support Capital Expenditure
- Commercial Property Investments
- Loans to External Organisations
- Asset Management Planning
- Prudence, Affordability, Sustainability
- Skills & Knowledge

SECTION A: CAPITAL INVESTMENT PLAN

3. CAPITAL INVESTMENT PLAN; BACKGROUND

3.1 The Capital Investment Plan (CIP) is about spend on projects that have long-term benefits over many years. Examples would be spending on buildings, cars and infrastructure.

3.2 During the construction phase, project spend could be across multiple years. This means some budget commitments in the CIP roll forward each year, subject to review and revisions to annual profiles in respect of slippage.

3.3 The rules around the funding of the CIP are set out in the 2003 Capital Regulations. Key points regarding these rules are set out below (further details are set out in the Capital Strategy in Section B):

- Projects in the CIP are funded straight away from either: capital grants; property

sales (capital receipts), or a transfer from Revenue (Direct Revenue Financing).

- If the above funding sources are not available, this causes a borrowing requirement. The resulting borrowing then generates costs for revenue estimates in the future.
- Costs for the revenue estimates from borrowing comprise two elements: an interest charge; and an amount set aside to repay the borrowing principal. Collectively these two elements are called Capital Financing Costs.
- Interest falls due in the Revenue Estimates based on accounting rules that align costs to time periods.
- The amounts set aside to repay the borrowing principal are proportioned in tranches between future Revenue Estimate years. Such proportions are determined by Council policy. This policy sets a methodology by which borrowing is repaid based on the service benefit from the related asset.
- The above policy is known technically as the Minimum Revenue Provision (MRP). It is similar to a depreciation charge.
- All borrowing and capital financing costs are subject to additional regulatory guidance. These regulations require Full Council to have regard to a number of measures to assess prudence, sustainability and affordability. Such measures are called the Prudential Indicators. These are set out later in this report.

3.4 Regarding the Council's CIP, however, it should be noted that some schemes with a borrowing need, generate savings which mitigate the interest and debt payment. The Council's capital schemes which fall into this category are called Invest to Save schemes.

3.5 Further, as noted the amounts set aside to repay borrowing from the Revenue Estimates are aligned to the service benefit from the relevant schemes. This means they are not aligned to when actual loan repayments fall due. The management of loan repayments and other Council's cash flows from the overall budget proposal will be addressed in the Council's 2020-21 Treasury Management Strategy.

4. THE CAPITAL SCHEMES

4.1 The latest capital monitoring at quarter 3 is the starting point for the proposed 2020-21 CIP. This starting point is shown in Table 1 below:

Table 1: Quarter 3 2019-20 Capital Investment Plan

	Q2 Re profiled Budget 2019-20	Changes	Re profile Budget 2019- 20	Spend 31 Dec 2019	Budget 20-21	Budget 21-22	Budget 22-23 onward s	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Health and Wellbeing	3.8	0.8	4.6	3.4	3.8	3.4	0	11.8
Children's Services	28.0	0	28.0	12.8	15.9	2.3	0	46.2
Place - Economy & Development	17.5	0	17.5	8.2	30.5	8.8	6.5	63.3
Place - Planning, Transportation & Highways	27.1	0.8	27.9	14.3	24.6	50.3	116.5	219.3
Place - Other	13.6	1.2	14.8	7.9	9.7	4.4	12.4	41.3
Corp Service – Estates & Property Services	14.4	2.6	17.0	11.7	4.3	0.1	0	21.4
TOTAL - Services	104.4	5.4	109.8	58.3	88.8	69.3	135.4	403.3
Reserve Schemes & Contingencies	12.8	-1.9	10.9	0	37.8	45.3	56.8	150.8
TOTAL	117.2	3.5	120.7	58.3	126.6	114.6	192.2	554.1

4.2 As noted, the 2020-21 CIP rolls forward the position shown in Table 1, after:

- On going schemes continued for the additional 2023-24 year added to the CIP.
- New schemes for the CIP.

4.3 The first change is the on going schemes continued into 2023-24. These are detailed below:

- Replacement of Vehicles - £3m
- Property Programme - £2m
- General contingency for unforeseen capital expenditure - £1m
- Disabled Facility Grants - £2.028m (grant funded)
- Strategic Investment property acquisitions - £10m

4.4 The new schemes proposed for the CIP are substantial. These are set out and described in Table 2 below:

Table 2: New schemes

Proposed Scheme	Total Budget £000	Description / Benefit
Regeneration Projects		
PCS1 Transforming Cities Fund	66,000	The Bradford packages of transport related schemes form part of the Leeds City Region TCF. Strategic Outline Business cases have been submitted by WYCA to Government on 29 th November. If approved further development work will take place by March 2020 and detailed design and construction by 2023. The Bradford packages will deliver sustainable transport schemes that prioritise walking and

		cycling and encourage a shift away from car use to train travel.
PCS1b Clean Air Plan	53,370	Plan to improve air quality and achieve compliance with the EU Limit Value for No2 in the shortest possible timeframe. Measures include the introduction of a charging Clean Air Zone and support measures, including plans to encourage electric taxis, park and ride and electric bus routes and alternative energy re-fuelling facilities.
PCS2 One City Park	25,800	The scheme will provide Grade A offices. The scheme will encourage new businesses to move into the district, expand the range of office accommodation available within the City and provide employment opportunities. The scheme will be funded by grants from the West Yorkshire Combined Authority and office rentals from businesses. £9.2m is already included in the programme. Sustainability has been factored into the tender for the scheme and the design has been produced to ensure a high level of commitment to sustainable development including adoption of sustainable transport principles. The scheme will meet energy efficiency rating "A" and be able to accommodate any future city centre heating infrastructure.
PCS3 City Hall / RFL	2,000	The ambition is to develop City Hall in order to promote and celebrate the history and heritage of this iconic building. We will tell the 'Bradford Story' as a 'City of Firsts' as well as providing a home to the first Rugby League Museum in Europe and upgrading the existing Police Museum. This new Visitor Experience is expected to be open in 2022/23. The proposed refurbishments to City Hall will include an upgrade to the utilities, initially it will be to the ground floor only and then be undertaken on a phased floor by floor basis, to ensure that the building is operating as efficiently as possible
PCS4 Playgrounds	1,385	Additional works to playgrounds to be funded through Section 106 and Community Infrastructure Levy.
PCS5 Blight Sites	NIL	There is £1.167m within the Strategic Development Fund budget which will be utilised for the strategic development of blight sites. The investment will support the creation of opportunities for more sustainable and environmentally friendly uses of land in the future.
PCS6 Property Programme roll forward	950	Property Programme roll forward additional pressures.
PCS6b City Centre Regeneration Fund	9,500	Additional funds for regeneration infrastructure

New Climate Change projects

PCS7 Feasibility study into renewables	5,000	Identification of viable renewable energy projects to reduce carbon emissions, energy costs and air pollution.
PCS8 Fleet / EV Programme	1,804	Expansion of the Councils electric fleet and charging infrastructure including its street cleansing operations will cut carbon. The promotion of electric vehicle use in the district and the provision of EV charge points was a priority for the council under the January Climate Emergency declaration. The council maintains a large fleet of vehicles and this budget will support converting our own fleet, where practical, to electrical. It will also provide capital resource to expanding our own EV charging infrastructure to support the expanded EV fleet.
PCS9 District Heat Programme	14,315	The Civic Quarter District Heat Scheme was identified as a priority for the council under the January Climate Emergency declaration. This scheme is designed to provide lower carbon heat and electricity to buildings across the city centre and is primarily focussed on public sector assets. Once complete it will act as a regeneration tool allowing local developments to access lower carbon heat and can support local energy resilience as well as providing a single point of conversion in the transition to zero carbon heat in the future.
PCS10 Climate Change Building Controls	500 p.a. (5 years)	<p>This is a continuation of the programme of works that the energy team has been delivering for the last 9 years and that has resulted in significant carbon savings throughout that time. The funding is used not only to deliver heating controls that directly deliver gas savings but also supports the consolidation of the control system into a single remotely operable system allowing a very small team to control a very large estate whilst minimising travel across the district. As well as this the programme pays for insulation, draft-proofing, window improvements, led lighting schemes, regenerative lift motors, drive invertors and innumerable other small projects that contribute to the zero carbon ambitions of the Council.</p> <p>This programme of work has underpinned the Council's strong performance in energy reduction over the last 9 years where a 40% reduction in carbon emissions by 2020 was</p>

		achieved ahead of target by the end of the 2017/18 financial year. The carbon reductions obtained by reducing the amount of energy needed to run our buildings forms the basis of the energy hierarchy and best practice dictates a building portfolio that does not undermine savings made elsewhere through senseless waste. Efficient heating systems that are kept under control, insulation, draught-proofing and efficient lighting are not headline-grabbing greenwash but instead simple common sense.
PCS11 Flood Alleviation	200	To support additional moorland schemes that alleviates flooding and absorbs carbon.

Infrastructure Projects

PCS12 Bereavement Strategy	7,000	Additional funding to deliver the Bereavement Strategy. The additional costs will be funded through service prudential borrowing and funded through increased revenue. The scheme will deliver cleaner infrastructure and reduce the need to meet mercury abatement costs.
PCS13 ICT Core Infrastructure	3,700	The IT infrastructure is reaching end of life and critical updates to servers, networks, telephony (mobile and landline), and Wi-Fi are needed, plus investment in dark fibre enabling further improvements and potential efficiencies.
PCS14 CCTV	975	There are circa 300 cameras that are at end of life. There is the possibility of securing Salix funding for the energy savings which would accrue from the upgrade of analogue cameras and replacement of IT servers with new units which may offset some of this cost.
PCS15 Office moves / Relocation	108	A relocation programme to support the new management arrangements that has brought together the Parks and the Street Cleansing Service. During office moves the team will work closely with the energy unit to identify practical measures that can be taken to maximise the potential benefits of energy reduction and carbon mitigation that may not be otherwise possible outside of a major refurbishment. Consolidating budgets can act as a force multiplier during these projects and can also improve staff comfort.
PCS16 Flytipping Prevention	100 p.a. (3 years)	A three year capital programme of £100k per year on cameras and 'hot spot site prevention'.

4.5 The proposed new schemes above are at different stages as regards the development of the relevant business cases. Points to note are:

- Works to Parks and Street Cleansing Depots and the 2020-21 Property Programme have already been subject to a detailed business case and approved by the Project Advisory Group.
 - The additional £7m for the Bereavement Strategy has previously been approved by Executive and Project Advisory Group.
 - 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.
- 4.6 A detailed analysis of the 2020-21 Capital schemes is shown in Appendix 1, along with the funding.

5 MINIMUM REVENUE PROVISION (MRP) POLICY

- 5.1 As noted, the Minimum Revenue Provision (MRP) policy determines how much debt repayment is charged to the Revenue Estimates in each year. Setting the amount repaid in each year, also has a significant impact on the level of the Council's outstanding debt.
- 5.2 Of course, though, the level of outstanding debt is also impacted by the borrowing need from new capital schemes – as set out in the section above.
- 5.3 As noted, one of the key considerations around setting the MRP policy is how best to match Revenue Estimate charges to the service benefit of the related asset. Another consideration is that the higher the proportion of debt repaid in earlier years, the lower will be total interest costs. The Council's interest on its debt is higher than its return from investments.
- 5.4 The Council's proposed MRP policy for 2020-21 is set out in Appendix 1b. Compared to the current MRP policy, the proposed changes are:
- Delegated authority is given to Section 151 Officer to repay debt on an annuity basis, for chosen properties purchased during or after 2018-19. Delegated authority could only be exercised if two conditions were met: the asset retains or increases its value; the return from the capital scheme is sufficient to repay the capital sum invested.
 - Repayment of debt from giving loans to external organisations can be aligned with the loan repayment schedule. This is dependent on two conditions: that the capital scheme is self-financing; there is reasonable assurance that the loan repayment schedule will be followed.
- 5.5 The first proposed change relates to the MRP charge on Investment Properties purchases from the Council's Strategic Acquisitions Budget. Subject to the conditions set out, an annuity MRP charge reduces charges in earlier years, compared to the equal instalment method - equal amounts charged in each year.
- 5.6 The Section 151 Officer will exercise judgement around an annuity MRP charge for

one of the new Capital Schemes - the District Heating Network. Considerations in forming this judgement will include an assessment of future development potential arising after the construction of the initial infrastructure.

- 5.7 The second change relates to loans given to external organisations. The Council is authorised to fund such loans from capital sources - which means the Council can borrow. The proposed change will enable the related MRP charge from the borrowing to be mitigated by a receipt from the loan repayment from the relevant external organisation.
- 5.8 Overall the proposed MRP policy means the following, in respect to the repayment of outstanding debt:
- 1) Pre 2008 debt, which cannot be distinguished against specific assets, is being repaid over 50 years.
 - 2) Some debt taken out between 2008 and 2012 is currently being repaid on an annuity basis. The proposed changes are that some additional new debt would also be repaid on an annuity basis.
 - 3) All other debt will be paid on an equal life basis.
- 5.9 Regarding 2 and 3 above, the MRP charge is also determined by the expected lifespan of each individual asset.

6. PRUDENTIAL INDICATORS

- 6.1 The Prudential Indicators are calculated on the basis that the CIP is delivered in full and that there is no slippage.
- 6.2 The 2003 Capital Regulations authorise Councils to borrow for a capital purpose only.
- 6.3 One key Prudential Indicator, therefore, is a measure of outstanding debt due to the funding of capital schemes. Outstanding debt is total borrowing less debt repayments made through the Revenue Estimates. The Prudential Indicator is called the Capital Financing Requirement (CFR). The indicator is shown in Table 2a below:

Table 2a: Capital Financing Requirement (CFR)

	31/03/19 <i>Actual</i> <i>£m</i>	31/03/20 <i>Estimate</i> <i>£m</i>	31/03/21 <i>Estimate</i> <i>£m</i>	31/03/22 <i>Estimate</i> <i>£m</i>	31/03/23 <i>Estimate</i> <i>£m</i>	31/03/24 <i>Estimate</i> <i>£m</i>
Opening Capital Financing Requirement	669	700	731	802	867	914
Increase in borrowing	32	51	96	93	78	36
Less MRP and other financing movements	-1	-20	-25	-28	-31	-34
Closing Capital Financing Requirement	700	731	802	867	914	916

6.4 Regarding the above CFR Prudential Indicator:

- Outstanding debt increases each year until it reaches £916m at 31 March 2024.
- Outstanding debt increases when new borrowing is higher than the principal payments charged to the Revenue Estimates.
- Outstanding debt will reduce when the increase in borrowing is less than the amount of debt repaid back in the Revenue Estimates.

6.5 A large part of the CFR is in the form of loans, mostly taken out with the Public Works Loan Board. The relationship between the CFR and the Council's loans is shown below in the Prudential Indicator for the external debt projection:

Table 2b: External Debt Analysis

	31/03/19 <i>Actual</i> <i>£m</i>	31/03/20 <i>Estimate</i> <i>£m</i>	31/03/21 <i>Estimate</i> <i>£m</i>	31/03/22 <i>Estimate</i> <i>£m</i>	31/03/23 <i>Estimate</i> <i>£m</i>	31/03/24 <i>Estimate</i> <i>£m</i>
Opening Capital Financing Requirement	669	700	732	803	868	916
Private Finance Initiative	-178	-174	-169	-165	-161	-156
Earmarked Reserves	-202	-256	-256	-256	-256	-256
Investments	35	53	10	10	10	10
Working Capital	2	-9	-9	-9	-9	-9
(ii) Opening External Debt 1 April	326	314	308	383	452	505
<i>Underborrowing</i>	<i>343</i>	<i>386</i>	<i>424</i>	<i>420</i>	<i>416</i>	<i>411</i>

6.6 Key points regarding the above External Debt Prudential Indicator:

- External debt increases roughly in line with the CFR increases.
- The amount by which External debt is lower than the CFR is called Underborrowing.
- Underborrowing occurs because:
 - i. Some past items of past capital expenditure were funded with finance leases (Private finance initiative). Finance lease liabilities are funded by a contract to make periodic payments to a third party, rather than a loan.
 - ii. The Council borrows internally against its own earmarked reserves.
 - iii. The requirement for external loans is impacted by the balance of the Council's investments and working capital.

6.7 Also the 2020-24 CIP, which drives the increase in the CFR, is analysed in the Prudential Indicator below:

Table 2c: Analysis of Capital Spend Requiring Borrowing

	31/03/19 <i>Actual</i> £m	31/03/20 <i>Estimate</i> £m	31/03/21 <i>Estimate</i> £m	31/03/22 <i>Estimate</i> £m	31/03/23 <i>Estimate</i> £m	31/03/24 <i>Estimate</i> £m
Total Capital Spend	84	121	209	205	190	42
Capital Spend not funded from borrowing	53	70	113	112	112	6
Capital spend funded from borrowing	31	51	96	93	78	36

6.8 A projection of new loans is shown in Table 2d below. This shows how the capital spend funded from borrowing (see Table 2c) generates a requirement to take out new loans – after adjusting for the refinancing of past borrowing and other balance sheet changes.

Table 2d: Projected New Borrowing

	31/03/20 Estimate £m	31/03/21 Estimate £m	31/03/22 Estimate £m	31/03/23 Estimate £m	31/03/24 Estimate £m
Borrowing requirement for capital budget	51	96	93	78	36
Maturing loans	17	2	6	16	6
Investment/working capital changes	7	-43	0	0	0
MRP (excluding PFI)	-15	-21	-23	-26	-30
External Loan requirement	60	34	76	68	12

6.9 A key Prudential Indicator measures the impact of the Capital Financing Costs (debt repayments and interest) in the Revenue Estimates. This impact measures the annual costs as a ratio of the Net Expenditure Requirement shown in the 2020-21 Revenue Estimates (Document BA).

6.10 This Indicator is called the ratio of capital financing costs to the Net Revenue Stream. The indicator is shown in Table 3 below, together with a separate analysis for Invest to Save schemes:

Table 3: Ratio of Capital Financing costs to the Net Revenue Stream

	2019-20 £m	2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
Total Capital Financing Costs	52.0	58.3	62.6	68.0	73.7
Projected Net Revenue Stream	377.6	377.6	377.6	377.6	377.6
Ratio to Net Revenue Stream	13.8%	15.4%	16.6%	18.0%	19.5%

Invest to Save element of Total Capital Financing Costs	5.7	7.1	8.8	12.5	17.5
Invest to Save contribution to Ratio to Net Revenue Stream	1.5%	1.9%	2.3%	3.3%	4.6%

6.11 Key points about the above Prudential Indicator are:

- The ratio of capital financing costs to the Net Expenditure Requirement increases between 2019-20 and 2023-24.
- Most of the increase in the ratio is driven by borrowing for Invest to Save schemes. Such schemes should generate mitigating savings which are not shown in the Prudential Indicator.
- The £5.2m credit in 2019-20 is the final years of the adjustment for the overprovision for old debt identified in previous years. The removal of this credit in future years, also causes an increase to the ratio.
- The Prudential Indicator reflects a number of assumptions including: that interest rates are 3.0% in 2020-21, climbing to 4% by 2023-24; and that the CIP is delivered in full. The costs shown are particularly sensitive to unforeseen changes to interest rates.
- A reconciliation between the Prudential Indicator and the capital financing costs shown in the Revenue Estimates Budget is also shown in the table below:

Table 4: Capital Financing Costs in the Revenue Estimates Budget

	2019-20	2020-21	2021-22	2022-23	2023-24
	£m	£m	£m	£m	£m
Total Capital Financing Costs	52.0	58.2	62.5	67.8	73.6
Exclude PFI interest	-16.0	-15.4	-14.8	-14.2	-13.6
Miscellaneous	-6.8	-4.3	-5.5	-5.8	-7.4
Capital Financing Cost	29.2	38.5	42.2	47.8	52.6
Budgeted Capital Financing Costs	29.4	38.5	42.2	47.8	52.6
2019-20 Projected Saving	(0.2)				

6.12 Items of expenditure such as PFI interest are treated as capital expenditure under accounting rules and therefore come within the remit of the Prudential Indicator. However, this expenditure is already included elsewhere the Revenue Estimates.

6.13 All the Prudential Indicators, including additional analysis, are set out in Appendix 2.

7 FLEXIBLE USE OF CAPITAL RECEIPTS STRATEGY

- 7.1 Until the end of the 2021-22 financial year, Councils have been given the option of using capital receipts to fund the Revenue Estimates. This is subject to a number of conditions detailed below:
- The funding is for what can be termed transformation projects
 - Such projects will result in ongoing revenue savings for the Council
 - The costs of the project are one-off and strictly time limited
- 7.2 The Council's current strategy is to use capital receipts to reduce the borrowing need for capital expenditure. The proposal in this report is to delegate authority to the Section 151 officer to have the option to adjust this strategy and fund transformation projects from capital receipts.
- 7.3 The proposed option above would be a contingency and is in the context that the 2020-21 funding settlement was for one year only. The Council is also awaiting the introduction of a new funding regime for Local Government from 2021-22.

SECTION B: CAPITAL STRATEGY 2020/2021

8 CAPITAL STRATEGY (BACKGROUND)

- 8.1 The Council's Capital Strategy is a policy framework for the development; management and monitoring of its capital investment programme over the next financial year. It describes how planned capital expenditure, capital financing and treasury management activity will contribute to the provision of Council services during this period.
- 8.2 Importantly, the Capital Strategy also provides guidance on the management of any financial risk that may arise in the course of these activities and a framework for investment and capital decisions that may be taken over the next ten financial years.
- 8.3 The Council is required to use the Capital Strategy as the means by which it ensures compliance with mandatory statutory guidance contained in the Prudential Code for Capital Finance in Local Authorities issued in December 2017. The headline message delivered by the Code is the requirement for the Council to consider key judgement criteria of Prudence, Affordability and Sustainability when making and reviewing decisions about the use of its capital resources.

9 CAPITAL EXPENDITURE

- 9.1 Capital expenditure is expenditure on the acquisition, creation or enhancement of assets that have a useful life of more than one year.
- 9.2 Appendix 3, Table (i) provides details of the Council's assets.

10 GUIDING PRINCIPLES

- 10.1 To ensure the efficient use of all of its assets the Council will not permit any project to be included in its Capital Investment Plan (CIP) unless it furthers its strategic priorities and objectives.
- 10.2 Overall, the following principles will apply to all capital investment decisions:
 - I. They should reflect the priorities identified in the Council Plan and its supporting strategies.
 - II. They will be prioritised by availability of resources and allocated funding, and supported by a business case review.
 - III. Priority will be given to schemes financed from capital grants or Invest to Save income streams.
 - IV. The cost of financing each capital scheme will be incorporated into the relevant annual policy, resources strategy and budget.
 - V. Commissioning and procuring for capital schemes will be legally compliant, which will be established by early and appropriate due diligence.

11 LINKS TO COUNCIL POLICIES, STRATEGIES AND OBJECTIVES

- 11.1 The Council's proposed **Capital Programme** (Section A) cover a four-year period 2020-2024. The proposed commitments in the programme reflect the Council Plan:

- i. A Great Start and Good Schools for All Our Children
- ii. Better Health, Better Lives
- iii. Better Skills, More Good Jobs and a Growing Economy
- iv. Decent Homes That People Can Afford To Live in
- v. Safe, Clean and Active Communities
- vi. A Well Run Council
- vii. Leeds City Region Revolving Investment Fund

12 GOVERNANCE FRAMEWORK FOR CAPITAL DECISIONS

- 12.1 The Council's relevant democratic decision-making and scrutiny processes are set out in its Constitution and include:
- i. A **Council Plan** which sets out strategic priorities.
 - ii. Approval of the **Capital Strategy, Treasury Management Strategy and Capital Programme**, including the prudential indicators referred to within them.
 - iii. The current **Capital Investment Plan (CIP)**. Each scheme in the CIP is approved by both the Executive and Full Council. The CIP is monitored by the appropriate responsible officer, finance and the Project Appraisal Group (PAG) in order to detect and deal with any variances to the plan. Updates are reported to the Executive on a regular basis.
 - iv. The **Project Appraisal Group (PAG)**. Currently its membership comprises finance, legal, procurement, project management and property expertise and it is chaired by the Director of Finance.
 - v. A mandatory **Capital Business Case** to identify the projected running costs and financing costs of the relevant asset and assess its affordability.
 - vi. The Council's **Financial Regulations**. Under these regulations the PAG will assess unfunded capital expenditure proposals. Schemes funded from capital grants or Direct Revenue Financing can be progressed and approved directly. Any new capital expenditure proposals that are not wholly funded from capital grants or by the proceeds of sale of land must be either financed directly from the Revenue Estimates or be formally authorised from an identified capital scheme or approved additional borrowing.
 - vii. Investment assets are subject to specific approval processes, involving the Investment Advisory Group, discussed below.

13 CAPITAL RESOURCES TO SUPPORT CAPITAL EXPENDITURE

- 13.1 Proposed future projects are set out in the **Capital Investment Plan 2020-21**, due to be considered by Full Council on 20 February 2020.
- 13.2 Invest to Save:** as noted, capital financing costs are mitigated by equivalent savings or additional income in the approved revenue estimates.
- 13.3 Capital financing costs** include the effect of previous years' capital investment, as

it comes into use and provides service benefit.

14 COMMERCIAL PROPERTY INVESTMENTS

- 14.1 A commercial property investment strategy was approved by Executive on 4 April 2017, and permits investments in commercial property linked to economic development and regeneration within the District, or to create long term income generation to support service delivery or a mixture of both. The Strategic Director of Corporate Services in consultation with the Portfolio Holder and Leader may make investments under the strategy.
- 14.2 Investments will consider factors including:-
- i. Risks associated with the investment
 - ii. The likelihood of being able to sell the investment in extreme circumstances
 - iii. The location of the investment, with preference being firstly within the District and secondly within the Leeds City Region
 - iv. The security of direct rental payments, with consideration given to the reliability of tenants
 - v. The income stream from the investment, current and potential
 - vi. The potential increase to the capital value of the investment
 - vii. The sector in which the investment is made, eg retail or warehouses
 - viii. The detailed business case for investment
- 14.3 The Ministry of Housing, Communities and Local Government (MHCLG) has issued guidance on commercial property investments, and this will be considered within the Council's Investment's Strategy.

15 LOANS TO EXTERNAL ORGANISATIONS

- 15.1 The Council may make loans to local enterprises, local charities, wholly owned companies and joint ventures as part of strategy for local regeneration and economic growth. In such cases, a realistic assessment of potential policy gains could justify the loan even when liquidity and security considerations might indicate that it is not prudent. In such cases an expected credit loss model in line with IFRS 9 (financial instruments) would be required.

16 ASSET MANAGEMENT PLANNING

- 16.1 The Council's Estate Management Service manages its existing assets to reduce costs and maximise service benefit according to objectives listed in the Estates Strategy, which is due to be reviewed and updated to link to this Capital Strategy and to quantify the cost of repair and maintenance costs against the savings from extending the lives of Council buildings from 2020/21 onwards. The review will also cover disposals of buildings, which has already realised considerable savings. Receipt from such disposals may be recycled as funding for the Capital Investment Plan, and may significantly reduce the repair and maintenance on the Council's estate. Table (iv) (Appendix 3) summarises the Council's recent achievements in this area.

17. **PRUDENCE, AFFORDABILITY, SUSTAINABILITY**

- 17.1 As at 31 March 2019, the Council's Capital Financing Requirement (CFR), which represents its total borrowing for capital investment, was £700 million. The CFR figure will be paid off from the Council's Capital Financing Costs in its future revenue estimates. The majority of the CFR figure involves borrowing from the Council's Public Works Loan Board Prudential Lending facility, although £169 million relates to a private finance initiative with a private company and will be repaid from future contracted lease payments.
- 17.2 The relationship between the CFR and other assets and liabilities is summarised in Table 6. The CFR is due to increase because of the future borrowing required to finance the proposed 2020-24 Capital Investment Plan. The projected increase is set out in Table ii (Appendix 3). The Capital Strategy includes measures to test the affordability of the proposed borrowing in the Capital Investment Plan (CIP), and these are set out in Table (v) (Appendix 3).

18. **SKILLS AND KNOWLEDGE**

- 18.1 The Council has professionally qualified staff across a range of disciplines including finance, legal and property. A programme of continuous professional development (CPD) is undertaken and employees attend courses on an on going basis to keep abreast of new developments and skills. The Council establishes project teams from all the professional disciplines from across the Council as and when required.
- 18.2 The Council uses external advisors where necessary in order to complement the knowledge its own officers hold. Some of these advisors are contracted on long term contracts or are appointed on an ad-hoc basis when necessary. The Council currently employs Link Asset Services as treasury management advisors and PWC as VAT advisors. This approach ensures the Council has access to specialist expertise when needed to support its staff, equal with its risk appetite.
- 18.3 Internal and external training is offered to members to ensure they have up to date knowledge and expertise to understand and challenge capital and treasury decisions taken by the Director of Finance.

19 FINANCIAL & RESOURCE APPRAISAL

19.1 Finance and resource implications are set out in the report.

20 RISK MANAGEMENT AND GOVERNANCE ISSUES

20.1 Risk management and governance issues are set out in the report.

21 LEGAL APPRAISAL

21.1 This report complies with the Council's statutory obligations and the requirement to follow statutory guidance.

22 OTHER IMPLICATIONS

22.1 Equality and Diversity

None

23 SUSTAINABILITY IMPLICATIONS

Included in report

23.1 GREENHOUSE GAS EMISSIONS IMPACTS

Included in the report

23.2 COMMUNITY SAFETY IMPLICATIONS

Included in the report

23.3 HUMAN RIGHTS ACT

None

23.4 TRADE UNION

None

23.5 WARD IMPLICATIONS

None

23.6 AREA COMMITTEE ACTION PLAN IMPLICATIONS (for reports to Area Committees only)

None

23.7 IMPLICATIONS FOR CORPORATE PARENTING

None

23.8 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

None

24. NOT FOR PUBLICATION DOCUMENTS

None

25. OPTIONS

None

26. RECOMMENDATIONS

26.1 The 2020-24 Capital Investment Plan is approved. Commitments against reserve schemes and contingencies can only be made after a business case has been assessed by Project Appraisal Group and approved by Executive.

26.2 Specific approval is given regarding the 2020-21 Capital Strategy set out in Section B of this report.

26.3 Delegated authority is given to Section 151 Officer to repay debt on an annuity basis, for chosen properties purchased during or after 2018-19. Delegated authority could only be exercised if two conditions are met: the asset retains or increases its value; the return from the capital scheme is sufficient to repay the capital sum invested.

26.4 Repayment of debt from giving loans to external organisations can be aligned with the loan repayment schedule. This is dependent on two conditions: that the capital scheme is self-financing; there is reasonable assurance that the loan repayment schedule will be followed.

26.5 The proposed 2020-21 MRP policy set out in Appendix 1b is approved, including the specific changes compared to the current policy (as set out in 27.3 and 27.4).

26.6 The Flexible Use of Capital Receipts Strategy is approved.

26.7 Specific approval be given for the following capital expenditure schemes:

- £2m 2020-21 Property Programme to maintain Council assets.
- £0.203m for works to Depots to allow a relocation of Parks and Street Cleansing Staff.

27. APPENDICES

Appendix 1: The 2020-21 Capital Investment Plan

Appendix 1b: The proposed 2020-21 Minimum Revenue Policy

Appendix 2: Prudential Indicators

Appendix 3: Supporting Tables for the Capital Strategy

Appendix 1: Capital Investment Plan 2020-2024

Scheme No	Scheme Description	2019-20 Budget as at Q3 Feb 2020	Budget 2020-21	Budget 2021-22	Budget 2022-23	Budget 2023-24 & onwards	Budget Total	Funding			Grand Total
								Specific Grants, cap receipts, reserves	Invest to Save Funding	Corporate Borrowing	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Health and Wellbeing											
CS0237a	Great Places to Grow Old	0	2,000	3,000	0	0	5,000	0	0	5,000	5,000
CS0237b	Keighley Rd Extra Care Fletcher Court	2,202	200	0	0	0	2,402	800	528	1,074	2,402
CS0237c	Keighley Rd Residential Care Valley View	988	200	0	0	0	1,188	400	0	788	1,188
CS0373	BACES DFG	980	443	443	0	0	1,866	1,866	0	0	1,866
CS0239	Community Capacity Grant	50	936	0	0	0	986	986	0	0	986
CS0311	Autism Innovation Capital Grant	19	0	0	0	0	19	19	0	0	19
CS0312	Integrated IT system	90	0	0	0	0	90	90	0	0	90
CS0352	Electric vehicle charging infrastructure	1	0	0	0	0	1	1	0	0	1
CS0451	The Third Place	250	0	0	0	0	250	250	0	0	250
Total - Health and Wellbeing		4,580	3,779	3,443	0	0	11,802	4,412	528	6,862	11,802
Children's Services											
CS0249	Schools DRF	0	0	0	0	0	0	0	0	0	0
CS0278	Targeted Basic Needs	33	0	0	0	0	33	33	0	0	33
CS0286	Outdoor Learning Centres	0	0	0	0	0	0	0	0	0	0
CS0022	Devolved Formula Capital	2,685	0	0	0	0	2,685	2,685	0	0	2,685
CS0030	Capital Improvement Work	626	0	0	0	0	626	626	0	0	626
CS0240	Capital Maintenance Grant	1,000	0	0	0	0	1,000	1,000	0	0	1,000
CS0240b	Capital Maintenance Grant	3,870	0	0	0	0	3,870	3,870	0	0	3,870
CS0240c	School Cap Inv Prog 19-20	2,002	1,002	0	0	0	3,004	3,004	0	0	3,004
CS0244a	Primary Schools Expansion Progr	5,600	1,429	0	0	0	7,029	7,029	0	0	7,029
CS0244b	Silsden Sch £7.265m Exec 12/04/16	3,424	6,337	465	0	0	10,226	10,226	0	0	10,226
CS0244c	SEN School Expansions	2,363	3,600	0	0	0	5,963	5,963	0	0	5,963
CS0362	Secondary School Expansion	6,198	3,500	1,798	0	0	11,496	11,496	0	0	11,496
CS0377	LA SEN Free School	0	0	0	0	0	0	0	0	0	0
CS0421	Healthy Pupil Capital Grant	227	0	0	0	0	227	227	0	0	227

Funding

Scheme No	Scheme Description	2019-20	Budget			Budget	Specific Grants, cap receipts, reserves	Invest to Save Funding	Corporate Borrowing	Grand Total	
		Budget as at Q3 Feb 2020	2020-21	2021-22	2022-23	2023-24 & onwards					Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Total - Children's Services		28,028	15,868	2,263	0	0	46,159	46,159	0	0	46,159
Place - Economy & Development Services											
CS0134	Computerisation of Records	10	0	0	0	0	10	10	0	0	10
CS0136	Disabled Housing Facilities Grant	5,575	5,753	2,028	4,392	0	17,748	12,748	0	5,000	17,748
CS0137	Development of Equity Loans	1,000	1,200	1,195	1,211	0	4,606	2,576	0	2,030	4,606
CS0144	Empty Private Sector Homes Strat	1,206	825	825	831	0	3,687	0	0	3,687	3,687
CS0225	Afford Housing Prog 11-15	0	0	0	0	0	0	0	0	0	0
CS0308	Afford Housing Prog 15 -18	2,021	500	0	0	0	2,521	0	2,521	0	2,521
CS0250	Goitside	1	177	0	0	0	178	0	0	178	178
CS0280	Temp Housing Clergy House	55	0	0	0	0	55	0	0	55	55
CS0335	Bfd Cyrenians 255-257 Mngm Ln	9	0	0	0	0	9	0	0	9	9
CS0084	City Park	192	0	0	0	0	192	0	0	192	192
CS0085	City Centre Growth Zone	1,720	4,400	0	0	0	6,120	0	0	6,120	6,120
CS0189	Buck Lane	53	0	0	0	0	53	0	0	53	53
CS0228	Canal Road	100	0	0	0	0	100	0	0	100	100
CS0241	Re-use of Frmr College Builds Kghly	570	0	0	0	0	570	0	0	570	570
CS0266	Superconnected Cities	846	0	0	0	0	846	0	0	846	846
CS0446	Staithgate La Enterprise Zone site Investigation works	85	0	0	0	0	85	85	0	0	85
CS0291	One City Park (fmr Tyrls)	0	4,800	0	0	0	4,800	4,800	0	0	4,800
CS0265	LCR Revolving Econ Invest Fund	625	0	0	0	0	625	625	0	0	625
CS0345	Develop Land at Crag Rd, Shply	43	0	0	0	0	43	0	0	43	43
CS0107	Markets	26	0	0	0	0	26	0	0	26	26
CS0363	Markets - City Cntr	2,779	11,850	4,760	0	0	19,389	1,260	4,371	13,758	19,389
CS0363b	Markets - City Cntr Public Realm	596	1,000	0	0	0	1,596	0	0	1,596	1,596
Total - Place - Economy & Development Services		17,512	30,505	8,808	6,434	0	63,259	22,104	6,892	34,263	63,259
Place - Planning, Transportation & Highways											
CS0131	Kghly Town Cntr Heritage Initi	151	0	0	0	0	151	151	0	0	151
CS0178	Ilkley Moor	14	0	0	0	0	14	14	0	0	14
CS0179	Landscape Environ Imp	21	0	0	0	0	21	21	0	0	21
CS0285	Strategic Development Fund	1,167	0	0	0	0	1,167	0	0	1,167	1,167

Funding

Scheme No	Scheme Description	2019-20	Budget			Budget	Funding				Grand
		Budget as at Q3 Feb 2020	2020-21	2021-22	2022-23	2023-24 & onwards	Total	Specific Grants, cap receipts, reserves	Invest to Save Funding	Corporate Borrowing	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CS0071	Highways S106 Projects	249	300	0	0	0	549	549	0	0	549
CS0372	Countryside S106 Projects	226	300	0	0	0	526	526	0	0	526
CS0091	Capital Highway Maint	5,006	0	0	0	0	5,006	5,006	0	0	5,006
CS0095	Bridges	200	0	0	0	0	200	200	0	0	200
CS0096	Street Lighting	132	0	0	0	0	132	132	0	0	132
CS0099	Integrated Transport	140	0	0	0	0	140	140	0	0	140
CS0164	Local Intgrtd Transp Area Com	0	0	0	0	0	0	0	0	0	0
CS0168	Connecting the City (Westfield)	15	0	0	0	0	15	15	0	0	15
CS0172	Saltaire R/bout Cong& Safety Works	279	0	0	0	0	279	279	0	0	279
CS0252	Measures to Support Hubs	45	0	0	0	0	45	45	0	0	45
CS0264	Highway to Health	0	0	0	0	0	0	0	0	0	0
CS0282	Highways Strategic Acquisi	176	0	0	0	0	176	176	0	0	176
CS0289	Local Pinch Point Fund	495	0	0	0	0	495	495	0	0	495
CS0293	West Yorks & York Transport Fund	7,529	4,273	30,386	93,147	0	135,335	135,335	0	0	135,335
CS0396	WYTF Corr Imp Projects	768	5,720	5,077	0	0	11,565	11,015	0	550	11,565
CS0296	Pothole Funds	431	0	0	0	0	431	431	0	0	431
CS0306a	Strategic Transp Infrastr Priority	1,090	1,690	0	0	0	2,780	0	0	2,780	2,780
CS0302	Highways Prop Liab Redn Strat	97	0	0	0	0	97	97	0	0	97
CS0310	Clean Vehicle Technology Fund	3	0	0	0	0	3	3	0	0	3
CS0317	VMS Signage	39	0	0	0	0	39	39	0	0	39
CS0319	Challenge Fund	425	0	0	0	0	425	425	0	0	425
CS0323	Flood Risk Mgmt	30	0	0	0	0	30	30	0	0	30
CS0325	Street Lighting Invest to Save	0	0	0	0	0	0	0	0	0	0
CS0329	Damens County Park	106	0	0	0	0	106	0	0	106	106
CS0332	Flood Funding	6	0	0	0	0	6	6	0	0	6
CS0334	Air Quality Monitoring Equip	9	0	0	0	0	9	9	0	0	9
CS0350	Street Lighting Invest to Save	312	0	0	0	0	312	0	312	0	312
CS0365	National Productivity Invest Fund	3	0	0	0	0	3	3	0	0	3
CS0370	LTP IP3 Safer Roads	1,619	0	0	0	0	1,619	1,619	0	0	1,619
CS0371	LTP IP3 Public Transport	247	0	0	0	0	247	247	0	0	247
CS0375	Sign Shop	19	0	0	0	0	19	0	19	0	19

Funding

Scheme No	Scheme Description	2019-20	Budget			Budget	Budget Total	Funding			Grand Total
		Budget as at Q3 Feb 2020	2020-21	2021-22	2022-23	& onwards		Specific Grants, cap receipts, reserves	Invest to Save Funding	Corporate Borrowing	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CS0379	NPIF UTMC	1,247	0	0	0	0	1,247	1,247	0	0	1,247
CS0386	Cycling & Walking Schemes LTP3	18	0	0	0	0	18	18	0	0	18
CS0414	LTP IP3 Safer Rds	214	0	0	0	0	214	214	0	0	214
CS0398	Bfd City Ctre Townscape Herit	500	1,115	845	290	0	2,500	2,500	0	250	2,750
CS0430	Hwys Maint Fund Oct18	2,553	0	0	0	0	2,553	2,553	0	0	2,553
CS0432	Steeton/Silsden Crossing	189	0	0	0	0	189	189	0	0	189
CS0423	Highways IT upgrade	83	0	0	0	0	83	0	83	0	83
CS0433	Gain Lane / Leeds Rd Jct	30	0	0	0	0	30	30	0	0	30
CS0450	CILS payments	0	0	0	0	0	0	0	0	0	0
CS0453	IP3 Safer Rds 1920	120	0	0	0	0	120	120	0	0	120
CS0454	Area Comm ITS 1920	660	0	0	0	0	660	660	0	0	660
CS0434	Smart Street Lighting	209	9,595	12,760	11,940	11,080	45,584	0	45,584	0	45,584
CS0455	IP4 projects	828	1,258	1,201	0	0	3,287	3,287	0	0	3,287
CA0456	WY Integrated UTMC Centre	200	432	0	0	0	632	632	0	0	632
Total Place - Planning, Transportation & Highways		27,900	24,683	50,269	105,377	11,080	219,309	168,458	45,998	4,853	219,309
Dept of Place - Waste, Fleet & Transport											
CS0060	Replacement of Vehicles	3,000	3,000	3,000	3,000	0	12,000	0	12,000	0	12,000
CS0063	Waste Infrastructure & Recycling	26	0	0	0	0	26	26	0	0	26
CS0283	Above Ground Fuel Storage	22	0	0	0	0	22	0	0	22	22
CS0438	Harris St Fencing	59	0	0	0	0	59	0	0	59	59
CS0435	Sugden End Landfill Site	856	1,105	0	0	0	1,961	0	0	1,961	1,961
CS0415	Shearbridge Depot Security	100	0	0	0	0	100	0	0	100	100
CS0416	Fleet Management IT systems upgrade	39	0	0	0	0	39	0	0	39	39
CS0417	Keighley Transfer Loading Station electrical	34	0	0	0	0	34	0	0	34	34
Total Place - Waste, Fleet & Transport		4,136	4,105	3,000	3,000	0	14,241	26	12,000	2,215	14,241

Funding

Scheme No	Scheme Description	2019-20	Budget			Budget	Funding			Grand Total	
		Budget as at Q3 Feb 2020	2020-21	2021-22	2022-23	2023-24 & onwards	Budget Total	Specific Grants, cap receipts, reserves	Invest to Save Funding		Corporate Borrowing
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
CS0066	Ward Investment Fund	35	0	0	0	0	35	0	0	35	35
CS0132	Community Hubs	25	0	0	0	0	25	0	0	25	25
CS0378	Cust Serv Strategy	158	0	0	0	0	158	0	0	158	158
CS0359	Community Resilience Grant	18	0	0	0	0	18	18	0	0	18
CS0462	Ilkley Parking scheme £320k Invest to Save	100	220	0	0	0	320	0	320	0	320
Total Place - Neighbourhoods & Customer Services		336	220	0	0	0	556	18	320	218	556

Dept of Place - Sports & Culture											
Scheme No	Scheme Description	2019-20	Budget			Budget	Funding			Grand Total	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		£'000
CS0151	Building Safer Commun	47	0	0	0	0	47	47	0	0	47
CS0328	Cliffe Castle Various	15	0	0	0	0	15	15	0	0	15
CS0430	Cartwright Hall Café	105	0	0	0	0	105	0	105	0	105
CS0340	St George's Hall	-176	0	0	0	0	-176	0	0	-176	-176
CS0129	Scholemoor Project	0	0	83	0	0	83	83	0	0	83
CS0162	Capital Projects - Recreation	602	440	0	0	0	1,042	1,042	0	0	1,042
CS0229	Cliffe Castle Restoration	110	10	10	0	0	130	130	0	0	130
CS0347	Park Ave Cricket Ground	7	0	0	0	0	7	7	0	0	7
CS0004	S106 Recreation	0	0	0	0	0	0	0	0	0	0
CS0367	King George V Playing Fields	0	200	820	0	0	1,020	700	0	320	1,020
CS0403	Bereavement Strategy - Consultants Fees	400	341	0	0	0	741	91	0	650	741
CS0277	Wyke Manor Sports Dev - demolitn	177	0	0	0	0	177	177	0	0	177
CS0277b	Wyke Manor Ph2 Sports Dev	739	4,000	523	0	0	5,262	2,600	0	2,662	5,262
CS0245	Doe Park	37	0	0	0	0	37	37	0	0	37
CS0459	Ilkley Lido Tank	460	0	0	0	0	460	0	115	345	460
CS0461	Shipley Gym extension & equipment	305	0	0	0	0	305	0	305	0	305
CS0458	Doe Park Drainage	40	0	0	0	0	40	0	0	40	40
CS0356	Sedbergh SFIP	7,479	408	0	0	0	7,887	0	0	7,887	7,887
CS0354	Squire Lane Sports Facility	0	0	0	2,300	7,100	9,400	0	0	9,400	9,400
Total - Dept of Place - Sports & Culture		10,347	5,399	1,436	2,300	7,100	26,582	4,929	525	21,128	26,582

Funding

Scheme No	Scheme Description	2019-20	Budget			Budget	Budget Total	Funding			Grand Total
		Budget as at Q3 Feb 2020	2020-21	2021-22	2022-23	2023-24 & onwards		Specific Grants, cap receipts, reserves	Invest to Save Funding	Corporate Borrowing	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Corp Resources - Estates & Property Services											
CS0094	Property Programme (bworks)	200	300	0	0	0	500	0	0	500	500
CS0333	Argus Chambers / Britannia Hse	218	500	0	0	0	718	0	0	718	718
CS0391	Property Programme 18-19	1,022	0	0	0	0	1,022	0	0	1,022	1,022
CS0443	Property Programme 19-20	630	424	0	0	0	1,054	0	0	1,054	1,054
CS0230	Beechgrove Allotments	148	0	0	0	0	148	148	0	0	148
CS0050	Carbon Management	900	261	0	0	0	1,161	0	0	1,161	1,161
CS0305	Healthy Heating Scheme	0	0	0	0	0	0	0	0	0	0
CS0420	Electric vehicle charging infrastructure	200	0	0	0	0	200	200	0	0	200
CS0385	ULEV Taxi scheme LTP3	50	0	0	0	0	50	50	0	0	50
CS2000	DDA	50	50	62	59	0	221	0	0	221	221
CS0361	Strategic Acquisitions	6,540	0	0	0	0	6,540	0	6,540	0	6,540
CS0381	Godwin St	1,964	1,000	0	0	0	2,964	2,964	0	0	2,964
CS0409	Coroner's Court and Accommodation	650	1,700	0	0	0	2,350	0	0	2,350	2,350
CS0383	Jacobs Well demolition	255	0	0	0	0	255	0	0	255	255
CS0427	Coroner's Equipment	600	0	0	0	0	600	0	0	600	600
CS0460	Mitre Court CPU Property & Equip	1,400	0	0	0	0	1,400	450	0	950	1,400
CS0457	Simpson Green - roof	25	30	0	0	0	55	0	0	55	55
CS0445	Core IT Infrastructure 1920	2,100	0	0	0	0	2,100	2,100	0	0	2,100
Total Corp Resources – Estates & Property Services		16,952	4,265	62	59	0	21,338	5,912	6,540	8,886	21,338

Reserve Schemes & Contingencies

CS0395	General Contingency	387	1,000	1,000	1,000	0	3,387	0	0	3,387	3,387
CS0397	Essential Maintenance Prov	0	2,000	2,000	2,000	0	6,000	0	0	6,000	6,000
CS0399	Strategic Acquisition	3,460	10,000	10,000	10,000	0	33,460	0	33,460	0	33,460
CS0403	Bereavement Strategy	0	1,755	10,845	0	0	12,600	0	0	12,600	12,600

Funding

Scheme No	Scheme Description	2019-20	Budget			Budget	Budget Total	Funding			Grand Total
		Budget as at Q3 Feb 2020	2020-21	2021-22	2022-23	2023-24 & onwards		Specific Grants, cap receipts, reserves	Invest to Save Funding	Corporate Borrowing	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CS0403b	Muslim Burial Ground	0	500	500	0	0	1,000	0	0	1,000	1,000
CS0403c	Oakworth Crematorium	0	2,500	250	0	0	2,750	0	0	2,750	2,750
CS0403d	Heaton Crematorium	0	0	0	0	0	0	0	0	0	0
CS0403e	Brierley Crematorium	0	0	0	0	0	0	0	0	0	0
CS0306c	Strategic Acq - Highways	0	0	0	0	0	0	0	0	0	0
CS0400	Keighley One Public Sector Est	500	4,000	4,000	9,500	0	18,000	0	18,000	0	18,000
CS0402	Canal Road Land Assembly	450	0	0	0	0	450	0	0	450	450
CS0401	Depots	0	0	3,000	0	0	3,000	0	0	3,000	3,000
CS0404	Sports Pitches	0	0	1,733	4,248	4,250	10,231	2,400	0	7,831	10,231
CS0404b	Playgrounds	0	750	1,500	2,750	0	5,000	0	0	5,000	5,000
CS0405	City Hall / RFL	0	3,000	3,000	4,000	0	10,000	2,000	5,000	3,000	10,000
CS0407	Affordable Housing	3,845	3,803	5,500	16,076	0	29,224	14,430	14,794	0	29,224
CS0408	Top of town	0	0	0	3,000	0	3,000	0	0	3,000	3,000
CS0410	Godwin St (fmr Odeon)	2,000	7,500	2,000	0	0	11,500	0	11,500	0	11,500
CS0413	LD Home - Branshaw	0	0	0	0	0	0	0	0	0	0
CS0436	Childrens Home (A)	200	300	0	0	0	500	0	500	0	500
CS0437	Childrens Home (B)	100	400	0	0	0	500	250	0	250	500
CS0463	Waste Trommel	0	250	0	0	0	250	0	250	0	250
2020-21 Proposed new schemes											
	Disabled Facilities Grant	0	0	0	0	2,028	2,028	2,028	0	0	2,028
	Replacement of Vehicles	0	0	0	0	3,000	3,000	0	3,000	0	3,000
	Property Programme	0	0	0	0	2,000	2,000	0	0	2,000	2,000
	General contingency	0	0	0	0	1,000	1,000	0	0	1,000	1,000
	Strategic Investment Property acquisition	0	0	0	0	10,000	10,000	0	10,000	0	10,000
	Property Programme 2020-21	0	950	0	0	0	950	0	0	950	950
	One City Park	0	0	15,500	10,300	0	25,800	0	25,800	0	25,800
	Fleet / Electric vehicle Programme	0	1,804	0	0	0	1,804	0	1,804	0	1,804
	District Heating	0	750	5,002	6,702	1,861	14,315	6,459	2,871	4,985	14,315
	Feasibility study into renewables	0	2,000	3,000	0	0	5,000	2,000	3,000	0	5,000
	City Hall	0	1,000	1,000	0	0	2,000	0	0	2,000	2,000
	Climate change building controls	0	1,000	1,000	500	0	2,500	0	0	2,500	2,500

Funding

Scheme No	Scheme Description	2019-20	Budget			Budget	Budget Total	Funding			Grand Total
		Budget as at Q3 Feb 2020	2020-21	2021-22	2022-23	2023-24 & onwards		Specific Grants, cap receipts, reserves	Invest to Save Funding	Corporate Borrowing	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Bereavement	0	0	4,000	3,000	0	7,000	0	7,000	0	7,000
	Playgrounds	0	1,385	0	0	0	1,385	1,385	0	0	1,385
	CCTV	0	500	475	0	0	975	0	487	488	975
	Fly tipping	0	300	0	0	0	300	0	0	300	300
	IT capital spend	0	2,700	1,000	0	0	3,700	0	0	3,700	3,700
	Parks & Depots reorganisation	0	108	0	0	0	108	0	0	108	108
	Transforming Cities Fund	0	33,000	33,000	0	0	66,000	66,000	0	0	66,000
	Flood Alleviation	0	200	0	0	0	200	200	0	0	200
	Clean Air Zone	0	27,343	26,026	0	0	53,369	53,369	0	0	53,369
	City Centre Regeneration Fund	0	9,500	0	0	0	9,500	0	9,500	0	9,500
	Total - Reserve Schemes & Contingencies	10,942	120,298	135,331	73,076	24,139	363,786	150,521	146,966	66,299	363,786
	TOTAL - All Services	120,733	209,122	204,612	190,246	42,319	767,032	402,539	*219,769	144,724	767,032

*Invest to Save and Corporate Borrowing has been reduced by a further £10m for assumed general capital receipts, as shown in the Prudential Indicators in Appendix 2.

Appendix 1b: Proposed 2020-21 MRP Policy

- 1.1 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).
- 1.2 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.
- 1.3 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.
 - e) Where the Council has made property investments [or an invest to save investment] during or after 2018-19, the Section 151 Officer may choose to repay debt over the asset life using the annuity method. This is subject to an in house valuation that the investment property has retained or increased in value. Further it is subject to the condition that the in-year yield is above that average for Treasury Investments and this is expected to continue into the future.
- 1.4 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.
- 1.5 External debt can be less than the CFR. External debt cannot exceed the CFR (other than for short term cash flow purposes or cash flow management.)
- 1.6 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.

- 1.7 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.
- 1.8 Loans to third parties for a capital purpose can be repaid with the repayments providing the following conditions are met: the capital scheme is self-financing; that there is overall confidence that the loan will be repaid; that the third party adheres to the agreed repayment schedule.

Appendix 2: Prudential Indicators

Capital Financing Requirement (CFR)

	31/03/19 <i>Actual</i> £m	31/03/20 Estimate £m	31/03/21 Estimate £m	31/03/22 Estimate £m	31/03/23 Estimate £m	31/03/24 Estimate £m
Opening Capital Financing Requirement	669	700	731	802	867	914
Increase in borrowing Less MRP and other financing movements	32 -1	51 -20	96 -25	93 -28	78 -31	36 -34
Closing Capital Financing Requirement	700	731	802	867	914	916

External Debt Analysis

	31/03/19 <i>Actual</i> £m	31/03/20 Estimate £m	31/03/21 Estimate £m	31/03/22 Estimate £m	31/03/23 Estimate £m	31/03/24 Estimate £m
Opening Capital Financing Requirement	669	700	732	803	868	916
Private Finance Initiative	-178	-174	-169	-165	-161	-156
Earmarked Reserves	-202	-256	-256	-256	-256	-256
Investments	35	53	10	10	10	10
Working Capital	2	-9	-9	-9	-9	-9
(ii) Opening External Debt 1 April	326	314	308	383	452	505
<i>Underborrowing</i>	<i>343</i>	<i>386</i>	<i>424</i>	<i>420</i>	<i>416</i>	<i>411</i>

Analysis of Capital Spend Requiring Borrowing

	31/03/19 <i>Actual</i> £m	31/03/20 Estimate £m	31/03/21 Estimate £m	31/03/22 Estimate £m	31/03/23 Estimate £m	31/03/24 Estimate £m
Total Capital Spend	84	121	209	205	190	42
Capital Spend not funded from borrowing	53	70	113	112	112	6
Capital spend funded from borrowing	31	51	96	93	78	36

Projected New Borrowing

		31/03/20 Estimate £m	31/03/21 Estimate £m	31/03/22 Estimate £m	31/03/23 Estimate £m	31/03/24 Estimate £m
Borrowing requirement for capital budget		51	96	93	78	36
Maturing loans		17	2	6	16	6
Investment/working capital changes		7	-43	0	0	0
MRP (excluding PFI)		-15	-21	-23	-26	-30
External Loan requirement		60	34	76	68	12

Ratio of Capital Financing Costs to Net Revenue Stream

	2019-20 £m	2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
MRP overprovision	-5.2	0.0	0.0	0.0	0.0
MRP, excluding PFI	19.8	20.7	23.3	26.4	29.9
MRP PFI, finance lease	4.3	4.3	4.3	4.3	4.3
Old West Yorkshire Waste debt	0.2	0.2	0.2	0.2	0.2
Interest on external borrowing	17.0	17.8	20.1	22.9	25.9
Interest on PFI	16.1	15.5	15.0	14.4	13.7
Premium on debt repayment	0.3	0.3	0.3	0.3	0.3
Investment income	-0.5	-0.5	-0.5	-0.5	-0.5
*Total Capital Financing Costs	52.0	58.3	62.6	68.0	73.7
Projected Net Revenue Stream	377.6	377.6	377.6	377.6	377.6
Ratio to Net Revenue Stream	13.8%	15.4%	16.6%	18.0%	19.5%
Invest to Save element of Total Capital Financing Costs	5.7	7.1	8.8	12.5	17.5
Invest to Save contribution to Ratio to Net Revenue Stream	1.5%	1.9%	2.3%	3.3%	4.6%

*Changes to accounting rules could an increase in total capital financing costs by causing additional contracts to fall within the definition of finance leases.

Operational Limit for external Debt

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	£m	£m	Proposed £m	Proposed £m	Proposed £m	Proposed £m
External Loans	400	410	540	605	655	655
Other Long term liabilities	200	180	180	180	180	180

Authorised Limit for external Debt

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	£m	£m	£m	£m	£m	£m
External Loans	420	430	550	615	665	665
Other Long term liabilities	220	200	180	180	180	180

The Section 151 Officer is authorised to amend the separately identified figures for borrowing and other long term liabilities for both the operational and the authorised limit.

APPENDIX 3: CAPITAL STRATEGY TABLES

Table (i)

Asset Balance Sheet values as at 31 March 2019

Category	Value as at 31 March 2019
	£'000
Council Dwellings	24,620
Land & Buildings	588,574
Vehicles, Plant, Furniture & Equipment	19,448
Infrastructure	222,673
Community Assets	54,211
Surplus Assets	16,996
Assets Under Construction	32,203
Heritage Assets	37,058
Investment Property	53,592
Intangible Assets	430
Total	1,049,805

Source: Statement of Accounts 2018-19

Table (ii)

Capital Investment Plan 2020-21

	31/03/19	31/03/20	31/03/21	31/03/22	31/03/23	31/03/24
	<i>Actual</i>	<i>Estimate</i>	<i>Estimate</i>	<i>Estimate</i>	<i>Estimate</i>	<i>Estimate</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Total Capital Spend	84	121	209	205	190	42
Capital Spend not funded from borrowing	53	70	113	112	112	6
Capital spend funded from borrowing	31	51	96	93	78	36

Table (iii)

Split of Invest to Save Borrowing

	31/03/19	31/03/20	31/03/21	31/03/22	31/03/23	31/03/24
	<i>Actual</i>	<i>Estimate</i>	<i>Estimate</i>	<i>Estimate</i>	<i>Estimate</i>	<i>Estimate</i>
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Invest to Save	19	31	58	56	47	22
Corporate Borrowing	12	20	38	37	31	14
Total borrowing	31	51	96	93	78	36

Table (iv)
Backlog maintenance

Backlog maintenance	2009-10	2018-19
Operational Estate £ms	83	50
Non-Operational £ms	13	8
Total Backlog maintenance £ms	96	58
Operational Estate size GIAm2 000s	319	238
Non-Operational Estate size GIAm2 000s	27	33
Total	346	271

Table (v):
Capital Financing Requirement 31 March 2019

Balance Sheet	31/03/2019
	£m
Capital financing Requirement	700
Private finance Initiative	-169
Underlying Borrowing Requirement	531
Investments Held	52
Cash Reserves	-256
Less School Balances	27
Provisions/Collection Fund	-36
Borrowing from Public Works Loan Board	318
Under-Borrowing	213

Table (vi):
Affordability measures

Measure	Current Position	Potential Position
Total Borrowing related to long term assets	As at 31-03-2019 £312m total borrowing is 30% of long terms assets of £1,050m.	CIP2020-21 has £145m of Corporate Borrowing and £219m of Invest to Save. Less £10m of general capital receipts, this assumes an increase of £354m in borrowing to £666m. Assuming this increases long term assets also by £666m to £1,716m, this is 39% of long term assets.
Total Borrowing costs as a percentage of net budget	For 2019-20 borrowing costs of £46.3m plus Invest to Save borrowing costs of £5.7m, totalling £52m are 13.8% of net budget	At 2023-24 borrowing costs of £56.2m plus invest to save of £17.5m total £73.7m. This is 19.5% of the net revenue budget.

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Report of the Director of Finance to the meeting of Executive to be held on 18 February 2020 and Council to be held on 20 February 2020

BD

Subject:

2020/21 Budget Proposals and Forecast Reserves – S151 Officer Assessment

Summary statement:

This report assesses the robustness of the proposed budget for 2020/21, 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.

Chris Chapman
Director of Finance

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Portfolio:

Leader of Council and Corporate

Overview & Scrutiny Area:

Corporate

1. SUMMARY

This report assesses the robustness of the proposed budget for 2020/21, the adequacy of the forecast levels of reserves and associated risks in the context of the Council's financial outlook up to 2021/22 and beyond.

The Council is setting its budget for 2020/21, including proposals for savings and proposals for investment which will require implementation action to be undertaken during 2020/21.

It should be noted that the process aligns with year 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, subject to specific earmarked reserves being identified and maintained where relevant. 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 2020/21. However, it should be noted that there are significant and uncertain medium term risks to the Council's financial position that require identified mitigating actions to continue to be implemented and monitored during the 2020/21 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 review, scrutiny and 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.

2020/21 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. In the period from 2011/12 to 2019/20 the Council has had to take measures to reduce costs and increase income amounting to £278.0m, with a further £31.3m identified for future years.
- 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 2020/21 budget and our longer term financial and reserve strategies.

2019/20 Projected Position

- The Q3 monitoring report presented to Executive on 4 February 2020 forecasts a £0.2m overspend for 2019/20.
- 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 both fortuitous and managed one-off items.
- The Council has well established procedures for measuring progress against agreed savings plans and these monitoring reports are presented and discussed monthly to CMT and quarterly to Executive. In the prior two years approximately half of agreed savings were not delivered on schedule. This clearly represented cause for concern and additional monitoring and governance processes introduced during 2019/20 budget have ensured a higher proportion of planned savings are delivered, the Q3 report forecasts 66% will be delivered, which rises to 87% when adjusted for Travel Assistance savings, for which a specific contingency has been established to reflect expected delivery timescales.
- Alongside the non-delivery of savings, the Council has continued to face financial pressures in Waste and Children's Services. In the latter, this is both in relation to a sharp increase in the number of Children Looked After and costs associated to the 'Inadequate' OFSTED inspection judgement reported in October 2018.
- Budget variances have been reduced through management action to reduce expenditure and increase income in other areas, and through a number of one-off fortuitous items such as a VAT refund, savings on interest and capital financing costs and savings against Corporate contingencies.
- We have also instigated further improvements to the financial control environment including extended use of Business Intelligence reporting and the production of enhanced monthly reporting at Departmental Management Team level. Enhancements have been made to Capital approval processes through enhanced Project Appraisal Group approval

processes and formal capital monitoring processes have been implemented, with monitoring meetings chaired by the Leader of the Council.

- This serves to show the Council has deployed appropriate arrangements to mitigate identified risks, address optimism bias from prior years, and ensure effective monitoring and governance processes are in place to identify, manage and address budget challenges promptly and effectively.

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 Business Rates localisation. Uncertainties over local government financing continue, both in the quantum of funding and in distribution mechanisms, therefore prudence is still required when it comes to predicting external funding levels. For these reasons a one-year budget has been set for 2020/21, with the Medium Term Financial Strategy updated based on current best assumptions, considering the significant uncertainty over future national funding levels and distribution mechanisms.
- With some disappointment the 75% business rate pilot has ended, and we revert back to 49% business rate retention in 2020/21. Although Revenue Support Grant has been provided to mitigate impacts, the continued uncertainty over funding mechanisms prevents effective long term financial planning. With Business Rates alone we have moved from a 100% Business Rates Pool Pilot in 2018/19, to a 75% pilot in 2019/20 and revert to the base 49% retention in 2020/21.
- Council Tax remains our most stable and reliable revenue stream and will account for 54% of our net expenditure requirement in 2020/21, 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 (1.99%) and the application of the Social Care precept (2%). This equates to a weekly rise of £1.05 for a Band D property.

Formulating the 2020/21 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, and budget pressures identified in 2019/20 it was clear that budget re-alignment would be required to ensure we effectively manage resources to achieve council objectives and protect essential services. The Budget proposals for 2020/21 include a number of key proposals to address these issues:-
 - Additional funding of £15.2m for Children's & Adults Social Care has been included within the budget in recognition of increasing demographic and other pressures. The budget proposals for 2020/21 also include an additional £2m per annum investment in Childrens Services and £2m investment in each of 2020/21 and 2021/22 for Early Help and Prevention activity.
 - Additional resources to meet cost pressures within Waste and Recycling services. With

funding provided to meet waste disposal contract costs and demographic growth. Funding rises from £978.0k in 2020/21 to £2.443m in 2022/23.

- Investment in service and budget sustainability through effective transformation of services, learning from best practice and lessons learnt from successful investment in Health & Wellbeing services which has led to improved outcomes for citizens and reduced costs.
- In making the budget balance and mindful of recent progress against delivery, the number of new savings proposals have been limited, whilst a number of savings agreed in 2019/20 for delivery in 2020/21 have been deferred for a year. In combination with proposed Investment in transformation activity and early help and prevention this will enable the Council to re-frame ambitions and service delivery to best secure outcomes in line with budget availability.

Other Expenditure Pressures

- The current MTFs assumes pay awards of 2% to all employees. Should pay rates be settled at a higher rate this will create a structural cost pressure for the Council given each 1% in pay equates to c.£2.3m.
- The estimates make provision for total inflationary increases to our cost base of 2% with additional amounts to account for National Living Wage increases. Should inflation be higher this will create a structural cost pressure for the Council given each 1% in prices equates to c.£2.0m.

2020/21 Savings and Medium Term Outlook

- The MTFs as presented to Executive 9th July 2019 projected the Council's financial gap over the medium term as:-

Budget Gap 2020/21	Budget Gap 2021/22	Budget Gap 2022/23
£23.857m	£26.173m	£20.896m

- Based on the funding assumptions included within the budget report and the proposed savings and investments the projected financial gap over the medium term would be:-

Budget Gap 2020/21	Budget Gap 2021/22	Budget Gap 2022/23
£NIL	£1.845m	£10.015m

- There is still a high degree of uncertainty over local government funding, both in quantum and allocation mechanisms. However, based on current assumptions and indications this gap, although still sizeable, is significantly reduced from prior assumed levels. The gap is 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

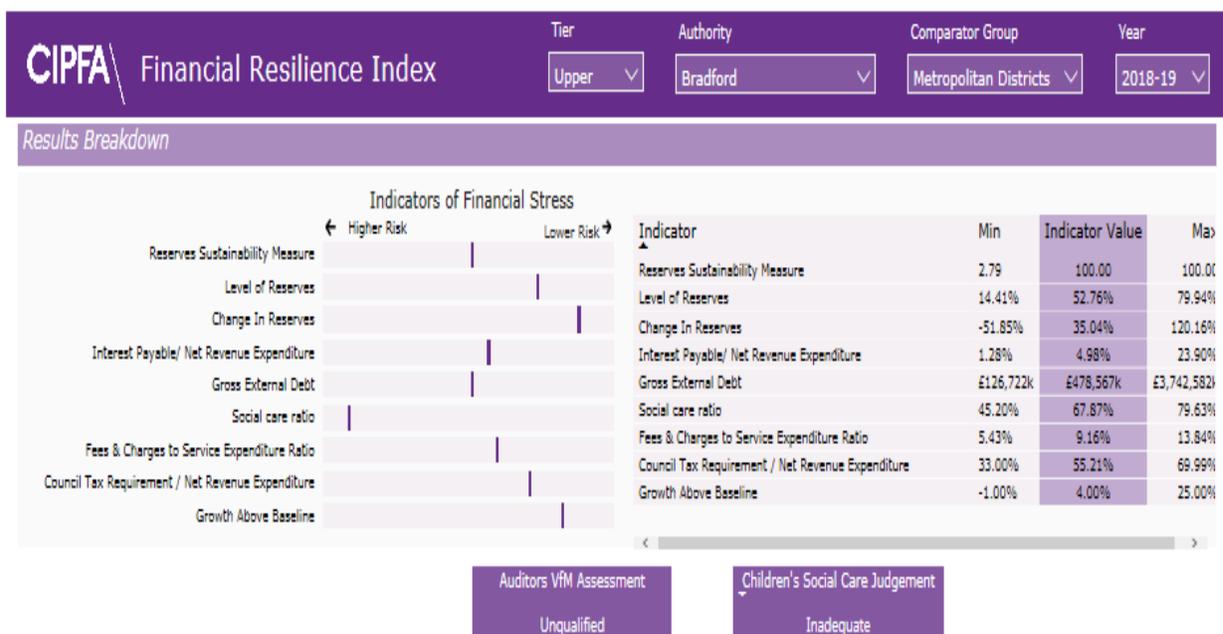
- The proposed allocation of the Dedicated Schools Grant (DSG) has been the subject of extensive and detailed development, scrutiny and ratification by the Schools Forum and its working groups.
- In terms of Capital, the budget makes provision for additional investment in capital schemes, many of which are grant funded or proposed as invest to save projects. The increase in the Capital Investment Programme will incur some additional borrowing with a consequential 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.

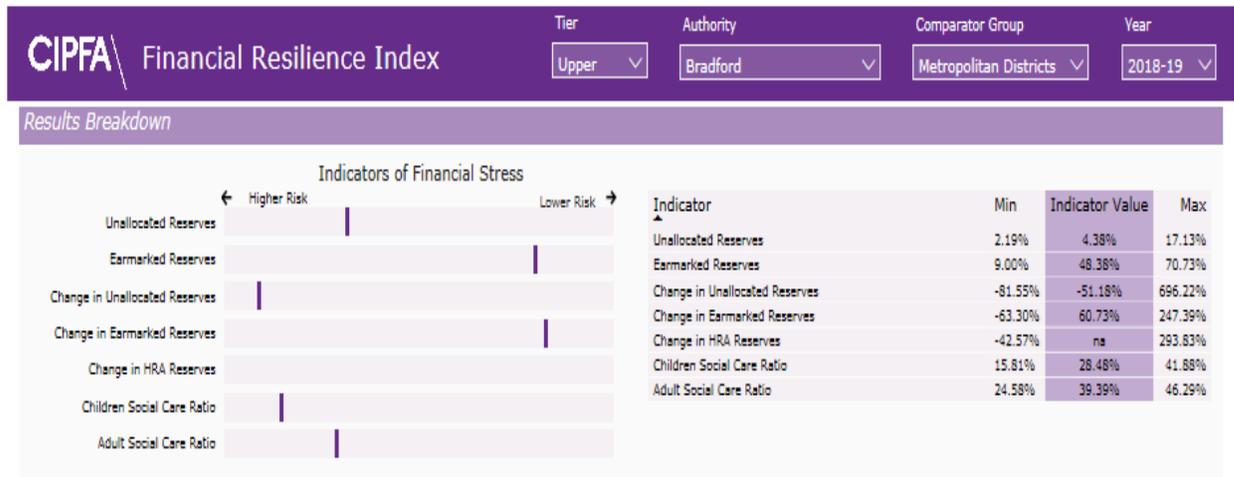
CIPFA Financial Resilience Index

CIPFA (Chartered Institute of Public Finance and Accountancy, the professional public sector accountancy body) issued their Financial Resilience Index in December 2019. The index provides an assessment of an authority's financial resilience across a number of indicators relative to other authorities.

The index shows Bradford Council is in a relatively resilient position, with the main concern being the proportion of its budget allocated to Children and Adults services.

An extract of the index results for the Council, with comparison to all Metropolitan Authorities is shown below.





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 2020/21 budget.

Members should have assurance that a number of prior risks have been mitigated in part, for example, capital estimates are now more accurate, monthly budget monitoring at CMT has improved management of the budget, the MTFs position is more favourable, key reserves have been maintained and some underlying budget pressures have been addressed wholly or for the next 12-months.

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 £10.3m and Unallocated Corporate Reserves currently sit at £15.0m, and the MTFs will propose retaining these reserves at this level.

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 sufficient to fund only 24 days of Council activity.

Therefore, the projected levels for 2020/21 and beyond remain adequate **only if**

- The 2020/21 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 effectively implemented, and especially the focus on early help and prevention addresses rising costs and demands in Children's services
- 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 2020/21 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

7.1 EQUALITY & DIVERSITY

The Equality and Diversity issues arising from the new budget proposals are analysed in the reports accompanying the budget documentation presented to Executive on 4 February and 18 February 2020. 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 2019 was fully considered by Council at that time.

7.2 SUSTAINABILITY IMPLICATIONS

Sustainability implications are identified in the budget reports as presented to Executive on 2 January 2020, 4 February 2020 and 18 February 2020.

7.3 GREENHOUSE GAS EMISSIONS IMPACTS

The budget proposals for both revenue and capital include Climate Emergency proposals, more detail will develop in due course as these schemes progress.

7.4 COMMUNITY SAFETY IMPLICATIONS

Where there are any community safety implications arising from individual budget proposals these will be covered in the consultation exercise. Any implications arising from the consultation will be presented to subsequent meetings of the Executive.

7.5 HUMAN RIGHTS ACT

There are no direct human rights implications arising from this report.

7.6 TRADE UNION

The statutory requirement to consult with Trade Unions under S188 Trade Union and Labour Relations (Consolidation) Act 1992 where 20 or more redundancies are proposed within a 90 day period does not arise in respect of the new budget proposals for 2020/21 as these new proposals have no staffing implications.

The Council previously declared a proposed 111 FTE reductions for 20 /21 and commenced consultation with the Trade Unions on those on 26 November 2018 in accordance with the requirements of Section 188 Trade Union and Labour Relations (Consolidation) Act 1992.

It should be noted that consultation on workforce implications on budget changes agreed in previous years will continue to take place.

Where a proposal gives rise to a transfer under the Transfer of Undertakings (Protection of Employment) Regulations 2006, trade union consultations will be carried out in accordance with those regulations.

The financial position and the proposals were explained at Trade Union on 6 January 2020. Further Consultation will continue on a weekly basis (if applicable) at Departmental consultation meetings. Any Trade Union feedback will be collated and will be reported at Executive in February 2020 as an addendum to the budget report

A briefing for all employees on the budget proposals has been issued through line management and key communications/Bradnet and will be cascaded accordingly.

7.7 WARD IMPLICATIONS

In general terms, where the proposed cuts affect services to the public, the impact will typically be felt across all wards. Some proposals could potentially have a more direct local impact on individual organisations and/or communities. It is expected that the consultation process will allow an analysis of local impacts to inform final decisions.

8. NOT FOR PUBLICATION DOCUMENTS

None.

9. 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 2020/21 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 £11.860m.

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.

10. APPENDICES

10.1 Appendix 1: Risk-Based Assessment

11. BACKGROUND DOCUMENTS

Executive reports and supporting information / working papers

- 2nd January 2020: Proposed financial plan updated to 2020/21
- 5th November 2019: Quarter 2 Finance Position Statement for 2019/20
- 9th July 2019: Finance Position Statement for 2018/18
- 9th July 2019: Quarter 1 Finance Position Statement for 2019/20
- 9th July 2019: Medium Term Financial Strategy 2020/21 to 2022/23 and Beyond
- 2nd April 2019: Quarter 4 Finance Position Statement for 2019/20
- 2nd April 2019: The Council's Capital Strategy 2019-20
- 19th February 2019: The Council's Revenue Estimates for 2019/20

- 19th February 2019: The Council's Capital Investment Plan for 2019/20 Onwards
- 19th February 2019: 2019/20 Budget Proposals and Forecast Reserves – s151 Officer Assessment
- 5th February 2019: 2019/20 Budget Update
- 5th February 2019: Quarter 3 Finance Position Statement for 2018/19

Plus

- Monthly Change Programme Reports to CMT
- Monthly Finance position statements to CMT
- Budget Working Papers

Risk-Based Assessment of Potential Events Affecting the Proposed 2020/21 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.	Medium/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 current Council Plan which has also had significant member input.	Low/Low Contingency provided through adjustment of plans for subsequent years
Plans for implementation of changes are not	Each savings proposal is required to be accompanied by a project plan setting out the implementation path. This process has been strengthened further through Change Programme	Medium/Low Mitigation provided through continuous

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
robust	Board and monthly CMT budget monitoring report, including specific savings tracker. 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).	improvement of plans and regular monitoring reports through CMT.
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
Risks to timely implementation of changes to packages of care in adults and children services	<p>The programme of change for Adult Services is proving effective in ensuring the right level of care is provided at the right time. Change Programme Impacts are being realised through the budget. The residual risk is the requirement for further demand management activity to be implemented to meet budget savings targets to 2022/23.</p> <p>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.</p>	<p>High/High</p> <p>Use of dedicated programme management resource</p> <p>Continued collaboration with NHS and other partners</p> <p>Learning from developments in other local authorities and engagement of Impower to provide external support/expertise/ challenge/ change.</p> <p>The risk is part mitigated as additional budgetary resource included in MTFS for Children’s services</p>
Uncertainties over the integration of health and social	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	<p>Medium / Low</p> <p>The Council may have to make unilateral</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
care, including delays in developing new models of care to support changes to service delivery	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.	changes if the pace of change is too slow Impact judged as low as budget is not predicated on integration
Changes related to staff cannot be implemented to plan	Consultation with Trade Unions for savings agreed February 2019 has taken place. Unions have taken Industrial action. No new staff savings as part of 2020/21 proposals, which also see some prior savings being deferred. Any implementation will focus on avoiding compulsory redundancy.	Low/Low Use of voluntary redundancy and vacancy management to mitigate impacts
Demographic changes place unplanned burden on resources	The proposed budget has been increased to account for £1.6m of demographic growth in Adult Services, and £13.6m within Children Services. The waste/refuse collection budget has been increased to reflect demographic and household growth. 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 Budget provision has been provided to address demographic growth in key areas Further contingency may be needed if growth exceeds budget provision
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 by 2%. The impact of potential greater inflationary pressures in the economy on the medium term	Low/Low Compensating action to reduce net costs

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
	outlook will need to be managed.	
Capital investment is poorly controlled	Experience from prior years suggests capital projects take longer to implement than planned with a significant degree of slippage. PAG processes have been updated, and period capital monitoring, including Leader and Portfolio Holder engagement.	Low/Low Close monitoring is required to ensure that schemes do not overspend and deliver to plan. 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. If they do not materialise, the plan (or individual projects within it which are dependent on receipts) will need to be reviewed.	Low/Low Contingency provided through adjustment of plans for subsequent years
Capital projects do not deliver expected Invest to Save returns	A number of capital projects have been approved on an Invest to Save basis, with financial benefits forecast to offset capital borrowing costs. If these savings do not materialise the relevant service area will have a budget pressure in meeting these costs.	Low / Medium Business plan approval subject to service sign off and PAG approval, before being approved by Executive. Capital monitoring processes.
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	Medium/Medium Compensating action to reduce net costs Reprofiling and reprioritisation of the capital plan Strong link between capital forecast and

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
	processes.	MTFS
The baseline budget is structurally compromised	The proposed budget is set using the 2019/20 baseline as amended for specific changes. The 2019/20 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, and where appropriate included within the MTFS.	Low / Low Strategic Directors can use their delegated budgets flexibly Structural budget issues are identified and tracked, and if appropriate reflected in MTFS and budget plans.
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	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	Low/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
	agenda. These factors do not increase financial risk as much as absorb leadership and management attention.	

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Report of the Assistant Director, Office of the Chief Executive to the meeting of Executive to be held on 4 February 2020.

Subject:

AR

Consultation feedback and equality assessment on new proposals in the Council Budget for 2020-21

Summary statement:

On 2 January 2020, the Executive approved new budget proposals for consultation with the public, interested parties, staff and the Trade Unions. These were included in Appendix E of the financial plan, for ease these have also been included in Appendix B of this report.

This report and appendices provides feedback from the public engagement and consultation programme and the consultation with Trade Unions and sets out a summary of the equality assessments carried as outlined in the Proposed Financial Plan Updated (2020-21).

David Walmsley Assistant Director: Office of the Chief Executive	Portfolio: Corporate
Report Contact: Phil Witcherley – Head of Policy and Performance	Overview & Scrutiny Area: Corporate

1. SUMMARY

- 1.1 On 2 January 2020, Executive approved new budget proposals for consultation with the public, interested parties, staff and the Trade Unions. These were included in Appendix E of the financial plan, for ease these have also been included in Appendix B of this report.
- 1.2 This report and appendices provides feedback from the public engagement and consultation programme and the consultation with Trade Unions and sets out a summary of the equality assessments carried as outlined in the Proposed Financial Plan Updated (2020-21).
- 1.3 This report is based on feedback received at the date of submitting this report for publication on 23 January 2020. Any feedback received between this date and the consultation closing on 26 January 2020 will be provided as an addendum to the Executive meeting on 4 February 2020.

2. BACKGROUND

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) 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.

3. OTHER CONSIDERATIONS

Supporting the 2020-21 Budget Setting Process

- 3.1 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.
- 3.2 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.
- 3.3 EIA forms outlining identified equality impacts on the new budget proposals, agreed by the Executive at their meeting on 2 January 2020, have been available on the Council's web site since that time at [new Budget EIAs - 2020-21 Bradford Council](#). Given the small number of new proposals in the Proposed Financial Plan, there is only one EIA and this is for Green Waste changes (7E2)
- 3.4 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 the

final budget will be considered at Full Council on 20th February 2020.

Cumulative Equality Impacts on the 2020-21 Budget Proposals

- 3.5 The equality impact of proposals that have been agreed in previous years for this budget has been included in the impact papers for previous budgets (a link to these are in the Background Documents list for this paper). Four additional Council 2020-21 budget proposals were agreed for consultation by Executive at its meeting of the 2 January 2020 (these are included in Appendix B). Only one of these, Green waste collection and disposal – increase in prices of £3 in 2020-21 (7E2) has been identified as having a potential low equality impact for people on low income/low wage.

Consultation Process

- 3.6 The consultation programme for the budget proposals for 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.
- 3.7 As outlined in the Financial Plan Update that went to Executive on the 2 January 2020. The consultation comprised of a survey enabling individuals and organisations to comment on the proposals of their choosing. Responses could be provided online or by writing to the Council using the Freepost address.
- 3.8 Social media (Twitter and Facebook) and Council's app was also used to promote the consultation. An easier-to-read 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.
- 3.9 The consultation programme on the new proposals opened with the publication of the report the 'Proposed financial plan updated 2020-21' on 16 December 2019 which the Executive approved for consultation on 2 January 2020. This process was delayed due to the pre-election period in advance of the recent General Election.
- 3.10 To engage with the business community, we have presented the overall Financial Plan as outlined on the 2 January 2020 to the Chambers of Commerce and the Economic Partnership meeting. We are also running an exercise to consult with young people across the district on the budget and senior staff have attended a meeting with the Voluntary and Community Sector to discuss relevant measures.
- 3.11 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 20 February 2020.

Consultation – Number of Responses

- 3.12 At the time of writing, the Council has received 105 comments on the proposals in the Financial Plan update. Of this, 71 were in relation to the Green Waste proposal (7E2).

A further three have been received on council tax cuts and a further 31 comments have been made on either proposals that are not included in the consultation or are comments not related to any specific proposal. These comments were received from the online questionnaire, postal questionnaire, letters, emails and response to the green waste service survey 2019.

3.13 Monitoring of the corporate social media accounts and the budget microsite has shown over 800 unique individuals have accessed the online budget consultation pages at the time this report was written. There were not any social media comments on specific budget proposals, but there were a number of comments made about the following issues:

- the overall level of Council Tax,
- PCN charges and road safety,
- the number of councillors, and
- the focus of activity in Bradford City Centre compared with the wider district.

3.14 The proposal generating most comments through the survey and letters/emails received were:

Proposal	Number of responses
Green Waste (7E2)	71

3.15 Most of the comments with a bearing on the green waste Proposals have come from a wider consultation on the green waste service. Notably the green waste survey conducted in early December 2019.

3.16 A small number of proposals received fewer than five comments. This includes a small number of comments about those on low incomes/wages ability to pay an increased Council Tax rate and a small number of comments on the wider strategic measures including supporting the Council’s action on climate emergency.

3.17 Section 7.6 describes the engagement and consultation that has taken place with Trades Unions.

3.18 Appendix A summarises the responses we have had to date.

3.19 Full Council of 15 October 2019 referred a petition they had received about the Libraries and Museums Service to Council Executive of the 5 November 2019. At their meeting of the 5 November 2019, Executive determined that the petition would be considered as part of the Budget Consultation report and the petitioners would be invited to the meeting. The petition, signed by 1269 citizens, calls on the Council to reconsider its decision in regards to changes to the Libraries, Museums and Galleries budget. The petition is provided at Appendix A Consultation feedback (service and equalities) and Libraries and Museums petition.

4. FINANCIAL & RESOURCE APPRAISAL

4.1 The financial impact of decisions arising from the consultation will be considered at the

Executive meeting on 4 February 2020 and will be evaluated and incorporated into the final budget proposals from Executive to Council on 20 February 2020.

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

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

6. LEGAL APPRAISAL

- 6.1 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.

- 6.2 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.

- 6.3 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.
- 6.4 There is also a duty on all Best Value authorities to consult when making changes to services or ending service provision.
- 6.5 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.
- 6.6 In summary, it is necessary to ensure that Executive have comprehensive information when considering the recommendations to make to Council on a budget for 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: [Budget EIAs - 2020-21 | Bradford Council](#)

7. OTHER IMPLICATIONS

7.1 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 (EIAs).

Consideration of the cumulative impact of proposals, especially where these are considered to be high for a specific protected group and across several proposals, is vital when final decisions on service changes are made. Particular consideration should also be given to the fact that people may exhibit more than one protected characteristic.

The equality impact of proposals that have been agreed in previous years for this budget has been included in the impact papers for previous budgets (a link to these are in the Background Documents list for this paper). Four additional Council 2020-21 budget proposals were agreed for consultation by Executive at its meeting of the 2 January 2020 (these are included in Appendix B). Only one of these, Green waste collection and disposal – increase in prices of £3 in 2020-21 (7E2) has been identified

as having a potential low equality impact for people on low income/low wage.

7.2. SUSTAINABILITY IMPLICATIONS

None

7.3 GREENHOUSE GAS EMISSIONS IMPACTS

None

7.4 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.

7.5 HUMAN RIGHTS ACT

None

7.6 TRADE UNION

This is the first time since 2011 that the Council has not had to issue a section 188 notice as a consequence of the likely impact of the budget proposals on job losses/FTE reductions.

The Leader has met with and briefed the trade unions at a high level in the morning on the 16th December 2019. There has also been an OJC1 meeting on the 6th January 2020 where the trade unions were taken through the budget proposals as part of the consultation.

Consultation with the trade unions is on going until Executive decides, following the workforce and public consultation, on the proposals.

7.7 WARD IMPLICATIONS

As implementation plans are developed for the delivery of budget decisions, following 20 February 2020, ward impacts will be further addressed.

7.8 IMPLICATIONS FOR CORPORATE PARENTING

There are no issues in relation to corporate parenting.

7.9 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.

8. NOT FOR PUBLICATION DOCUMENTS

None

9. RECOMMENDATIONS

- 9.1** 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 budget proposals for 2020-21 on 20 February 2020.

10. APPENDICES

- Appendix A – Consultation feedback (service and equalities) and Libraries and Museums petition
- Appendix B – List of budget proposals agreed for consultation

11. 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/>

[Report to Executive of 5 February 2019: Consultation feedback and equality assessment for the 2019-20 Council budget and proposals for the 2020-21 Council budget, Item 80](#)

[Equality Impact Assessment for new budget proposal for consultation agreed by Executive 2 January 2020](#) Green Waste Service – £3 increase in charge (7E2)

[Report to Executive of 2 January 2020: Proposed Financial Plan Update 2020-21 - Item 5](#)

Appendix A – Consultation feedback (service and equalities) and Libraries and Museums petition

Consultation feedback

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

Proposal	Issues raised
Green Waste	<p>The majority of comments about Green Waste charges have been drawn from comments made by respondents to the Green Waste Service Survey conducted in December 2019.</p> <p>Of those that made comments in response to the Green Waste Survey, 71 commented on charges for the service as follows:</p> <p>27 respondents said the charge for the service was too high. However, 14 respondents said the cost was about right.</p> <p>Four respondents said that we should consider providing discounts for certain groups (e.g. pensioners).</p> <p>26 respondents said that the service should be free of charge.</p> <p>A number of people also said that if the charges increased, they would stop subscribing to the service</p>
Council Tax Increases	<p>Two respondents said that they were concerned about being able to pay. E.g.” Having to pay more council tax i’m already on benefits and cannot afford another increase as my budget is stretched as it is, unable to find a suitable disabled property and have been waiting over 4 years now with incommunities and still nothing.”</p> <p>A respondent said we should “ Review the situation for people on benefits this is not a what I chose to be on, if I could I would work and get out of this situation but some help needs to be given to people to help cope.” Or “provide no Change for the unemployed”</p>
Climate Emergency	<p>We received a small number of responses (3) These are largely supportive of the proposals and are asking whether we should go further.</p>

Case	Other comments received	Issue raised
1	<p>Any more planned money being spent on council buildings upgrades.</p> <p>Over the last few years millions has being upgrading council buildings while you cut services you could have kept the services at their pre cut levels and not spent the money on things that helped you the council.</p> <p>Spend zero on council offices etc upgrades and use the entire budget on things for the people of Bradford. Sack whoever has allowed the Odean building fiasco to carry on as long as it has.</p>	Upgrading Council buildings
2	<p>I would like clarification about how the 2% social care precept is going to be spent.</p> <p>I cannot see where the extra money is going to be spent on social care as you have marked down and increase of £21m. for children's services, but to my mind this is not social care. The only monies I see being spent are £1.6.m on demographic pressures in adult social care. How is this going to make a difference to all the people out there who need extra help to live well. Remember your LIVE WELL AND AT HOME policy for disabled and older people.</p>	2% social care precept
3	Wasting millions on vanity projects. Stop city if culture bid.	City of Culture bid
4	<p>This council is totally inept and all the councillors should be sacked.</p> <p>Get rid of all labour councillors.</p>	
9	<p>The disproportionate amount of money spent in Bradford.</p> <p>All areas away from the city of Bradford suffer from underfunding. Stop the relentless diversion of funds into the city itself</p>	
10	<p>Cuts. I fully accept that this current government has deliberately starved local authorities of cash under austerity. I applaud waste reduction and avoiding duplication but cumulative cuts have left us to the bone.</p> <p>Eroding of soft targets/easier cuts eg libraries and museums. Worried about the academisation of our schools has reduced local accountability. I still reel from the Kings Science fiasco.</p> <p>This is really hard. Some salaries are grotesque and really hard to justify. Avoid getting Serco and Capita involved at all costs.</p>	Libraries and museums
11	<p>I have an issue is of huge concern in the local area. Rubbish is dumped on a daily a basis. I am concerned that if the cuts to street cleaning are made then the area with become even more of an health hazard.</p> <p>I feel that more should be done to catch people dumping rubbish! The council wardens should patrol the area to offer a deterrent!</p>	Litter picking and flying tipping
12	I see a lot of proposals affecting the city but not so many affecting the surrounding towns that pay into the pot. As someone in Ilkley who is watching the place deteriorate I'm not seeing why I am paying you more to deliver me nothing.	Spending on the City Centre
13	<p>Think monies should be spent on more essential services. We already failed at capital of culture, why waste more money?</p> <p>Spend on essential services.</p>	City of Culture bid
15	<p>There is no mention of any increases for top executives. Shareholders are able to voice their opinions at AGMs - who is responsible for deciding on executive pay and is there any control system.</p> <p>If there is no control system and the review is completely independent then there is no suggestion. If not I suggest implementation of such a system.</p>	increase in executive pay
16	<p>THE TWO PROPOSALS RELATING TO HEALTH AND OBESITY AND THE MENTAL HEALTH PROVISION.</p> <p>WHY ARE HEALTH AND WELLBEING AND OBESITY PROVISION SEPARATE AND MENTAL HEALTH ALLOWED LESS IN THE BUDGET THAN THESE TWO.</p> <p>COMBINE THE FIRST TWO AND LOWER THE COMBINED BUDGET AND INCREASE THE MENTAL HEALTH BUDGET.</p>	Health and obesity
17	Bins. Sticky labels on bins what day/ which bin (recycling/ waste?). Unmarried women in this day& age!! Not necessarily. Keeping young bad drivers off roads (big fines).	Nothing for the lazy
18	<p>The current planning restrictions on change of use to a takeaways A5 should be extended throughout the City save for designated city centre areas.</p> <p>A freeze on takeaway development would limit access to fast food and relieve those areas afflicted by fast food ribbon development of anti-social behaviour, street litter and flytipping.</p>	Health and obesity
19	That there won't be any quiet places for children and young adults to study. I work in a noisy school and feel they need quiet, me as well!	Cuts to libraries

	<p>The children and myself use the Bingley Swimming pool. I need to go for health reasons and it's handy. The new one would be too far away and Shipley is often overcrowded. They should re-open the toilets in Shipley and in Bingley because the money spent on these would be worthwhile. People would be able to go to the toilet more easily, for instance the elderly. "Hanging on" causes more health problems, for instance digestive problems. The money spent on these would ease the burden on the NHS. Also people would feel that you care more. People would be happier and there would be less mental health problems. I would happily volunteer to clean or something.</p> <p>Keep swimming pools open, hospitals and toilets. The country should be proud of these, it would also bring more tourists as people would be happier here. There would be more of a sense of community because, let's face it, who doesn't have a natter in the loos sometimes? or is that just me! They have closed the swimming pool at the school where I work and I presume the children have lessons at Bingley, like we did (I only work in the canteen so I don't know!). Swimming decreases obesity and helps the heart and lungs etc, don't want to bore you.</p>	Cuts to swimming pools
20	This is not a priority. The money could be used to provide more social housing or more funding for social services, or more funding for schools. More help for youth services in the more rural parts of Bradford such as Burley in Wharfedale which is suffering from a lot of vandalism.	City of Culture bid
21	My concerns are for fly tipping, more fines should be imposed and power given to take property to cover the fines	Fly tipping
22	<p>The "Climate Emergency" is a con. It is certainly a threat to people on lower incomes, as "green measures" are aimed at transferring wealth from them to the Davos set. Please do not fall for this, Bradford.</p> <p>The aspiration to "listen to" the views of children is absurd. I am all for a child friendly environment, but the implication that their views should be taken into account in formulating policy is a road to disaster.</p> <p>Environmental concerns should start on a local level: cleaning up the appalling mess on the streets in certain areas. Offering people incentives to recycle, rather than relying on penalties. Encouraging local participation, as in Wibsey Park, where local volunteers have done a lot to improve the facilities there.</p>	Climate emergency
23	<p>Museums, arts, libraries, galleries, entertainment are some of the most important things for mental well-being - do not take them away.</p> <p>Stop funding on the Odeon, let commercial private operators do that and deliver museums/galleries/arts.</p>	Libraries and museums
25	<p>Mentions are made about money being given to improve facilities in Bradford, Keighley, Shipley but no mention is made about Ilkley. Ilkley is the "playground" for these areas but at present is being allowed to decline so that in 10 years time it will probably be in need of major financial input.</p> <p>Improve the maintenance of pathways, pavements to maintain safety and attractiveness of the town. Keep business rates low enough for smaller businesses to be able to stay in Ilkley. Use the money garnered from the parking scheme to go back into Ilkley services such as cleaning gutters, new litter bins, park maintenance etc</p>	District funding
26	<p>There is nothing really mentioned in here for the residents of Bradford on a low level. For the average household in relation to housing needs, benefits, grants, waste management, support services etc.</p> <p>Expansion of 20mph Zones - £140,000 Focused on schools and promoting road safety, clean air, lower emissions cycling and walking. Will we actually see this happening. I live on Westminster Road where there is a primary school and over the last few months a couple of incidents have occurred where vehicles have hit children or near misses because vehicles come speeding down the road and drivers are not paying due care and attention when reversing out etc. To date I have not seen anything to support making this road safer for children. Also there is nothing in the proposal to do with the Youth of today to try and get them off the street and support them in educational institutions of some sort. Nothing about making sure they do not fall in a life of crime.</p> <p>I don't believe traffic calming measure such as speed bumps has reduced vehicles driving fast etc. However, having islands on either side of the road so vehicles have to slow to manoeuvre them have been seen as a more better way of improving this. I believe having bollards that are raised during school hour times in the road preventing vehicles from parking directing outside the school will increase safety significantly.</p>	Housing Benefits Grants Waste management Support services
27	<p>Safe, clean and active communities, particularly road safety.</p> <p>That not enough resources are being committed to road safety issues, like road driving and parking behaviour.</p> <p>Commit to more out of normal hours time - 14 hour days - to patrolling those streets in areas where abuse of sensible and caring standards and values are flagrant, and with illegal activity.</p>	Road safety
28	<p>I am concerned at the disparity of funding for towns outside of the city centre.</p> <p>Whilst the city centre is getting over £100m, large towns like Shipley and Keighley are having to fight over a measly £300,000.</p> <p>The council should stop prioritizing Bradford centre at the expense of the surrounding towns. Many towns are crumbling whilst the city centre gets endless amounts of investment and infrastructure.</p>	District funding

29	<p>mental health in all areas.</p> <p>No community back up with nhs services to care for vulnerably people been discharged. also saftey on railways and lighting in the community's.</p> <p>Safety barriers on all railways safer and more lighting in community's link up community care with nhs services and ensure the teams are effective to comply the continuation of care in peoples homes.as what they are receiving in the hospital.</p>	<p>Mental health / NHS</p> <p>Safety on the railways</p>
31	<p>Mental health. I am unable to access mental health advocacy. as I am not on a section I cannot use voiceability. I have used advocates in the past from vital who have been very helpful but now voiceability have taken over and have said that I arnt entitled to advocacy as they only work with people who are on a section.</p> <p>I would like access to a mental health advocate.</p>	<p>Mental health advocacy</p>
32	<p>The Climate Emergency.</p> <p>I applaud the the current Budget's proposals in for tackling the Climate Emergency, but they do not go nearly far enough to achieve the reductions in carbon output necessary if we are to avoid increasingly catastrophic events such as those currently playing out in Australia and Jakarta, and in Yorkshire last Autumn. £1m seems woefully paltry to me when set against the economic and societal cost of not acting more decisively to combat climate change.</p> <p>I would like to see far more money put aside for improving low carbon transport, [public, commercial and private], improving the housing stock [insulation, green energy, low carbon heating]. All support for the expansion of Leeds Bradford Airport should be stopped. We need far greater staff to enforce existing regulations across the board. All Council communications, both internal and external, need to tell the truth about our current situation in order to push people to facing up to it. Of course it's 'too hard', but the alternative is much worse. And I'd like to see Queensbury tunnel opened as a shared use footpath / cycleway.</p>	<p>Climate emergency</p>
33	<p>Amongst other things, the plans for "City Village". What evidence is there to show how many people would actually wish to live in the centre of Bradford? Have the proposals been costed?</p> <p>The Council should make a concerted effort to raise more cash by taking stronger action against those residents who do not pay their Council Tax. £18 million "written off" (Telegraph and Argus report 2018). is not acceptable by any stretch of the imagination!</p>	<p>City village</p>

Petition received by Council of the 15 October 2019 and referred to Council Executive of 5 November 2019 for consideration by Executive as part of the Council 2020-21 budget consultation

The petition was signed by 1269 citizens who were asked whether they supported the following statement:

Bradford Council - stop the Cuts to Museums and Libraries -

Bradford Council have announced their intention to cut the Libraries, Museums and Galleries Service by 65%. This will result in less funding for Community Managed Libraries, unsustainable "hub" libraries with volunteers and a further loss of branch libraries and museums.

These cuts represent a clear threat to the Libraries, Museums and Galleries in the Bradford district - an act of cultural vandalism that cannot be accepted.

We call on Bradford Council to reconsider and rescind these cuts and hold proper meaningful and democratic consultation with all stakeholders on new proposals. We must ensure that our Libraries, Museums and Galleries are properly funded and protected to enable them to provide the services we need for the people of Bradford district.

Appendix B – Proposals in Financial Strategy for Consultation (Appendix E in the Budget Proposals as agreed by Executive on 2 January 2020)

New proposals open for Consultation until 26th January 2020

Ref	Proposal for Change	2020/21 £'000 Impact	Equalities impact on the Equality Duty protected characteristics & low income groups	Mitigation	EIA
7R1	Theatres –increase income and commercial activity	80	No impact identified	n/a	7R1
7R2	Economy and development –generate extra income from project work	50	No impact identified	n/a	7R2

0	Total Better Skills, More Jobs and a Growing Economy	130
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Safe Clean Active

7E1	Sport and Physical Activity increased income through marketing leading to additional fitness membership	50	No impact identified	n/a	7E1
7E2	Green Waste Collection & Disposal – increase in prices of £3 for 20/21.	150	This proposal is likely to have no or a low impact on everyone. The exception is people on low incomes for whom the price increase will have a greater impact. Increasing the annual charge by £3 per annum may result in the service being unaffordable to some residents.	Though considered no mitigations have yet been identified.	7E2

Total Safe Clean Active	200
New draft proposals open for consultation	330

Addendum to the Report of the Assistant Director, Office of the Chief Executive to the meeting of the Executive to be held on 4 February 2020 (Document ‘AR’)

Subject: Document “AR” Addendum

Consultation feedback and equality assessment on new proposals in the Council budget for 2020-21.

1. Summary

- 1.1 The report (Document AR) of the Assistant Director, Office of the Chief Executive was published on 27 January 2020 to be presented to the Executive at the meeting to be held on 4 February 2020. The report includes information from the public engagement and consultation programme in relation to the new budget proposals for the 2020-21 budget.
- 1.2 The public consultation and engagement programme continued until 26 January 2020 meaning that there is a requirement to provide details of further information and comments received from 23 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 In addition to the numbers in the published executive report, there have been a further 13 comments on the budget through the consultation process. These are included in Appendix 1 of this addendum. This includes comments received through the online survey, postal questionnaires and emails from the general public and voluntary and public sector partner organisations.
- 2.2. No additional comments were received on the measures outlined for consultation. However, a number of comments (3) were made on the climate emergency. These mainly supported our investment but stressed that we should be investing even more in this area. Other comments were wide ranging and included the Stronger Towns Fund, grass verges, cameras and traffic lights.

- 2.3 Written feedback was also received from Bradford Community Kitchen concerning item 5.5 Decent homes that people can afford to live in the Proposed Financial Plan updated 2020/21 presented to Council Executive of the 2 January 2020. The response is provided in full in Appendix 1.
- 2.4 Appendix 1 also provides feedback received to the 3 February from the Trades Unions.

Appendix 1 – ADDITIONAL Consultation feedback – (service and equalities) and Trades Unions feedback

Consultation feedback

34	<p>That we should be doing NOTHING whatsoever that will increase car usage in Bradford District, yet we are spending millions on road widening and road building. We have multiple problems in the district whose are either directly or indirectly caused by cars and car use.... air pollution levels, obesity, diabetes, segregation, dangerous driving etc etc Invest in public transport, walking, running and cycling NOT more or wider roads.</p> <p>Disincentivise driving, invest in prioritised, affordable and regular public transport. Improve rail, buses, bus lanes, cycle safety and segregated lanes. Educate the public about the health, cost, social and environmental benefits of reduced car usage.</p>	Climate Emergency Road widening
35	<p>Other councils have adopted a plan of cutting some areas of grass verges only once per year, and allow British wildflowers to grow. This means meadow land can grow, which is better for the environment and wildlife, and results in a saving for the council due to not having to cut the grass so often. Could not Bradford Council include this alongside the plans to plant extra trees? Please see https://plantlife.love-wildflowers.org.uk/roadvergecampaign https://www.bbc.co.uk/news/av/uk-england-york-north-yorkshire-48954147/rotherham-s-wildflower-verges-give-roads-splash-of-colour https://www.theguardian.com/environment/2019/jul/18/the-impact-is-tremendous-readers-on-wildflower-verges</p>	Grass verges and more trees
36	<p>I believe if cameras were placed in all traffic lights there would be more than enough revenue brought in for the treasury, which would ensure budget cuts would be a thing of the past. Each journey I have taken in the past 2 years there has been more than one offender that has jumped a red light. On more than one occasion the car behind me has pulled out and gone through, whilst the light was in red. In the past cameras were set to flash after a a set time should be altered to 'as soon as the red light is lit'. We all know what comes after amber. Traffic congestion on roundabouts would benefit also.</p>	Lack of cameras on traffic lights
39	<p>Lack of spending in Ilkley. Bradford Council thinking Ilkley Town Council or new groups (Ilkley Riverside Parks) will find the money which should be spent in the town. Riverside Gardens park area should be in the council budget, local fundraising will fall short. People will stop visiting if the new parking charges aren't addressed. Spend outside of the city.</p>	District funding
40	<p>The £1m spending on the Climate Emergency, and the action associated with this spending, is not nearly enough. This does not reflect the scale and pace of action required to achieve carbon neutrality by 2030. Time is running out, and without scaling up their ambitions quickly BMDC and the District in general will not meet this target.</p> <p>Spend substantially more of the Council's reserve on a wider ranging one-off programme of green infrastructure improvements, now. - Earmark some of the Council's reserve for lending to businesses and community groups who can provide a clear plan and viable business case for carbon reduction activity.</p>	Climate emergency
41	<p>I want to challenge the whole notion that borrowing money to spend on the built environment will regenerate Bradford city and District.</p> <p>I think high quality jobs, if that's what you're after, will only be attracted to Bradford by the availability of a high quality work force. Then they'll be queuing up to come here rather than the council spending council tax to bribe employers to come with flashy alterations to an already architecturally stunning city and District.</p>	Regeneration
42	<p>My concerns is that all these things get large amounts of council tax some of which cud be saved. The council cud xlose museums libraries art galleries leisure centres that need council tax to stay open Cud cancel the city of culture bid Cud cancel the obesity programme Cud cancel more police and new keighley police station Cud cancel bus and train council tax payments Cud make all 30mph zones in bradford area 20mph zones in the peak periods 0700 to 0930 and 1600 to 1900 for a trial period</p>	Libraries and museums
43	<p>I think how the under 18 facilities are paid for should be revised With recycling i think there should be a separate collection for polythene such as chocolate bar wrapping paper.</p> <p>Under 18s schools colleges and other things should be paid for by those with a connection with the children.</p>	Under 18 schools colleges Recycling

between them. I often see station staff struggling to give clear instructions. The metal disks on the pavements are virtually invisible. Finger-post, at least, are needed. Better still, a properly engineered route which does not require SIX busy roads to cross! By re-routing a pedestrian link across Lower Kirkgate, Charles Street, Broadway and the Law Courts, three of these roads could be cut out.

Aire Valley Rail Corridor

More use should be made of the Leeds-Shipley-Bingley-Keighley rail corridor. The success of the new Apperley bridge station with its large car park is a useful pointer. The existing Aire Valley roads are far too crowded. More car parking capacity at the Aire Valley rail stations is needed. Maybe multi-storey ones. This would relieve some of the road congestion going through Shipley and in Leeds.

Bradford Council should support the move to re-establish the rail link between Skipton and Colne (SELRAP). Although not in the Bradford Metropolitan Area, improved communication between Leeds and Colne, Burnley and Manchester using a North-of-Bradford route would have many advantages to residents of Ilkley, Shipley, Bingley and Keighley. Currently they have no direct transport links to Manchester and have to travel via Leeds, exchange stations in Bradford, or bus from Keighley to Hebden Bridge.

Libraries

As a career librarian, now retired, I have many views on public libraries – too many to note here. However, some years ago, as part of a project celebrating 150 of public libraries, I visited close on 100 libraries throughout Yorkshire and Humberside. The main impression I had was the value of libraries as neutral space. Space where local residents could go to do a wide variety of activities – do homework, study, read papers and magazines, meet friends, using computers and photocopiers, use reference sources – print and go on-line, even escape from noisy and over-crowded homes.

One important function over-looked in the Council's current policy is the value of staff for providing information not readily available on the internet, and for assisting the public to use websites and navigating the complexities of computer use.

Written feedback received from Bradford Community Kitchen, a registered Charity based at Millside Centre, Grattan Road , Bradford concerning item 5.5 Decent homes that people can afford to live in the Proposed Financial Plan updated 2020/21 presented to Council Executive of the 2 January 2020:

Extract from the Council report: 5.5 Decent homes that people can afford to live in

A rapid expansion in the numbers of new homes delivered in the district is required if the demand arising from a growing population displaying a wide range of different needs is to be met.

Around a third of the district's houses were built before 1919 with older stock disproportionately represented in the private rented sector. Evidence of a shortage of housing supply can be seen in increasing levels of overcrowding which now extends to almost 10% of all households while homelessness is also increasing.

In order to help meet these challenges a new housing strategy is under development which aims to deliver more homes, ensure good quality homes and neighbourhoods and ensure that there are homes to meet the needs of all.

The Council has invested resources to support, enable and encourage housing growth through measures that include feasibility works and site investigations at a number of priority locations, a dedicated multi-disciplinary team providing a central intelligence point for delivery activity and the development of a housing delivery plan setting out priorities and practical interventions to bring schemes forward and unlock stalled sites. Priority developments between Bradford and Shipley, and plans to develop the city centre as a place for people to live in.

The Council's empty Homes team uses a range of powers and initiatives to bring empty homes back into use and has won two awards for its practice and innovation. The work of the team is supported through capital funding of over £3m.

Homelessness continues to be a challenge and the Council has piloted Housing First – a scheme to support the homeless people who have the most chaotic of lifestyles. The budget proposal allocates funding to extend the programme for an extra year and provide additional outreach support.

What are your concerns

We, at Bradford Community Kitchen, are concerned that "Housing First" is only proposed to be funded for one extra year. Some of service users have benefited from this scheme and we know that homelessness is not a problem that is going to be solved in just two years (the total length of time the funding seems to be for).

We were extremely pleased when we first saw that Bradford was adopting "Housing First". It is an important addition to the work already done to tackle homelessness in the city. As Councillors have said, solving the homelessness problem is not as simple as just giving a person a home. Many of them have chaotic lives and some have mental health problems. "Housing First" addresses all of these issues.

Street homelessness is only part of the problem, through housing first we have seen these numbers go down recently, but this is only in relation to street homelessness, there are hundreds of hidden homes in Bradford. We see many people, including vulnerable young women, who, although not on the street, are surviving by "sofa surfing". These young women are in danger of sexual exploitation, and worse.

Single people in discovery house, Octavia Court, Salvation Army and those queuing up in Britannia House on a daily basis in the hope of being put up in the Park or Beehive Hotel, having to repeat the process each day, these hidden homeless should be included in the homeless figures not just the street homelessness figures should be used when addressing the housing problems in Bradford.

Most homeless people on the street and hidden homeless are single, so any new housing provision must include single person accommodation.

What improvements / alternatives do you think the Council should adopt?

We ask that you extend the period of funding for "Housing First" to build on the current successes and help to reduce the problem of homelessness in Bradford.

Trades Unions feedback

Point raised	Response
4E9 – Libraries – Unite said the questionnaire was leading to an outcome to the positions that you want	4E9 – Libraries The structure of the questionnaire could have been done differently – only asked a certain set of questions as they knew where the gaps where that need to complete the picture.

Comments raised at Place OJC Level 2 from GMB – still have concerns re agency staff and need to keep an eye on this and also consultant fees especially with the large projects that will be going ahead.

Response from Strategic Director to that meeting was the Council has lots of work to do in a short period of time and may at times need to rely on consultants, especially when we don't have the skills in house. Where we can we will be setting up within structures, if the right skills are available.

The Strategic Director also advised the meeting that the Air Quality is a massive piece of work that needs implementing and will be looking at setting up internal structures that we will employ.

If further feedback is received from Trades Union this will be provided as an addendum paper at the Executive meeting of the 18 February 2020.

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