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Date:4th February 2014E-mail:Democratic_Services@bathnes.gov.uk

To: All Members of the Resources Policy Development and Scrutiny Panel

Councillor John Bull Councillor Roger Symonds Councillor Colin Barrett Councillor Paul Myers Councillor Charles Gerrish Councillor Barry Macrae Councillor Patrick Anketell-Jones Councillor Nigel Roberts

Chief Executive and other appropriate officers Press and Public

Dear Member

Resources Policy Development and Scrutiny Panel: Monday, 10th February, 2014

You are invited to attend a meeting of the **Resources Policy Development and Scrutiny Panel**, to be held on **Monday, 10th February, 2014** at **5.30 pm** in the **Council Chamber** - **Guildhall, Bath.**

The agenda is set out overleaf.

Yours sincerely



Michaela Gay for Chief Executive

If you need to access this agenda or any of the supporting reports in an alternative accessible format please contact Democratic Services or the relevant report author whose details are listed at the end of each report.

This Agenda and all accompanying reports are printed on recycled paper

NOTES:

- 1. Inspection of Papers: Any person wishing to inspect minutes, reports, or a list of the background papers relating to any item on this Agenda should contact Michaela Gay who is available by telephoning Bath 01225 394411 or by calling at The Guildhall, Bath (during normal office hours).
- 2. Public Speaking at Meetings: The Council has a scheme to encourage the public to make their views known at meetings. They may make a statement relevant to what the meeting has power to do. They may also present a petition or a deputation on behalf of a group. Advance notice is required not less than two full working days before the meeting (this means that for meetings held on Wednesdays notice must be received in Democratic Services by 4.30pm the previous Friday)

The public may also ask a question to which a written answer will be given. Questions must be submitted in writing to Democratic Services at least two full working days in advance of the meeting (this means that for meetings held on Wednesdays, notice must be received in Democratic Services by 4.30pm the previous Friday). If an answer cannot be prepared in time for the meeting it will be sent out within five days afterwards. Further details of the scheme can be obtained by contacting Michaela Gay as above.

3. Details of Decisions taken at this meeting can be found in the minutes which will be published as soon as possible after the meeting, and also circulated with the agenda for the next meeting. In the meantime details can be obtained by contacting Michaela Gay as above.

Appendices to reports are available for inspection as follows:-

Public Access points - Riverside - Keynsham, Guildhall - Bath, Hollies - Midsomer Norton, and Bath Central, Keynsham and Midsomer Norton public libraries.

For Councillors and Officers papers may be inspected via Political Group Research Assistants and Group Rooms/Members' Rooms.

- 4. Attendance Register: Members should sign the Register which will be circulated at the meeting.
- 5. THE APPENDED SUPPORTING DOCUMENTS ARE IDENTIFIED BY AGENDA ITEM NUMBER.

6. Emergency Evacuation Procedure

When the continuous alarm sounds, you must evacuate the building by one of the designated exits and proceed to the named assembly point. The designated exits are sign-posted.

Arrangements are in place for the safe evacuation of disabled people.

Resources Policy Development and Scrutiny Panel - Monday, 10th February, 2014

at 5.30 pm in the Council Chamber - Guildhall, Bath

<u>A G E N D A</u>

8. COUNCIL BUDGET 2014/15 AND MEDIUM TERM PLANS (Pages 5 - 92)

Please find attached the Cabinet report 'Council Budget 2014/15 and Medium Term Plans' including appendices.

A cover report for the Panel and attachment 2 (including a presentation given to the Early Years PDS Panel) was published last week.

The Committee Administrator for this meeting is Michaela Gay who can be contacted on 01225 394411.

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	Bath & North East Somerset Coun	cil
MEETING:	Cabinet	
MEETING	12 February 2014	EXECUTIVE FORWARD PLAN REFERENCE:
DATE:	12 February 2014	E 2592
TITLE:	Medium Term Service & Resource Planning 2014/1 Budget and Council Tax 2014/15	5 – 2015/16, &
WARD:	All	
	AN OPEN PUBLIC ITEM	
List of attac	hments to this report:	
	x 1 – The Budget and Council Tax Proposal of the Cabi s a covering document, plus 5 Annexes	net 2014/15. This
Annex 1	Draft Base Revenue Budget 2014/15 – individual servic	e cash limits
	Section 25 of the Local Government Act 2003 - Chief Fi Adequacy of Balances and the Robustness of the Bud	
	Draft Capital Programme 2014/15-2018/19 including otl nd programmes on an indicative basis - items shown in	
Annex 3i	Schools Planned Maintenance Programme 2014/15	
Annex 3i	i Corporate Estate Planned Maintenance Programme 2	014/15
Annex 3i	ii Transport Improvement Programme 2014/15	
Annex 4	Minimum Revenue Provision (MRP) Policy	
Annex 5	Comparative English Unitary Authority Council Tax Lev	els 2013/14
Appendix	2 – Variations to Budget	
Appendix	3 - Budget Setting Process – Advice of the Monitoring	Officer
Appendix	4 – Council Pay Policy Statement	
Appendix	5 – Community Asset Transfers	

1 THE ISSUE

1.1 This report presents the Cabinet's draft medium term financial plan, and revenue and capital budgets for the 2014/15 financial year together with a proposal for a Council Tax level for 2014/15.

2 **RECOMMENDATION**

The Cabinet is asked to recommend:

- 2.1 That the Council approve:
 - a) The General Fund net revenue budget for 2014/15 of £119.926m with no increase in Council Tax.
 - b) That no Special Expenses be charged other than Town and Parish Council precepts for 2014/15.
 - c) The adequacy of reserves at Appendix 1 Table 8 with a risk-assessed level of £10.5m.
 - d) The individual service cash limits for 2014/15 summarised at Appendix 1 Table 4 and detailed in Annex 1.
 - e) That the specific arrangements for the governance and release of reserves, including invest to save proposals, be delegated to the Council's Section 151 Officer in consultation with the Cabinet Member for Community Resources and the Chief Executive.
- 2.2 That the Council delegates the sign-off of the Better Care Plan on behalf of the Council to the Health & Wellbeing Board in consultation with the Chief Executive, the Leader and the Cabinet Member for Community Resources.
- 2.3 That the Council delegates the updating of the council's discretionary rate relief policy, to reflect the measures announced in the Autumn Budget Statement, to the Council's Section 151 Officer, in consultation with the Chief Executive and the Cabinet Member for Community Resources.
- 2.4 That the Council include in its Council Tax setting, the precepts set and approved by other bodies including the local precepts of Town Councils, Parish Councils and the Charter Trustees of the City of Bath, and those of the Fire and Police Authorities.
- 2.5 That the Council notes the Section 151 officer's report on the robustness of the proposed budget and the adequacy of the Council's reserves (Appendix 1, Annex 2) and approves the conditions upon which the recommendations are made as set out throughout Appendix 1.
- 2.6 That in relation to the capital budget the Council:
 - a) approves a capital programme of £65.865m for 2014/15 and notes items for provisional approval in 2014/15 and the programme for 2015/16 to 2018/19 as shown at Appendix 1, Annex 3 including the planned sources of funding .
 - b) delegates implementation, subject to consultation where appropriate, of the capital programmes set out in Annex 3i to Annex 3iii to the relevant Strategic Director in Consultation with the appropriate Cabinet Member.
 - c) approves the Minimum Revenue Provision Policy as shown at Appendix 1, Annex 4

d) approves the Capital Prudential Indicators as set out in Appendix 1 Table 6.

- 2.7 That the Council agree the Council's proposed pay policy statement, including the arrangements for senior severance practice, as set out at Appendix 4.
- 2.8 That the Council notes the approach to Community Assets as set out in Appendix 5.
- 2.9 Authorise the Council's Section 151 Officer, in consultation with the Cabinet Member for Community Resources, to make any necessary changes and presentational improvements to the draft budget proposal for submission to Council.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

3.1 The resource implications are contained within the body of the report.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 The Council is committed to ensuring that our financial decisions and the budgetary processes are subject to proportionate equality analysis.
- 4.2 Bath & North East Somerset Council can demonstrate that it has taken due regard for equality in its decisions by using a template for equality impact assessment (EqIA). Thus the Council has a written record of the equality considerations that have been taken; which include a consideration of the actions that would help to avoid or mitigate any negative impacts on people of particular protected groups.
- 4.3 Our decisions are supported by a strong evidence base (through effective use of equality mapping and Joint Strategic Needs Assessment) assisting to make our decision-making processes more transparent. The EqIA can be updated and amended as new information is made available.
- 4.4 When a budget proposal has implications for people covered by the Equality Act 2010 an equality analysis must be carried out (using the EqIA template) and considered before decisions are taken on the proposal. The decision maker must assure themselves that they are fully appraised of the equality implications of the decision proposed and should not assume the proposal must be approved. The report should contain a summary of the key findings from the EqIA and the decision maker should consider the full EqIA, which should be attached to the report. It is not sufficient for the decision maker to have only a summary of the EqIA or for there just to be to a link to the EqIA in the report to the decision maker.
- 4.5 Other issues considered include Social Inclusion; Customer Focus; Sustainability; Young People; Equality; Corporate; Impact on Staff and Other Legal Considerations such as the requirement to set a budget and Council Tax.

5 THE REPORT

- 5.1 In this document the Cabinet sets out the following:-
 - Its medium term service and resource planning financial assumptions which set the basis for the draft budget proposal for 2014/15.

- Its draft budget proposal for 2014/15 (Appendix 1). This provides the detail of the second year of the Medium Term Service and Resource Plans and recommends revenue and capital budgets for 2014/15, together with capital commitments for future years, and recommends a level of Council Tax for 2014/15.
- 5.2 The budget proposal builds on the prudent financial management of the Council and is designed to maintain front line services as far as possible whilst recognising the significant financial challenge facing the public sector. The budget proposals include:
 - A net £3.5m or 2.9% decrease in the non-schools budget to £119.926m
 - An increase in the DSG estimated at £1.1m with total funding of £117.7m (including academies). The majority of the additional funding relates to the transfer of funding for 2 year olds and the funding for post 16 special needs provision, that have transferred from the Early Intervention Grant and the Education Funding Agency respectively. Additional resources are also provided to accommodate increased pupil numbers in our schools. Taking account of this, the overall total represents a cash freeze per pupil compared to the previous year.
 - A freeze in the Council's level of Council Tax, which excludes Polices, Fire and Parish precepts.
 - These budget proposals are set out in detail at Appendix 1.
- 5.3 It is important to be clear on the process to be followed in setting the 2014/15 Budget. The Monitoring Officer has given specific guidance which is set out at Appendix 3, and in particular the need for the Council to approve a balanced budget.
- 5.4 The Monitoring Officer has also highlighted the implications arising if it does not prove possible for the Council to set a budget at its meeting on 18th February and any decision having to be deferred until the reserve date on 27th February. This includes potential delays to the Council Tax billing process.
- 5.5 The Council's pay policy statement as required under The Localism Act 2011 legislation is set out at Appendix 4.
- 5.6 The budget proposal also sets out the proposed approach to Community Asset transfers in Appendix 5.

6 RATIONALE

- 6.1 The rationale for the recommendations is contained in the supporting paper to this report.
- 6.2 The Council's Section 151 Officer is the Divisional Director Business Support. As Section 151 Officer his duties include ensuring a prudent and balanced budget is set on time which properly takes into account the financial constraints and risks facing the Council.

7 OTHER OPTIONS CONSIDERED

7.1 The supporting paper and appendices also contain the other options that can be considered in making any recommendations.

8 CONSULTATION

- 8.1 Meetings have been and will continue to be held with staff, trades unions and other stakeholders during the development of service and resource plans which have fed into this budget. This has included four Budget Fair's (Bath, South Bath, Keynsham and Midsomer Norton), enabling cross service consideration of the range of proposals by a range of stakeholders.
- 8.2 Representatives of the business community were engaged in these consultations as part of the Budget Fair.
 - 8.3 Comments received from consultation, including the Budget Fair, Policy Development and Scrutiny Panels and Trade Unions have been provided for consideration by the Cabinet.

9 RISK MANAGEMENT

- 9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.
- 9.2 In addition Appendix 1 to this report includes (at Annex 2) the Section 151 Officer's assessment of the Robustness of Estimates and Adequacy of Reserves. One of the considerations taken into account is the Directors' Review of Robustness of Estimates and Budget Risks/Sensitivities and the Corporate Risk Register. This is completed by all Directors in respect of their own services.

Contact person	Tim Richens, Divisional Director – Business Support (01225) 477468
Background papers	Medium Term Service & Resource Planning reports to Policy Development & Scrutiny Panels during November 2013.
	Consultation Response Summary – Report to Resources PDS 10 th February 2014
	Financial Settlement 2014/15 to 2015/16, CLG website
Please contact t	he report author if you need to access this report in an

Please contact the report author if you need to access this report in an alternative format

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THE BUDGET PROPOSAL OF THE CABINET 2014/2015

Budget Headline

This is the second year of the period covered by the 2013-14 to 2015-16 medium term plans. The plans were underpinned in the Budget approved by Council in February 2013.

The proposed 2014/2015 Budget focusses on the variations required to the three year plan and continues to focus on protecting high priority frontline services and investing in the future of our area, promoting new homes and jobs.

We are proposing that Council Tax is frozen in 2014/15 for the fourth consecutive year, recognising the on-going pressure on household incomes. The proposed band D Council Tax for Bath & North East Somerset Council next year is £1,201.85 which represents no change on the previous year (no increase).

The proposed net revenue budget for Bath & North East Somerset Council next year, 2014/15, is \pounds 119.926m, a net cash reduction of \pounds 3.524m on the previous year. This reflects the impact of significant cuts in government grant funding amounting to 9.6% for 2014/2015.

The Budget Context

The financial challenge was summarised last year equating to a 40% reduction in the Council's government grant funding over the period 2011/2012 to 2014/2015. The challenging outlook for local government funding as set out in the Autumn Statement in December 2012 looked to continue well into the future and over the period of the Medium Term Service and Resource Plan from 2013/2014 to 2015/2016 we estimated at least £30M of savings would be required.

Since then there have been a series of Government announcements that have increased this challenge. The key announcements and effects are as follows:

- The Budget Statement delivered by the Chancellor on 20 March 2013 provided for an additional 1% cut in council funding assessments for 2014/2015. This actually equates to a further 2% reduction in grant (from 16% to 18%).
- The Spending Review 2013 announced by the Chancellor on 26 June 2013 covers the 2014/2015 and 2015/2016 financial years and together with subsequent consultation documents, sets at least a 13.5% reduction in council funding assessments for 2015/2016. This actually equates to a 27% reduction in grant.
- A reduction of 20% in the Education Support Grant in 2015/2016.
- The confirmation of a Council Tax Freeze Grant for both 2014/2015 and 2015/2016 equivalent to 1% of council tax for councils who freeze their council tax in these.
- The Local government Finance Settlement on 18th December 2013 which confirms the anticipated reductions in grant funding for 2014/15 and 2015/16.

Total reductions in Government Grant Funding are now estimated to average 10.8% per annum over the period 2011/12 to 2015/16 as set out in Table 1 below:

Table 1: Reduction in Government Grant Funding

	2011/12	2012/13	2013/14	2014/15	2015/16
Actual B&NES Funding Reduction	-13.5%	-8.3%	-9.4%	-9.6%	-13.4%

These changes, together with the existing savings to be identified, mean further savings totalling at least £6m for the Council need to be identified over the next two years. This assumes the savings in the existing approved medium term plans are delivered in full.

For 2014/15 the Budget focuses on the variations that are needed to the approved medium term plan to deliver a balanced Budget proposal. The specific variation proposals together with the new and emerging priorities are set out in more detail within this report.

The Cabinet's aim remains to achieve the medium term plan with minimal alterations, but at the same time to reflect public feedback together with local and national policy changes.

The Council has a prudent level of reserves and can use these to smooth the effects of policy changes and additional financial challenges.

The indication from Treasury figures is that an equally tough set of financial targets will need to be repeated in the next 3 year plan which starts in 2016/2017, and of course at that time the difficulty in meeting the challenge will have increased as efficiency opportunities will be less.

Structure of the Budget Proposal

Section 1 sets out the approach to the revenue and capital budget and the build-up of the recommended revenue budget for 2014/2015. Annex 1 provides the breakdown of the Budget for 2014/2015.

Section 2 sets out the position regarding the WoE City Region Deal.

Section 3 sets out the recommended capital programme for 2014/2015 including the indicative capital programme through to 2018/2019. Annex 3 provides more detail.

Section 4 sets out the current position on revenue balances taking into account the proposals for prudent use of reserves.

Section 5 sets out the implications of the revenue budget for Council Tax levels for 2014/2015.

	2014/15	2015/16
Revenue Budget Funding:	£m	£m
Council Tax	72.632	72.782
Council Tax Freeze Grant	0.800	1.590
Revenue Support Grant	26.462	19.505
Retained Business Rates (after tariff)	20.954	21.237
Reserves & Collection Fund Surplus	(0.922)	0.232
Total Funding	119.926	115.345
Net Revenue Budget Spend	119.926	115.345
Capital Programme – for approval	65,865	3,800
Capital Programme - for provisional approval (subject to)	35,817	30,750

Table 2: Summary Net Revenue Budget and Capital Programme 2014/15 – 2015/16

Note: Revenue Budget figures beyond 2014/2015 are indicative only. Some of the figures in the table are affected by rounding.

Section 1 – The Revenue Budget for 2014/2015

The Budget Proposal

Each Directorate of the Council prepared a detailed Medium Term Service and Resource Plan (MTSRP) covering a full three-year period from 2013/2014 to 2015/2016. These plans were agreed as part of the Budget in February 2013 and progress against each of these was reported to the relevant Policy and Development Scrutiny (PDS) Panel throughout November 2013.

The MTSRP's set out the specific service and resource requirements for 2013/2014 to 2015/2016. Feedback from the individual PDS panels, the four Budget Fairs, the community, trade unions and other stakeholders has been considered by the Cabinet in arriving at the proposed Budget for 2014/2015.

The proposed Budget continues to recognise the very difficult financial challenge now facing the whole of the public sector and the increasing need to prioritise resources. The following principles have continued to be used to support this:

- Protecting frontline services;
- No increases in Council Tax;
- Investing in homes and jobs for local people.

There are no longer the available resources to deliver the full range of services that have been provided in the past. New legislation and demographic changes similarly demand clear prioritisation and new approaches. This will increasingly mean difficult choices.

The Budget proposal for 2014/2015 sets out the variations to the medium term plan approved by the Council in February 2013 that have arisen for 2014/2015 for a number of reasons including:-

- The implications of the 2013 Budget Statement and Spending Review
- The provisional Local Government Finance Settlement
- Unidentified savings in the approved medium term plan
- Areas where savings or additional income are now unlikely to be delivered
- Revenue impact of additional capital schemes
- Changes to the Council Tax Base

In order to present proposals for a balanced budget in 2014/2015, the Cabinet have examined a range of options to generate the additional savings or income, required to address the arising Budget gap. Where possible the Cabinet has sought to avoid further frontline service reductions and focus on efficiency, innovation, demand changes and trend analysis to meet this challenge.

Corporate Assumptions

The key assumptions which underpin the budget are summarised below – full details are included at Appendix 3:

- A pay increases of no more than 1% in each year of the MTSRP 2013/2014 to 2015/2016.
- Continued low rates of interest from treasury management cash investments of 0.5% per annum. The Council will maintain a minimum cash policy.
- Provision for a 2% per annum increase in the level of the employers' contribution to the Local Government Pension Fund has been provided for within the MTSRP, recognising the outcome of the Actuarial Review in 2013.
- Balanced budgets are achieved for 2013/2014 with no related on-going funding pressures.
- No general inflationary provision specific inflation has been provided and identified as growth within service areas based on specific service circumstances and contractual commitments
- That capital funding is provided as far as possible from Capital Receipts and internal cash flow. New borrowing will be kept to a minimum subject to market conditions.
- Fees and charges set by statute will be calculated in accordance with defined calculations under statutory guidance.
- The level of discretionary fees and charges are delegated to Officers, in consultation with the relevant Cabinet member, will generally increase in line with the increase in the costs of the relevant service.
- No increases are proposed to Car Parking Charges during 2014/2015.
- Park and Ride Charges charges are now set by the operator within agreed contractual limits.

Government Grant Funding

The provisional Local Government Finance Settlement was announced on 18 December 2013 and provided government grant funding figures for 2014/15 together with indicative details for 2015/2016.

This showed the Council's funding baseline for 2014/2015 reducing by 9.6% and then by a further 13.4% in 2015/2016. Whilst these numbers represent a significant reduction of £11.4M in cash terms over the two years, this is in line with the scale of cuts we were anticipating in the updated medium term financial plan.

The funding baseline itself takes account of the start-up funding baseline for the Localised Business Rate element so the overall reductions in Revenue Support Grant (RSG) equate to far larger percentages (17% and 26% respectively for 2014/15 and 2015/16). In reality reductions to RSG will look increasingly large in percentage terms as the Government seeks to take the cash reductions from an increasingly reducing pot of RSG funding.

This settlement confirms that B&NES Council will remain one of the lowest funded unitary authorities in fact the Council has the 9th lowest spending power per dwelling when comparing all Unitary Authorities for 2014/2015.

Revenue Support Grant now includes the grant funding support for the Local Council Tax Support Scheme which became a new responsibility for local government in 2013/14. The local scheme for the Council was designed to ensure the 10% reduction in funding provided by the government at the time was captured within the scheme itself. The actual grant funding now provided by the government is effectively lost as the grant has been merged with RSG – the overall cuts to which are set out above. No further changes have been made to the LCTSS by the Council for 2014/2015.

The New Homes Bonus Scheme which provides funding for new homes brought into use and included in the Council Tax Base, was provisionally confirmed at a total of $\pounds 2.665m$ for 2014/2015. This is the fourth year for funding for New Homes Bonus and includes an additional $\pounds 0.688m$ for 2014/2015. The New Homes Bonus scheme runs for 6 years from the year of initial allocation. This funding is un-ring-fenced and is currently fully allocated as part of the overall revenue budget supporting all Council services.

Potential changes proposed to allocation of the New Homes Bonus Scheme for 2015/2016 initially set out in the Spending Review in the summer of 2013, were not implemented in the Provisional Financial Settlement.

The Settlement included provision of financial support from the government for councils who freeze their Council Tax for next year – 2014/2015. The grant is equivalent to a 1% Council Tax increase and is confirmed as being included in the baseline grant funding calculations going forwards.

The Settlement announcement confirmed the requirements for a council tax referendum, where any council increases council tax by more than a perscribed level. This was orginally stated to be 2% however, the government is currently reviewing this figure and no announcement is expected before early February 2014. There is some speculation that this figure may reduce below 2%. This is clearly irrelevant for councils accepting the council tax freeze grant although the position in relation to other precepting bodies including police, fire and parish and town councils, is key for the overall council tax setting decision.

Retained Local Business Rates

The 2014/2015 financial year will be the second year of operation of the retained local business rate shares although with the first year yet to be completed and uncertainty still exists on many aspects of the new arrangements.

The Council now retains about a third of all future growth in business rates which, comprises 49% of growth less a levy payment of 31p in every £1 to provide for a national safety net.

Whilst the Council benefits from new growth it also bears 49% of the cost of reductions in business rates from for example, appeals, business closures or relocations, charitable reliefs etc. A national safety net will be provided where business rates reduce by over 7.5%, equivalent to approximately £2M for the Council.

As part of the Autumn Budget Statement and the provisional Local Government Finance Settlement the Government announced the introduction and extension of a range of business rate reliefs including small businesses, new retail premises and a cap on the annual inflationary increase. This includes the following two business rate measures which will require delivery through the Council's local discount powers (under s47 of the Local Government Finance Act 1988):

- A discount of £1,000 for shops, pubs and restaurants with a rateable value below £50,000 for two years up to the state aid limits, from 1st April 2014;
- A 50% business rates relief for 18 months between 1 April 2014 and 31 March 2016 for businesses that move into retail premises that have been empty for a year or more;

It is requested that authority to update the council's discretionary relief policy to reflect these new temporary reliefs is delegated to the Council's Section 151 Officer, in consultation with the Chief Executive and Cabinet Member for Resources.

The Government has indicated that the cost of all these reliefs will be met through the "New Burdens" provisions. We still await full details of how some of these payments will be made.

As part of the proposed Budget, reasonable assumptions have been made for likely future Business Rates and actual experience for first year of operation will help inform future Budget setting assumptions. Any surplus or deficit on the Business Rate Collection Fund will be transferred to an earmarked reserve for consideration as part of the Business Rates calculations for 2015/2016.

The introduction of the West of England City Deal for 2014/2015 should have no impact on retained local business rates as the pooling arrangements will include a "no worse off" provision. Further details of the City Deal are set out in the Section 2 of this report.

Social Fund

In April 2013 the Council started to operate a Local Welfare Support Scheme, which was funded by the DWP to the sum of £249k following the abolition of the Social Fund.

Customer Services set up a dedicated team to administer this new provision in accordance with a newly established Welfare Support Policy which enables additional financial support to be given to the most vulnerable Members of our Community with payment towards short term support such as essential food supplies, and essential household items. The scheme has also been used to give short term support to those struggling to pay Council Tax following the introduction of the new Council Tax Support Scheme.

We are on course to spend the full award this year and the same amount of money has been provided for 2014/15.

The provisional settlement has indicated that the award of this funding will change from 2015 onwards and will no longer be provided as a specific grant to the Council, instead forming part of the RSG settlement. The Cabinet will bring forward proposals for how this will be funded as part of the 2015/2016 Budget process.

Schools Funding

Schools are funded by the Dedicated Schools Grant (DSG) which is initially allocated to the Council by the Department for Education. The DSG supports all expenditure in schools (who set their own budgets) and the activities that the Council carries out directly for schools. It does not cover the statutory responsibilities the Council has towards parents. These responsibilities are funded through the Councils main revenue funding and included as part of the proposed Budget.

The Dedicated Schools Grant (DSG) increase compared to 2013/2014 is complicated by the conversion of several schools to academies, and the transfer of additional responsibilities into the DSG from other funding routes. The overall increase in the DSG is estimated for 2014/2015 at £1.1m with total funding of £117.7m. The majority of the additional funding relates to the transfer of funding for 2 year olds and the funding for post 16 special needs provision, that have transferred from the Early Intervention Grant and the Education Funding Agency respectively. Additional resources are also provided to accommodate increased pupil numbers in our schools. Taking account of this, the overall total represents a cash freeze per pupil compared to the previous year.

Whilst the Dedicated Schools Grant (DSG) is being allocated to Local Authorities on a cash freeze basis. In 2014/2015, The Pupil Premium allocations for maintained schools are increasing from £900 to £1300 per Free School Meals (FSM) primary pupil, from £900 to £935 per FSM Secondary pupil and from £900 to £1900 for pupils in categories of being Looked After. This increase will bring the total payable to B&NES schools to £2.85m in 2014/2015, an increase of £650k. This represents approximately a further 0.85% increase in overall resources for schools.

As schools convert to academies the DFE take back the element of DSG payable to the local authority in order to make payments direct to the academies. The DFE estimate of this will be £39.9m in 2014/2015 leaving £77.8m payable to the Council.

This recoupment by the DFE is based on 10 secondary, 3 special and 3 primary academies in 2014/2015. It is difficult to assess whether there will be more schools converting to academies over the next year.

Further budget changes to council funding are generated by the creation of the Education Services Grant (ESG) to replace the recoupment process for resources for academies taking on the statutory responsibilities of the council. Schools converting to academies and the Local Authority will be allocated resources that were originally part of the local government settlement. The grant allocations are based on pupil numbers in the establishments with academies being funded directly and the Local Authority receiving the allocation for all maintained schools. As schools convert to academies the resources allocated to the Local Authority under the ESG would diminish on a per pupil basis.

The Better Care Fund

As part of the provisional local government finance settlement, the government have introduced the Better Care Fund to be spent locally on health and social care. The purpose of the fund is to drive closer integration and improve outcomes for patients, service users and carers through the establishment of pooled budgets.

Nationally this amounts to some £3.5bn in revenue funding by 2015/2016 although crucially the majority of this is not new money, it is a reprioritisation of existing Health Service funding.

This Council already has a well-established integrated partnership in place with the Bath and North East Somerset Clinical Commissioning Group. This includes significant arrangements for shared funding and pooled budgets to support community health and social care.

The 2014/2015 Budget proposal already incorporates the following financial provisions which will now be classified as falling within the Better Care Fund:-

- £2.6M of Section 256 Funding in the Council base budget to support adult social care services.
- £608K of initially one-off funding in 2014/2015 to potentially support set up costs for the implementation of the Care and Support Bill, the Dilnot Social Care Funding Cap, and development of performance metrics.

For 2015/2016 further work will be undertaken to clarify the allocation of funding to the Council as part of the Better Care Fund. This will be subject to further development and planning with the Clinical Commissioning Group and relevant health service providers. The specific proposals for this Fund will form part of 2015/2016 budget process.

In accordance with government requirements, the Council, Clinical Commissioning Group and Health and Wellbeing Board will be required to sign of a Better Care Plan by 31 March 2014, outlining how the Fund will be used to improve a range of health and social care outcomes.

This Better Care Plan is currently being drafted and it is recommended that the Council should delegate sign-off of the Better Care Plan to the Health and Wellbeing Board in consultation with the Chief Executive, Leader and Cabinet Member for Community Resources.

Variation Budget Savings

The medium term service and resource plan covering the period 2013/14 to 2015/2016 was agreed as part of the Budget process in February 2013. This included a range of actions to meet the majority of the anticipated financial savings required over this period.

This plan indicated that further savings of £1.1m and £2.9M remained to be identified for 2014/2015 and 2015/2016 respectively to fully close the anticipated budget gap.

In addition to this existing budget gap, a range of further variations to the medium term plan approved by the Council in Feb 2014 have arisen for 2014/2015 for a number of reasons including:-

- The implications of the 2013 Budget Statement and Spending Review
- Areas where savings or additional income are now unlikely to be delivered
- Revenue impact of additional capital schemes

In order to present proposals for a balanced budget in 2014/2015, the Cabinet have examined a range of options to generate the additional savings or income, required to address the arising Budget gap.

Where possible these proposals for variation budget savings will avoid further frontline service reductions and focus on efficiency, innovation, demand changes and trend analysis.

Full details of the variations are set out at Appendix 2

Resource Allocation including Recurring and One-Off Funding

The Cabinet has considered the allocation of recurring and one-off funding to meet resourcing priorities. This recurring or one-off funding is created from a number of sources and can only be finalised once all assumptions and calculations are completed for the proposed Budget. These sources include:-

- Changes in financial planning assumptions
- Variations in grant settlement
- Full year effect of savings proposals
- Adjustments to corporate finance items
- Calculation of the Council Tax Base
- Calculation of the Retained Local Business Rates
- One-off funding provisions and variations, for example the council tax collection fund surplus (or deficit).

The Budget includes the following allocations of resourcing to meet specific commitments and priorities:

On-going Resourcing Allocations - £1.4M

The following allocations are to be made for the available on-going funding resources:

- £500K to reduce the overall saving required from Early Year and Childrens Centres.
- £100K to reduce the overall saving required from Public Protection Services.
- £800K will be allocated to the Financial Planning Reserve with the recurring funding allocated to help meet the significant funding gap for 2015/2016.

These allocations provide a prudent balance between addressing current funding priorities and recognising the scale of the future financial challenge.

One-off Headroom Allocations - £1.6M

These following allocations are to be made from the anticipate Council Tax Collection Fund Surplus:

- £375K to the Green Deal, Energy at Home scheme spread over 2014/15 and 2015/16.
- £150K to provide for the delivery of a Keynsham wide regeneration delivery plan.
- £75K to meet initial IT set up costs to maintain compliance with the Government Public Service Network requirements for data security.
- £80K to provide for reviews of Council Tax Single Person Discounts and large NNDR payers. This will provide the potential for enhanced future income.
- £63K to meet the anticipated costs, net of sponsorship, for hosting a Tour of Britain cycle race stage in the Council area in 2014.
- £120K to meet the one-off cost of delaying the reduction in the numbers of public conveniences for up to one-year to provide further time to consider opportunities for alternative provision.
- £107K per year for two years (total £214K) to support the aims of the proposed adult advice and information strategy.
- £523K to the Financial Planning Reserve.

In addition to these specific proposals, under the Council's Invest to Save Scheme, the Section 151 Officer in consultation with the Cabinet Member for Resources, may authorise funding for robust and credible invest to save proposals from reserves (i.e. in the short term creating a 'negative ear-marked reserve' which is then repaid over time, usually 3 years, from the related savings.

Robust and credible 'invest to avoid' proposals (where investment can avoid future costs), can also be considered, but in addition there needs to be specific provision within business cases to replenish the reserves over a 3 year period.

Council Tax

The local government financial settlement included an announcement of financial support for councils who freeze their Council Tax for next year at the current level (i.e. a zero increase). This financial support (in the form of a grant) for 2014/2015 is stated as being included in baseline funding for 2014/15 and beyond. The income from the grant is equivalent to a 1% increase in council tax.

The government has also indicated that a similar level of financial support will be available in addition to support a council tax freeze in 2015/2016. This will create the opportunity for the Council to consider a freeze council tax levels again in 2015/2016.

The proposed Council Budget utilises the council tax freeze grant and provides for a zero increase in Council Tax for 2014/2015.

The proposed band D Council Tax for Bath & North East Somerset Council next year is \pounds 1,201.85 which is no change on the previous year. Comparative details of the council tax levels from English Unitary Councils for 2013/2014 are attached at Annex 5 and illustrates that the council tax for this Council remains below the average level.

Future Years

The Medium Term Service and Resource Plans were constructed to cover the 3 years 2013/14 - 2015/16 in line with the specific budget priorities and the council policy framework.

The MTSRP's together with the variation items set out in this Budget proposal provide clear actions to address the estimated Budget funding shortfall faced by the Council over this period, including a balanced Budget for 2014/2015

Table 4 below summarises the resource allocation from this Budget proposal together with the anticipated position for 2015/2016.

Whilst the Budget proposal provides for financial balance in 2014/2015, further work will be undertaken to present a balanced Budget for 2015/2016.

We cannot be certain about local government funding from 2016/2017 onwards although we expect the financial challenge facing the public sector to continue until at least 2018/2019 in line with the Government's Autumn Budget Statement in December 2013.

At this stage there is insufficient information available to identify the full scale of future funding pressures for 2016/2017 and beyond albeit there are a number of factors which we can identify that will impact on local government funding at this time, including:

- Continuing reductions in the national control total for local government funding

 we assume this will be at least 9% per annum for this Council or £4M in cash terms.
- A significant increase in employers national insurance contributions to fund the new national pension arrangements equivalent to £2.5M in cash terms for this Council.

- The impact of the new funding arrangements for Adult Social Care arising from the Care and Support Bill the full implications of this have yet to be assessed.
- The likelihood of increasing pay inflation.
- The potential impact of changes to interest rates and the revenue cost of meeting the Council's full borrowing requirement.

Given the scale of savings already achieved and those outlined in the MTSRP's and this Budget, it is likely that future savings will require prioritised changes to Council services. A rigorous process will therefore need to be applied to the development of the Council budget and medium term financial planning process going forwards to enable resources to be prioritised between service areas.

Revenue Budget Proposal – The Headline Numbers

The proposed revenue budget for 2014/2015 represents:

- A net £3.5m or 2.9% decrease in the non-schools budget.
- An increase in the DSG estimated at £1.1m with total funding of £117.7m (including academies). The majority of the additional funding relates to the transfer of funding for 2 year olds and the funding for post 16 special needs provision, that have transferred from the Early Intervention Grant and the Education Funding Agency respectively. Additional resources are also provided to accommodate increased pupil numbers in our schools. Taking account of this, the overall total represents a cash freeze per pupil compared to the previous year.
- A freeze in the Council's level of Council Tax, which excludes Police, Fire and Parish precepts.

We are recommending a net revenue budget for 2014/2015 of £119.926m. Table 3 below, and Annex 1 to this Appendix, show the build-up of the recommended 2014/2015 revenue budget, compared to the rolled forward base budget from the current year.

Description	£'000
Total Base Budget rolled forward – 2014/2015 (after removal of one-off items in 2013/2014 Budget)	123,450
One-off Allocations	845
Contractual and Unavoidable Inflation	3,457
New Legislation / Government Initiatives	443
Increased Service Volumes	1,372
Other / Technical (Including Capital Financing)	1,238
Total including Growth	130,805
Change Programme & Efficiency Savings	6,263
Increases in Income from fees, charges and other grants	2,070
Service Reduction	2,546
Total Savings	10,879
Recommended Net Revenue Budget 2014/2015	119,926

Table 3: High Level Build-up of the 2014/2015 Budget (detail in Annex 1)

In recommending the overall revenue budget to the Council, this also includes the individual service cash limits for 2014/2015. These are shown in **Annex 1** to this Appendix. Table 4 shows the resource allocation for 2014/2015 and 2015/2016 by service area.

 Table 4: Resource Allocation 2014/2015 to 2015/2016

SERVICE AREA		2014/2015		2015/2016
	GROWTH (£M)	SAVINGS (£M)	CASH LIMIT (£M)	INDICATIVE CASH LIMIT (£M)
Adult Social Care & Housing	1,920	1,582	58,281	58,976
Children's Services	396	663	23,317	21,654
Place	1,344	2,171	24,865	24,295
Resources & Support Services	857	3,302	7,450	5,922
Corporate & Agency	2,838	3,161	6,013	7,873
Totals	7,355	10,879	119,926	118,720
(Savings to be identified)				(4,175)
Less use of retained on-going headroom from 2014/2015				800
(Savings remaining to be identified)				(3,375)
Medium Term Financial Planning Total				115,345

The Cash limits for 2015/2016 are at this stage indicative and will be reviewed as part of the Medium Term Service & Resource Planning process for 2015/2016 onwards.

Section 2 – West of England City Region Deal

Background

The WoE City Region Deal has been agreed between Government, the WoE Councils and the WoE Local Enterprise Partnership (the LEP).

One of the key elements of the deal is a Growth Incentive whereby the WoE Councils will retain 100% of the business rates growth in the five WoE Enterprise Areas. The business rates will be pooled with those from the existing Temple Quarter Enterprise Zone and, after providing funding to ensure the Councils are "no worse off", the pool will make a significant financial contribution of up to £500m into a WoE Economic Development Fund. This will support an overall package of up to £1bn of investment in the local economy.

The Revenue Budget 2014/2015

The business rate pooling arrangements within the City Region Deal will need to be considered in terms of impact on this Council's revenue budget in the future.

The City Region Deal provides a licensed exemption from the effects of the resets and levies of the local government finance system in the five Enterprise Areas over 25 years, enabling the WoE to retain 100% of growth in business rates against an agreed baseline in the Enterprise Areas and Temple Quarter Enterprise Zone.

The pool will make a significant financial contribution (up to £500m over 25 years) into the Economic Development Fund which will support an overall package of £1bn of investment in the local economy. Income will also be used to ensure no Council will be worse off compared to the local government finance system, and to manage local demographic and service pressures arising from growth.

The "no worse off" payment will be the first call on the pool and will ensure each Council is paid what it would have received under the local government finance system. In this respect no Council should have any direct financial impact as a result of signing up to the City Region Deal.

A payment to each Council to mitigate local demographic and service pressures arising from the additional growth may also be made in the future. However, it is important this payment only grows in proportion to the level of growth being generated and a ratio of 5:1 has been assumed (for every £5 paid into the Economic Development Fund there will be a £1 payment made for local demographic and service pressures). To support cash flow in the early years and prioritise investment in unlocking the growth sites earlier, these payments will not be paid to Councils in the first 5 years of the City Region Deal. The amount payable to the EDF is capped at £500M and any funding over this level is fully allocated to local demographic. Should this situation arise it will be close to the end of the 25 year period of the City Region Deal.

The Council's future revenue budgets will be updated for the inclusion of the funding streams outlined above, together with, the impact of any revenue support costs for critical infrastructure or other high priority schemes approved by the West of England Local Enterprise Partnership.

The Avon Fire Service does not form part of the City Region Deal although it does currently receive 1% of the total business rate growth. In order to ensure the Fire Service is "no worse off" as a result of the City Deal, it is recommended that each Council passes on this element of their "no worse off payment" to the Avon Fire Service as an annual grant amount. This will remain revenue neutral for each Council.

Economic Development Fund and the Capital Programme

Work has been undertaken by the WoE Office and the Councils to identify a list of critical infrastructure and other high priority schemes which are required to unlock the Enterprise Areas or advance development and hence the economic benefits to the sub-region.

The LEP will be considering approval of an initial indicative programme of schemes from this list. This initial programme will still be subject to economic benefit justification via the submission of a detailed business case before final approval is given. Agreed funding (for capital and borrowing costs) can then be drawn from the Economic Development Fund as the project is completed.

Each Council will need to consider the inclusion within their capital programme of critical infrastructure or other high priority schemes as they develop business cases for consideration by the LEP.

It is important to recognise that whilst a Council can borrow to fund the full cost of an approved scheme, the level of revenue support they receive back to support this borrowing will always be limited by the available funds of the Economic Development Fund.

Therefore, it should be noted that there is still a risk to the timing and total level of funding that maybe available to the LEP through the City Region Deal. Ultimately, the LEP will only be able to commit the actual funding it has within the Economic Development Fund at any point in time. The future funding risk will need to be accepted and carried by the respective Council.

Section 3 of this Report, sets out this Council's capital programme including appropriate reference to emerging schemes for consideration against the Economic Development Fund.

Section 3 – The Capital Budget for 2014/2015

Introduction

The Cabinet's proposals for the Council's capital programme are limited to a number of specific new additions to the existing approved programme full details of which are set out in this Section.

This Capital programme proposals:

- Limits new commitments to items which are in line with Council priorities and objectives and which are funded either from external sources, from anticipated future capital receipts, or where the potential costs of borrowing can be met from within the proposed Budget.
- Recognises that careful consideration has been made by Officers and Members regarding future commitments and the direction of this programme.

The MTSRP's recognise the intention to minimise new borrowing in the current market climate and fund the capital programme from a mixture of future capital receipts and internal cash flow wherever possible. However the decision on the timing of new borrowing will be driven by market factors, particularly movements in interest rates to provide overall value for money to the Council.

The projected capital receipts for the period 2013/2014 to 2017/2018 were shaped by the Property Review and proposals for development of Council owned sites. These projected receipts are kept under regular review to ensure the latest position is reflected in budget planning and all existing and future projected capital receipts will be utilised to support the general financing of the Council's Approved Capital Programme.

The presentation of the Capital Programme retains the clear separation of schemes for **Full Approval** and those which are for **Provisional Approval**.

Items gaining **Full Approval** are clear to proceed to full scheme implementation and delivery, subject to appropriate project management and governance.

Items for **Provisional Approval** will require further Officer and Member scrutiny, including a formal Cabinet decision for Full Approval. The budget numbers for schemes shown for Provisional Approval are therefore included on an indicative basis, and as an aid to planning.

Recommended Programme for 2014/2015

On this basis the Cabinet is recommending the Capital Programme as attached in **Annex 3** and summarised in the table below.

The proposed programme assumes total capital payments and funding in 2014/2015, comprising both the programme for Full Approval of £65.865m and a programme for Provisional Approval (subject to) of £35.817m, as shown in

Table 5 below. This table also shows the indicative capital programme and funding at summary level for 2014/2015 to 2018/2019. **Annex 3** shows the total capital programme for 2014/2015 to 2018/2019 in more detail.

Table 5: S	Summary	Capital F	Programme	and Fi	inancing	2014/15 - 2	2018/19

Capital Scheme	Budget 2014/15 £'000	Budget 2015/16 £'000	Budget 2016/17 £'000	Budget 2017/18 £'000	Budget 2018/19 £'000	Total £'000
Place	33,692	3,251	580	40	50	37,613
People & Communities	7,355	435	0	0	0	7,790
Resources & Support Services	24,818	114	25	90	135	25,182
Total	65,865	3,800	605	130	185	70,585

For Provisional Approval (Subject to)

Capital Scheme	Budget 2014/15 £'000	Budget 2015/16 £'000	Budget 2016/17 £'000	Budget 2017/18 £'000	Budget 2018/19 £'000	Total £'000
Place	14,044	9,855	11,503	1,421	46	36,869
People & Communities	6,075	9,240	8,149	1,065	0	24,529
Resources & Support Services	15,698	11,654	2,307	1,757	0	31,416
Total	35,817	30,750	21,959	4,243	46	92,814

	Grand Total	101,682	34,550	22,564	4,373	231	163,399
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Funded By

Financing	Budget 2014/15 £'000	Budget 2015/16 £'000	Budget 2016/17 £'000	Budget 2017/18 £'000	Budget 2018/19 £'000	Total £'000
Grant	32,434	13,584	12,594	487	0	59,099
Capital Receipts/RTB	14,454	10,117	6,106	11,000	0	41,677
Revenue	2,599	1,394	563	478	0	5,034
Borrowing	49,401	8,134	2,886	-7,692	231	52,960
3 rd Party (inc S106)	2,794	1,320	415	100	0	4,629
Total	101,682	34,550	22,564	4,373	231	163,399

Note: Some of the figures in the above table are affected by rounding.

<u>Funding</u>

The revenue budget for 2014/2015 and the Medium Term Service and Resource Plans for 2015/2016 provide for the revenue consequences of the Council borrowing in support of capital expenditure where appropriate.

A desire to minimise the planned levels of external borrowing continues to be recognised within the funding arrangements for the Capital Programme. It is anticipated that all current and future capital receipts will be utilised, together with the Council's internal cash balances to fund the Capital Programme. However the decision on the timing of new borrowing will be driven by market factors, particularly movements in interest rates to provide overall value for money to the Council.

The Capital Programme assumes the following achievement of capital receipts:

- 2014/15 = £14.3M
- 2015/16 = £10.0M
- 2016/17 = £ 6.1M
- 2017/18 = £11.0M

This prudent assumption recognises the difficulty in accurately projecting the actual level of capital receipts over longer-term periods.

The £3m set aside in an earmarked revenue reserve for affordable housing and capital development in 2010/2011 is maintained to support the provision of affordable homes in the Bath Western Riverside development. This will be reviewed during 2014/2015 in light of actual levels of Right to Buy capital receipts which will remain the preferred funding mechanism for this affordable housing commitment.

New Schemes within the Capital Programme

Highways Structural Maintenance

The Highways Structural Maintenance budget is included for **Provisional Approval** at £3.788m funded wholly from direct government grants including additional Highway Maintenance Funding of £353K to recognise deterioration due to adverse weather.

This will be used to address a programme of priority works across all highway asset groups namely carriageways, footways, structures (bridges, retaining walls, embankments & culverts), drainage and electrical infrastructure as identified through on-going inspection, monitoring and evaluation. Further detail on proposed schemes will be considered by Cabinet in April 2014 for decision.

Highways Surfacing – Additional Funding

Additional essential Maintenance and upgrading of highway and footway surfaces will be addressed with a **Provisional Approval** of £2.0m.

The proposed programme of work will help address the backlog of maintenance and improve the condition of the highway network, reducing the whole life costs of maintaining roads through earlier intervention. Further details will be considered by Cabinet in April 2014 for decision.

Highways Structures – Additional Funding

This investment will address backlog maintenance issues and help to ensure traffic can move efficiently on the highway network. This project will ensure compliance with the Council's statutory duties under the Traffic Management Act and Highways Maintenance Act. **Provisional Approval** of £2.0m and further details will be considered by Cabinet in April 2014 for decision.

Footway Improvement in the Highways – Additional Funding

It is proposed to enhance the quality of substandard footways in the district. This project supports the key objective of encouraging walking as sustainable travel and by resurfacing footways at the optimum time the council is saving the costs of more expensive and disruptive repair works. **Provisional Approval** of $\pounds400$ K and further details to be considered by Cabinet in April for decision.

Flood Protection in Chew Magna

A pilot scheme to implement Property Level Protection against flooding (PLP) to a number of properties in Chew Magna was funded from a government grant. As a condition of the grant, the success of the scheme has been reviewed and highlights the need for further work to increase the protection offered. These additional works are essential to safeguard residents from the considerable distress and damage resulting from flooding. **Provisional Approval** of £200K subject to further design being presented.

Weston Flood Protection Scheme for Provisional Approval of £2M

The Weston, Bath Flood protection scheme is an approved Environment Agency Scheme funded by a Flood and Coastal Risk Management Grant for delivery by the Council in 2014/2015. The scheme is subject to the consideration of a detailed project cost and delivery plan.

Cycling and Walking Schemes

Continuation of the cycling infrastructure programme started in 2013/14 aimed at encouraging and promoting cycling as part of the healthy living and sustainable transport initiatives. **Provisional Approval** of £250K subject to further design and project plan being presented by May 2014.

Grit Bins and Snow Warden Equipment for Provisional Approval of £50K

It is proposed to further develop and enhance the voluntary Snow Warden scheme which has been implemented in some parts of the authority's area. This funding is intended to support the provision of equipment and infrastructure to support people within the community helping to keep our network of pavements and roads free of ice and snow during severe weather.

Royal Victoria Park Skate Park and Open Space Improvements

Replacement of the existing skateboard area with new skate park together with improvements to litter bins, recycling facilities, seating and the installation of a BBQ area. A **Provisional Approval** for a total of £300K subject to further design and project plan being presented

East of Bath Skate Park for Provisional Approval of £100K

Contribution to an additional local skate park facility in an open space to the east of Bath.

Improvements at the Sandpits for Provisional Approval of £40K

Project to improve drainage, play equipment and facilities, subject to further design and a project plan being presented.

Queen Square improvements for Provisional Approval of £100K

Project to enhance the Square along the lines previously consulted upon and to modify the highway in order to enable future closure of part of the Square to support events.

Litter Bins for Provisional Approval of £20K

Funding to support the provision of additional new bins and the replacement of existing, life-expired bins and benches within the public realm.

Play Equipment for Provisional Approval of £100K

Funding to support the additional provision of new play equipment and the replacement of existing, life-expired play equipment in consultation with local members and Cabinet.

Great Dell Walkway for Provisional Approval of £25K

To re-provide the Great Dell Walkway which has been closed for three years due to deterioration and safety concerns.

Public WC Conversions

To develop concessionary opportunities alongside public toilets to increase use of Council assets, minimise liability and retain local toilet provision. A **Provisional Approval of £100K** subject to further design being presented.

Leisure Centre Capital Maintenance.

Condition reports have identified the need to undertake property maintenance and repairs at the Council's Leisure Centres. High priority works will be undertaken in order to maintain properties in adequate order for customers and to avoid excessive liabilities within the new contract. Any spend would be met from payments made by the current contractor as a result of a secured contract renegotiation. This is for **Provisional** approval subject to a detailed costed project and delivery plan.

Local Transport Improvement Schemes for Full Approval of £1.429m

The Local Transport Improvement Schemes budget is included at £1.429m funded from remaining government grant and section 106 contributions. The 2014/2015 schemes proposals will focus on supporting the Joint Local Transport Plan approved with our WoE partner authorities and the 5 key transport goals of Reducing Carbon Emissions, supporting Economic Growth, Promoting Accessibility, contributing to better safety, security and health and finally improve quality of life & a healthy natural environment. A detailed list of proposed priorities for this funding is attached at Annex 3(iii)

East of Bath Park and Ride for Provisional Approval of £5.2M

This item is in accordance with the Council resolution on the Bath Transport Package which agreed officers work on alternatives to Bathampton Meadows park and ride, involving rail, as part of our future Transport Strategy.

The Bath Transport Strategy will be recommending the development of a new park and ride site and it is prudent that the authority make a financial provision for this proposal to allow it to be brought forward at an early opportunity. This outline cost estimate is based on the provision of a bus based solution.

Digital BANES for **Provisional Approval** of £350K

Primarily works to enable existing street furniture to be utilised as for the delivery of a wireless network for city and town centres and the expansion the Council's duct network to enable the deployment of fibre to deliver ultra-fast broadband to key Enterprise Area sites. Delivery would be through revenue earning contracts with wholesale providers which could underpin further capital investment by the Council in future years.

The allocation would also allow the Council to bid, as part of the Connecting Devon & Somerset programme for a share of the additional Government infrastructure fund of £250m to provide Superfast Broadband to 100% of premises by 2020.

This will support Business Retention, Growth and Innovation for B&NES as well as digital inclusion in recognition that digital connectivity is increasingly important for local companies and communities.

Midsomer Norton Business Centre for Provisional Approval of £1.325m

The Council has a 999 year lease (from September 1993) of the Midsomer Norton Business Centre which is sub-let to Business West to manage as a small business / conference centre. It is located on the Midsomer Enterprise Park. The Centre covers approximately 7,800sqft with circa 5,000sqft of managed office space. The limited overall size of the Centre meant that annual running costs exceeded direct income. The extension and refurbishment of the Business Centre to provide 10,000sqft of managed workspace will provide a self-funding facility, safeguarding and creating up to 250 jobs.

River Corridor Fund - for **Provisional Approval** of £340K

The River Corridor Fund will bring forward the implementation of selected river improvement capital projects during the 14/15 financial year. The projects will enhance the use of the river as a key cultural, economic and social asset for Bath and beyond. The priorities will be established through a River Corridor Working Group led by B&NES and including the Environment Agency, Canals and Rivers Trust and The River Regeneration Trust. Initial priorities are likely to be Pulteney Weir and replacement of the Radial Gate, the development of a River Strategy, projects to mitigate flooding, providing a river walkway in Bath City Centre, improving river safety and providing capital support for activities on the river.

Schools Capital Investment

The Council retains responsibility for capital funding of schools excluding academies and for the expansion of school places at all schools, including academies.

Schools capital grant funding for 2015/16 and 2016/17 has been confirmed by the Education Funding Agency (EFA) as £13,069,578 for Basic Need to support provision of additional pupil places where there is population growth. An allocation for Capital Maintenance has yet to be announced. Capital in support of Universal Infant Free School Meals of £353,269 has been confirmed.

The significant increase in grant funding for Basic Need reflects the projected rise in pupil numbers due to rising birth rate and increase in resident population in Bath and North East Somerset. Basic Need priorities will include provision of additional pupil places in Bath, Keynsham/Saltford, MidsomerNorton and Radstock. Initial discussions have been held with schools in these areas but proposals will need further evaluation and options costed before projects can be brought forward for approval for inclusion in the capital programme.

It may also be appropriate to combine Basic Need grant with developer funding where new schools or expansions of existing schools are required due to new housing developments and underlying population growth.

Priority for Capital Maintenance funding will be to address the most pressing condition items in schools e.g. windows, roofs, boilers etc. through the Schools Planned Maintenance Programme (SCPM). A detailed list of proposed priorities for this funding is attached at Annex 3(i). Due to prudent management of previous years' Capital Maintenance allocations the 2014/15 programme is fully funded and is included for full approval.

An initial assessment of the implications of the introduction of Universal Infant Free School Meals suggests that the grant funding may be sufficient to provide the additional facilities and equipment required but it may be necessary to provide additional funding from Capital Maintenance where remodelling of kitchens is required. This is currently being evaluated.

Disabled Facilities Grant for **Full Approval** of £1.0m in 2014/2015

This is the annual mandatory grant service administered for eligible applicants that satisfy the criteria of firstly, a necessary and appropriate home adaptation to enable them access to and use of the their home, secondly, the required adaption being reasonable and practical, and thirdly, meet the requirements of a test of resources. The assessment of need is carried out by the Council's OT service. The scheme allows an eligible applicant to continue to live independently in their own home by providing a stair lift, suitable washing facilities or other relevant home adaptations.

Community Partnership Grants for Provisional Approval of £1M

To provide a potential capital grant to support the improvement of youth and community facilities in the London Road area of Bath, subject to the consideration of a detailed business case.

Green Investment and Jobs Fund for Provisional Approval of £1M

Investment of a policy loan in local renewable energy projects to further a range of Council policy objectives, whilst generating a source of income for the Council and contributing to the creation of 'green' jobs.

Cleveland Pools for Provisional Approval - £200K

Cleveland Pools Trust, in partnership with the Prince's Regeneration Trust, English Heritage and the Council will be submitting a bid in April 2014 to the Heritage Lottery Fund to restore the country's only surviving Georgian lido and reclaim them for outdoor swimming. A provisional item is included for £200K to provide grant funding towards the match funding requirement for this scheme in the event this bid is successful and subject to conditions to be agreed.

Property Specific Developments

The following schemes are listed for **Full Approval**:

1 to 3 James Street West - £175K

Heads of terms have been agreed with the preferred developer for the redevelopment of James Street West, for residential on the upper floors and ground floor retail, with discussions on-going with regard to the relocation of the current temporary tenants to accommodation identified in Walcot Street.

Transfer of the accommodation in Walcot Street being considered within a community asset transfer proposal

7 to 9 Lower Borough Walls – £75K

Premises being offered to the market for disposal by way of a building agreement and long lease, to provide upper floor residential together with ground floor restaurant use which will revert to the Council to produce a revenue income.

Existing temporary tenants have been offered the Council accommodation at 4 Bath Street on terms still to be agreed.

Cattlemarket/Cornmarket - £50K

On the market for disposal and redevelopment with bids due on 27th January, 2014. All bids will be assessed by an officer/member panel to determine the successful bidder(s).

Roseberry Place £50K

The disposal has been deferred on the request of Economic Development and Regeneration pending the production of the Enterprise Area Masterplan.

Commercial Estate Development Fund - £200K

The purpose of this fund is to ensure that key properties reach their maximum income potential and/or do not remain un-let for a significant length of time.

Englishcombe Lane – £30K Disposal of the site for development

The following schemes are for **Provisional Approval** pending further details and project plans for Cabinet Decision.

Grand Parade and Undercroft – Phase 2 £1M

Discussions taking place with consultants over this scheme, particularly with regard to the type of roof structure which will be permitted, together with a layout concept of the space to be utilised.

Follows on from Phase 1 which is redeveloping the Undercroft. This scheme will see the extension of the Guildhall Markets.

Grand Parade and Undercroft – Phase 3 £3.7M

Consideration of the redevelopment of the upper floors to Newmarket Row. Retail and residential development. To tie in with expiry of existing leases starting 2015

Bath Quays North - £1.0M

Potential costs associated with the preparation of the site for disposal of the site for development as part of the Enterprise Area redevelopment plans. It is anticipated that this will deliver a significant capital receipt for the Council.

Acquisitions–Future Revenue Generation for Provisional Approval of £15M

The Council has a challenging income generation target over the next 3 years. To enable this to be achieved income producing assets will need to be acquired.

New Customer Payment and Library Kiosks for Provisional Approval of $\pounds145K$

We require new Customer Payments Kiosks to replace ones which due to their age have limited functionality, do not accept all payment types, and require regular manual intervention from Front Office staff. New Kiosks will fully integrate with the Councils Income Management System which would allow full automation for all types of payments transactions. In addition, new Library Kiosks will replace currently leased Library Kiosks and include core customer payments along with other enhanced functionality. It is estimated that enhanced income streams will provide for additional borrowing costs.

Financial System Upgrades for Provisional Approval of £203K

It is imperative that the Council's Financial System is on the latest software release in order to effectively manage the risks arising from rationalisation of business systems enabling reductions in back office staff. The upgrade to the Agresso Financial System will include enhanced functionality to reporting, budget monitoring and forecasting which is critical with the financial constraints facing the Council. The Income System also needs development to interface with the Corporate CRM (Customer Relationship Management System) allowing customers, to see payment history, account balances, instalments amounts, as well as a 'recurring card payments' module to allowing regular payments via credit card and debit cards. This is a provisional item subject to a further Business Case and we are seeking to provide necessary savings to meet financial targets and borrowing costs.

IT Asset Refresh for Full Approval of £283K

The Council has always had and continues to need an annual refresh budget to cover the replacement of key infrastructure assets at their end of life (e.g. servers, network switches).

Without this refresh programme, PSN compliance lapses (e.g. the ability to process benefits, revenues, safeguarding and other data), IT security will be breached and IT devices and systems used by services will become unsupported, obsolete and will fail. The programme is managed as a 5 year commitment.

This request is to fund Year 2 of the present 5 year refresh programme. Technology is constantly changing and so forecasts are reviewed again annually before being made firm. Capital costs can be met from service supported borrowing funded through savings created in IT budgets.

We seek to extend the use of IT so that services can redesign what they do to deliver previously unidentified savings. This will also improve service levels, increase efficiency in operation and lower error rates.

Emerging Capital Schemes

The following schemes are not yet fully developed and outline business cases have not been produced at this stage so it is not possible to identify an appropriate provision for them within the proposed Capital Programme.

These schemes may require significant capital expenditure some or all of which may be met through external sources or the related service provider. As the specific business cases are more developed and the capital requirements are more fully understood these schemes will come forward for Council consideration and decision at that point.

The business cases will need to identify suitable capital and, if necessary, revenue funding provision at this time.

Bath Primary School Provision

There is considerable forecast demand for additional primary school places in the city of Bath over the next 5 years and beyond. This results from increases within the existing population (rising birth rate) as well as new housing developments attracting additional families to the area, including at Bath Western Riverside and the former MOD sites.

Section 106 and Community Infrastructure Levy will be used to secure developer contributions in land and capital in respect of the impact of significant new developments. Capital Allocations from the Department for Education for Basic Need will help to address the places required to cater for inherent population growth and this will be combined with developer funding where appropriate to provide the overall places required. However, there may also be a requirement for Local Authority capital funding and/or land to be identified to contribute to a programme that in total is likely to require the building of at least 5 new schools by 2025 as well as further localised expansions of existing schools.

The latest 2 year allocation of Basic Need grant has recently been notified and more detailed proposals for the broader schools capital programme are being developed and will be brought forward for consideration in due course.

Leisure Facilities

Proposals for the future provision of the Council's Leisure Centres will be sought from leisure operators through a contract procurement process commencing in February 2014. This will include development options including, where appropriate, design, build, finance and operate.

The business case is anticipated to be brought forward for consideration and approval in the summer 2014 once proposals have been received from potential operators.

<u>City Deal – Economic Development Fund Schemes</u>

The Council has identified priority projects in the West of England Economic Development Fund (EDF). The principle focus for these projects is the delivery of Innovation Quay which lies at the heart of the Bath City Riverside Enterprise Area. Innovation Quay has the potential to provide expanded Incubation and Innovation space, delivered in partnership with Bath University, significant modern commercial floor space as part of a new Central Business District for the city together with new city centre housing and an enhanced and better connected riverside environment.

Detailed master planning work is underway on the Enterprise Area and Innovation Quay which, together with the developing Transport Strategy for Bath, will provide the context for more detailed business planning to be undertaken later in 2014 as the next step towards securing funding under the EDF.

Keynsham CPO

The Council has agreed to the implementation of a Compulsory Purchase Order to enable the acquisition of all property interests in the Riverside building at Keynsham for the purposes of carrying out a comprehensive residential led redevelopment.

Officers are in negotiations with the current long leaseholder of the building, and failing a negotiated settlement, the CPO process will commence during February, 2014

Provision has already been made for the likely costs of this process but, as with any CPO, it is difficult to estimate the costs with complete accuracy but in any case the Council does carry a capital contingency provision.

Economic Development Schemes

Digital B&NES

Further investment will be needed in 2015 – 2018 to expand the wireless network and ultrafast broadband connectivity in B&NES, provide match funding for the roll out of Superfast Broadband to 100% of premises in B&NES by 2020 under the Connecting Devon & Somerset programme and enabling the Bath City Riverside Enterprise Area to be connected into the proposed West of England R&D Mesh, a closed ultra-fast broadband loop for the WofE which can be utilised by 'high-tech' and digitally based companies to innovate and commercialise new ideas with less risk.

Creative Workspace

There is a lack of flexible creative workspace in Bath which is a limiting factor for growing creative and digital companies and can lead to them relocating away from the city. The development of creative workspace would allow the retention of native, high value businesses within Bath and facilitate the development of a creative cluster in the city which would, in turn, generate new business investment. The creative workspace could be developed by the Council and an income stream generated through an operating contract with a specialist provider.

MSN High Street

The Council has recently secured a development partner for the redevelopment of South Road Car Park to provide a major food store in the town centre. A range of traffic management and public realm improvements will be required to fully link the scheme into the High Street and ensure that existing local traders are able to fully benefit from the scheme. Council resources could provide match funding for Section 106 / CIL developer contributions to ensure that a comprehensive package of supporting measures can be put in place.

Roman Baths – The Archway Centre

The Archway Centre will consist of a World Heritage Interpretation Centre for Bath and a state-of-the-art Learning Centre for the Roman Baths. It will deliver the learning facilities and environment expected of a nationally-important heritage attraction within a World Heritage Site and will provide opportunities for working with local partners in the voluntary, charitable and education sectors.

It will not provide a commercial return in the short term but will sustain visitor numbers and the income streams associated with them in the medium and longer term by generating repeat business from children and their families. It will strengthen community ties through partnership working with local groups.

The project will refurbish the Grade II Listed former City Laundry buildings adjacent to the Roman Baths in York Street and Swallow Street and convert them into:

- a) a World Heritage Interpretation Centre; and
- b) a Roman Baths Learning Centre.

The Interpretation Centre will meet the requirement made by UNESCO that the Council should do more to interpret the 'City of Bath' World Heritage Site. The Learning Centre's unique selling proposition is the underground tunnel that will deliver school groups into the heart of the Roman Baths. Out of core school hours it will be available for use by community groups and partner organisations to hire for other purposes as well as purposes associated with the World Heritage Site.

The project will achieve a number of other objectives including:

- c) extending public access into new areas of the Roman Baths;
- d) conserving in-situ Roman remains and monumental Roman masonry;
- e) creating a new 'activity zone' beneath York Street;
- f) interpreting the Victorian spa landmarks and buildings via a smartphone App;
- g) triggering improvements in the streetscape and public realm

It is estimated that the capital project will cost £4.5 to £5 Million. The Heritage Lottery Fund will expect the Council to demonstrate its support for the project by providing a significant direct contribution to the capital costs of the project. A Council contribution of c.15% of the capital cost of the project (£650-750k) should be sufficient to satisfy the HLF.

Minimum Revenue Provision (MRP) Policy

The Council is required to make revenue provision to repay capital spend that is financed by borrowing (either supported or unsupported). This is called the Minimum Revenue Provision (MRP). The Department of Communities & Local Government has issued regulations that require full Council to approve a MRP Policy in advance each year. The policy defines how the Council will make a prudent minimum revenue provision for all new unsupported borrowing. The Council is recommended to approve the statement in Annex 4 which includes an update from last year to cover treatment of any potential loans made to third parties that are required to be treated as capital expenditure.

Prudential Indicators

The prudential framework for local authority capital investment was introduced through the Local Government Act 2003. The key objectives of the Prudential Code are to ensure that the capital investment plans of local authorities are affordable, prudent and sustainable. The Capital Prudential Indicators are shown in Table 6 below.

Table 6: Capital Prudential Indicators.

PRUDENTIAL INDICATOR	2012/13 Actual	2013/14 Probable Outturn	2014/15	2015/16	2016/17
Estimat	te of Capit	al Expendit	ure (£'000s)	
Actual/estimates of capital	44,371	64,219	101,682	34,550	22,564
expenditure					
Net Increase in council t	ax (band E) per annun			E'000's)
The implied estimate of			£2.22	£11.34	£7.80
incremental impact of the					
new capital investment					
decisions on the council tax					
Cumulative totals:			£2.22	£13.56	£21.36
	ancing as	% of Net R	evenue Stre	eam	
Actual/estimates of the ratio			9.24%	12.29%	13.93%
of financing costs to net					
revenue stream					
Memo: estimates of the			3.57%	4.59%	5.10%
ratio of financing cost to					
gross revenue stream					
	Borrowin	ng Limits (£			
Operational boundary –			£177m	£181m	£176m
borrowing					
Operational boundary –			£2m	£2m	£2m
other long-term liabilities					
Operational boundary -			£179m	£183m	£178m
total					
Authorised limit - borrowing			£215m	£215m	£210m
Authorised limit – other			£2m	£2m	£2m
long-term liabilities					
Authorised limit - total			£217m	£217m	£212m
Capital Financi					
Actual/estimate of capital	141,783	171,486	214,856	215,224	210,330
financing requirement					

Gross Debt and the Capital Financing Requirement

In order to ensure that over the medium term debt will only be for a capital purpose, the Council should ensure that external debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

After reviewing the capital programme and borrowing proposals, the Section 151 officer reports that the Council will continue to meet the demands of this indicator.

Borrowing limits

The Authorised limits for external debt include current commitments and proposals in the budget report for capital expenditure, plus additional headroom over and above the operational limit for unusual cash movements.

The Operational boundary for external debt (or planned borrowing level) is based on the same estimates as the authorised limit but without the additional headroom for unusual cash movements. This level also factors in the proposed use of the Council's longer term cash flow balances to "internally" meet the financing requirements for the Keynsham Town Centre Regeneration project, subject to overall treasury management decisions.

Section 4 – Revenue & Capital Reserves and Contingencies

Significant Earmarked Reserves

In developing the proposed Budget for 2014/2015 all the Council's earmarked reserves have been routinely reviewed and the related potential liabilities assessed to establish the future requirements for each of the reserves.

Based on the most recent review, the majority of the Council's reserves remain committed to the specific purposes for which they were established. There are a small number of reserves where it is proposed for them to be reallocated or re-designated. The proposals for significant earmarked reserves will therefore be as follows:-

<u>The Revenue Budget Contingency</u> – the reserve has been utilised during 2013/14 to meet a range of in-year pressures and priorities. This reserve will increase following the reallocation of a number of smaller contingency reserves and will continue to be made available to meet in-year revenue budget pressures. It is anticipated that this reserve will stand at £1.387M for 2014/15. The balance of the Revenue Budget Contingency will be available for allocation to meet new and emerging priorities of the Council during the financial year.

<u>Financial Planning Reserve</u> – this reserve supports the future medium term financial planning of the Council. The reserve will generally be allocated as part of the Budget process each year to support the specific medium term financial proposals and priorities of the Council.

<u>The Transformation Investment Reserve</u> – (previously known as the Medium Term Financial Challenge Reserve) will support the development and progression of a significant transformation programme to redesign and reshape a range of services to recognise the future shape of the Council. A number of the specific changes are also progressing to respond to the initiatives imposed by the Government including a service review, shared service opportunities and changes in health and social care.

Subject to the overall limits of the reserve, it may also be utilised to provide oneoff resources in support of the delivery of the specific savings plans set out in the MTSRP's subject to an overall business case and project plan.

This reserve will meet the costs associated with these changes and is likely to be fully committed over the next three to four years.

<u>The Restructuring and Severance Reserve</u> – the significant financial challenge facing the Council has and will continue to lead to job losses as savings and efficiencies are delivered. The MTSRP indicated that around 300 posts would be lost over the period to 30 March 2015 including through redundancy. This is likely to continue for several years beyond this period and the associated severance costs may be significant. This reserve will be available to meet these costs, avoiding the need for subsequent additional service savings purely to pay such severance costs. This approach will be regularly reviewed to ensure it is being applied appropriately.

<u>The Affordable Housing Reserve</u> – this reserve is currently committed to fund the Council's contribution to affordable housing including within the Bath Western Riverside development although this position will be reviewed as part of the 2015/2016 budget process.

All service based Earmarked Reserves are anticipated to be fully committed.

Table 7 below, sets out the projected level of the significant earmarked reserves taking account of anticipated commitments over the next 3 years to 2016/2017.

APPENDIX 1

Table 7: Projected Significant Earmarked Reserves

	Revenue Budget Contingency	Transformation Investment Reserve	Restructuring & Severance Reserve	Affordable Housing Reserve	Financial Planning Reserve
	£,000	£.000	£'000	5,000	000,3
Estimated Available Reserves	711	3,604	3,676	3,000	2,754
Transfers between Reserves	676				
Estimated Reserves @ 1st April 2014	1,387	3,604	3,676	3,000	2,754
Allocation in 2014/2015	0	-1,000	-1,372	-1,778	+1,525
Balance C/F	1,387	2,604	2,304	1,222	4,279
Allocation in 2015/2016	0	-1,000	-2,130	-819	TBC
Balance C/F	1,387	1,604	174	403	TBC
Allocation in 2016/2017	0	-1,000	-174	-85	TBC
Balance C/F	1,387	604	Nil	318	Nil (est)

Unearmarked Revenue Reserves

The Local Government Act 2003 contains a duty on the statutory finance officer (s151 Officer) to report to the Council, at the time the budget is considered and the Council Tax set, on the robustness of the budget estimates and the adequacy of financial reserves. The report of the s151 Officer on this subject is included as **Annex 2** to this report and is recommended to the Council. The conditions of the report by the Divisional Director – Business Support are an integral part of our budget recommendations. This sets an unearmarked reserves target of £10.5 million based on a financial risk assessment and in the context of the "one-off" funding proposals contained within this Budget proposal.

Table 8 below details the proposed movement in the level of unearmarked reserves over the period of the medium term service and resource plans. This analysis includes the proposed use of reserves to support invest to save proposals included within the Budget, specifically:

• The Workplaces Project – requires total cumulative revenue investment of £3.2m over the period to 31 March 2016 with repayment of the reserves commencing in 2016/17 from the on-going revenue savings of around 10%.

This actual level of unearmarked reserves will also depend on the Outturn position for 2013/2014 and on future decisions by the Cabinet about any overspends. The figures are therefore only an estimate at this stage and are without prejudice to future Cabinet decisions.

Adequacy of reserves

The s151 officer's report on the robustness of estimates and adequacy of reserves is set out at Annex 2. This provides a reserves strategy to maintain non-earmarked General Fund reserves at £10.5m based on a thorough risk assessment. The projected reserve levels are set out in Table 8 below.

	2014/15 £'000	2015/16 £'000	2016/17 £'000
Estimated Reserves @ 1st April each year	9,278	7,762	7,264
2013/2014 Projected Outturn Underspending			
Projected Invest to Save Movements	-1,516	-498	84
Estimated Reserves @ 31st March each year	7,762	7,264	7,348

Table 8: Projected Non-Earmarked Revenue Reserves

Based on anticipated invest to save commitments mainly associated with the Workplaces project, the Non-Earmarked Reserves will begin to be repaid in 2016/17 and at no point will reduce below the risk assessed minimum level of $\pounds 6M$.

Under the Council's Invest to Save Scheme, the Section 151 Officer in consultation with the Cabinet Member for Community Resources, can authorise funding from within the non-earmarked reserve for robust and credible invest to save proposals (i.e. in the short term creating a 'negative ear-marked reserve' which is then repaid over time, usually 3 years, from the related savings). This is subject to the overall level of non-earmarked reserves being maintained above the risk assessed minimum level of £6M.

Capital Risk Contingency

There are three levels of risk provision in relation to the capital programme.

Firstly individual major projects within the capital programme hold their own contingency in accordance with good project management practise to meet unavoidable and unforeseen costs;

Secondly, the capital programme includes a funded corporate risk contingency currently forecast to be £2.430m. The level of this contingency will be reviewed regularly.

Thirdly the corporate risk assessment on which the general reserves target is based includes an element in the context of the capital programme based on the risks of the current programme.

As with all capital projects, relevant risks are being considered as part of the overall risk-assessed general reserves and the Corporate Risk Register.

Governance

The Council is requested to confirm the specific arrangements for the governance and release of Council reserves, including invest to save proposals, be delegated to the Council's Section 151 Officer in consultation with the Cabinet Member for Community Resources and the Chief Executive.

Section 5 – Council Tax

This section shows the implications of the recommended revenue budget for Council Tax levels for 2014/2015.

The financial settlement included an announcement of financial support for councils who freeze their Council Tax for next year at the current level (i.e. a zero increase). The proposed Budget provides for a zero increase in Council Tax for 2014/2015. **Table 9** explains the calculation of this figure:

Table 9: Council Tax 2014/15 for Bath & North East Somerset Council Services

Description	Amount	Comments
Recommended Net Revenue Budget	£119,926k	See Annex 1
Less grant, retained business rates, reserves and estimate of Collection Fund surplus	£47,294k	See Annex 1 Sources of Funding
To be funded by Council Tax	£72,632k	
Tax base (Band D properties equivalent)	60,433.33	Approved by the Section 151 Officer in December 2013
Recommended Council Tax at Band D for 2014/15	£1,201.85	
2013/14 Council Tax Band D	£1,201.85	
Recommended Increase	£0.00	0% increase

The figures above exclude parish, fire and police precepts.

This Council collects Council Tax on the behalf of the parishes, Fire and Police Authorities and the final bills issued will include the Council Tax they have requested this Council to collect. These will form part of the Council's overall budget-setting resolution.

The Police & Crime Commissioner provided an updated draft of the Medium Term Financial Plan to the Avon & Somerset Police and Crime Panel on 11th December 2013. This update included the proposal to increase Council Tax by 2% for 2014/15. The Final budget and precept proposal will be presented to the Police and Crime Panel at their meeting on 5th February 2014.

The Avon Fire Authority at its meeting on 13th December 2013 agreed to consult on the following two budget options:

- Option 1 a 2% increase in Council Tax
- Option 2 a Council Tax freeze

The Fire Authority will meet on 7th February 2014 to finalise its budget and set its Council Tax and precepts for 2014/2015.

The headline increase will be affected by the final decisions of the parishes, Fire and Police Authorities, and any decision made concerning special expenses (see below). Final figures will not be available until after Fire and Police meetings and decision dates highlighted above. Table 10 sets out the composite Council Tax likely to be charged:

Council Tax charges (Band D) made by	Charge made now 2013/14 £	Proposed Charge 2014/15 £	% Change
Bath and North East Somerset Council	1,201.85	1,201.85	0% (£0.00 at Band D)
Avon and Somerset Police	168.03	TBC	Final Decision to be taken on 5 th February 2014.
Avon Fire & Rescue	64.02	TBC	Final decision to be taken on 7 th February 2014
Total excluding parishes	1,433.90	ТВС	
Parishes (average)	34.45	TBC	Not known at time of writing
Total	1,468.35	TBC	The 2014/15 figure will depend on decisions taken by the Police, Fire and Parish/Town Councils

Table 10: Potential Total Council Tax 2014/15	(Band D)
	(/

The precepts required by Parishes, Fire and Police will form part of the Council Tax setting resolution at Council on 18th February 2014, and so the necessary updated information will be set out in the report.

Special Expenses

As part of the 2013/2014 Budget preparation process no special expenses were declared (with the exception of Parish and Town Council precepts). It is proposed that this policy remains unchanged for the 2014/2015 budget.

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FOLIO								
	Service	Current 2013/14 Cash Limits	Removal of One-offs (including one-off virements in 2013/14)	2014/15 Base Budget	MTSRP Growth	MTSRP Savings	Total 2014/15 Budget Changes	2014/15 Proposed Budget
		000.3	5,000	000,3	000,3	2,000	£'000	5,000
	Policy & Partnerships	1,472	(35)	1,437	261	(20)	241	1,678
	Council's Retained ICT Budgets	4,663		4,663	244	(800)	(556)	4,107
reader Council	Council Solicitor & Democratic Services	1,606	(9)	1,600	29	(75)	(46)	1,554
People	People Services	589		589				589
Improve	Improvement & Performance	1,347	(25)	1,322	24	(23)	(49)	1,273
PORTE	PORTFOLIO SUB TOTAL	9,676	(99)	9,610	558	(968)	(410)	9,200
Finance		1,648		1,648	31	(27)	4	1,652
Support	Support Services Change Programme	(4)		(4)		-		(4)
Custom	Customer Services	2,491		2,491	112	(9)	106	2,597
Risk & /	Risk & Assurance Services	974	(110)	864	10	(75)	(65)	799
Property	Property Services	512	(64)	448	36	(380)	(344)	104
Corpora	Corporate Estate Including R&M	5,431	352	5,784	57	(101)	(44)	5,740
Comme	Commercial Estate	(12,443)	(178)	(12,621)		(250)	(250)	(12,871)
Traded	Traded Services	(84)		(84)		(45)	(45)	(129)
	Strategic Director	9		9		(450)	(450)	(444)
Community Corpora Resources	Corporate items (Tourism Levy, Trading Opps, Community Use of Assets & Corporate Travel Plan)	(500)		(200)		(200)	(200)	(1,200)
	Hsg / Council Tax Benefits Subsidy	305		305		(200)	(200)	105
	Capital Financing / Interest	4,078		4,078		(1,000)	(1,000)	3,078
Unfunde	Unfunded Pensions	1,709		1,709		(30)	(30)	1,679
Corpora	Corporate Budgets incl. Capital, Audit & Bank Charges	1,604	91	1,695	2,831	(1,243)	1,588	3,283
New Ho	New Homes Bonus Grant	(1,977)		(1,977)		(688)	(688)	(2,665)
Magistrates	ates	17		17				17
Coroners	S	305		305				305
Environ	Environment Agency	205		205	8		8	212
PORTF	PORTFOLIO SUB TOTAL	4,277	91	4,368	3,084	(5,195)	(2,111)	2,257
Wellheing Adult Services	ervices	60,832	(5,459)	55,373	1,907	(1,492)	415	55,788
	Adult Substance Misuse (Drug Action Team)	546		546				546
PORTF	PORTFOLIO SUB TOTAL	61,378	(5,459)	55,919	1,907	(1,492)	415	56,334
Children	Children, Young People & Families	16,940		16,940	340	(55)	285	17,225
	Learning & Inclusion	17,257	(273)	16,984	45	127	172	17,156
Children & Youth Health,	Health, Commissioning & Planning	(113,838)		(113,838)	11	(735)	(724)	(114,561)
Schools	Schools Budget	107,283	(3,785)	103,498				103,498
PORTF	PORTFOLIO SUB TOTAL	27,642	(4,058)	23,584	396	(663)	(267)	23,317
Plannin	Planning Services	2,187	(99)	2,121	32	(47)	(16)	2,105
Homes & Planning Building Control & Land Charges	Control & Land Charges	334	(110)	224		()	10	235
Housing		2,024		2,024	13	(90)	(77)	1,947
PORTF	PORTFOLIO SUB TOTAL	4,545	(176)	4,369	55	(137)	(82)	4,287

ADDENDIY 1 ANNEY 1

Portfolio Cash	Portfolio Cash Limits 2014/15 - Revenue Budgets						APPEN	Appendix 1 Annex 1
CABINET PORTFOLIO	Service	Current 2013/14 Cash Limits	Removal of One-offs (including one-off virements in 2013/14)	2014/15 Base Budget	MTSRP Growth	MTSRP Savings	Total 2014/15 Budget Changes	2014/15 Proposed Budget
		000,3	5,000	000,3	000,3	5,000	£'000	000,3
	Arts	512		512	14	0	13	526
	Tourism & Destination Management	707		707	18	(401)	(382)	325
Sustainable	Heritage including Archives	(4,054)		(4,054)		(209)	(209)	(4,563)
nevelopment	Project Delivery	181		181	12		12	193
	Regeneration, Skills & Employment	1,021	(75)	946	157		157	1,103
	PORTFOLIO SUB TOTAL	(1,632)	(75)	(1,707)	201	(910)	(602)	(2,417)
	Service Delivery - Overheads	904		904	2	(300)	(297)	607
	Waste Services	11,021	(157)	10,864	307	(372)	(64)	10,800
	Public Protection	562	и и	562	127	(1)	126	688
Neighbourhoods	Neighbourhood Services	5,133		5,133	217	(248)	(31)	5,102
	Libraries & Information	1,977	(22)	1,952	41	(300)	(259)	1,694
	Sports & Active Leisure	888	(46)	842	75	(46)	29	872
	Community Safety	120	4 4	120				120
	PORTFOLIO SUB TOTAL	20,605	(227)	20,378	269	(1,266)	(497)	19,881
F	Transport Design & Projects	881	•	881	2	(1)	9	887
⊃a	Transportation Planning (incl. Public Transport)	5,783	(45)	5,738	97	(85)	12	5,750
	Park & Ride	(682)	-	(682)	e	(20)	(67)	(749)
CT Iransport	Highways - Network Maintenance	7,471	(51)	7,420	207	(83)	117	7,537
4	Transport Services	(140)		(140)	16	(2)	14	(126)
	Parking Services	(6,288)		(6,288)	56	()	55	(6,233)
	PORTFOLIO SUB TOTAL	7,025	(96)	6,930	385	(248)	137	7,067
	NET BUDGET	133,516	(10,066)	123,450	7,355	(10,879)	(3,524)	119,926
	Sources of Funding							
	Council Tax	71,342		71,342			1,290	72,632
	Revenue Support Grant*	31,106		31,106			(4,644)	26,462
	Retained Business Rates	20,262		20,262			692	20,954
	Collection Fund Deficit (-) or Surplus (+)	168	(168)				1,011	1,011
	Council Tax Freeze Grant	740	-	740			60	800
	Balances	9,899	(6,899)				(1,933)	(1,933)
	Total	133,516	(10,067)	123,450			(3,524)	119,926
	Council Tax - Calculation Council Tax Debit £'000 Taxbase (No. of Band D equivalent properties) Band D Charge £ %age Increase	71,342 59360.17 £1,201.85 0.00%						72,632 60433.33 £1,201.85 0.00%

<u>Chief Financial Officer's Opinion on Adequacy of Balances and the</u> <u>Robustness of the Budget</u>

The Chief Financial Officer is required to make a statement on the adequacy of reserves and the robustness of the budget. This is a statutory duty under section 25 of the 2003 Local Government Act which states the following:

(1) Where an authority to which section 32 or 43 of the Local Government Finance Act 1992 (billing or major Precepting authority) or section 85 of the Greater London Authority Act 1999 (c. 29) (Greater London Authority) applies is making calculations in accordance with that section, the chief finance officer of the authority must report to it on the following matters-

(a) The robustness of the estimates made for the purposes of the calculations, and

(b) The adequacy of the proposed financial reserves.

(2) An authority to which a report under this section is made shall have regard to the report when making decisions about the calculations in connection with which it is made.

<u>Summary Report of the Chief Finance officer and Divisional Director –</u> <u>Business Support:</u>

I have examined the budget proposals contained in this report, and believe that whilst the spending, income and service delivery proposals contained remain challenging, they are achievable in terms of the requirement to set a balanced budget for 2014/2015.

I am satisfied that, in general, the requisite management processes exist within the Council to deliver this budget, and to identify and deal with any problems which may unexpectedly arise throughout the year.

The key points to highlight are:

- Un-earmarked reserves are at a prudent levels and this Budget proposes to maintain this position. This reserve will also be utilised for invest to save initiatives going forwards but at no point is the reserve planned to fall below the risk assessed minimum level.
- This Budget recognises the challenges over the medium term financial planning period and makes some provisions for this.
- Sound financial planning processes are in place, and there is member scrutiny at appropriate stages
- Revenue spend is closely monitored on a risk assessed basis and integrated finance and performance management reports are produced monthly.

- Challenging inflation targets continue to be set which will require the focus on commissioning and procurement to be maintained to help ensure they are fully delivered.
- The new and additional income targets assumed within the Budget proposals will increase the overall risk to the budget should they not be fully achieved.
- The retained local business rates have been budgeted at prudent levels allowing for anticipated appeals risk.
- Capital schemes are managed through an integrated project management, risk and financial management process.
- The intense external pressures on public finances require annually decreasing budgets and this will need to be closely managed.

The Medium Term Service and Resource Plans rely on the delivery of strategies and action plans within individual services and it will continue to be necessary to give a high priority to the monitoring and review the implementation of these plans as part of the financial management and monitoring processes of the Council.

The significant commitment in the capital programme for 2014/2015 will require sound monitoring, review and programming of schemes for projects to meet delivery and funding expectations. Where projects form part of partnership arrangements, satisfactory partnership governance processes will need to be in place.

On the matter of unearmarked reserves, I have continued to evidence the requisite level by use of internal risk assessment. The Council is maintaining its unearmarked reserves at the appropriate risk assessed level. The 2014/15 recurring budget contains no reliance on the use of unearmarked reserves although some of these reserves (above a minimum level) will be utilised on an Invest to Save basis under the parameters set out in Appendix 1.

In view of the challenging financial climate, it remains essential that unearmarked reserves are maintained at risk assessed levels, the only prudent exceptions being to fund invest to save schemes (provided a minimum level is maintained) and to enable exceptional risks or contingencies to be funded where no other funding is available.

It will be essential in the event of any exceptional use of unearmarked reserves for the Council to continue to put in place arrangements in future years' budgets to recover the level of reserves to at least the minimum level within 3 years.

From 2001/2, the Council adopted a risk management approach, which assesses the level of unearmarked reserves required against a corporate assessment of the risk being carried. The assessed risk suggests reserves of

 \pounds 10.5M for 2014/2015 with a minimum level of \pounds 6M, excluding earmarked reserves.

My recommendation that the budget is reasonably robust and Unearmarked reserves are adequate is on the basis that the Council and the Cabinet:

- Recognise the need to continue to regularly review the level of reserves in the light of the regularly updated corporate risk assessment
- Recognise that in any use of reserves to fund 'one-off' corporate priorities on an invest to save basis, the Council needs to be clear that the overall level of reserves remains adequate and that the relevant business cases for such expenditure are fully scrutinised and monitored appropriately.
- Recognise that where there is a draw down on risk assessed reserves taking them below the minimum level, for whatever reason, this is repaid within 3 years.
- Maintain a rigorous approach to financial monitoring, particularly at this time when a significant level of savings is expected to be delivered in the financial year ahead.
- Ensures that capital schemes are funded prudently and do not rely excessively on revenue funding and do not create unaffordable revenue consequences including maintenance and other running costs
- Maintain a prudent approach to budgeting for capital receipts, given due consideration to the prevailing market conditions and the need to optimise value over the medium term.
- The Cabinet Members, Strategic Directors and budget holders achieve their cash limits for 2013/14.

Processes

Budget estimates are exactly that - estimates of spending and income made at a point in time. This statement about the robustness of estimates cannot give a guarantee about the Budget but gives members reasonable assurances that the Budget has been based on the best available information and assumptions at the time. The budget process aims to set challenging budgets while recognising the risk of this within its reserves strategy.

In order to meet the requirement on the robustness of estimates a number of key processes are in place, including:

- Specific guidance to Directorates on developing their budgets.
- A Council wide risk assessment.

- The continuing use of budget monitoring and financial outturn information to identify risks.
- The Council's s151 Officer and his staff providing advice throughout the process of budget preparation and budget monitoring.
- The Directors' review of the robustness of their budgets and budget sensitivities.

Notwithstanding these arrangements, which are designed to test the budget throughout its various stages of development, considerable reliance is placed on the Strategic Directors and Divisional Directors having proper arrangements in place to identify issues, project costs, service demands, to consider value for money and efficiency, and to implement changes in their service plans. This is supported by appropriately qualified financial support service staff.

Corporate and departmental processes will continue to develop over the MTSRP period to reflect the challenging financial position of the public sector. This will include the on-going implementation of risk assessed budget monitoring and enhancements to processes for monitoring implementation and delivery of savings.

Robustness of Estimates

The 2014/15 Budget and the supporting MTSRP continues to link financial resources to corporate priorities and risks. There are complex and difficult choices for the Council:

- To realise ongoing efficiencies
- To allocate appropriate financial resources to meet demand and reduce risk; or
- To reduce where necessary service levels and standards, frequency of service delivery, and eligibility for services.
- To ensure all resourcing decisions reflect statutory and other external requirements, as well as Council priorities.

As part of developing the Budget, Members of the administration have considered these options and they are reflected in the proposed Budget.

Most notably the Council has had to address significant reductions in government grant funding, unavoidable cost increases, and demand pressures as well as the corporate priorities including;

- Significantly reducing Government Grant funding
- Changes to government funding

- The on-going impact of welfare and benefits reforms including Local Council Tax Support
- Priorities as set out in the Corporate Plan
- Low levels of interest rates
- Demand and price pressures in Adult Social Care
- Demand and price pressures in Children's Social Care
- Realising and maximising capital receipts
- Need for capital investment in priority schemes

The assumptions used for the 2014/15 Budget and MTSRP period will require the forecasts for future years to be reviewed in light of actual circumstances. This will be undertaken early in each financial year leading to more detailed budgets being prepared for the next financial year and the medium term during the autumn of each financial year.

Given all these factors I, as the Council's Section 151 Officer, consider the estimates for 2014/15 to be sufficiently robust, and the reserves adequate, to be recommended for approval by the Council.

The medium term remains extremely challenging although the detailed MTSRP's agreed as part of the Budget in February 2013 continues to place the Council in a relatively good position over this period.

It remains likely that further service improvement and reasonable Council Tax levels, will only be achievable in the medium term through continued development of different ways of working, and clear prioritisation between services.

The Capital Budget

Projects included in the capital programme for **Full Approval** were prepared by Divisional Directors and managers in line with financial regulations and guidance. All projects were agreed by the relevant Strategic Director and Cabinet Member and are fully funded, and reviewed through the Capital Strategy Group.

Projects have been estimated and costed at outturn prices with many subject to tender process after inclusion in the programme. This may lead to variance in the final cost.

Directorates are required to work within the given cash envelope so any under or over provision must be found within these limits.

In addition, I will require a clear commitment from the Council to:

- Ensure that all future commitments on the capital programme provide for a prudent source of funding in terms of revenue provision, including where investment will lead to future revenue savings.
- Carefully consider and balance the use of capital receipts to ensure they are prudently applied to help the council manage its resources effectively and achieve its priorities
- Review capital commitments in light of any future changes to Central Government support for capital projects where they are dependent on substantial Government funding.
- Be aware of the potential risks associated with capital spend before the scheme is completed i.e. the potential for costs charged to capital budgets to revert to revenue in the event schemes are discontinued prior to completion.

The WoE City Region Deal

The City Deal as agreed between the Government, the WoE Councils and the WoE Local Enterprise Partnership will provide significant potential for investment in infrastructure projects through the creation of an Economic Development Fund.

The underlying legal framework seeks to ensure no individual Council is worse off from the arrangements and the pooling of related business rates will seek to meet associated risks relating to qualifying appeals and bad debts. The Budget estimates reflect this position.

The Capital Programme does not currently include any projects for the Economic Development Fund and the Council will need to consider the specific risks and underwriting requirements attached to these projects on an individual basis, as the business cases come forward for approval.

The City Deal is a 25 year agreement and appropriate clauses are included to deal with withdrawal from, or cessation of, the arrangements. The implications associated with either of these events would be potentially significant and beyond the scope of current budgeting or reserve provisions. Any such future decision in this regard will need to be considered in light of such information.

Estimated Available Revenue Reserves

Earmarked Revenue Reserves

The Council's earmarked revenue reserves have been reviewed as part of the 2014/2015 Budget proposal and are generally committed either directly or as a contingency provision over the medium term as set out in Appendix 1. This position will be regularly reviewed.

Non-Earmarked Revenue Reserves

Detailed in the table below is the estimated level of non-earmarked revenue reserves over future years, reflecting the specific elements within the Budget proposal as set out in Appendix 1.

	2014/15 £'000	2015/16 £'000	2016/17 £'000
Estimated Reserves @ 1st April each year	9,278	7,762	7,264
2013/2014 Projected Outturn Underspending			
Projected Invest to Save Movements	-1,516	-498	84
Estimated Reserves @ 31st March each year	7,762	7,264	7,348

Table: Projected Non-Earmarked Revenue Reserves

Assessment of Adequacy of Reserves

Under the Local Government 2003 Act the Secretary of State has reserve powers to set a minimum level of reserves. The most likely use of this power is where an authority is running down its reserves against the advice of their s151 Officer.

Determining the appropriate levels of reserves is not a precise science or a formula e.g. a %age of the Council's budget. It is the Council's safety net for risks, unforeseen or other circumstances and must last the lifetime of the Council unless contributions are made from future years' revenue budgets. The minimum level of balances cannot be judged merely against the current risks facing the Council as these can and will change over time.

Determining the appropriate levels of reserves is a professional judgement based on local circumstances including the overall budget size, risks, robustness of budgets, major initiatives being undertaken, budget assumptions, other earmarked reserves and provisions, and the Council's track record in budget management. This judgement is subject to regular review as an integral part of the Council's financial reporting cycle, and annual review by full Council as an integral part of budget-setting and medium term financial planning. Clearly, as circumstances change, the currently recommended level of reserves can be expected to change.

The recommendation on the prudent level of reserves has been based on the robustness of estimate information and the Corporate Risk Register. In addition, the other strategic, operational and financial risks taken into account when recommending the minimum level of unearmarked reserves include:

- There is always some degree of uncertainty over whether the full effects of any economy measures and/or service reductions will be achieved. Directors have been requested to be prudent in their assumptions and should have clear action plans to deliver such savings.
- The Bellwin Scheme Emergency Financial Assistance to Local Authorities provides assistance in the event of an emergency. The Local Authority is able to claim assistance with the cost of dealing with certain emergencies over and above a threshold set by the Government.
- The extent to which the Council is dependent on traded income.
- The risk of major litigation, both current and in the future.
- Risks in the inter-relation between the Council and other partner authorities and organisations.
- Unplanned volume increases in major demand led budgets, particularly in the context of high and accelerating growth.
- The need to retain a general contingency to provide for any unforeseen circumstances or emergencies, which may arise.
- The need to retain reserves for general day-today cash flow needs.

The recommendations of the Council's s151 Officer are:

- That the Council continues to maintain an absolute minimum prudent level of unearmarked reserves (excluding schools) of £6m at the end of any financial year, in addition to any specific earmarked reserves. The minimum level is designed to cope with risk and unforeseen circumstances that cannot be addressed by management or policy action within the year. Management and policy action should be the first actions taken before any resort to reserves.
- That an appropriate level of unearmarked reserves to provide resilience against day to day risks is £10.5m. This level of reserves is designed to allow the Council to withstand a measure of changes in circumstances during the year or minor variations in projected resources or spending over the period of the medium term service and resource plans.
- That the Council should restore reserves to at least their minimum level within a period of 3 years in the event they are used to meet any risks that crystallise.

	Comment / Project Description		Fully approved July 2011 Fully approved July 2011 Fully approved 2012/2013 Fully approved 2012/2013 Fully approved April 2013 Fully approved April 2013	Reserved for future decision making Business case and defailed project plan required	Fully approved 2012/2013 Fully approved 2012/2013 Proposed for full approval Fully approved 2012/2013 Fully approved 2012/2012 Proposed for full approved	Subject to April Cabiner Report Subject to April Cabiner Report Subject to April Cabiner Report Business cases and detailed project plan required Business case and detailed project plan availed Business case and detailed project plan availed Busines case and detailed project plan availed Busines case and detailed project plan availed Business case and detailed project plan availed Busines case and detailed project plan availed Busines busines busines Busines project plan availed Busines busines Busines busines busines Busines busines busines Busines busines busines Busines busines Busines busines busines Busines busines busines Busines busines busines busines Busines busines busines busines Busines busines busines Busines busines busines Busines	Fully approved Fabruary 2013 Fully approved taining 2013/14 Fully approved April 2013 Fully approved April 2013 Proposed for full approved	Business case and detailed project plan required Business case and detailed project plan required Business case and detailed project plan required Business case and detailed project plan required
ing	RIF / Development Funding	000.3			o		0	o
Total 5 Year Funding	Grants / External Funding	000,3	2,713 0 255 567 567 1,534 1,534	3,656 0	10,006 70 0 0 0		12,458 1,155 90 0 0	0 198 0 1,443
4 1	Borrowing / Capital Receipts	000,3	9.328 9.328 8.77 1.417 0 40 0 0 0	0 5,200	16,072 34 1,398 578 93 480 325	0 278 278 1,484 1,684 1,686 1,088 250 250 250 250 250 250 250 250 250 250	12,420 194 100 100 100	400 0 1,000 1,894
	Overall Project Total	000,3	21,164 1,633 1,835 1,835 1,835 1,835 1,835 1,835 1,492 910 1,234 1,224	3,656 5,200	39,173 570 3,417 836 125 500	2,000 2,0000 2,000 2,000 2,0000 2,000 2,000 2,000 2,000 2,000 2,000 2,00	27,673 1,573 140 200 1,051 100	400 198 1,000 4,662
	Total Cost 5 Years	000,3	12,041 12,041 87 855 555 567 40 1,534 1,224	3,656 5,200	26,078 104 1,398 578 93 480 325	10,085 15,085 15,085 1,464 1,464 1,464 1,464 1,464 1,464 1,464 1,0000 1,0000 1,0000 1,0000 1,00000000	24,878 3,49 90 100 100 100	400 198 1,000 3,337
Budget	2018/2019	000,3			o &	ę	8	0
Budget	2017/2018	000,3			o 6	300 88 85 350 88 85	1,361	100 100
Budget	2016/2017	000,3		1,723 5,000	6 ,72 3 40	3,3,30 5,5,5 5,6,5,5 5,6,5,5 5,6,5,5,5,5	4,120	200 500 700
Budget	2015/2016	000,3	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	1,715 100	3,272 40	3,300 278 297 297 297 50 1,000 1,000 1,000 200	6,280	100 500 600
Budget	Total 2014/2015	000,3	10,592 87 1,417 2,55 567 567 567 57 57 1,534	218 100	16,083 104 1,388 578 93 310 325	3,435 35,53 35,53 35,53 1,1,000 1,0000 1,00000000	13,021 1,349 90 100 100	0 198 0 1,937
Budget	Required 2014/2015	000,3	4,954 766 567 1,429 1,216	218 100	9,250 70 405 578 -170 325	3,435 3,435 35 35 35 35 35 250 250 255 255 255 255 255 255 255 25	11,021 100 100 100	28 328
Projected Re-	phasing from 2013/2014 to 2014/2015 and Future Years	000,3	5,638 87 651 255 57 61		6,833 34 993 93 480	100 5 0 25	2,000 1,349 90	170 1,609
Actual /	Actual / Projected Spend pre 2014/2015	000,3	9,123 1,546 148 146 925 870 870		13,095 466 2,019 258 32 20 20		2,795 224 50 100 951 0	0 0 1,325
	Forecast Outturn 2013/2014	000,3	5,150 116 140 6 6 654 6554		6,799 349 330 258 17 4 0		1,558 218 0 886 886 0	0 0 1,204
	PY Spend pre 2013/2014	000,3	3,973 1,430 2.78 140 2.69 2.16 0		6,296 117 1,089 0 15 16		1,237 6 50 65	121
		Project Title	PLACE Planning & Transport Ful Approval BTP - Main Scheme BTP - Property BTP - Property BTP - Property SWIEP E-Purse SWIEP E-Purse SWIEP E-Purse Bathesation Bridge Bathesation Bridge Bathesation Bridge Bathesation Bridge Corel Still Ambion	Provisional Approval Transport Improvement Programme Park and Ride East of Bath	Sub Total - Planning & Transport Environmental Services Full Approval 20mph Sciennes 20mph Sciennes Netionia Bridge Netionation Relightoric Services - Vehicles incl Tracking / Cleansing Relightories Relightories Beechen Cliff Woodland & Other Open Spaces Improvements Highways Mainterance - Vehicles	Provision poproval Highways minimance Block. Highways Maintenance Block. Highways Maintenance Block. Annot a service scrose - Vehicles Neighbourbod Services - Vehicles Parking - Phole Reposement Programme Parking - Phole Reposement Programme Parking - Enforcement Hand Held Computer Terminal Replacement Re	Sub Total - Environmental Services Tourism, Leisure & Culture Odd Down Playing Fields Development Beau Street Coin Heard Visitor & TII (Management System Temple Precinct	Provisional Approval Heritage Infrastructure Development Beau Street Colin Hoard Euser Centre Capital Marthrance Roman Batis Development Phase 2 Sub Total - Tourism, Leisure & Culture

APPENDIX 1 ANNEX 3

Capital Programme - 2014/2015 - 2018/2019

					Budget	Budget	Budget	Budget	Budget	Budget			Tot	otal 5 Year Funding	bu	
	PY Spend pre 2013/2014	Forecast Outturn 2013/2014	Actual / Projected Spend pre 2014/2015	Projected Re- phasing from 2013/2015 and 2014/2015 and Future Years	- 10	Total 2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Total Cost 5 Years	Overall Project Total	Borrowing / Capital Receipts	Grants / External Funding	RIF / Development Funding	Comment / Project Description
Project Title	000,3	000,3	2,000	000,3	000,3	000,3	000,3	000.3	000,3	000,3	000,3	000,3	000,3	000,3	£,000	
Full Approval BWR - Council Project Team BWR - Council Project Team BWR - Affordable Housing BWR - Affordable Housing BWR - Read Regeneration London Read Regeneration London Read Regeneration BWR - Replacement of Destructor Bridge BWR - Replacement of Destructor Bridge	948 3,070 0 983 983 284 17 1 0 0	444 444 950 0 277 534 534 350 1,690	1,392 4,413 4,413 4,413 6,1 1,490 551 551 350 1,690 1,646	108 37 1,384 600 600 40 1,014 1,014 1,100 -100 -154	234 1,000 1,800 4,850 2,600	342 342 3,184 0 1,014 449 449 449 449 2,410 154	154 1,000 600	450 90			496 2,487 3,184 690 40 1,014 449 449 2,4750 2,4750 2,4750 154	1,888 6,900 6,900 6,900 6,900 6,900 6,900 1,575 1,575 1,575 1,000 5,100 5,100	108 778 597 690 690 40 668 668 668 449 0 0	388 1,709 2,887 0 346 0 0 0 0	4,750 2,410 154	Euly approved - continuation of Phase 1 of project Fully approved - continuation of Phase 1 of project Fully approved - continuation of Phase 1 of project Euly approved Drame in January 2012 Euly approved 2012 2013 Fully approved Pednary 2013 Fully approved April 2013 Fully approved April 2013 Fully approved April 2013
Provisional Approval Ban Guays Topologing Construction River Contridor Fund Digital Bak/NS Midsonar Notron Business Centre Sub Total - Regeneration Skills & Major Projects	8,668	0 0 0 7,741	0 0 16,409	250 3,746	2,250 340 350 125 13,549	2,500 340 350 125 16,695	1,200 2,954	540	•	0	2,500 340 350 1,325 20,189	2,500 340 350 1,325 36,598	340 50 875 4,295	0 300 450 6,080	2,500 9,814	Detailed project plan required Detailed project plan required Detailed project plan required Detailed project plan required
Total PLACE	16,322	17,302	33,624	14,188	34,148	47,736	13,106	12,083	1,461	96	74,482	108,106	34,681	29,987	9,814	
PEOPLE & COMMUNITIES								_								
Children's Services Children's Services St darks & h Form St Gregs, St Marks & h Form Schools Devoked Capital Weston All Saints Primary - Basic Need Weston All Saints Primary - Basic Need Paulton Inhart - Basic Need St Saviour's Junior - Basic Need St Saviour's Junior - Basic Need School Energy Investic Save Fund School Energy Investic Save Fund Early Vertrey 2/r Olds Funding / S106	,000 6 6 7 1 1 2 0 2 0 2 0 2 0 2 0 2 0 2 0 2 0 2 0 2 0	1,304 0 0 123 535 53 53 746 53 331	2,304 0 521 129 342 342 73 342 342 342 342 342 342 342 342 342 34	72 724 176 330 593	1,000 355 680 680 895 895 375 203	72 1,000 355 1,404 651 1,404 651 1,488 1,488 1,488 7,2 375 203	20 415				72 355 1,404 671 671 1,488 1,488 1,488 7,488 72 72 72 203	2,376 1,000 355 1,925 800 915 1,830 11,5 790 237	0 200 200 200 200 200 200 200 200 200 2	0 1,000 355 671 404 1,404 1,404 1,488 72 203 2230		Fully approved 2011/2012 Proposed for full approval Proposed for full approval Fully approved 2012/2013 Fully approved 2012/2013 Fully approved 2012/2013 Fully approved June 2013 Proposed for full paproval Fully approved December 2013 Fully approved December 2013
Provision Approval Stroots with Maintenance Programme Schools Boyta Maintenance Programme Schools Boyt Need Schemes Oddfield Pri Junior - Basic Need Paulton Jumor - Basic Need Paulton Jumor - Easic Need		0 0		795	978 148 65 353	795 978 1148 250 65 353	1,000 6,375 150 715	6,694 455	65		795 1,978 13,218 400 1,300 353	795 1,978 13,218 400 1,300	000000	795 1,978 13,218 400 1,300 353		Detailed project plan required Detailed project plan required
Sub Total - Children's Services	1,092	2,875	3,967	2,690	5,870	8,560	8,675	7,149	65	0	24,449	28,416	572	23,877	0	
Adult Social Care & Housing Full Approva PSS Grant Unallocated Gyps, & Traveller Sites Disabled Facilities Grant	00	0 8	0 8	385	1,000	385 0 1,000					385 0 1,000	385 80 1,000	000	385 0 1,000		Fully approved 2011/2012 Proposed for full approval
Provisional Approval Disabled Facilities Grant Afroctable Housing Afroctable Housing		85	0 85	465 695	550 1,775	0 1,015 2,470	1,000	1,000	1,000		3,000 1,015 2,470	3,000 1,100 2,470	0 1,015 1,720	3,000 0 750		Detailed project plan required Detailed project plan required Datailed project plan required
Sub Total - Adult Social Care & Housing	0	165	165	1,545	3,325	4,870	1,000	1,000	1,000	0	7,870	8,035	2,735	5,135	0	
Total PEOPLE & COMMUNITIES	1,092	3,040	4,132	4,235	9,195	13,430	9,675	8,149	1,065	0	32,319	36,451	3,307	29,012	0	
							1									

					Budget	Budget	Budget	Budget	Budget	Budget			Tot	Total 5 Year Funding	ing	
	PY Spend pre 2013/2014	Forecast Outturn 2013/2014	Actual / Projected Spend pre 2014/2015	Projected Re- phasing from 2013/2014 to 2014/2015 and Future Years		Total 2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Total Cost 5 Years	Overall Project Total	Borrowing / Capital Receipts	Grants / External Funding	RIF / Development Funding	Comment / Project Description
Project Title	000,3	000,3	000,3	000.3	000,3	000,3	000,3	000.3	000,3	000,3	000,3	000,3	000,3	000,3	000,3	
RESOURCES & SUPPORT SERVICES																
Property Services Full Approval Workplaces Programme Delivery Keynsham Regeneration & New Build Lewis House (rth: Commis Huk & OSS)	3,453 4,703 5,313	458 16,855 7	3,911 21,558 5,320	106 7,316 237	3,114 5,300	3,220 12,616 237	4				3,224 12,616 237	7,135 34,174 5,557	3,224 12,616 237	000		Fully approved Fully approved Fully approved
The Hollies	1,782 556 010	1 704	1,783 1,260	45 131 20	905	45 1,036 70					45 1,036 20	1,828 2,296	45 1,036 70	000		Fully approved Proposed for full approval
Uisposals Programme Key Disposal Programme Commercial Estate Investment Fund	900 000	285 122 50	641 122 50	53 128 150	200	53 128 350					53 128 350	634 250 400	53 128 200	0 150		F-ully approved 2013/2014 Fully approved 2013/2014 Proposed for full approval
Saw Close Development South Road Car Park MSN	0 22	48 135	70	210 20		210 20					210	280 155	210 20	00		Fully aproved 2012/2013 Fully approved February 2013
Grand Parade & Undercroft Equality Act Works	0	439	439	ō,	4,835 552	4,826 552	25				4,851 552	5,290 552	4,851 552	0 0		Fully approved May 2013 Proposed for full approval
Englis hcombe Lane Cattlemarket/Cornmarket					20 35	20 35	10	:			8 8	30	30	00		P roposed for full approval P roposed for full approval
HOSEOBERY Place 1 - 3 James Street West 7 - 9 Lower Borough Walls					25 55	25 55 55	15 25 20	15			50 75 75	50 175 75	50 175 75			Proposed for full approval Proposed for full approval Proposed for full approval
Provisional Approval Corporate Estate Planned Maintenance						0	905	905	905		2,715	2,715	2,715	0		Detailed project plan required
Equality Act Works Disposals Programme (Minor) Aconitistions - Enture Bavionus Generation					50	0 50	552 200 5 000	552 200	552 200		1,656 650 15,000	1,656 650 15,000	1,656 650 15,000	000		Detailed project plan required Detailed project plan required Business case and detailed project plan required
Requirements - 1 tute 1 technic centration Bath Quays Grand Parade and Undercrift - Phase 2 Grand Parade and Undercrift - Phase 3					1,000	1,000	3,700				1,000 1,000 3,700	1,000 3,700	1,000 1,000 3,700			usiness case and detailed project pan required Business case and detailed project plan required Business case and detailed project plan required Business case and detailed project plan required
Sub Total - Property Services	16,185	19,105	35,290	8,387	27,226	35,613	10,471	1,682	1,657	0	49,423	84,713	49,273	150	0	
Support Services Full Approvations Desktop Data Service - VDI Technology Dustom@Conses System IT Asset Indresh (Services and Network)	0 411	853 499 33	853 613 33	532 462 139	-310 283	222 462 422			06	135	447 462 422	1,300 1,075 455	447 462 422	000		Fully approved February 2013 Fully approved February 2012 Processed for full approval
Provision Proval					260	260	160	100	100		000 1	1 200	1 200	c		Duringen and dativited evolves also required
People & Communities - IT System Replacement Biomass Energy Efficiency Fund				250	520	250 500	200	250	2		500	500	500	000		Business case and detailed project plan required Business case and detailed project plan required
Green investment & Job Opportunities Fund New Customer Payments & Library Kiosks Agresso System Development & 5.6 Upgrade					1,000 145 143	1,000 145 143	;				1,000 145 143	1,000 145 143	1,000 145 143	000		business case and detailed project plan required Business case and detailed project plan required Business case and detailed project plan required
II Asset Herresn (bervers and network) Civica Income Management System Developments					60	09	<u>'</u> ,				24/ 09	à 69	347 60	0 0		business case and detailed project plan required Business case and detailed project plan required
Sub Total - Support Services	114	1,385	1,499	1,383	2,171	3,554	1,297	650	190	135	5,826	7,325	5,826	0	0	
Strategy & Performance Full Approval LAA Performance Reward Grant	171	68	260	149		149					149	409	0	149		Fully approved September 2011
Provisional Approval Community Partnership Grants Cleveland Pools			0 0		1,000 200	1,000 200					1,000 200	1,000 200	1,000 200	0 0		Detailed project plan required Detailed project plan required
Sub Total - Strategy & Performance	171	89	260	149	1,200	1,349	0	0	0	0	1,349	1,609	1,200	149	0	
Total RESOURCES & SUPPORT SERVICES	16,470	20,579	37,049	9,919	30,597	40,516	11,768	2,332	1,847	135	56,598	93,647	56,299	299	0	
Capital Contingency		2,430	2,430			0					0		0	0		
Grand Total	33,884	43,351	77,235	28,342	73,940	101,682	34,550	22,564	4,373	231	163,399	238,204	94,287	59,298	9,814	

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School	Project	Value
Westfield Primary School	Resurface playground	£101,342
Chew Valley School	Renew north-facing low-level windows to classrooms	£58,900
Chew Valley School	Replace & repair spalling concrete Phase 1	£14,500
Moorlands Junior School	Renew hot water circulation pipework	£17,400
Chew Valley School	(Re-)surface tarmacadam roads - Phase 1	£38,000
Southdown Infant School	Replacement of remaining original windows, window walling and timber cladding to toilet area	£102,400
Newbridge Primary School	Renew flat roof covering Phase 1 - north of main corridor and Phase 2 - single storey main corridor, entrance area, dining area, old Kitchen area	£85,000
St Martins Garden Primary School	Replace all water stained damaged internal ceilings with new suspended ceiling	£40,450
Marksbury CofE Primary School	Replace damaged roof support walls and treat woodworm. Re-roof slate pitched roof	£53,600
Pensford Primary School	Refelt and batten pitched roof - replace damaged lead flashings fascia/soffit	£73,700
St Martins Garden Primary School	Repair boundary wall as various areas have deteriorated over the last 2 years	£20,000
Moorlands Junior School	Replace aluminium framed windows and doors - Phase 2	£88,200
Whitchurch Primary School	Replace defective roof covering to pitched roofs Phase 1	£80,000
Bathampton	Resurface Playground	£16,800
	Fees	£120,000
	Contingency	£89,708
Total		£1,000,000

Schools Capital Planned Maintenance Budget 2014/15

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Business Unit	Project	Value
Royal Victoria Park	Dismantle and rebuild access steps to tennis courts	£6,500
Guildhall Offices & Public Rooms	General Fire Precaution Works	£37,000
Radstock Road Depot	Defective interceptors & Gullies as per EA inspection report	£3,500
Guildhall Offices & Public Rooms	Guildhall Roof	£293,000
Broad Street Car Park	Resurface parking area	
14 Broad Street - Car Park Space at rear	Resurfacing works to be included within works for main car party - Broad Street CP07	£166,000
Haycombe Cemetery	Replace rotten doors and frames and corroded windows	£10,000
Peasedown YC	Redundant Main Panel Board	£38,000
Haycombe Crematorium	Delapidated toilet block in need of refurbishment/alteration & updrading to curren legislation	£71,000
Radstock Children's Centre	Replace roof finish to flat roof and extension	£34,000
Braysdown depot outbuilding	Electrical installation close to end of life	£17,500
Church St Radstock-Car Park	Replace broken down sections of chain link fencing	£7,500
Church St Radstock-Car Park	Resurface tarmacadam parking area	£62,000
Labbott The Keynsham - Car Park	Tarmacadam resurfacing and bay painting to southern car park 02	£17,000
Charlotte Street Car Park	Resurface main parking areas in phases in order of priority	£33,000
	Fees	£109,000
Total		£905,000

Corporate Estate Planned Maintenance Budget 2014/15

Equalities Act Works 2014/15		
Business Unit	Project	Value
12 Charlotte Street	Equalities Works	£4,500
Clutton Depot	Equalities Works	£45,900
Guildhall	Equalities Works	£100,800
Haycombe Crematorium	Equalities Works	£66,600
Lewis House	Equalities Works	£38,700
Old Welton Recycling	Equalities Works	£32,400
Pixash Lane	Equalities Works	£34,200
Radstock Road Depot	Equalities Works	£47,700
The Hollies	Equalities Works	£66,600
Bath Central Library	Equalities Works	£22,500
Midsomer Norton Library	Equalities Works	£6,300
Moorland Road Library	Equalities Works	£2,700
Radstock Library	Equalities Works	£4,500
Saltford Library	Equalities Works	£1,800
Weston Library	Equalities Works	£6,300
	Fees	£58,500
	Contingency	£12,000
Total		£552,000

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FUNDING AVAILABLE		£'000
	LTP - Integrated Transport Block Grant	1,723
plus	Plus S106 Contributions	44
less	Contributions to Schemes with Full Approvals	
	20mph Speed Limits	-70
	Cycle Ambition Fund	-50
	Contributions held for schemes to be seperately	
less	approved	
	MetroWest - the Greater Bristol Metro Project	-188
	Metrowest - the Greater Distor Metro Project	-100
	Rossiter Rd Traffic Management (Contra Flow	
	Cycle Facility)	-30
	TOTAL FUNDING AVAILABLE	1,429

Transport Improvement Programme Draft for Consultation 2014/15

PROPOSALS		£'000
Ward	Project	Value
Local Safety Schemes		
Various	Anti-Skid Surfacing	10
Various	AIP Scheme Investigation & design only	10
Bathavon West	Tunley Fork	85
	Local Safety Schemes Sub-total	105
Pinch Point Schemes		
Bathavon West	A367 Odd Down Improvements (P&R access)	300
Keynsham North	A4 Hicks Gate Junction improvement (Feasibility)	10
	Pinch Point schemes Sub-total	310
Local Sustainable Transpo	ort Projects	
Various	Transitions schools project	35
Various	Bike Loan scheme	10
	LSTF schemes Sub-total	45
Managing Congestion		
Abbey/Kingsmead	Residents' Parking schemes	50
Various	Parking schemes	45
	Managing Congestion Sub-total	95
Safer Routes to Schools		
High Littleton	A39 Wells Rd Footway Provision Ph 2 High Littleton	60
Twerton	Twerton Traffic Calming	35
Clutton	Station Road/Rogers Close Clutton (Feasibility)	5
	Safer Routes to School Sub Total	100

Appendix 1 Annex 3iii

		(cont)
PROPOSALS		£'000
Ward	Project	Value
Cycle Schemes		
Various	Copseland/Oakley Junction Toucan (design)	20
Various	Cycle Parking	5
Bathwick/Abbey	Darlington St incorporate cycle crossing into signals	35
Widcombe	Rainbow Woods to Ralph Allen Drive Cycle Lane (feasibility)	5
	Cycle Schemes Sub-total	65
Pedestrian Schemes		
Various	Aids to Mobility eg Dropped Kerbs & ped improvements	40
Various	Public Rights of Way	90
Bathavon West	Turnley - Overdale Footway	75
Oldfield	Moorland Road/Herbert Rd Raised Table	20
Lansdown	Lansdown Rd Zebra Crossing at Guinea Lane	50
Weston	Lansdown Lane Footpath	17
Kingsmead/Widcombe	Bath Quays Foot/Cyclebridge Study	10
Kingsmead East	Keynsham Bath Road Zebra	15
	Pedestrian Schemes Sub-total	317
Traffic Management Schemes		
Various	Minor Improvements (incl legacy projects)	95
Bathavon North	Toll Bridge Road Batheaston mini R/A	20
Bathavon West	Redhill/Meadgate Camerton mini R/A	45
Clutton	Trident Industrial Estate feasibility	10
Bathwick	Oakley/Claverton Down Rd Junction Improvements Study	6
Lambridge	Gloucester Road Traffic Management Study	5
Paulton	Paulton Traffic Management (S106)	44
Combe Down	Ralph Allen Drive Junction Improvement (feasibility)	10
	Traffic Management Schemes Sub-total	235
Miscellaneous		
	JLTP Development and monitoring	80
	WoE Contribution	15
	Decluttering Programme	14
	Capital Programme Management	48
	Miscellaneous Sub-total	157
	TRANSPORT IMPROVEMENTS TOTAL	1,429
Contingency Scheme		
Saltford	Saltford Toucan Crossing Upgrade	90

Council MRP Policy

Bath and North East Somerset will make a prudent minimum revenue provision for all new unsupported borrowing from 1st April 2008.

For all Government Supported Borrowing

a) The Council will determine that its MRP is equal as the amount determined in accordance with the former regulations 28 and 29 of the 2003 Regulations, as if they had not been revoked by the 2008 regulations.

For all new schemes of Council supported borrowing after 1st April 2008 it will use the Asset Life Method

b) This will be calculated where capital expenditure on an asset is financed wholly or partly by borrowing or credit arrangements, MRP is to be made in equal annual instalments over the life of the asset, in accordance with the following formula:

Where-

A is the amount of the capital expenditure in respect of the asset financed by borrowing or credit arrangements

B is the total provision made before the current financial year in respect of that expenditure

C is the inclusive number of financial years from the current year to that in which the estimated life of the asset expires.

c) Subject to paragraph f below, MRP will normally commence in the financial year following the one in which the expenditure was incurred.

d) Asset life. The estimated life of the asset will be determined in the year that MRP commences and not subsequently be revised.

e) Freehold land. If no life can reasonably be attributed to an asset, such as freehold land, the life will be taken to be a maximum of 50 years. However, in the case of freehold land on which a building or other structure is constructed, the life of the land will be treated as equal to that of the structure, where this would exceed 50 years.

f) Construction period. When borrowing to construct an asset, the authority will treat the asset life as commencing in the year in which the asset first becomes operational. It may accordingly postpone beginning to make MRP until that year. "Operational" here has its standard accounting definition. Investment properties will be regarded as becoming operational when they begin to generate revenues.

g) In respect of loans to third parties supported by borrowing, where these are treated as capital expenditure, and contractual terms are in place to secure repayment over a period not exceeding the life of the asset, the Council will not charge MRP on the related expenditure.

COUNCIL TAX LEVELS 2013/2014 All of England Unitary Councils

Authority	2013/14
Windsor & Maidenhead	£ Band D 946
Isles of Scilly	1,030
Bracknell Forest	1,030
	-
Kingston-upon-Hull Thurrock	1,118 1,125
Peterborough	
0	1,128
Southend-on-Sea	-
Milton Keynes	1,138
Medway	1,141
York	1,144
Derby City	1,145
Swindon	1,146
Telford & Wrekin	1,147
Warrington	1,159
Halton	1,160
Shropshire	1,165
North Somerset	1,165
Portsmouth	1,172
Slough	1,173
Stoke-on-Trent	1,183
Bath & North East Somerset	1,202
Luton	1,207
Poole	1,210
Darlington	1,215
East Riding of Yorkshire	1,216
Cheshire East	1,216
Wiltshire	1,222
Wokingham	1,223
Average - Unitaries	1,228
Herefordshire	1,228
Cornwall	1,244
South Gloucestershire	1,245
North East Lincolnshire	1,248
Bournemouth	1,250
Leicester City	1,252
Torbay	1,261
Southampton	1,263
West Berkshire	1,263
Blackburn with Darwen	1,267
Plymouth	1,270
Cheshire West and Chester	1,275
Durham	1,283
North Lincolnshire	1,284
Brighton & Hove	1,287
Stockton-on-Tees	1,288
Isle of Wight	1,290
Bedford	1,305
Blackpool	1,306
Central Bedfordshire	1,308
Reading	1,313
Middlesbrough	1,331
Redcar & Cleveland	1,363
Bristol	1,365
Northumberland	1,373
City of Nottingham	1,404
Hartlepool	1,419
Rutland	1,431

Opening Budget Gap as per 2013/2014 Budget	2014/15	
		2015/16
	SM3	EM'S
	1.06	2.95
Medium Term Plan Variations		
- Changes to Financial Planning Assumptions	0.76	0.87
- Trading Opprtunities	0.50	0.25
- Community Assets / Asset Consolidation	0.50	
- Adjustments to MTSRP Growth	-0.45	-0.15
- Additional Capital Proposals (Revenue Costs)	1.00	0.40
Revised Estimated Budget Gap	3.37	4.32
Settlement and Tax Base Changes		
- Net change from provisional financial settlement	-0.45	-0.14
- Net change from approved council tax base	-1.10	
Total Estimated Budget Gap	1.82	4.18

Further Savings Proposals for 2014/2015	Sub Total	2014/15	2015/16
	£M's	£M's	£M'S
Corporate Ongoing additional debt interest savings arising from debt restructuring in 2013/2014 Increase in the assumed Council Tax Collection Rate from 98.25% to 98.75% Reductions in External Audit Fees following changes to Audit Commission and new contracting arrangements Reduction in cost of historic unfunded pensions relating to previous Avon Council Miscellaneous - review of other retained corporate budgets	1.00 0.40 0.05 0.03 0.05	1.53	
Place Waste Related Budgets - reducing tonnages of waste (including landfill) Heritage - additional increased income target Transport - demand for concessionary fares Park & Ride - increased income	0.25 0.25 0.07 0.07	0.64	
People & Communities Adult Social Care - more efficient home care contract arrngements.	0.50	0.50	
Resources Housing Benefits - technical subsidy adjustment Procurement and Efficiency savings Property Budgets and Improvement & Performance - Efficiency Savings linked to review of Regeneration and Skills*	0.20 0.20 0.15	0.55 3.22	
i otal Further Savings Identified		9.22	

FINAL PROPOSED BUDGET	2014/15	2015/16
	S'M3	£M'S
Total Budget Gap / (Budget Surplus)	1.82	4.18
Less further savings identified	-3.22	
Revised Total Budget Gap / (Budget Surplus)	-1.40	4.18
On-Going Resource Allocation Proposals for 2014/2015		
Reduced the overall saving requirement for Early Years and Childrens Centres	0.50	
Reduced the overall saving requirement for Public Protection	0.10	
Allocation to Financial Planning Reserve and utlise for reduction of 2015/2016	0.80	-0 <i>80</i>
budget gap		

FINAL PROPOSED BUDGET GAP / (BUDGET SURPLUS)

3.38

00.00

BUDGET SETTING PROCESS – ADVICE OF THE MONITORING OFFICER

PROCESS

- 1. It is important to be clear on the process to be followed in setting the 2014/15 Budget. This paper sets out the guidance provided by the Council's Monitoring Officer.
- 2. The Cabinet has the responsibility to prepare and propose a draft Budget to Council for its approval.
- 3. The Cabinet can, in its absolute discretion, receive from any political group that so wishes, an alternative budget proposal to that published in the Cabinet agenda papers .It can only consider such proposals if it is satisfied that they have been discussed with the Council's statutory officers and relevant Directors and that an impact statement from Officers about such proposals is available.
- 4. All proposals that the Cabinet meeting is prepared to consider will therefore be cleared with the Section 151 Officer, the Monitoring Officer, and relevant Strategic / Divisional Directors beforehand.
- 5. The Cabinet will formulate a budget proposal and Council Tax recommendation to the Council meeting on 18th February 2014. Such budget proposal may either take the form of a composite proposal or may include agreed core proposals and options for allocating parts of the budget.
- 6. The Council has available to it at the budget setting meeting two options. It can object to specific parts of the proposals and if it does so must require the Leader on behalf of Cabinet to reconsider its proposals. The Council is required to give the Cabinet the reason(s) why it considers those proposal(s) should be changed and it is then for the Cabinet to consider those proposed changes and the reasons put forward. Alternatively it is, of course, open to the Council to accept the budget in its proposed form at the meeting, in which case no further action is necessary.
- 7. Council may then determine the budget on the basis of the Cabinet's recommendations as set out in paragraph 5 above plus any insignificant changes adopted as amendments at the Council meeting. The constitution provides that the meeting itself (on advice from the Chief Executive) will decide whether any amendment to the budget proposals is of such significance as to amount to an "objection" to the budget so as to require reconsideration by the Cabinet.
- 8. However if a significant proposal is accepted on a vote at Council, from those notified at the Cabinet meeting, this stands as a formal objection within the terms of the law and will be referred to the Leader for him to secure consideration by the Cabinet and report back to the Council meeting on 27th February 2014.
- 9. When the Cabinet has considered the objections, it is required to put its proposals (which may or may not be revised) back to the Council Meeting. If the Cabinet does not agree with Council's views on a proposed change, it is required to state why and the Council can then take those reasons into account, along with its original thoughts

as to why the change was desirable. At the meeting, it is open to Council to take such decision as it sees fit on any variation from the budget as originally proposed that has been the subject of consideration under the process outlined in paragraphs 6 to 8.

- 10. In setting the budget the Council is required to approve a full budget resolution including the police, fire and parish precepts and the proposed Council revenue and capital budgets for 2014/15. That budget will include within it the overall proposed Council cash limits for 2014/15 including the provision for inflation, the proposed use of balances in the 2014/15 budget (if any) and the resulting budget requirement and Council Tax for Bath and North East Somerset including any recommendations for special expenses. The Council will also approve the borrowing limits for 2014/15 and prudential indicators.
- 11. Legally, the Council must set a balanced budget for the forthcoming year and determine the level of Council Tax. If a budget is not set by the date of the reserve budget-setting meeting (27th February), this will lead to a delay in billing and a loss in council tax cash flow. It is highly likely that this will also translate into a higher level of uncollectable debt and debt collection costs and in addition this will significantly impact on council tax performance indicators. A delay until 27th February will also compromise the Council's ability to meet current billing deadlines, and there is a serious risk billing will be delayed also with negative cash flow impacts.
- 12. The final Council Tax set will encompass all parish and police and fire precepts (that is the money we collect on behalf of the parishes, fire and police and pay to them).

Vernon Hitchman Divisional Director – Legal & Democratic Services (Monitoring Officer)

Purpose and scope

- 1.1 The purpose of the statement is to provide a clear and transparent policy to the public, which demonstrates accountability and value for money for the financial year 2014-15.
- 1.2 The policy statement meets the Council's obligations under the Localism Act 2011 [Section 38 (1)] and the associated statutory guidance set out in the Openness and Accountability in Local Pay: Guidance and Supplementary Guidance under section 40 of the Localism Act (February 2012 & 2013) together with the Code of Recommended Practice for Local Authorities on Data Transparency (September 2011) from the Department for Communities and Local Government
- 1.3 It articulates the Council's policies towards a range of issues relating to the pay (including severance pay) of its direct workforce, in particular its Chief Officers, as defined by the Local Government and Housing Act 1989 and lowest paid employees. Details of 'Chief Officers' employed by the Council can be found on the Council's public website.
- 1.4 The Council's pay arrangements reflect the need to recruit, retain and motivate skilled employees to ensure high levels of performance balanced with accountability on the public purse. The policy recognises flexibility which is essential in delivering a diverse range of services and is underpinned by principles of fairness and equality.
- 1.5 The pay policy statement applies to both the lowest and the highest paid. In accordance with provisions of the Localism Act, it does not extend to schools and this statement does not, therefore, include school based employees.
- 1.6 The statement is approved by Full Council, i.e. not delegated as an executive or committee function, in advance of the financial year to which it relates and must be reviewed at least annually. Any amendments will be approved by Full Council.
- 1.7 The statement is published on the Council's public website.

Definitions

For the purposes of this Pay Policy Statement the following definitions apply:

- 2.1 **'Pay'** in addition to base salary includes charges, fees, allowances, benefits in kind, increases in/enhancement to pension entitlements and termination payments where applicable.
- 2.2 **'Chief Officers'** refers to the following roles in the Council:

Statutory Chief Officers are:

- Chief Executive, as 'Head of Paid Service'
- Strategic Director People & Communities, as 'Director of Children's Services' and 'Director of Adult Social Services'
- o Divisional Director Legal & Democratic Services as 'Monitoring Officer'
- Divisional Director –Business Support, as Section 151 Officer ('Chief Financial Officer')

Non- Statutory Chief Officers are:

- Strategic Director Place
- Strategic Director Resources
- Other Directors/Heads of Service are: senior managers who report direct to/or are accountable to a statutory or non-statutory Chief Officer in respect of all or most of their duties.
- 2.3 **'Lowest paid employee'** refers to those employees in substantive full time employment currently earning £12,435.00 gross per annum. In accordance with national agreements, this is now the lowest scale point in the Council's pay structure. The Council has agreed to monitor and review pay at the lowest end of its pay scale but has resolved not to implement the Living Wage in view of financial constraints at this time.

General principles & practice

3.1 All policy matters relating to the Council's role as an employer including pay under section 112 of the Local Government Act, 1972 are delegated to the Employment Committee. The Restructuring Implementation Committee determine appointments to or dismissal from the posts of Strategic Director and other JNC Officers reporting to the Chief Executive, or Head of Paid Service, subject to there being no objection to the appointment/dismissal being lodged by the Leader of the Council and recommends to the Council the appointment or dismissal of the Head of Paid Service, the Monitoring Officer and the Chief Financial Officer.

Principles:

- 3.2 Bath & North East Somerset Council values all its employees and aims to apply a consistent and fair approach to pay and benefits in line with the following principles:
 - To work within financial constraints and use those limited funds in the most effective way to support the Council in the provision of quality cost effective services and its workforce needs
 - To aim for consistency and fairness in the processes used to manage pay and benefits, as appropriate to service delivery and in line with its commitment to remaining within the framework of the relevant national pay and conditions agreements
 - To promote an equal pay agenda by ensuring that pay and job evaluation systems, processes and systems meet legislative requirements and to actively work towards reducing any unjustified gender pay gaps
 - To ensure that pay and benefits processes and policies are transparent and accessible to all employees
 - To be mindful of the market in making decisions about pay and benefits
 - To take account of affordability in the introduction and maintenance of any changes to pay structure
 - To be clear about the recognition and reward of performance, whether at whole organisation, service, team or individual level
 - To support a flexible approach to the acceptance of changes to tasks, duties and responsibilities by employees and allow for flexibility between posts. To enable the Council to attract and retain its employees and in order to do so,

respond to situations where market forces dictate the necessity to apply supplements to established salaries.

✤ To aim to retain a core set of benefits for all employees.

Practice:

3.3 **Basic pay is determined through**

- The job role and it's accountability in the overall context of the Council's services and responsibilities using the HAY job evaluation process which is based on objective criteria and free from discriminatory bias.
- Ensuring that all employees are dealt with on this basis with no distinction being made for senior management appointments including Chief Officers and their Deputies.
- The terms of the relevant national agreements on pay and conditions of service.
- The amount available for the pay review process is also impacted by what the Councils which are party to the national agreements can collectively afford.
- A comprehensive pay and grading structure has been adopted that positions the Council against median salary benchmarking compared to a national data base maintained by the Hay Group, is affordable and offers recruitment and retention incentive. This is kept under review.
- The outcome of reviews into the local pay and grading structures are determined within the terms of this policy and the Council's constitutional arrangements.

Note: This excludes apprentices, interns and trainees, who are paid less to reflect the nature of the training and development role.

3.4 **Pay on appointment**

- Staff are normally appointed at the bottom scale point of the grade at which the post has been evaluated.
- Managers have discretion to appoint at a higher scale point within the grade band if the appointee can demonstrate that they are currently earning more than the minimum salary for the grade or there are other extenuating circumstances such as difficulties in attracting suitable applicants.

3.5 **Pay review dates**

- Grade progression (i.e. movement from a lower to a higher salary scale point (scp) within a grade) takes place on 1st April of each year until the highest scp is reached.
- Grade progression is subject to satisfactory performance (and may be withheld if performance has been unsatisfactory) and a minimum of 6 months service in the grade. Where 6 months service cannot be achieved by 1 April, progression is considered on the anniversary of six months service.
- Where an increase in pay has been negotiated through the national pay bargaining framework, it will be implemented with effect from 1st April of the appropriate year. If the negotiations have not been concluded by 1st April, the increase will be paid at the earliest opportunity together with back pay from 1st April.

3.6 Honoraria & other allowances

 Work outside the scope of the post can be recognised by the award of an honorarium. The conditions and framework are set out in the 'Recognition for work outside the scope of the post' policy. Assessment and payment will be based on non - discriminatory, objective criteria.

- Allowances, for example standby, may be made to employees below senior manager level in connection with their role or pattern of hours they work in accordance with national or local collective agreements.

3.7 **Re-employment of former local government employees**

- The Council retains sufficient flexibility in its response to the re-employment of former local government employees to enable it to respond appropriately to the particular circumstances. It ensures that an open and fair selection process takes place before any appointment is confirmed. 'Merit' is the sole criteria for engagement.
- If the Council were to re-employ a previous local government employee who had received a redundancy or severance package on leaving, or who was in receipt of a pension covered by the Redundancy Payments (Continuity of Employment in Local Government Modification) Order 1999, known as the Modification Order) (with the same or another authority), then the Council's policy is to ensure that the rules of the Modification Order are applied.

3.8 Use of consultants, contractors and temporary 'agency' staff.

- Ordinarily staff will be engaged directly by the Council as employees but on an exceptional basis, where particular circumstances deem it necessary, people may be engaged under 'contracts for services' as consultants or contractors or on an 'agency basis'. When this situation arises, the Council will give detailed prior consideration to the benefit of doing so and that the overriding need to ensure value for money is achieved. Such arrangements must be in accordance with the Council's code of practice.

Equal pay

- 4.1 The Council is committed to the principle of equal pay for all posts of the same size and value and has implemented the national 'single status' agreement. In order to put its commitment to equal pay into practice, the Council:
 - regularly reviews its pay grade and rates for all current staff and starting pay for new staff in line with Equality and Human Rights Commission guidance in line with the Council's Equality policy.
 - informs employees of how these practices work and how their own pay is arrived at.
 - provides training and guidance for managers and supervisory staff involved in decisions about pay and benefits.
 - regularly monitors pay and grading data and statistics.

Ensuring consistency

- 5.1 The Council seeks to ensure consistency through the following processes:
 - All departments are provided with the same quality of internal support in the job evaluation process.

- The Human Resources Service (in conjunction with senior managers, as appropriate) has an on-going responsibility to review pay levels across the Council and highlight any potential anomalies.
- 5.2 If there is an exceptional need to review pay outside of the normal pay review timetable, proposals will be considered and approved by the relevant Director and the Head of Human Resources.

Pensions

- 6.1 Subject to the provisions of the relevant scheme, all directly employed staff who are the subject of this policy and are otherwise eligible are enrolled into a contributory statutory pension scheme. They may choose to opt out of membership. The Council has published a statement of policy in respect of discretionary provisions available within the relevant scheme in accordance with statutory requirements. This statement is available on the Avon Pension Fund Web site www.avonpensionfund.org.uk/employers/discretionarypolicies
- 6.2 The Council has in place a policy for flexible retirement which is specifically authorised by statute whereby individual staff, with employer approval, may draw their pension and continue in employment at a lower pay grade/ working shorter hours. The Council considers all proposals on their individual merits but would not take any action beyond that authorised by existing policy without reference to the appropriate Council decision making body.

Senior pay

- 7.1 The remuneration of the Chief Executive and other senior management appointments in the Council (see Annex 1) is undertaken by external analysts using the Hay Job Evaluation process. Levels of pay have been market-related by being compared to a national data base maintained by the Hay Group of similar posts in a wide range of public and not for profit sector organisations. The pay structure for Chief Officers takes account of the clearly defined additional 'statutory responsibilities' (see section 2 above). Five pay bands will be available for the most senior officers as set out in the Annex 1.
- 7.2 Any increases in pay rates will be in line with those negotiated nationally by Joint Negotiating Committees (JNC's) for Chief Executives and Chief Officers respectively. The pay policy, whilst agreed in advance of the financial year to which it relates, can be amended during the course of the year to incorporate a pay award negotiated nationally or for other reasons.
- 7.3 Where there is a pay range for a job the Council's adopted aim is to offer an appointment to the minimum point of the appropriate salary band. In order to secure the services of the best candidate it may be necessary to offer a higher amount. In these circumstances approval by the employing Director or members of the appointing Member committee as appropriate, in consultation with the Head of Human Resources, is required.

- 7.4 Where a pay band consists of a number of different salary points, any progression to the next incremental point is subject to satisfactorily meeting performance criteria agreed in advance with the Chief Executive or Strategic Director, as appropriate (in consultation with the Group Leader(s)). Any increase is paid from 1 April subject to 12 months service in that pay band and the maximum not being exceeded.
- 7.5 This is no provision for the Council to pay any bonuses, charges, fees or allowances, benefits in kind to senior employees or any other employees other than expenses necessarily incurred in the performance of their duties.
- 7.6 Other conditions of service are those determined nationally by the JNC's specifically for these appointments or, as locally determined for all other Council staff.
- 7.7 Senior staff are not differentiated from other members of staff in terms of remuneration on resignation or termination. The Council's general arrangements for severance and scheme for discretionary payments apply to this staff group as to all employees.
- 7.8 Proposed severance packages in excess of £100,000 (this threshold includes [but not limited to] any proposals in respect of salary to be paid in lieu, redundancy compensation, pension entitlements and holiday pay as appropriate) are referred to the Restructuring Implementation Committee for consideration.
- 7.9 The Council's threshold level for disclosure of senior staff salaries will be at the minimum point of the senior civil service pay scale and above as at 31 March.

Relationship between senior pay and the 'lowest paid council employee'

- 8.1 The grading structure and pay line determine the salaries of the highest and lowest paid Council employees. The Council's highest paid employee is its Chief Executive (see Annex 1). The lowest salary offered for substantive, full time employment is currently £12,435 per annum (i.e. the lowest scale point (scp) within the grading structure).
- 8.2 The ratio between the highest paid salary and the median salary for the whole of the Council workforce (£21,067) is 1:7. It does not currently have a policy of maintaining or reaching a specific ratio of pay multiple between the Chief Executive and that of the median earner.

Publication

9.1 The Council's approach to the publication of and access to information on the remuneration of Chief Officers is to include it on its public website as part of its requirements within the Accounts and Audit (England) Regulations 2011 and in accordance with the Code of Recommended Practice for Local Authorities on Data Transparency. A copy of the Pay Policy Statement is published on the Council's website: www.bathnes.gov.uk/services/jobs/

Further information

For further information on the Council's pay policy please contact the Council's Human Resource Service email <u>human resources@bathnes.gov.uk</u>. Tel: 01225 477203

SENIOR MANAGEMENT PAY & GRADING

BAND	MIN/MID/MAX POINTS	Composition, Terms & Conditions		
CHIEF EX	CHIEF EXECUTIVE & HEAD OF PAID SERVICE			
Band 1	Fixed/Spot	 A fixed salary within the range £145,000 to £155,000 pa taking account of current public sector market median data provided by the independent analysts and the Council's general starting salary policy No variable element within the remuneration package. All other conditions in accordance with overall Council pay policy. 		
STRATEC	GIC DIRECTORS			
Band 2	Fixed/Spot	 People & Communities [statutory roles for Children's & Adult Services] (PC) Place (P) Resources (R) A fixed salary within the range £115,000 to £130,000 pa taking account of current public sector market median data provided by the independent analysts and the Council's general starting salary policy No variable element within the remuneration package. All other conditions in accordance with overall Council pay policy. 		

BAND	MIN/MID/MAX POINTS	Composition, Terms & Conditions	
DIVISION	AL DIRECTORS/	Heads of Service	
Band 4	Minimum Middle Maximum	£91,869 £94,572 £97,275	 CYP Strategy and Commissioning (PC) Adult Care and Health Strategy Commissioning (PC) Business Support (R) [S151 Officer] Property & Facilities [Chief Property Officer] (R) Legal & Democratic [Monitoring Officer] Environmental Services (P)
NHS	Fixed	£90,263	 Director of Public Health Part of the transfer of Public Health Services to Local Government & paid in accordance with NHS senior consultant rates with other statutory related protections
Band 5	Minimum Middle Maximum	£81,003 £83,763 £86,469	 CYP Specialist Services (PC) Strategy and Performance (R) Project Management (R) Programme Director-Organisational Development (R) Development (P) Community Regeneration (P) Customer Services (R)
Band 6	Minimum Middle Maximum	£70,254 £72,957 £75,657	 Risk & Assurance (R) ICT(R) Human Resources (R)

Notes:

- Details at 31 March 2014
- 'Band 3' is not currently in use
- 'NHS' relates only to the Public Health statutory transfer provisions
- There has been no annual pay award to this staff group since April 2008; for other staff pay was increased by 1% in line with the national pay settlement from 1 April 2013

Annex 1

COMMUNITY ASSETS TRANSFER PROGRAMME UPDATE

BACKGROUND

The Council agreed a programme of potential Community Asset Transfers in 2013/2014 to help communities tackle the local issues of importance to them and achieve some or all of the following benefits:

- i. Better community outcomes- by releasing an organisation from its liabilities to the Council it can grow its work in the community. The Quirk Review noted that the crucial driver for asset transfer is not the disposal of assets per se but the empowerment of communities; any approach to community assets must therefore be seen in the context of the Council's aim to be an open and engaging Council that empowers communities and works in partnership with a range of public, private and voluntary organisations.
- ii. Better Value for Money cutting costs through new, localised ways of working and involvement of volunteers as well as drawing in more resources, for example from parish councils.
- iii. Greater support for our voluntary and community sector- with opportunities for long-term planning by the community organisation involved in the building, including the ability to draw down external investment as well as greater freedom to tailor services to need. This support for local community organisations is urgent in the current climate and can make a real difference to long-run viability.

UPDATE ON PROGRAMME DELIVERY

Detailed work has been undertaken to assess the issues relating to each of the proposed Community Asset Transfers and ensure appropriate clauses are in place that are appropriate to protect the use of the land or building for the relevant community purpose. The update position in respect of the programme of transfers proposed for 2013/14 is as follows:

<u>Completed</u>

• Beacon Hall - transferred to Peasedown Parish Council

Subject to Final Approval

- Land North of Kelston Road transfer to Bath Scouting Association
- WHISTY Hall, Radstock transfer to WHISTY Community Association
- Former Midsomer Norton Railway Station, Silver Street, Midsomer Norton – transfer to Somerset and Dorset Trackbed Trust
- Percy Community Centre, Bath transfer to Percy Community Association

 Midsomer Norton Town Hall and Other Land – transfer to Midsomer Norton Town Council/Town Trust

Subject to On-going Discussion and Consideration

- Chapel Arts Centre, St James Memorial Hall, Bath
- Fairfield House, Bath
- YMCA Broad St, Bath
- Genesis Trust, James St West, Bath

FURTHER POTENTIAL COMMUNITY ASSET TRANSFERS

It is proposed that following additional areas are considered for the Community Asset Transfer programme during 2014/2015 subject to the process now established to safeguard appropriate use of the land or building for the relevant community purpose:-

- Alexandra Park Bowling Club, Bath
- Bath Canoe Club
- Mencap
- South Wansdyke Leisure Centre

RECOMMENDATION

The programme for this work will continue in accordance with the agreed approach for 2013/2014 and the Council is asked to note this position.