

**Democratic Services**

Lewis House, Manvers Street, Bath, BA1 1JG  
Telephone: (01225) 477000 *main switchboard*  
Direct Lines - Tel: 01225 394452 Fax: 01225 394439  
Web-site - www.bathnes.gov.uk

**Date:** 5<sup>th</sup> July 2016  
**E-mail:** Democratic\_Services@bathnes.gov.uk

**To: All Members of the Cabinet**

Councillor Tim Warren	Leader of the Council and Conservative Group Leader
Councillor Liz Richardson	Cabinet Member for Homes and Planning
Councillor Patrick Anketell-Jones	Cabinet Member for Economic Development, Conservative Deputy Group Leader Bath
Councillor Charles Gerrish	Cabinet Member for Finance and Efficiency, Conservative Deputy Group Leader North East Somerset
Councillor Vic Pritchard	Cabinet Member for Adult Social Care and Health
Councillor Anthony Clarke	Cabinet Member for Transport
Councillor Martin Veal	Cabinet Member for Community Services
Councillor Michael Evans	Cabinet Member for Children's Services
Councillor Paul Myers	Cabinet Member for Policy, Localism & Partnerships

Chief Executive and other appropriate officers  
Press and Public

Dear Member

**Cabinet: Wednesday, 13th July, 2016**

You are invited to attend a meeting of the **Cabinet**, to be held on **Wednesday, 13th July, 2016** at **4.00 pm** in the **Community Space, Keynsham - Market Walk, Keynsham**.

The agenda is set out overleaf.

Yours sincerely

Jack Latkovic  
for Chief Executive

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The decisions taken at this meeting of the Cabinet are subject to the Council's call-in procedures. Within 5 clear working days of publication of decisions, at least 10 Councillors may signify in writing to the Chief Executive their wish for a decision to be called-in for review. If a decision is not called-in, it will be implemented after the expiry of the 5 clear working day period.

**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 Jack Latkovic who is available by telephoning Bath 01225 394452 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 normally be received in Democratic Services by 4.30pm the previous Friday but Bank Holidays will cause this to be brought forward).

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 normally be received in Democratic Services by 4.30pm the previous Friday but Bank Holidays will cause this to be brought forward). 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 Jack Latkovic 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 Jack Latkovic as above.

Appendices to reports are available for inspection as follows:-

**Public Access points** - Reception: Civic Centre - Keynsham, Guildhall - Bath, The Hollies - Midsomer Norton. Bath Central and Midsomer Norton public libraries.

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

- 4. Recording at Meetings:-**

The Openness of Local Government Bodies Regulations 2014 now allows filming and recording by anyone attending a meeting. This is not within the Council's control.

Some of our meetings are webcast. At the start of the meeting, the Chair will confirm if all or part of the meeting is to be filmed. If you would prefer not to be filmed for the webcast, please make yourself known to the camera operators.

To comply with the Data Protection Act 1998, we require the consent of parents or guardians before filming children or young people. For more information, please speak to the camera operator

The Council will broadcast the images and sound live via the internet [www.bathnes.gov.uk/webcast](http://www.bathnes.gov.uk/webcast) An archived recording of the proceedings will also be available for viewing after the meeting. The Council may also use the images/sound recordings on its social media site or share with other organisations, such as broadcasters.

- 5. Attendance Register:** Members should sign the Register which will be circulated at the meeting.

**6. THE APPENDED SUPPORTING DOCUMENTS ARE IDENTIFIED BY AGENDA ITEM NUMBER.**

**7. 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.

**8. Officer Support to the Cabinet**

Cabinet meetings will be supported by the Senior Management Team.

**9. Recorded votes**

A recorded vote will be taken only when requested by a member of Cabinet.

**Cabinet - Wednesday, 13th July, 2016**

**in the Community Space, Keynsham - Market Walk, Keynsham**

**A G E N D A**

1. WELCOME AND INTRODUCTIONS

2. EMERGENCY EVACUATION PROCEDURE

*The Chair will draw attention to the emergency evacuation procedure as set out in the Notes*

3. APOLOGIES FOR ABSENCE

4. DECLARATIONS OF INTEREST

*At this point in the meeting declarations of interest are received from Members in any of the agenda items under consideration at the meeting. Members are asked to indicate:*

*(a) The agenda item number in which they have an interest to declare.*

*(b) The nature of their interest.*

*(c) Whether their interest is **a disclosable pecuniary interest** or an **other interest**, (as defined in Part 2, A and B of the Code of Conduct and Rules for Registration of Interests)*

*Any Member who needs to clarify any matters relating to the declaration of interests is recommended to seek advice from the Council's Monitoring Officer or a member of his staff before the meeting to expedite dealing with the item during the meeting.*

5. TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR

6. QUESTIONS FROM PUBLIC AND COUNCILLORS

*Questions submitted before the deadline will receive a reply from an appropriate Cabinet member or a promise to respond within 5 days of the meeting. Councillors may ask one supplementary question for each question they submitted, up to a maximum of two per Councillor.*

7. STATEMENTS, DEPUTATIONS OR PETITIONS FROM PUBLIC OR COUNCILLORS

*Councillors and members of the public may register their intention to make a statement if they notify the subject matter of their statement before the deadline. Statements are limited to 3 minutes each. The speaker may then be asked by Cabinet members to answer factual questions arising out of their statement.*

8. MINUTES OF PREVIOUS CABINET MEETINGS (Pages 9 - 22)

*To be confirmed as correct records and signed by the Chair*

9. CONSIDERATION OF SINGLE MEMBER ITEMS REQUISITIONED TO CABINET

*This is a standard agenda item, to cover any reports originally placed on the Weekly list for single Member decision making, which have subsequently been the subject of a Cabinet Member requisition to the full Cabinet, under the Council's procedural rules*

10. MATTERS REFERRED BY POLICY DEVELOPMENT AND SCRUTINY BODIES - UPDATE ON P&R EAST OF BATH AND RESPONSE TO CTE PANEL'S RECOMMENDATION FROM THE SCRUTINY DAY ON 22ND MARCH 2016 (Pages 23 - 28)

*This is a standing agenda item (Constitution rule 14, part 4D – Executive Procedure Rules) for matters referred by Policy Development and Scrutiny bodies. The Chair of the relevant PDS Panel will have the right to attend and to introduce the Panel's recommendations to Cabinet.*

*This report updates the Cabinet on the work being undertaken to identify a preferred location for a new P&R to the east of Bath and provides a response to the recommendations from the Scrutiny Inquiry day held on 22<sup>nd</sup> March 2016. The Cabinet are asked to agree with their response to the recommendations from the Communities Transport and Environment Policy Development & Scrutiny Panel's Scrutiny Inquiry Day. The next meeting of the Panel is on 25<sup>th</sup> July 2016.*

11. SINGLE MEMBER CABINET DECISIONS TAKEN SINCE PREVIOUS CABINET MEETING (Pages 29 - 40)

*This report lists Cabinet Single Member decisions taken and published since the last Cabinet meeting.*

12. REVIEW OF THE COUNCIL'S WASTE & RECYCLING COLLECTION SERVICE (Pages 41 - 58)

The Council's published Waste Strategy "Working Towards Zero Waste" (as amended 2014) details a number of strategic aims (see section 5 of this report) along with a key action to review its waste & recycling collection methodology to limit the volumes of waste collected by 2020. In addition, the Council faces the following challenges;

- to mitigate against the financial pressures forecast in the waste & recycling collection services taking into account the loss of the DCLG grant of £450k pa from March 2017;
- the end of the Initial Term of the Recycling Services Contract with Kier on 5<sup>th</sup> November 2017 ;
- to reduce the amount of recyclable waste that is currently presented as non-recyclable waste (recent analysis shows that 58% of the contents of our black bag waste collection is still material that could be recycled using our current service);

In addition, the Council has a priority of 'promoting cleaner, greener and healthier communities', which is supported by a number of the proposals within this report, including:

- continuing a weekly waste collection service for the majority of household waste, including food and recyclables;
- increasing recycling rates and prioritising sustainability & environmental performance in accordance with our waste strategy;
- reducing street waste and preventing access to waste by gulls and other

scavengers.

The national recycling league table for 14/15 ranked B&NES 80 out of 353 local authorities in England. The majority of B&NES residents embrace recycling, and our performance has previously been at the forefront in the UK, however in recent years our recycling performance has plateaued. This can be directly attributed to the fact that we have not evolved our collection services to incentivise further recycling by restricting the amount of non-recyclable waste collected. Various collection options have been modelled by the Council to help improve performance, and recommendations are made as to the approach which most closely meets objectives.

13. REVENUE AND CAPITAL OUTTURN 2015/16 (Pages 59 - 104)

The report presents the revenue and capital outturn for 2015/16, highlighting an underspend of £270,000. This represents a significant achievement in the context of the continuing government's public sector deficit recovery plan which resulted in a revenue savings requirement of over £9.7 million for 2015/16.

The report refers to requests to carry forward specific revenue budget items to 2016/17 and to write-off revenue overspends where recovery in future years would have an adverse impact on continuing service delivery. The Council underspent by £270,000, after these carry forwards and transfers to reserves.

The report also refers to requests to re-phase specific capital budget items to 2016/17 and to remove net capital underspends. The impact of this will be considered in the 2016/17 Capital Review.

14. TREASURY MANAGEMENT OUTTURN REPORT 2015/16 (Pages 105 - 124)

In February 2012 the Council adopted the 2011 edition of the CIPFA Treasury Management in the Public Services: Code of Practice, which requires the Council to approve a Treasury Management Strategy before the start of each financial year, review performance during the year, and approve an annual report after the end of each financial year.

This report gives details of performance against the Council's Treasury Management Strategy and Annual Investment Plan for 2015/16.

15. FUTURE OF ADOPTION SERVICES; ADOPTION WEST PROPOSALS AND ENGAGEMENT (Pages 125 - 212)

The development of Regional Adoption Agency proposals is part of the national regionalising adoption agenda as set out in 'Regionalising Adoption' (July 2015), and further developed in 'Adoption; A Vision for Change' (March 2016). Proposals are also informed by the Education and Adoption Act 2016.

This proposal involves formal collaboration with a number of local authorities to establish a Regional Adoption Agency in line with Government requirements. The local authorities involved are:

Bath and North East Somerset Council  
City of Bristol Council  
Gloucestershire County Council  
North Somerset Council  
South Gloucestershire Council

The Committee Administrator for this meeting is Jack Latkovic who can be contacted on 01225 394452.

## **Protocol for Decision-making**

### **Guidance for Members when making decisions**

When making decisions, the Cabinet/Committee must ensure it has regard only to relevant considerations and disregards those that are not material.

The Cabinet/Committee must ensure that it bears in mind the following legal duties when making its decisions:

- Equalities considerations
- Risk Management considerations
- Crime and Disorder considerations
- Sustainability considerations
- Natural Environment considerations
- Planning Act 2008 considerations
- Human Rights Act 1998 considerations
- Children Act 2004 considerations
- Public Health & Inequalities considerations

Whilst it is the responsibility of the report author and the Council's Monitoring Officer and Chief Financial Officer to assess the applicability of the legal requirements, decision makers should ensure they are satisfied that the information presented to them is consistent with and takes due regard of them.

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**BATH AND NORTH EAST SOMERSET**

**CABINET**

These minutes are draft until confirmed as a correct record at the next meeting.

Wednesday, 4th May, 2016

**Present:**

Councillor Tim Warren	Leader of the Council and Conservative Group Leader
Councillor Liz Richardson	Cabinet Member for Homes and Planning
Councillor Patrick Anketell-Jones	Cabinet Member for Economic Development, Conservative Deputy Group Leader Bath
Councillor Charles Gerrish	Cabinet Member for Finance and Efficiency, Conservative Deputy Group Leader North East Somerset
Councillor Vic Pritchard	Cabinet Member for Adult Social Care and Health
Councillor Anthony Clarke	Cabinet Member for Transport
Councillor Martin Veal	Cabinet Member for Community Services
Councillor Michael Evans	Cabinet Member for Children's Services

**90 WELCOME AND INTRODUCTIONS**

The Chair welcomed everyone to the meeting.

**91 EMERGENCY EVACUATION PROCEDURE**

The Senior Democratic Services Officer drew attention to the evacuation procedure as set out in the Agenda.

**92 APOLOGIES FOR ABSENCE**

There were no apologies for absence.

**93 DECLARATIONS OF INTEREST**

There were none.

**94 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR**

There was none.

**95 QUESTIONS FROM PUBLIC AND COUNCILLORS**

There were 10 questions from Councillors and 2 questions from members of the public.

*[Copies of the questions and responses, including supplementary questions and responses if any, have been placed on the Minute book at Democratic Services and are available on the Council's website.]*

**96 STATEMENTS, DEPUTATIONS OR PETITIONS FROM PUBLIC OR COUNCILLORS**

The Chair informed the meeting that all registered speakers asked to address the Cabinet before the relevant agenda item.

**97 MINUTES OF PREVIOUS CABINET MEETING**

**RESOLVED** that the minutes of the meeting held on Wednesday 10th February 2016 be confirmed as a correct record and signed by the Chair, subject to the following amendment:

- Page 9, paragraph 5 should read: 'Councillor Charles Gerrish highlighted these Key Priorities within the budget....'

**98 CONSIDERATION OF SINGLE MEMBER ITEMS REQUISITIONED TO CABINET**

There were none.

**99 SINGLE MEMBER CABINET DECISIONS TAKEN SINCE PREVIOUS CABINET MEETING**

The Cabinet agreed to note the report.

**100 MATTERS REFERRED BY POLICY DEVELOPMENT AND SCRUTINY BODIES**

The Chair informed the meeting that Scrutiny Inquiry Day findings, conduct by the Communities, Transport and Environment Policy Development & Scrutiny Panel (CTE PDS), would be considered under agenda item 'Receipt of information requested by Council on the Park & Ride/East of Bath Transport issues. Councillor John Bull would have an opportunity to address the Cabinet as the Chair of the CTE PDS Panel.

**101 RECEIPT OF INFORMATION REQUESTED BY COUNCIL ON THE PARK & RIDE/EAST OF BATH TRANSPORT ISSUES**

The Chair informed the meeting that he would first invite registered speakers to address the Cabinet. Councillor John Bull would then address the Cabinet as the CTE PDS Panel Chair.

Barry Henderson, Secretary of the Federation of Bath Residents' Associations, read out a statement *[a copy of which is available on the Minute Book at Democratic Services and on the Council's website]* where he said that FOBRA had welcomed the integrated transport solution achieved in the Bath Transport Strategy, which was agreed by all parties on the Council in November 2014 and endorsed by the results of the general and local elections a year ago. There was a need for eastern Park

and Ride which may not be the most important part but was an essential part of the overall Strategy, and FOBRA asked the Cabinet to press ahead with it.

Andrew Lea said that the Cabinet should make a decision by taking into consideration correct information provided by their officers. However, according to Andrew Lea, officers had used an out of date data and had not acknowledge that capacity of existing Park and Rides were only at its highest due to predictable events. Andrew Lea added that Transport department had overlooked revised guidance by DEFRA and concluded that the Cabinet has moral and legal requirement to make their decision against Park and Ride east of Bath.

Annie Kilvington said that the Council had misinterpreted the law related to air quality management and added that planning department cannot accept an application if an emission exceeds legal limits. Annie Kilvington also said that the Council had not used data submitted by the Bathampton Meadows Alliance (Alliance) and urged the Cabinet to reject east of Bath Park and Ride report.

Tim Williams said that reports presented to the Cabinet had had omissions and shortcomings. Tim Williams also said that Park and Ride east of Bath had not been decided and that many towns and cities were moving away from Park and Ride concept. Tim Williams concluded his statement by saying that single Scrutiny Inquiry Day on the subject of Park and Ride was not enough and held at inconvenient time, and the report had failed to mention quite few important issues, including evidence from Alliance. Tim Williams asked the Cabinet to consider those issues before making their decision on the Park and Ride.

Christine Boyd said that report from the Local Development Framework (LDF) group had showed that the Park and Ride was unaffordable, taking into consideration that the whole project would cost the Council £12m. Christine Boyd also said that this would be poor value for money and it would take only 5% of traffic from London Road. Christine Boyd also commented that the Council had used out of date evidence and urged the Cabinet to make reasonable decision on this matter.

Nicolette Boater read out a statement *[a copy of which is available on the Minute Book at Democratic Services and on the Council's website]*.

Councillor Dine Romero said that she had recognised that there was a need in addressing air quality, pollution and traffic issues in the city which would require sustainable long term solution. Councillor Romero also said that there had been some talk on how standalone Park and Ride had been agreed in Transport Strategy and how bus scheme had been considered as an interim measure though this would need to be complementary to other measures without unacceptable impact on amenities, residents and on the Area of Outstanding Natural Beauty. Councillor Romero expressed her concerns with the Park and Ride consultation and asked the Cabinet to take more time to consider findings from the Scrutiny and LDF group.

Councillor John Bull, Chair of the CTE PDS Panel, said that the Scrutiny Inquiry Day had looked at integrated responses to transport difficulties and opportunities to the east of Bath. Councillor Bull also said that he was surprised that members of Alliance did not favour the report. All evidence received on the day from large number of contributors had been included in the Scrutiny report. The report also contains what had been discussed at various workshops on the day. Councillor Bull

explained that there was a lot of interest in linking A36 and A46, in upgrading A350, rail and transport via River Avon.

Councillor John Bull commented that the case for 1,600 spaces at the Park and Ride east of Bath was not made. The report suggested that there should be more publicity of Lansdown Park and Ride considering that existing Park and Ride sites had not been fully used at the moment. Councillor Bull concluded his statement by saying that there was no need for a large Park and Ride site east of Bath just for people who work in Bath.

Councillor Patrick Anketell-Jones asked Councillor John Bull if there was a need for a smaller Park and Ride.

Councillor John Bull responded that, according to data from Alliance, only 25% of all Park and Ride sites were used in the period up to 9.30am. These figures would need to be validated, and if correct then there would be a case for smaller Park and Ride site.

Councillor Geoff Ward (Bathavon North) said that this issue had been challenging and urged the Cabinet to make the right decision. Councillor Ward highlighted natural beauty of Bathampton meadows and asked the Cabinet to explore all other options before making their final decision.

Councillor Liz Richardson said that the Local Development Framework (LDF) group report was a summary of a thorough process. The LDF group was not asked to look at the reasoning for having Park and Ride but to consider site options taking into account five objectives (as set out in the report). The LDF group had made a decision that Cabinet Members who were part of the group should be substituted by other Council Members. The LDF group meeting were open to Ward Members affected. The LDF group had started with seven sites to explore and ended up with a total of twenty one sites to consider. Through the sequential process some of those sites were not deemed to be viable. Councillor Richardson thanked everyone who contributed to the report and asked the Cabinet to note the report.

Councillor Anthony Clarke accepted report from the Scrutiny Inquiry Day and the LDF group. Councillor Clarke said that the Scrutiny had asked some specific questions in the report and answers to those questions would be provided by Councillor Clarke and team off officers at one of the future CTE PDS Panel meetings. Councillor Clarke also thanked to all those involved in the process.

Councillor Anthony Clarke informed the meeting that the Cabinet have received a large amount of information through the CTE PDS Panel and the cross-party LDF group reports and from the community. Further detailed analysis is required of each site, and Cabinet have decided not to use the provisional date set for 18th May to allow this work to be completed. A revised date would be announced in the near future and the revised timetable would not impact upon the overall timeframe for the project.

Councillor Tim Warren also thanked CTE PDS Panel and the cross-party LDF group for their report and also to every single individual and organisation for their contribution in this matter. Councillor Warren highlighted that there was huge transport problem in Bath and the Cabinet would look into all data and evidence in order of making right and future proof decision which would set long term solution.

The Cabinet **NOTED** the reports outlining the findings and conclusions from the Communities, Transport and Environment Policy Development & Scrutiny Panel Inquiry Day and the sites review undertaken by the LDF Steering Group; in order to help their deliberations in determining the recommended solution to the transport issues to the east of Bath.

## **102 YOUTH JUSTICE PLAN**

Councillor Michael Evans thanked the author of this report. Councillor Evans informed the meeting that the Council has a statutory obligation to publish a Youth Justice Plan. The principal, statutory aim of the youth justice system was to prevent youth offending by 10-17 year olds. The Youth Justice Plan reviews the positive progress made last year in work with young people at risk of offending and re-offending and with their parents/carers and victims and sets out how services are to be resourced and delivered in 2016-17. Actions in the work plan would contribute to making Bath and North East Somerset a safer place and to helping young people work towards more positive, crime-free outcomes.

Councillor Michael Evans moved the recommendations.

Councillor Patrick Anketell-Jones seconded the motion by saying that he was happy to support adoption of the Youth Justice Plan. As lead partner, the Council would continue to support the work of all agencies involved in the youth justice system, to prevent young people from offending. Councillor Anketell-Jones was particularly pleased to see the positive reduction in the number of young people coming into the youth justice system for the first time.

It was **RESOLVED** that the Cabinet recommends adoption of the Youth Justice Plan as part of the Council's Policy and Budget Framework and notes this can be accommodated within the Council budget.

The Cabinet also recommends the Youth Justice Plan to Council as fulfilling the requirements of the Crime and Disorder Act 1998 and agrees it can be submitted to the Youth Justice Board for England and Wales.

## **103 PRIMARY AND SECONDARY SCHOOL ORGANISATION PLAN 2015 - 2019**

Councillor Michael Evans said that Local Authority would still retain the legal responsibility for pupil place planning in its area. In order to do this effectively the Local Authority would have to identify where new school places would be required as a result of underlying population growth or pupils generated from new housing development, how much additional provision would be required and when. This additional provision might be provided via Basic Need funding from the Government or Developer Contributions or CIL as a result of new housing developments. The Plan would serve as a useful planning tool to identify areas and levels of need, when investment in places would be needed and also to inform discussions with Developers.

Councillor Michael Evans moved the recommendations.

Councillor Tim Warren seconded the motion by saying that he was happy to support this plan to increase primary school provision in the district as part of the £7 million investment in local primary schools. The Council would constantly review school place provision to ensure meeting the needs of local parents and children over the coming years. The Council must ensure the right number of school places in the right locations to meet the needs of a growing population and the demands created by new housing development, whilst at the same time supporting parental preferences.

Councillor Charles Gerrish said that two new schools would open in September 2017 and asked for a clarification on whether those two schools would have just reception classes or they would be whole schools. Councillor Gerrish also asked if the Head of the School would be appointed for those two schools before they open.

Councillor Michael Evans responded that, for both schools, school structure would be as a whole. The Local Authority would take into consideration birth dates and anticipated needs though it would be expected that both schools would start from Reception and Year 1 classes first, and grow over years. Councillor Evans also said that Heads of both schools would be appointed before schools open.

**RESOLVED** (unanimously) that the Cabinet:

1. Approved the proposed strategy for the provision of school places within the 2015 – 2019 plan period.
2. Approved the proposed strategy for the provision of school places over the longer term within the Core Strategy plan period.

#### **104 97/101 WALCOT ST : GENESIS TRUST**

Councillor Dine Romero asked for an assurance that this Cabinet was satisfied that the original decision, that had been made by previous Administration, was properly made and in accordance with Council's procedures. Councillor Romero also said that this project demonstrated that the value of services to be delivered by Genesis was equal to, or greater than the rent abatement and that the cost benefit ratio demonstrated clear overall benefit to the public.

Councillor Charles Gerrish said that on 9<sup>th</sup> September 2015 the Cabinet resolved to request that a further report be brought back to Cabinet to consider and approve that the provisions in the original report were satisfied. The original decision that had been made by previous Administration, was properly made and in accordance with Council's procedures. The value of services to be delivered by Genesis was equal to, or greater than the rent abatement. The cost benefit ratio demonstrated clear overall benefit to the public. The capital input of £100,000 was approved and included in the 2014/15 Corporate Capital Estate Planned Maintenance cost plan and this has been carried forward into 2016/17. Councillor Gerrish welcomed the expansion of the Genesis Life Skills project and also establishment of a new 'social enterprise' project named 'Acacia'.

Councillor Charles Gerrish moved the recommendations.

Councillor Vic Pritchard seconded the motion by saying that he was happy to support the grant of a lease to the Genesis Trust, particularly in light of the further information provided within this report. The benefits that the Genesis Trust would be delivering

to the community were incredibly worthwhile and the Council is pleased to support this by offering a rental concession. The cost/benefit analysis had demonstrated a clear overall benefit to the public.

**RESOLVED** (unanimously) that the Cabinet agreed to:

- 1) Reconfirm authority, first approved in the Single Member Decision E2741 dated 11th February 2015, that the Corporate Property Officer be authorised to enter into an agreement for lease leading to grant of a lease based on the agreed heads of terms. The structure of the transaction has been amended however and the contract will be a direct lease to commence from date of exchange.
- 2) Note that:
  - a. Assessment work undertaken has demonstrated that the value of services as a result of the Community Asset Transfer if externally procured is at least equal to or greater than the value of the rent abatement (£20,000pa)
  - b. A separate cost/benefit analysis has demonstrated a clear overall benefit to the public purse from the asset transfer project
- 3) Adopt and agree the Social Objects to be delivered as a result of the Community Asset Transfer and to note the arrangements for monitoring and review
- 4) Note the range of uses that are considered inappropriate for the environment as stated in the Social Objects part of the report.

The meeting ended at 5.20 pm

Chair \_\_\_\_\_

Date Confirmed and Signed \_\_\_\_\_

**Prepared by Democratic Services**

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Wednesday, 29th June, 2016

**Present:**

Councillor Tim Warren	Leader of the Council and Conservative Group Leader
Councillor Liz Richardson	Cabinet Member for Homes and Planning
Councillor Patrick Anketell-Jones	Cabinet Member for Economic Development, Conservative Deputy Group Leader Bath
Councillor Charles Gerrish	Cabinet Member for Finance and Efficiency, Conservative Deputy Group Leader North East Somerset
Councillor Vic Pritchard	Cabinet Member for Adult Social Care and Health
Councillor Anthony Clarke	Cabinet Member for Transport
Councillor Martin Veal	Cabinet Member for Community Services
Councillor Paul Myers	Cabinet Member for Policy, Localism & Partnerships

**1 WELCOME AND INTRODUCTIONS**

The Chair welcomed everyone to the meeting.

**2 EMERGENCY EVACUATION PROCEDURE**

The Senior Democratic Services Officer drew attention to the evacuation procedure as set out in the Agenda.

**3 APOLOGIES FOR ABSENCE**

Councillor Michael Evans had sent his apologies for this meeting.

**4 DECLARATIONS OF INTEREST**

There were none.

**5 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR**

There was none.

**6 QUESTIONS FROM PUBLIC AND COUNCILLORS**

There were none.

**7 STATEMENTS, DEPUTATIONS OR PETITIONS FROM PUBLIC OR COUNCILLORS**

Members of the public and Councillors addressed the Cabinet just before item 8 of the agenda.

## **8 COMBINED AUTHORITY AND DEVOLUTION PROPOSALS**

Christina Biggs (Friends of Suburban Bristol Railways) read out a statement (*a copy of which is available on the Minute Book at Democratic Services and on the Council's website*) where she highlighted matters with Devolution Governance Scheme, Rail Powers and Road Schemes within the Devolution proposals.

Councillor Eleanor Jackson expressed her concerns on congestion at the road leading into Midsomer Norton recycling centre, the state of A367 road and the hole in the wall at Radstock Methodist Church. Councillor Jackson also said that it was unclear how much funding Bath and North East Somerset would receive compared to South Gloucestershire and Bristol and asked the Cabinet to be clear with public on the benefits of the devolution deal and scrutiny involvement.

Councillor Dine Romero said that she did not believe this was a good governance scheme. Councillor Romero expressed her concerns on the security of devolution deal and on scrutiny involvement in the process. Councillor Romero also expressed her concern on a Mayor appointment, even if one was based in Bath. Councillor Romero concluded her statement by saying that, following the outcome of the EU Referendum, this was not a good time to pursue devolution deal.

Councillor Tim Warren thanked all speakers.

Councillor Tim Warren read out the following statement:

'Following many months of negotiations, we have achieved the best possible deal – and one that far outweighs any other devolution deal done elsewhere in the country, both in terms of the funding secured and safeguards in place.

- At more than £1,000 per person this represents by far the biggest financial deal of any devolution package in the country.

- And in terms of protections for our area, we have secured more safeguards than any other deal in the country with a veto over planning matters, unanimous approval required over financial matters, and protections in the voting system to ensure that one area cannot dominate over the others.

However, before we move to a decision on this I would like to address a couple of matters which have arisen in recent days and also make clear the decision Cabinet is taking today.

Firstly, there have been some questions raised over the impact of the Brexit vote on this deal. Over the past few days we have had a number of conversations with both the Treasury and DCLG in this regard. They have offered assurances that the devolution deal is still on offer and the commitments made can and will be honoured. They have also confirmed that the timetable remains the same – that if Council wishes to proceed to the next stage of this devolution deal then we need to take a decision by the 4th July.

Secondly, the decision by our neighbours in North Somerset Council to withdraw from the process. Obviously we are disappointed by this decision, but we also respect it. We have a very strong working relationship with North Somerset, and whatever the outcome of today's decision we will continue to do so. We will still be able to work cross-boundary, as we do with Wiltshire and Somerset, and they will continue to be an important part of the West of England. At the same time, we have ensured and demonstrated that there is a robust economic case to proceed with a three-council deal, and Government has committed to maintaining the same level of funding.

Thirdly, as part of the devolution discussions the Government has strongly indicated that they are open to and would encourage a discussion with the Council about extending the approved Somer Valley Enterprise Zone into new sites. As a result of this we are proposing to include additional sites in Keynsham and the Somer Valley. This will be good for attracting investment in those areas, including much needed infrastructure, and therefore job creation for our residents and has the potential to generate additional business rates to support wider Council services. If the Council votes to support the devolution deal we will be submitting our revised proposals for the extended Enterprise Zone in mid July.

Finally, on the decision we are taking and the next steps of the process -

What we are asking is for Council, in its scrutiny role, to advise Cabinet on whether to proceed to the public consultation stage of the process. If this is agreed, there will be a consultation period commencing in July, the results of which are presented to the Secretary of State for Communities and Local Government. The matter then comes back to B&NES to decide whether or not to ratify and accept the Parliamentary Order.'

Subject to the views expressed by the forthcoming Council meeting, Councillor Tim Warren moved the recommendations as printed in the Cabinet report.

Councillor Charles Gerrish seconded the proposal by saying that he was delighted with the deal of £900m of funding for the Mayoral Combined Authority over 30 years. Councillor Gerrish also said that Bath and North East Somerset would continue to keep control over its taxes by setting its own tax levels irrelevant of what the other authorities do, and would govern Council's own decisions on financial issues. Councillor Gerrish also said that the deal would enable region to plan ahead infrastructure developments within areas with infrastructure deficit.

Councillor Anthony Clarke commented that the deal would enable the Mayoral Combined Authority, and each authority to plan future transport developments. Councillor Clarke offered his full support to the motion.

Councillor Vic Pritchard welcomed that an offer on the devolution deal had improved though he was not convinced that the Council, as part of the Mayoral Combined Authority could make 30 year commitment. Councillor Pritchard also said that citizens of this authority had rejected a Mayor for BANES and called for a thorough consultation with residents on a Mayor for the Mayoral Combined Authority.

Councillor Liz Richardson offered her full support to the motion and added that the devolution deal would enable the authority to get on with their projects without the need to go to the Government for every single project.

Councillor Paul Myers also offered his full support to the motion and added that the message about the Mayor for the Mayoral Combined Authority would need to be communicated clearly to the public.

Councillor Patrick Anketell-Jones also supported the motion and said that the devolution deal would provide multiple benefits to the region. Councillor Anketell-Jones also said that the Mayor for the Mayoral Combined Authority would be accountable for the entire region and not the authority and they would not get involved in BANES' affairs.

**VOTE:** Unanimous, as per recommendations in the Cabinet report.

Councillor Tim Warren informed the meeting that the Cabinet would now adjourn so the Council could scrutinise Cabinet's decision.

#### **4.15pm meeting adjourned**

#### **9.10pm meeting reconvened**

Councillor Tim Warren said that the Cabinet had heard the views of the Council and its decision was to recommend that the Governance Scheme is approved as per Cabinet recommendations, with additional points moved by the Green Group Members.

Councillor Tim Warren moved the recommendations. Councillor Charles Gerrish seconded the motion.

**RESOLVED** (unanimously) that the Cabinet:

1. Agreed to proceed with the devolution deal as set out in the governance scheme
  - a) Note the West of England Devolution Agreement (Appendix 1 to the report);
  - b) Consider the Governance Review for the West of England 2016 (Appendix 2 to the report) conducted under s.108 of the 2009 Act and agree the conclusion that the establishment of a Mayoral Combined Authority for the area of Bath and North East Somerset Council, Bristol City Council and South Gloucestershire Council, would be likely to improve the exercise of statutory functions in relation to the area and secure the offer within the devolution agreement;
  - c) Consider the proposed Governance Scheme for a Mayoral Combined Authority (Appendix 3 to the report) and agree to publish the Scheme for public consultation under s.109 of the 2009 Act (as amended);
  - d) Authorise the Chief Executive to subsequently submit to the Secretary of State;
    - i. the Governance Scheme;
    - ii. the consultation responses received (or an appropriate summary); and
    - iii. any further consultation response that the Council itself may wish to make to the Secretary of State for the Department of Communities and Local Government;

- e) Authorise the Chief Executive to make any minor amendments or corrections to the governance scheme to enable publication of the scheme for public consultation.
- f) Refer any resulting Order to Cabinet for approval.

2. Agreed, following the debate at the Full Council, to include that:

- a) The devolution deal must not be solely about economic growth, but rather must give substantial importance to reducing inequality and enhancing environmental sustainability. Therefore equality and environmental sustainability must be given meaningful weightings in the economic model, in both the criteria used for selecting projects to benefit from devolved funds, and the metrics that determine whether the projects have been successful.
- b) A sufficient level of support must be given to the Scrutiny and Audit roles of the new Combined Authority to allow it to be fully effective and independent from the executive.
- c) The membership of Scrutiny and Audit roles of the new combined authorities must be chosen in a way that ensures fair representation for all political groups across the region and equal representation of all authorities, should appropriately reflect the scrutiny roles that members hold on the individual authorities, and must be chosen in a clear and transparent manner.
- d) In addition to the consultation response from members of the public, a response to the Secretary of State will be compiled on behalf of members of the Council, to reflect the views of;
  - i. The relevant Overview and Scrutiny Committees
  - ii. The Bath City Forum and other Area Forums
  - iii. Each Political Group and
  - iv. Individual Councillors

With all Councillors who wish to be involved being given sight of anonymised feedback from the public consultation exercise.

The meeting ended at 9.10 pm

Chair \_\_\_\_\_

Date Confirmed and Signed \_\_\_\_\_

**Prepared by Democratic Services**

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<b>Bath &amp; North East Somerset Council</b>		
DECISION MAKER:	<b>Cabinet</b>	
DECISION DATE:	<b>13<sup>th</sup> July 2016</b>	EXECUTIVE FORWARD PLAN REFERENCE
		<b>E 2890</b>
TITLE:	<b>Update on P&amp;R East of Bath and response to CTE Panel's recommendation from the Scrutiny day on 22<sup>nd</sup> March 2016</b>	
WARD:	Bath Wards and Bath Avon North	
<b>AN OPEN PUBLIC ITEM</b>		
<b>List of attachments to this report:</b>		
Appendix 1 – Cabinet Response to Panel Recommendations		

## **1 THE ISSUE**

- 1.1 This report updates the Cabinet on the work being undertaken to identify a preferred location for a new P&R to the east of Bath and provides a response to the recommendations from the Scrutiny Inquiry day held on 22<sup>nd</sup> March 2016.

## **2 RECOMMENDATION**

- 2.1 Note the work currently being undertaken by officers to progress this important issue.
- 2.2 That Appendix 1 be agreed as the Cabinet's response to the recommendations from the Communities Transport and Environment Policy Development & Scrutiny Panel's Scrutiny Inquiry Day. The next meeting of the Panel is on 25<sup>th</sup> July 2016.

## **3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

- 3.1 The Council in February 2014 approved a provisional budget of £5.2m to develop a transport solution for the east of Bath.
- 3.2 Of this budget £500k was approved by Cabinet in November 2014 and £300k by way of a Single Member Decision in January 2016. This has now been committed on works, including consultation and the work commissioned by Cabinet at their meeting in May 2016.
- 3.3 Further funds will need to be agreed to continue to progress this work and will be the subject to a Single Member Decision and reported in full to the next Cabinet. This decision will be brought forward in the coming weeks and will amount to request for approval of £400k further of the provisional budget, bringing the total approved budget to date to £1.2m, This decision will highlight risks around the

current project, including the revenue reversion risk around the current spend against approved budget.

#### 4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 Sustainability, planning. Further consideration will be given once projects identified by this work have been fully evaluated.

#### 5 THE REPORT

- 5.1 Approval was given in November 2014 for work to develop options for a P&R east of the city. This work has also supported the review of options to remove through traffic from the city of Bath. This has included the development of a new transport model which will provide an analytic basis for the business case for both a new P&R and for the link road east of the city. This latter work is being taken forward with Wiltshire County and Highways England.
- 5.2 The project originally planned for the selection of a site during the summer of 2015, and this was referred to in the report last November. The extended public consultation undertaken in September and the Council resolution in November have extended this process beyond the expected programme and further resource is required to continue the project.
- 5.3 Earlier this year there were 4 meetings of the Local Development Framework Steering Group which completed an extensive review of possible sites for a P&R east of the city. This included significant work on landscape impact and continued development of the transport model to review the likely demand for the use of these sites as P&R.
- 5.4 Members will recall that the report to the May Cabinet summarised the position reached by the LDF SG as:

*The overall conclusion from the site analysis is:*

- 1. Only two sites can effectively cater for a large park and ride facility (1500 spaces) when taking into account the constraints highlighted above. They are sites B and F. It is assumed with both of these options that large scale mitigation would take place on the majority of site F. However, it is recognised that both these sites cause concern due to the visual impact.*
  - 2. Smaller sites have been identified on the Box Road that could be developed as part of an incremental approach to development; they included sites 4, 8, 9 and 10 of which 10 was the largest. They could effectively cater for a smaller scale provision. This approach would have to be combined with a future extension to the Lansdown Park and Ride (approximately an extra 100 spaces).*
- 5.5 In addition the Communities Transport and Environment Policy Development & Scrutiny Panel held a full day to discuss the options for an integrated transport strategy for the east of Bath. They made 6 recommendations which are considered in **Appendix 1**.
- 5.6 Since the meeting officers have appointed both property and planning agents to progress options for site acquisition and to develop initial proposals to submit to the Planning service as part of formal pre-application considerations. This



should allow for a final decision on site(s) selection later this year and will significantly reduce the timescale for the submission of planning application(s) in due course. The work being undertaken will de-risk the project and allow more speedy delivery of the selected site(s).

5.7 A cabinet meeting later this year should be in a position to make a firm decision on which site(s) should be promoted as a P&R, at this point a fuller budget and business case will be available for approval.

## 6 RATIONALE

6.1 Continuation of the work of this project is essential and will play a critical role in the development of the Getting Around Bath Transport Strategy and support the Council's Core Strategy

## 7 OTHER OPTIONS CONSIDERED

7.1 None.

## 8 CONSULTATION

8.1 Cabinet member, Monitoring Officer, Section 151 Officer and the Strategic Director Place have been consulted on this report.

## 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 There remains a significant risk that if no site is brought forward for a P&R the costs spent to date and those approved now might have to be written back to a revenue budget as no assets will have been created. Any reversion would create a significant additional budget pressure for which there is no mitigation available at the moment.

<b>Contact person</b>	<i>Peter Dawson 01225-395181</i>
<b>Background papers</b>	<i>Getting Around Bath Transport Strategy – available on public website.</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	

## Appendix 1

### Cabinet response to Panel Recommendations

1. To support moves to increase the use of the Lansdown P&R together with a smaller site or sites east of Bath to provide sufficient spaces for current and future need recognising the concerns of the population around the Meadows proposals. The potential use of rail and river should be considered as well as low emission buses serving the P&R.

**Response:**

*The cabinet are still considering how they meet the need for a P&R to the east of the city and this will be discussed at a future meeting. Lansdown P&R will continue to have an important role, which may indeed need to be expanded in the future. The existing P&R service includes the use of low emission buses which we will seek to continue in the future. Both rail and river options have been considered. The cost of providing a rail option would be very high and also would lead to a delay of a number of years, due to considerable uncertainties about time-tabling and identifying the location of a rail station. As far as the river is concerned, this would not offer sufficient capacity to transport the numbers of expected passengers to the City. Speed restrictions and environmental concerns mean that this option may offer a tourist opportunity. Use of the river is not a serious contender for large number of passenger journeys.*

2. To improve publicity and signage for the Lansdown site and the opening of discussions with South Gloucestershire Council on improvements to the access for this site so as to meet the needs of visitors approaching Bath from the A46.

**Response:**

*The Cabinet welcomes this recommendation and will be including it in the strategy going forward. Officers have been asked to review the current signage in association with the installation of new Variable Message Signs in the vicinity of the Cold Ashton Roundabout, one of the final elements of the Bath Transportation Package. In particular, the Council acknowledges that the need to make clear that the Lansdown site is the P&R for Bath. Preliminary discussions with South Gloucestershire Council have taken place concerning the improvement of the access to the Lansdown P&R from the A420.*

3. To investigate the Nottingham City integrated and in particular its Work Place Parking Levy scheme with the aim of raising revenue that might be used for e.g. subsidising bus travel during periods of congestion, including travel by school students.

**Response:**

*The initial view of officers is that it is unlikely that a Work Place Parking Levy scheme would work in a city the size of Bath. However, there is value in reviewing this policy option and officers will provide Cabinet with a more detailed report at a future meeting.*

4. To investigate a possible link road between the A46 and A36 while recognising the environmental impact.

**Response:**

*This work is underway and is being taken forward with Wiltshire Council and Highways England.*

5. To encourage the incorporation into the Travel Plans of the RUH and other health facilities of measures to improve the access from the East of Bath.

**Response:**

*The cabinet supports this recommendation and will continue to discuss with the RUH what initiatives can be taken to reduce the impact of their traffic on the city. The RUH have expressed an interest in supporting a dedicated service from a new east of Bath P&R.*

6. The panel request early sight of the conclusions of the LDF Steering Group review of possible P&R sites.

**Response:**

*The LDF report and background documents are now available on the Council's web site.*

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Bath & North East Somerset Council

## **Cabinet Single-Member Decisions and Responses to Recommendations from PDS Panels**

published 27-Apr-16 to 1-Jul-16

Further details of each decision can be seen on the Council's Single-member Decision Register at <http://democracy.bathnes.gov.uk/mgDelegatedDecisions.aspx?&dm=3>

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### **Royal Victoria Park Charges**

*To confirm the agreement of the Cabinet Member for Highways and Parking Services to implement changes to the parking schemes in Royal Victoria Park via the necessary statutory processes and in line with financial regulations.*

Decision maker: Cabinet Member - Transport

Decision published: 01/07/2016

Effective from: 09/07/2016

Decision:

The Cabinet Member agrees that the following changes are made to the parking scheme in place in Royal Victoria Park:

- (1) That the charges are varied to allow the first hour of parking to be free of charge; and
- (2) That the maximum stay time is increased to 4 hours in all locations where this is not currently available; and
- (3) That the Cabinet Member notes the impact on the Parking Services budget from the implementation of the fee change and approves the virement of funding from the Highways Services cost centre.

Lead officer: Chris Major

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### **Additional Highway Maintenance Capital Funding 2016-17**

*Approve the intentions for additional Highway Maintenance Capital Funding identified as provisional in the 10<sup>th</sup> February 2016 Budget report to Full Cabinet. The additional schemes follow the policies of both the Joint Local Transports and Joint Local Asset Management Plans for Bath & North East Somerset.*

Decision maker: Cabinet Member - Transport

Decision published: 01/07/2016

Effective from: 09/07/2016

Decision:

The Cabinet Member agrees that:

- The funding allocation breakdown across carriageway and drainage assets is as set out in Appendix 1 to the report.
- The Divisional Director Environmental Services and the Group Manager Highways & Traffic are delegated authority to alter the programme of schemes, in consultation with the Cabinet Member for Transport, as may prove necessary during 2016/17. Any alterations will be within the overall budget allocation and take into account any additional funding streams that become available.

Lead officer: Craig Jackson

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### **Housing Services Charging Policy Modifications**

*The Housing Services Charging Policy 2014 sets out the rechargeable services provided and how the charges are calculated and recovered. Charges have been reviewed and we are proposing that the Policy is modified to include new and revised charges.*

Decision maker: Cabinet Member - Homes and Planning

Decision published: 24/06/2016

Effective from: 03/07/2016

Decision:

The Cabinet Member agrees that the modified Housing Services Charging Policy is adopted.

Lead officer: Sue Wordsworth

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### **Various Roads, North East Outer Area, Bath, Parking TRO**

*To consider responses to public consultation.*

Decision maker: Cabinet Member - Transport

Decision published: 20/06/2016

Effective from: 28/06/2016

Decision:

The Cabinet Member AGREES that the proposals be implemented, modified or withdrawn as below:

#### **1.1 Restrictions as detailed on plan H5.**

**Roads affected: Ragland Lane, Raglan Villas and Solsbury Way**

**Restriction:** Proposed No Waiting At Any Time markings

**Recommendation:** That the proposals are **implemented in part** as the Council received 4 objections to the implementation of these restrictions at the junction of Ragland Lane / Raglan Villas and no comments of support. It is therefore recommended, due to the limited on-street parking stock, that these proposed No

Waiting At Any Time markings are not implemented at this time. However, the proposed No Waiting At Any Time markings, at the junction of Solsbury Way / Ragland Lane, received no objections and should be implemented on safety grounds, improving the visibility and accessibility around this junction.

### **1.2 Restrictions as detailed on plan H6.**

**Roads affected:** Arundel Road, Snow Hill and Kensington Gardens

**Restriction:** Proposed No Waiting At Any Time markings

**Recommendation:** That the proposals are **implemented** as the Council received no objections and these restrictions were agreed with Local Councillors on a walk about.

### **1.3 Restrictions as detailed on plan H7.**

**Roads affected:** Bennetts Lane and Snow Hill.

**Restriction:** Proposed No Waiting At Any Time markings

**Recommendation:** That the proposals are **implemented** as the Council received 2 comments of support, 4 of support in part and 2 objections. As these proposals have been agreed by Local Councillors, during a walk about, to aid accessibility and for the passage of refuse and emergency vehicles it is recommended that these proposals are implemented.

### **1.4 Restrictions as detailed on plan I4.**

**Roads affected:** Eldon Place.

**Restriction:** Proposed removal of No Waiting At Any Time markings.

**Recommendation:** That the proposals are **implemented** as the Council received no objections and on-street parking stock is in high demand.

### **1.5 Restrictions as detailed on plan I5.**

**Roads affected:** Salisbury Road.

**Restriction:** Proposed No Waiting At Any Time markings.

**Recommendation:** That the proposals are **implemented** as the Council received no objections to these recommendations.

### **1.6 Restrictions as detailed on plan I7.**

**Roads affected:** Ringswell Gardens.

**Restriction:** Proposed removal of No Waiting At Any Time markings.

**Recommendation:** That the proposals are **implemented** as the Council received no objections to these recommendations.

### **1.7 Restrictions as detailed on plan J3.**

**Roads affected:** Bailbrook Lane

**Restriction:** Proposed No Waiting At Any Time markings

**Recommendation:** That the proposals are **withdrawn** at this time as the Council received 4 objections and no comments of support. Onstreet parking stock is in great demand in this area and so it is recommended that these restrictions, due to the lack of resident support, are not implemented.

### **1.8 Restrictions as detailed on plan J6.**

**Roads affected:** Grosvenor Bridge Road

**Restriction:** Proposed No Waiting At Any Time markings

**Recommendation:** That the proposals are **withdrawn** at this time as the Council received 3 objections and no comments of support. Onstreet parking stock is in great demand in this area and so it is recommended that these restrictions, due to the lack of resident support, are not implemented.

Lead officer: Kris Gardom

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## **Housing Allocations Scheme Revisions**

*The way social housing is allocated is an important part of creating sustainable communities. The current scheme was approved in 2012 and we are now proposing minor amendments to align it with statutory changes and improve implementation.*

Decision maker: Cabinet Member - Homes and Planning

Decision published: 07/06/2016

Effective from: 15/06/2016

Decision:

The Cabinet Member agrees that the revised Allocation Scheme is formally adopted.

Lead officer: Sue Wordsworth

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## **Bath Quays Capital Approvals**

*Bath Quays is the Council's priority project for economic Growth within the Bath Enterprise Area. Progression of the scheme in accordance with provisional capital items within the Council's Capital Programme.*

Decision maker: Leader of the Council

Decision published: 03/06/2016

Effective from: 11/06/2016

Decision:

The Cabinet Members agree:

1.1 To fully approve Capital Items for Bath Quays totalling £12.057M identified within the Council's adopted Capital Programme (2016/17), comprising;



(1) Bath Quays Bridge: £3.137m for Bath Quays Bridge within Bath's Enterprise Area and to the development and implementation of cycle schemes to improve links between the Bath Quays Bridge, the Enterprise Area and other areas of Bath.

(2) Bath Quays North:

i) £5.27m to fund enabling infrastructure on and off site. (£1.05m for the design element of Bath Quays infrastructure, £1.8m for construction of coach parking at Odd Down, £2.42m for construction of a replacement coach drop off and utility supplies).

ii) £0.65m to fund design development of Bath Quays 'pioneer' office building and multi storey car park as a council investment asset.

iii) £1m for delivery partner procurement, including set up of a delivery vehicle, for Bath Quays.

(3) Bath Quays South: £2m to fund design development, land acquisition and planning of Bath Quays South. for delivery of BMT headquarters as a tenant in a Council owned office building and to facilitate a serviced residential plot

1.2 To allocate £250k from the financial planning reserve to support short term revenue losses in the years before the project is able to generate income.

1.3 The Strategic Director for Place in consultation with the Leader, Cabinet Member for Sustainable Development and Strategic Director of Resources, with appropriate s151 review and sign off, is authorised to:

(1) Progress enabling activities encompassing the re-provision of car and coach parking to replace Avon Street, demolitions, highway and strategic utility infrastructure, and related disposal activities in order to bring the site forward for the development of office and other mixed uses in line with the Enterprise Area Masterplan.

(2) Develop the necessary business cases, submit and enter funding agreements with the West of England Local Enterprise Partnership (LEP) for Bath Quay's to utilise identified funding sources comprising Economic Development Funding, Revolving Infrastructure Funding and Local Growth Funding.

Lead officer: Simon Martin

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## **Street Naming & Numbering - revised charges**

*This is to seek approval for increased charges for the street naming & numbering function to better recover the cost of providing the function.*

Decision maker: Cabinet Member - Homes and Planning

Decision published: 27/05/2016

Effective from: 04/06/2016

Decision:

The Cabinet Member agrees to approve the revised Street Naming & Numbering charges for 2016/17.

Lead officer: Phil Mansfield

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### **Keynsham Land Assembly - Leisure**

*In February 2016 Council approved the budget for 2016/17 which contained a provisional approval in the Capital Programme of £2.5M for the land assembly in Keynsham to enable purchase of a site for the proposed leisure centre. This decision is to move from provisional to full approval.*

*The decision is urgent as a result of the owner of the lease requiring a confirmation that the Council is ready to complete on 31 May as a condition. Appropriate due diligence has already been completed.*

Decision maker: Cabinet Member - Finance and Efficiency

Decision published: 27/05/2016

Effective from: 26/05/2016

Decision:

The Cabinet Members agree that £2.5M funding provisionally approved by Council in February 2016 for land assembly in Keynsham be fully approved.

Lead officer: Sue Green, Derek Quilter

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### **Waste Infrastructure - Approval of Capital Expenditure**

*To approve capital expenditure detailed in the Council's budget as a provisional item, to progress with work to relocate and modernise the Council's waste management infrastructure.*

Decision maker: Cabinet Member - Community Services

Decision published: 24/05/2016

Effective from: 01/06/2016

Decision:

The Cabinet Members agree that the capital budget totalling £862k is fully approved.

Lead officer: Carol Maclellan

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### **St Keyna Primary School - Basic Need Expansion**

*Approval to proceed with a capital project to carry out remodelling works and add accommodation at St Keyna Primary School. The space is required to meet the need for additional school places in the Keynsham/Saltford area.*

Decision maker: Cabinet Member - Children's Services

Decision published: 20/05/2016

Effective from: 28/05/2016

Decision:

The Cabinet Member agrees to approve a capital budget of £436,974 from the 2016/17 Basic Need Capital programme to provide additional accommodation and carry out minor remodelling works at St Keyna Primary School.

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### **Adaptions to Roads with Existing 20mph Speed Limits**

*Proposed installation of speed tables into existing 20mph zones in various locations of the B&NES urban area.*

Decision maker: Cabinet Member - Transport

Decision published: 19/05/2016

Effective from: 27/05/2016

Decision:

The Cabinet Member agrees with the order to provide raised tables, at the following locations only:-

Englishcombe Lane

- west of Stirtingale Road;
- east of Oak Avenue;
- west of Englishcombe Way;
- west of Westfield Close.

St Ladoc Road, Keynsham

- north of Culvers Road;
- south of St Annes Avenue.

Lead officer: Andy Coles

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### **Abbey Chambers lease agreement**

To agree to grant a lease for Bath Abbey on the basement of Abbey Chambers and the vaults adjacent to the Abbey for 150 years at a market rent, but abated to nil.

Decision maker: Cabinet Member - Finance and Efficiency

Decision published: 19/05/2016

Effective from: 27/05/2016

Decision:

The Cabinet Members agree that:

1) The Chief Property Officer be authorised to enter into an agreement for lease with Bath Abbey on the basement of Abbey Chambers.

2) The lease reserves a market rent which is abated to nil, subject to the tenant satisfying the landlord of the following:

a) The Tenant shall ensure that reasonable toilet facilities in the Property (reasonably agreed with the Landlord) are available free to the public at all times that the Bath Abbey is open to the public which will be not be less (on average) than six days a week. The only exception being when the conducting of church services in the Bath Abbey precludes the access of the general public to the toilets. The Tenant shall provide signage to the toilets as reasonably approved by the Landlord.

b) The Tenant shall ensure that it operates a museum in the Property and / or Bath Abbey that provides a good general history of Bath in the medieval period (not just Abbey history) and that the museum is available free to the public at all times that the Bath Abbey is open to the public which will be not be less (on average) than six days a week. The only exception being when the conducting of church services in the Bath Abbey precludes the access of the general public to the museum. The museum must be to the reasonable satisfaction (in terms of size and content) of the Landlord's nominated museum officer. The Tenant shall provide external (if possible) and internal signage to the museum as reasonably approved by the Landlord and publicise the museum, particularly emphasising that access is free.

Lead officer: John Wilkinson

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### **Proposed Zebra Crossing - Newbridge Hill, Bath**

*Proposed installation of a Zebra Crossing on Newbridge Hill, Bath, north west of the junction with Combe Park.*

Decision maker: Cabinet Member - Transport

Decision published: 18/05/2016

Effective from: 26/05/2016

Decision:

The Cabinet Member agrees that the proposed zebra crossing and associated works go ahead.

Lead officer: Andy Coles

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### **School Term and Holiday Dates 2017-18**

To agree the school term and holiday dates for the 2017-18 academic year.

Decision maker: Cabinet Member - Children's Services

Decision published: 11/05/2016

Effective from: 19/05/2016

Decision:

The Cabinet Member agrees that:

- 1) To note that Academies, Foundation, Free Schools and Voluntary Aided Schools have the power to determine their own term and holiday dates.
- 2) To note that the Government intention to give the same power to Community and Voluntary Controlled Schools under the 2015 Deregulation Bill will not be commenced
- 3) In order to maximise consistency of dates for the benefit of children and their parents, to recommend to all schools the Council's preferred calendar of School Term and Holiday dates for the academic year 2016-18 based on a 195 day calendar.

Lead officer: Kevin Amos

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### **Charlotte Street evening charges**

*To confirm the change to the evening charge in Charlotte Street car park.*

Decision maker: Cabinet Member - Transport

Decision published: 04/05/2016

Effective from: 12/05/2016

Decision:

The Cabinet Members confirm the decision to implement the new reduced evening charge in Charlotte Street car park in line with the attached schedule.

The Cabinet Members note the impact on the Parking Services budget that the implementation of the new charge will have and approves the virement of funding from the Heritage Services cost centre.

Lead officer: Chris Major

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### **Various Roads, Central Area, Bath, Resident Parking TRO**

*The introduction of proposed Resident Parking Bays and No Waiting At Any Time restrictions.*

Decision maker: Cabinet Member - Transport

Decision published: 29/04/2016

Effective from: 10/05/2016

Decision:

The Cabinet Member AGREES that the proposals be implemented, modified or withdrawn as below:

**Restrictions as detailed on plans G9 and F9.**

**Roads affected:** Royal Avenue, Royal Crescent, Brock Street and Gay Street.

**Restriction:** Central Zone Resident Parking Only Bays, Mon – Sat, 8am – 7pm.

**Recommendation:** That the proposals are **implemented** as the Council received only one objection to the implementation of additional resident parking along Royal Avenue. However these proposals have been considered by local Resident Associations and Councillors and there is a strong wish to see more Resident Parking spaces within the Central Zone as currently permit allocation exceeds Zone capacity.

**Restrictions as detailed on plans H11 and H10.**

**Road affected:** South Parade, Henry Street, and Bridge Street.

**Restriction:** Central Zone Resident Parking Only Bays, Mon – Sat, 8am – 7pm.

**Recommendation:** That the proposals are **implemented** as advertised as no objections were received and these proposals have been approved by local Resident Associations and Councillors.

**Restrictions as detailed on plan G10.**

**Road affected:** Quiet Street, Burton Street, Upper Borough Walls.

**Restriction:** Central Zone Resident Parking Only, Mon – Sat, 8am – 7pm.

**Recommendation:** That the proposals are **implemented** as advertised as no objections were received and these proposals have been approved by local Resident Associations and Councillors.

**Restrictions as detailed on plan H9.**

**Roads affected:** Henrietta Road, Henrietta Gardens.

**Restriction:** Prohibit and restrict parking At Any Time

**Recommendation:** That the proposals are **implemented** at this time as, although the Council received 2 objections, there was 1 of support and these proposals have been approved by local Resident Associations and Councillors. The No Parking At Any Time restrictions are also required to allow access for emergency vehicles and refuse vehicles and to provide access to drainage points to allow these to be cleared to prevent flooding.

**Restrictions as detailed on plan H8**

**Road affected:** Walcot Gate.

**Restriction:** Central Zone Resident Parking Only, Mon – Sat, 8am – 7pm.

**Recommendation:** That the proposal is **withdrawn** at this time as the Council received 2 objections. The concerns raised regarded access for delivery vehicles to local businesses and need further consideration.

**Restrictions as detailed on plan H9**

**Road affected:** Great Pulteney Street.

**Restriction:** Zone 1, Resident Parking Only, Mon – Sat, 8am – 7pm.

**Recommendation:** That the proposal is **implemented** at this time as the Council received only 1 objection and these proposals have been approved by local Resident Associations and Councillors.

**Restrictions as detailed on plan I10 and I11.**

**Road affected:** Pulteney Road

**Restriction:** Zone 1, Resident Parking Only, Mon – Sat, 8am – 7pm and Paid For Parking 2hrs Max, No Return for 1hr.

**Recommendation:** That the proposal is **implemented** as advertised as only 1 objection was received and these proposals have been approved by local Resident Associations and Councillors.

**Restrictions as detailed on plans G10 and G11.**

**Roads affected:** Monmouth Street.

**Restriction:** Central Zone Resident Parking Only, Mon – Sat, 8am – 7pm. No Waiting Between Thurs – Mon, 7pm – 8am. No Waiting At Any Time.

**Recommendation:** That the proposals are **implemented in part** as the proposed build out part of the scheme is no longer due to take place at the expressed wish of local councillors. It is therefore recommended that the No Waiting At Any Time proposals are withdrawn at this time. The Central Zone Resident Parking Only, Mon – Sat, 8am – 7pm and No Waiting Between Thurs – Mon, 7pm – 8am restrictions should be implemented however as the Council received no objections and the purpose of these restrictions is to allow access for deliveries to the theatre.

Lead officer: Kris Gardom

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<b>Bath &amp; North East Somerset Council</b>		
MEETING/ DECISION MAKER:	<b>CABINET</b>	
MEETING/ DECISION DATE:	<b>13 July 2016</b>	EXECUTIVE FORWARD PLAN REFERENCE:  E 2876
TITLE:	<b>Review of the Council's Waste &amp; Recycling Collection Service</b>	
WARD:	All	
<b>An Open Public Item</b>		
<p><b>List of attachments to this report:</b></p> <p><b>Appendix 1A Wheeled bin survey</b></p> <p><b>Appendix 1B Customer Satisfaction Results</b></p> <p><b>Appendix 1C Waste Analysis</b></p>		

## 1. THE ISSUE

- 1.1 The Council's published Waste Strategy "Working Towards Zero Waste" (as amended 2014) details a number of strategic aims (see section 5 of this report) along with a key action to review its waste & recycling collection methodology to limit the volumes of waste collected by 2020. In addition, the Council faces the following challenges;
- to mitigate against the financial pressures forecast in the waste & recycling collection services taking into account the loss of the DCLG grant of £450k pa from March 2017;
  - the end of the Initial Term of the Recycling Services Contract with Kier on 5th November 2017 ;
  - to reduce the amount of recyclable waste that is currently presented as non-recyclable waste (recent analysis shows that 58% of the contents of our black bag waste collection is still material that could be recycled using our current service);
- 1.2 In addition, the Council has a priority of 'promoting cleaner, greener and healthier communities', which is supported by a number of the proposals within this report, including:
- continuing a weekly waste collection service for the majority of household waste, including food and recyclables;

- increasing recycling rates and prioritising sustainability & environmental performance in accordance with our waste strategy;

- reducing street waste and preventing access to waste by gulls and other scavengers.

- 1.3 The national recycling league table for 14/15 ranked B&NES 80 out of 353 local authorities in England. The majority of B&NES residents embrace recycling, and our performance has previously been at the forefront in the UK, however in recent years our recycling performance has plateaued. This can be directly attributed to the fact that we have not evolved our collection services to incentivise further recycling by restricting the amount of non-recyclable waste collected. Various collection options have been modelled by the Council to help improve performance, and recommendations are made as to the approach which most closely meets objectives.

## 2 RECOMMENDATIONS

That Cabinet agree:

- 2.1 To implement in 2017, following a period of public engagement, a new waste & recycling collection service using tried and tested methodology, which prioritises a weekly recycling service and most closely meets the Council's objectives detailed within the Waste Strategy.
- 2.2 To ensure the retention of a weekly collection service, continuing to deliver one of the most comprehensive recycling services in the UK which includes the following items:
- Food waste
  - Plastic bottles, pots, tubs and trays
  - Glass
  - Paper and cardboard
  - Aluminium and steel cans
  - Aerosols
  - Foil
  - Tetrapaks
  - Textiles
  - Batteries
  - Small electrical and electronic items
  - Spectacles/mobile phones/used engine oil.
- 2.3 To provide residents with additional recycling containers (lidded green boxes and lockable food waste containers) as required, to enable easy storage and collection of this material. To clearly mark the boxes so it is easy to understand what can be collected.
- 2.4 To phase out the current blue bag for cardboard over time, and replace with a recycling box to help with storage and collection for residents.
- 2.5 To continue with the opt-in fortnightly garden waste recycling service.

- 2.6 To collect the small amount of non-recyclable waste that remains after all of these materials are recycled, every other week (detailed in section 6) in containers provided by the Council.
- 2.7 To issue residents with a wheeled bin (at properties that can accommodate them), so that waste can be stored and presented safely for collection, whilst also being better protected from gulls and other scavengers to reduce problems with littering.
- 2.8 To issue all other properties (those which are unable to accommodate a wheeled bin, or are within an area deemed unsuitable for wheeled bins) with reusable, durable and pest-proof rubbish bags (where practical) to help reduce street litter.
- 2.9 To agree that the default size for wheeled bins should be 140 litres, whilst recognising that a 'one size fits all' approach is not possible in a diverse district with a multitude of housing types, and to therefore instruct the Divisional Director of Environmental Services to work up alternative proposals that will enable households with larger families/ occupancies to request a larger bin, with the details and criteria of the scheme to be delegated to the Divisional Director of Environmental Service in consultation with the Cabinet member for Community Services.
- 2.10 To delegate and instruct the Divisional Director of Environmental Services in consultation with the Cabinet member for Community Services, to enter negotiations for a short term extension (up to 2 years) to the recycling contract with Kier (pending site consolidation for the refuse and recycling services) - subject to agreement on the financial and staffing arrangements. Failing this agreement, the Divisional Director of Environmental Services are instructed to make arrangements to bring the kerbside recycling service in-house.
- 2.11 The Divisional Director of Environmental Services to carry out further detailed work into vehicle & plant replacement on the recommended option, and to report back to Cabinet members to enable decisions to be taken to release the capital required.
- 2.12 To agree a neutral budget movement through implementation of strategic review proposals initially highlighted within the Place Directorate Plan in November 2015 as detailed in section 3.

### **3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

- 3.1 Full technical and financial modelling has been completed on the service design options set out in this report to produce indicative costs, including capital costs and Service Supported Borrowing recharges. This has been done against existing budgets for a 2017/18 forecast position.
- 3.2 High level modelling was carried out against a large range of different collection options, which were then narrowed to down to 4 options which most closely meet the Council's objectives.
- 3.3 The figures reported are based on a modelling assumption that all services are co-located at a site in Keynsham and that all services are delivered in-house by the same provider. Although there is also the potential to out-source the refuse & recycling service at a future date, a full OJEU compliant procurement would need to be undertaken to determine the actual cost of this. Proposals on future service

delivery options using one provider (either in-house or externalisation) will be considered by the Council in due course for implementation when the services have co-located.

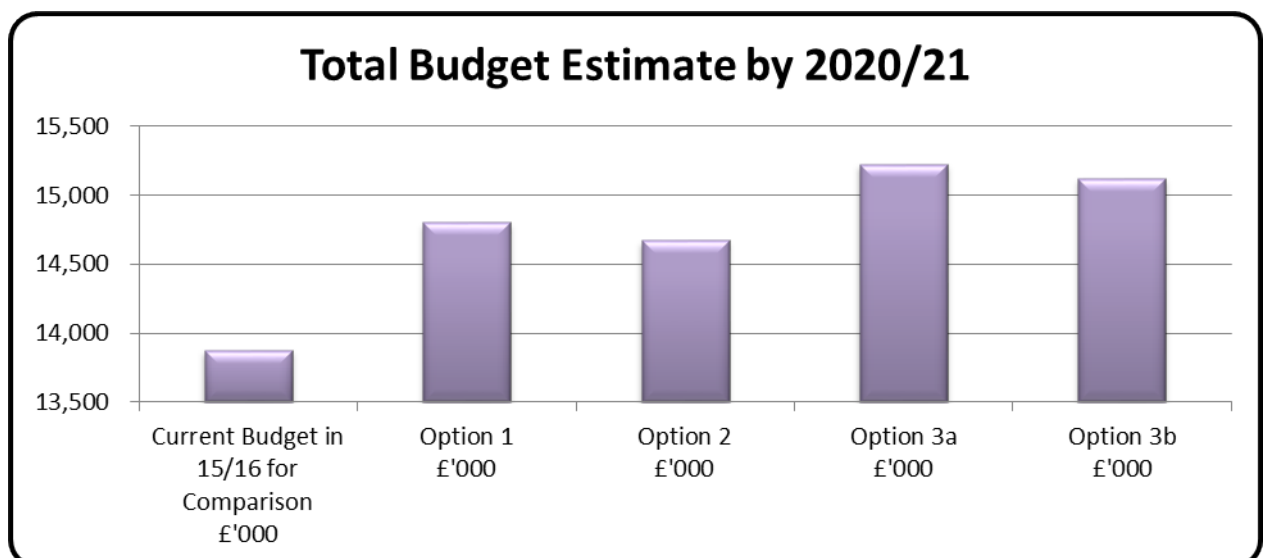
- 3.4 The modelling, at this stage has been provided by the waste consultants WYG and has been applied against the existing B&NES budgets forecasted to 2020/21 to establish comparative costs under each of the options. The revenue impact of the modelled options is shown below:

<b>Budget Movement</b>	Option 1  (non-recyclable collections every other week) £'000	Option 2  (non-recyclable collections every 3 weeks) £'000	Option 3a  (current service) £'000	Option 3b  (weekly non-recyclable collections weekly limited to 2 bags) £'000
Current 16/17 Total Budget*	13,881	13,881	13,881	13,881
Total Budget by 2020/21	14,804	14,673	15,225	15,124

\* This current total budget figure is the existing total cost for 2016/17. The current budget includes the £450k per annum of grant funding.

The growth shown by 2020/21 includes housing growth, service delivery change, asset acquisition and the end of the £450k per annum grant funding.

- 3.5 Graphically the modelling shows a budget growth against current budgets by 2020/21 for several options as shown below:



- 3.6 The total budget by 2020/21 is a forecast position with assumptions built in around inflation of current service costs, including housing growth, and service supported borrowing costs from 2017/18 on the basis of fleet replacements required – for which a decision around capital will need to be brought forward later during 2016/17.

- 3.7 In order that the budget remains unaffected by the end of the 'DCLG' funding, savings of £450k p.a. are required. This funding has been received over the last 4 years to ensure the continuation of weekly non-recyclable waste collections until 2017. Option 2 (3-weekly non-recyclable waste collection) is the nearest collection method in terms of budget and spending commitments.
- 3.8 All options require revenue budget growth predominantly due to impacts of housing growth, of which £88k relates to 2016/17 and is proposed in other reports to be managed through existing service budgets.
- 3.9 In order to mitigate the remaining growth in the waste budget it is recommended to adopt income generating proposals identified within the published Place Directorate Plan for 2017/18-2019/20. To include:
- £200k – Visitor Economy Improvements.
  - £60k – Film Office Commercial Focus and Income Generation.
  - £50k – BaNES Enterprise Agency / SME Workspace Management.
  - £750k – Heritage Services Business Plan Alignment.
  - £22.5k – Increase Homesearch Marketing Fees.
  - £85k – Income from Bath Casino.
  - £20k – Implementation from Spring Water Agreements.
- 3.10 These approved budget variations will be incorporated into the budget proposed for Council in February 2017.
- 3.11 For reference, the table below shows the estimated cost per household for each of the options over the years to 2020/21:

	2015/16 £/hh	2016/17 £/hh	2017/18 £/hh	2018/19 £/hh	2019/20 £/hh	2020/21 £/hh
<b>Option 1 (recommended)</b>	187.26	176.89	175.08	190.68	189.56	187.47
<b>Option 2 (3 weekly)</b>	187.26	176.89	173.40	189.41	188.14	185.81
<b>Option 3a (as now)</b>	187.26	176.89	182.27	196.21	195.17	192.80
<b>Option 3b (limit sacks)</b>	187.26	176.89	181.23	194.93	193.85	191.52

#### **4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL**

- 4.1 The UK has a statutory obligation to recycle 50% of its waste by 2020. EU legislation currently being proposed details a statutory recycling rate of 65% by 2030.
- 4.2 It is more expensive for the Council to collect and dispose of waste than it is to collect and recycle waste. Current methods of waste collection do not encourage residents to maximise recycling, and contribute negatively to street cleansing issues. In the current financial climate, with the ending of central government funding subsidising our collection service, the Council must assess alternative

options to keep the service affordable, and to meet objectives to recycle as much waste as possible whilst reducing litter on our streets.

## 5 THE REPORT

5.1 The Council's adopted waste strategy 'Towards Zero Waste 2020' (adopted 2005, reviewed and republished in 2014) has the following key aims:-

- Improve the service we offer
- Keep the costs of waste and recycling down
- Help our residents to prevent waste and to reduce the amount of waste that is produced in our area
- Continue the progress made on recycling and increase the proportion of waste recycled

5.2 In addition, a key action within the strategy that relates specifically to the issue of service redesign states;

Action	Evaluate collection methodology to limit volumes of waste collected
We will review our waste collection policies to ensure that we are maximising the amount of waste we recycle and are using the most appropriate systems for local communities. This will include looking at the types of containers we use, the volumes of waste we pick up, the frequency of our collection services and the impact collecting waste and recycling has on our streets.	

5.3 The Council has further considered key priorities regarding waste collection which need to be taken account of, these are;

- a) to increase recycling rates (and reduce disposal costs)
- b) to improve the street scene and reduce litter
- c) to keep the waste collection service affordable - recognising the impact the reduction in the DCLG grant of £450k pa will have alongside the end of the term recycling contract in 2017.

5.4 These key priorities further support the Council's Gull Strategy which seeks to:

- reduce the quantity of edible waste accessible by gulls and other scavengers;
- maximise the proportion of waste that is recycled, reused or composted and minimise the proportion of waste, particularly food waste that is sent to landfill; and
- minimise the impact of waste collection arrangements on the neighbourhood environment

5.5 The Council commissioned a comprehensive review of waste & recycling collection options with consultants WYG, considering many models of delivery in place throughout the UK. The options were subsequently narrowed down to those which most closely meet the Council's objectives.

5.6 These remaining options all retain weekly recycling, weekly food waste and fortnightly garden waste recycling, as now and are detailed in 5.9

5.7 If residents use the recycling service to its maximum potential in accordance with the Council's adopted Waste Strategy, then each household should generate very little black bag waste remaining for collection. Determining the most cost effective method of collecting this remaining waste in accordance with objectives can then be determined.

5.8 Options researched in detail:

Option	Weekly	Every 2 weeks	Every 3 weeks
1 (recommended)	Food Waste All recycling (green boxes) * ***	Garden Waste (chargeable) Rubbish in 140litre wheeled bin **	
2	Food Waste Recycling* ***	Garden waste (chargeable)	Rubbish in 180 litre wheeled bin **
3A	Food Waste Recycling Unlimited rubbish in black sacks	Garden waste (chargeable)	
3B	Food Waste Recycling Rubbish in black sacks limited to 2	Garden waste (chargeable)	

\*Additional recycling boxes with lids, clearly labelled to be provided

\*\* Where wheeled bins are not suitable then re-useable rubbish bags will be given free where practical.

\*\*\*Blue bags for cardboard to be phased out when existing stocks are used, to be replaced with recycling boxes.

5.9 However, more detailed analysis of options 3A and 3B demonstrated that these options will not fulfil the objectives within the Waste Strategy. Options 1 or 2 are the only viable options that are likely to achieve these objectives.

5.10 With options 1 & 2, the small amount of non-recyclable household waste that remains would be collected either every other week, or on a three weekly basis.

5.11 Alternate week collections of non-recyclable rubbish, are a tried and tested method, with 69% of all local authorities in the UK successfully operating this model, including all of our neighbouring authorities (Wiltshire, Somerset, South Gloucestershire, North Somerset and Bristol). Reducing the frequency of non-recyclable collections and restricting container capacity is an established proven method to encourage higher levels of recycling.

5.12 The use of wheeled bins collected every other week is the most established method of efficiently & safely collecting the small amount of non-recyclable waste that is left once the extensive recycling services have been fully utilised.

5.13 Evidence from around the country suggests that the public are supportive of this type of collection service as levels of customer satisfaction remain high. Appendix 1B details Customer Satisfaction from services in Surrey (as one example studied)

who operate a non-recyclable waste collection every other week. The figures show that Surrey residents currently report satisfaction levels of between 90% - 95%.

- 5.14 Appendix 1B sets out the evidence from our own Voicebox survey carried out in 2014, which shows that 86% of residents could more than adequately cope with their non-recyclable waste being collected every other week. Appendix 1 C details the composition of waste in our bins and shows the amount of waste that could still be recycled through our weekly service.
- 5.15 Option 2 (3 weekly collections of non-recyclable waste) has been introduced in 9 local authorities to date and is being trialled in various areas of the country (including parts of Somerset). It does achieve the best financial position but it is not wholly proven or well established and therefore may not be as popular with residents.
- 5.16 All options require significant capital investment in vehicles and containers, as the current fleet is reaching the end of its efficient operating life. A minimum 9 months lead in is required to procure and mobilise a new refuse & recycling fleet as these are made to order and are not readily available to the specification required.
- 5.17 A decision on service design and delivery is required by July 2016. Sufficient time is needed to negotiate any short term extension to the Kier contract, or to begin an in-sourcing of the service. The deadline for agreement of an extension to the contract is the end of October 2016.
- 5.18 When the refuse & recycling services are consolidated on the same site in future years (subject to decisions taken on this), then this presents the opportunity to realise revenue savings by having one organisation run both services. This is unlikely to happen until 2019 at the earliest.

## **6 RATIONALE**

- 6.1 The rationale for the recommendations is included in Section 5 above.
- 6.2 A survey of all households in the district has highlighted that 75% of properties currently on a sack collection would be suitable for wheeled bins (Appendix 1A). Further work is needed to assess the best solution for the remaining 25% of properties. For many of these reusable rubbish bags will present the best option. It is recognised that no one size fits all approach will work across the district however and variations will be necessary for specific situations.
- 6.3 A recent composition analysis of black bags within the district shows that on average 58% of the rubbish contained in them could still be recycled, demonstrating that there is still large potential for residents to recycle more use our existing recycling service to its full extent.

## **7 OTHER OPTIONS CONSIDERED**

- 7.1 Many options have been modelled at a high level, and these have been narrowed down to those that most closely fit the Council's objectives and local circumstances. More detailed modelling has been carried out on the options identified in the report.



7.2 Other delivery options have been assessed however the most viable, cost effective options deemed to deliver within required timescales, are those described in the recommendations.

## 8 CONSULTATION

8.1 The Council's Monitoring Officer, Section 151 Officer, Chief Executive and Cabinet Members have been consulted and have had opportunity to review & input into the recommendations.

## 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.

<b>Contact person</b>	<p>Martin Shields 01225 396888</p> <p>Carol Maclellan 01225 394106</p>
<b>Background papers</b>	<p><a href="http://www.bathnes.gov.uk/services/bins-rubbish-and-recycling/waste-strategy-statistics-and-health-safety/waste-strategy">http://www.bathnes.gov.uk/services/bins-rubbish-and-recycling/waste-strategy-statistics-and-health-safety/waste-strategy</a></p> <p>Towards Zero Waste 2020 – The Council's adopted waste strategy – 2014 update</p> <p><a href="https://democracy.bathnes.gov.uk/ieDecisionDetails.aspx?AllId=8032">https://democracy.bathnes.gov.uk/ieDecisionDetails.aspx?AllId=8032</a></p> <ul style="list-style-type: none"> <li>- Cabinet report 10<sup>th</sup> October 2012 Cabinet decision, DCLG Weekly Collection Support Fund, decision to submit bid to allow weekly collections to be retained until 2016/17.</li> </ul> <p><a href="http://www.wastedataflow.org">http://www.wastedataflow.org</a></p> <p>DEFRA waste statistics – waste dataflow</p>
<p><b>Please contact the report author if you need to access this report in an alternative format</b></p>	

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## **Appendix 1A – Wheeled Bin Survey**

In order to assess the viability of introducing wheeled bins to containerise waste across the district, a survey assessing suitability has been undertaken. This has enabled us to provide robust data and accurate costs on the service design options being recommended.

This survey involved an initial desk top study in conjunction with refuse collection drivers, followed by a survey of approx. 24,000 properties on the ground to determine wheeled bin suitability where it was unclear without further inspection.

The survey work produced the following headline results:

	<b>Percentage</b>	<b>Number</b>
<b>Yes</b>	75.4%	61,570
<b>No</b>	22.7%	18,544
<b>May-be</b>	1.8%	1,508
<b>Total</b>	100%	81,622

It is important to note that domestic properties within Bath heritage centre were excluded from the study. These are identified as not suitable for wheeled bins in the table above. It also excludes domestic properties within the district which have communal bulk bin collections.

Further work is required to identify the suitability of the remaining 1.8% classed as 'maybe'. These properties are new build developments which have been occupied over the last four months.

Properties classed as unsuitable are largely down to one of the following criteria:-

- Bath Heritage Centre
- Dense parking (crew unable to get wheeled bin to vehicle)
- Excess steps (4+)
- Flats above shops
- Insufficient room to store
- Kerbside inappropriate as collection point
- Other reason or obstruction
- Sheltered accommodation
- Steep access
- Terraced property
- Unsuitable vehicle access

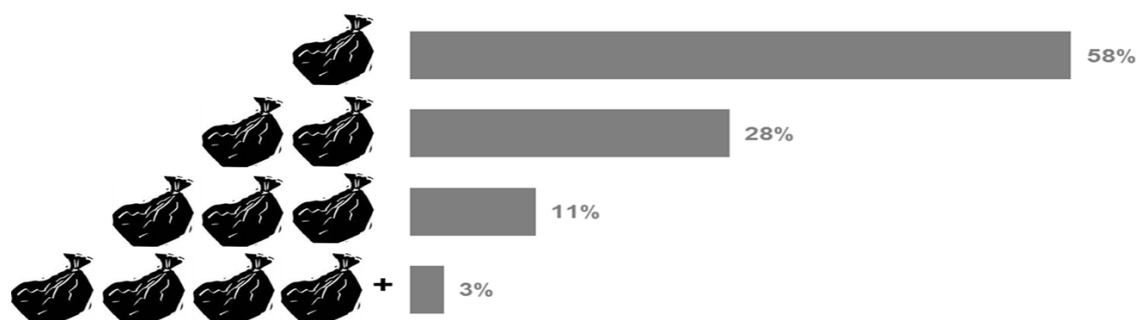
Should a decision be made to introduce wheeled bins for refuse, a clear wheeled bin policy would be devised and dispensation agreed for households with larger families. Following best practise from other authorities, residents would also receive written notification in advance to advise them of whether their property had been deemed suitable prior to delivery

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## Appendix 1B – Customer Satisfaction Results

### Voicebox Results

The graphic below shows the average number of black sacks respondents said their household produced a week:



- ❖ 51% of B&NES residents would like a wheeled bin to store rubbish (2014)
- ❖ 72% residents thought they would have somewhere to store a wheeled bin (2014)

There is a political and public desire to improve street cleanliness (gull strategy)

### Key themes:

#### Positives

- Regularity and reliability
- Wide range of material recycled
- Polite, friendly and helpful staff

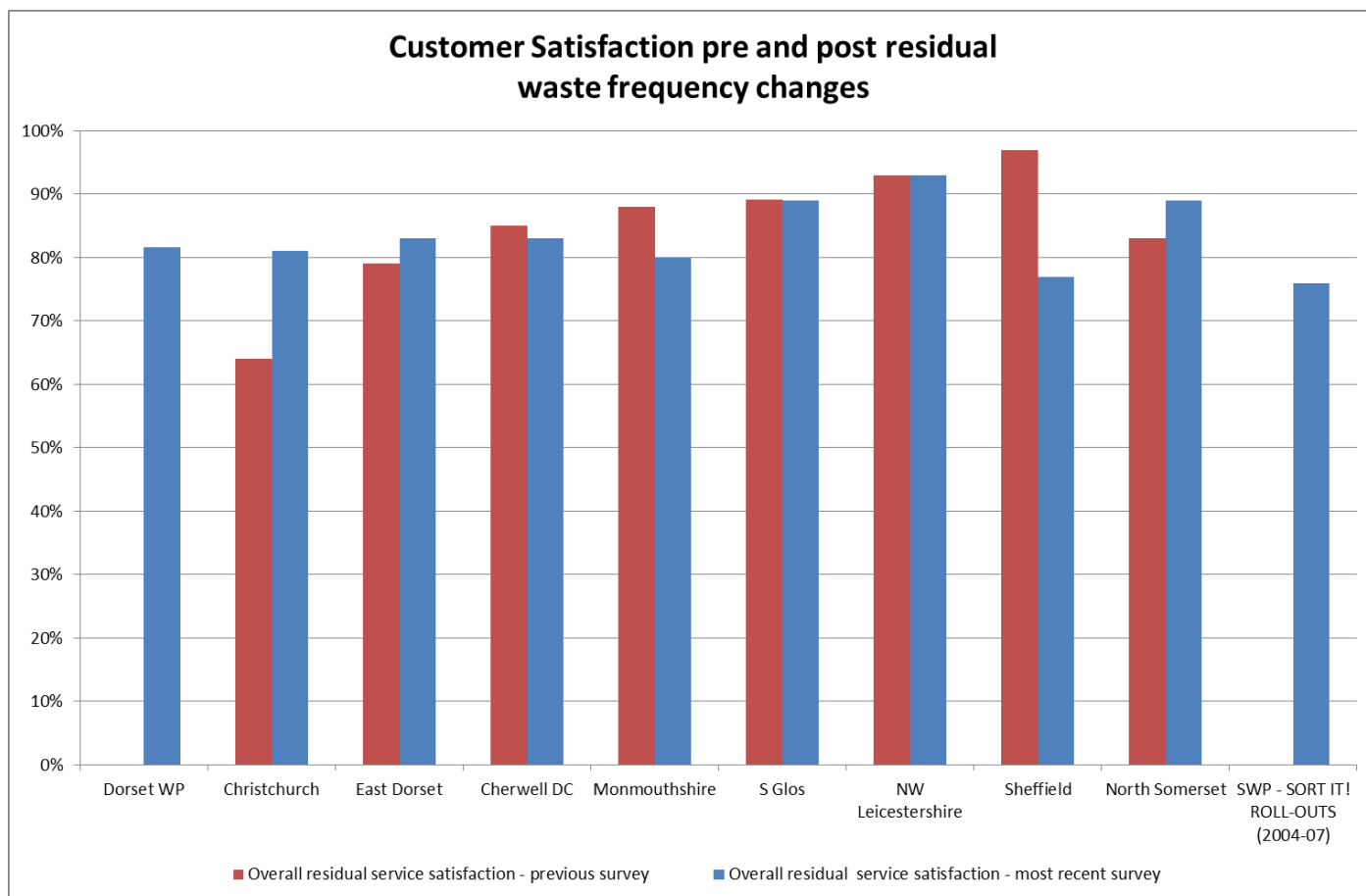
#### Negatives

- Mess left after collection
- Problems with birds and animals getting into the rubbish

In order to provide a snapshot of the customer satisfaction rates of comparable authorities, the table below shows Surrey's most recent satisfaction rates. All authorities operate fortnightly refuse collections.

	WBC % 2008 figures in brackets	SHBC %	MVDC %	EBC 2013
General Waste	91 (75)	95	92	92
Recycling Collection	92 (82)	94	93	
Food waste bin	93	93	94	-
Garden waste collection service	90	94	94	-
Recycling textiles	93	92	94	-
Small electrical goods/batteries	91	90	95	-
CRC's	94	90	89	-
Bring sites	79	78	77	-

The chart below shows customer satisfaction rates from survey's undertaken before and after the implementation of fortnightly refuse collections.



The table below provides a summary of the political party control pre and post service design changes to fortnightly residual waste collections. It does not appear to be a political issue for residents. The only change noted was in South Somerset where it changed from Lib Dem to Conservative.

Prior to service changes in Somerset, Members agreed that waste would not be a political issue, as a result all members were supportive of the changes being made which helped implement and engage residents in the new services.

Authority	Year of Change	Party before	Party after	Change - Yes/No
Cherwell DC	2003	Con	Con	No
South Glos	2003/04	Lab	Lab	No
NW Leicestershire	2003	Lab	Lab	No
Sheffield	2012	Lab	Lab	No
North Somerset	2010	Con	Con	No
Dorset Waste Partnership				
Christchurch	2012	Con	Con	No
East Dorset	2013	Con	Con	No
North Dorset	2013	Con	Con	No

Weymouth and Portland	2014	NOC	NOC	No
Purbeck	2014	NOC	NOC	No
West Dorset	2015	Con	Con	No
Somerset Waste Partnership	2004 - 2007			No
Taunton Dean	2004 - 2007	Con	Con	No
South Somerset	2004 - 2007	Lib	Con	Yes
West Somerset	2004 - 2007	Con	Con	No
Sedgemoor	2004 - 2007	Con	Con	No
Mendip	2004 - 2007	Con	Con	No
Surrey Waste Partnership				No
Woking Borough Council	Pre 2006	Con	Con	No
Waverley Borough Council	Pre 2006	Con	Con	No
Tandridge District Council	2012/13	Con	Con	No
Surrey Heath Borough Council	2009/10	Con	Con	No
Spelthorne Borough Council	2010/11	Con	Con	No
Runnymede Borough Council	2010/11	Con	Con	No
Reigate & Banstead Borough Council	2012/13	Con	Con	No
Mole Valley	2003	Con	Con	No
Guilford Borough Council	2010/11	Con	Con	No
Epsom & Ewell Borough Council	2008/09	Residents Associations of Epsom and Ewell	Residents Associations of Epsom and Ewell	No
Elmbridge Borough Council	2009/10	Con	Con	No

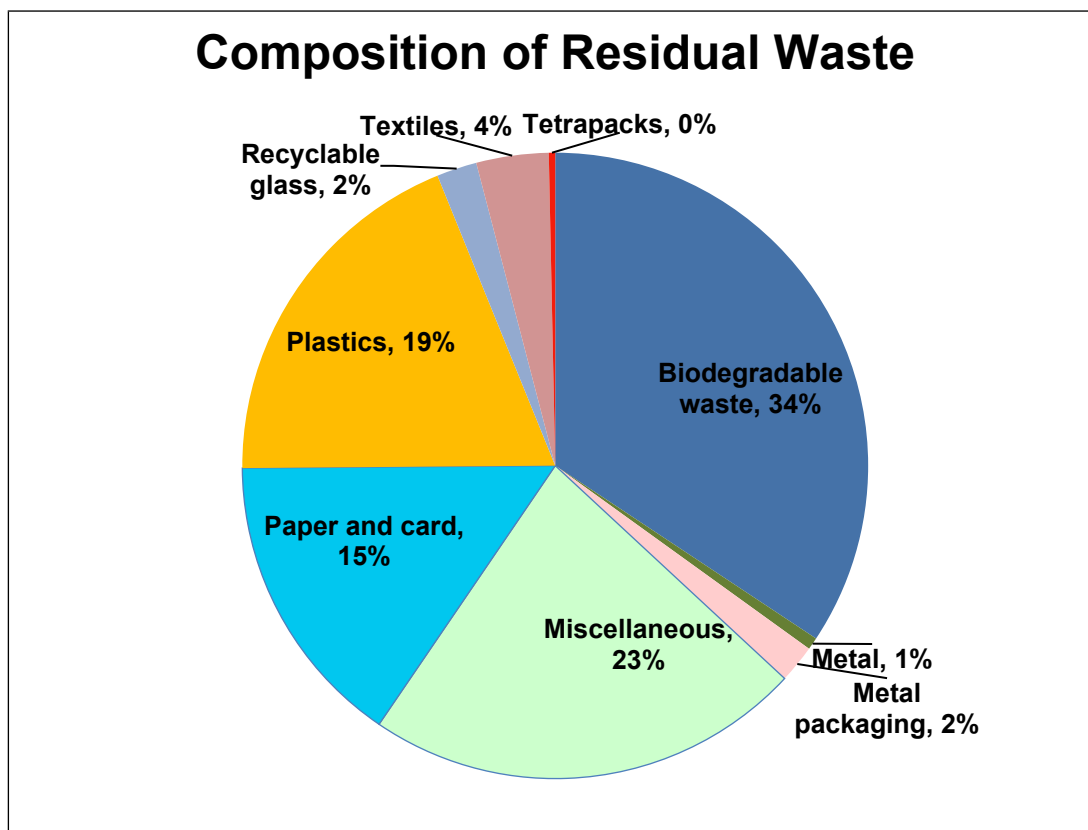
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## Appendix 1C – Waste Analysis

In order to monitor our progress and target our communications about the recycling services, the Council undertakes an annual review of the waste being collected in the black sacks within the district.

The results in the chart below show the overall composition of the non-recyclable waste collected from households during a survey undertaken in 2015.

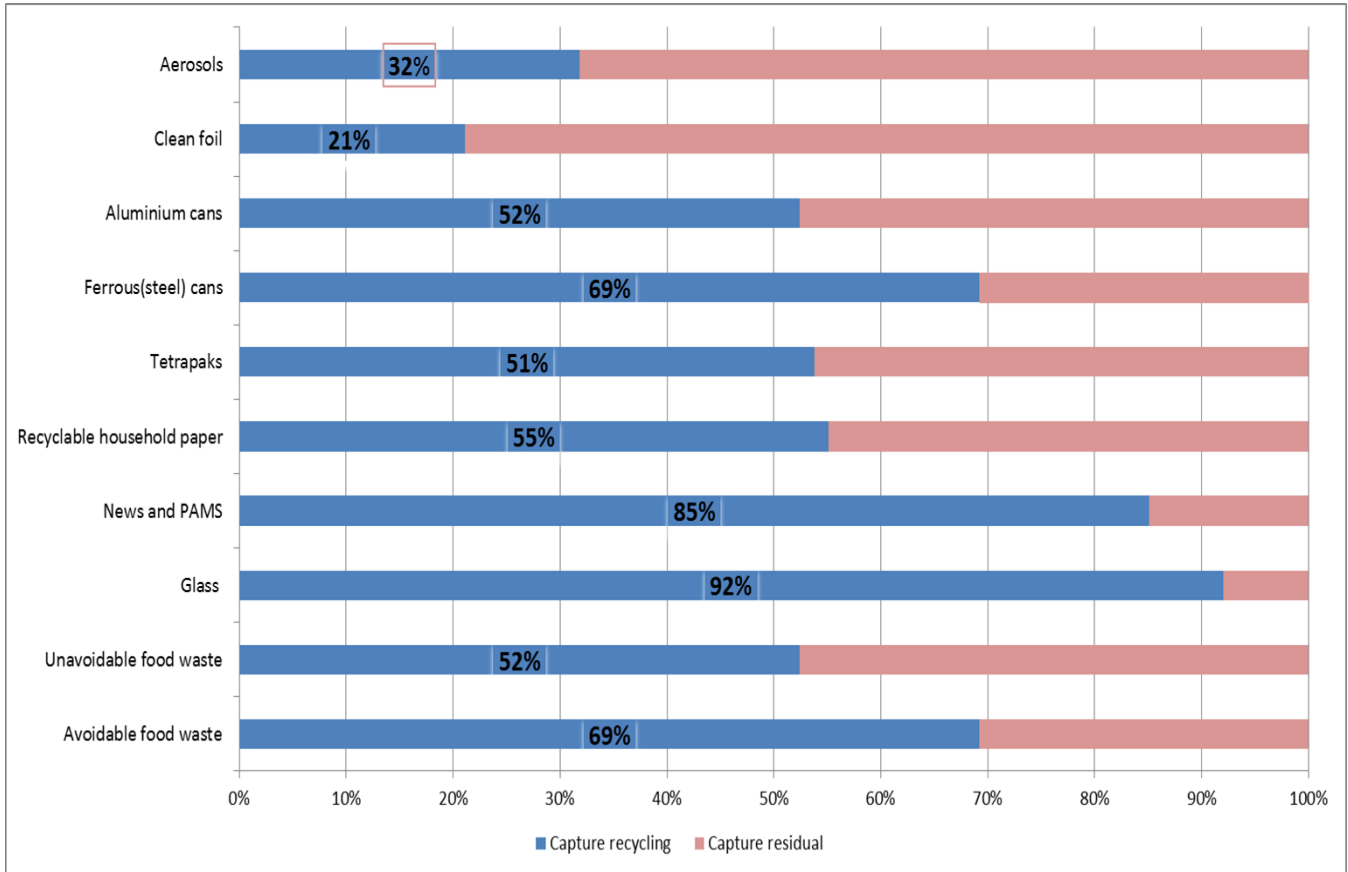


**Key points** to highlight from the survey are as follows:

- ❖ 58% of the waste collected in the black sacks could have been recycled through our existing recycling services. Most notably:-
  - Over a 1/3 of the contents of the black sack was food waste
  - 15% was recyclable paper and card
  - 5.5% dense plastics (bottles and trays)
  - 3.7% textiles
- ❖ The miscellaneous category (23%) is primarily nappies and animal waste
- ❖ On average each household sampled produced the following:
  - 69.3 litres of residual waste
  - 33.4 litres of dry recycling
  - 4.3 litres of food waste

The chart below shows how much recycling we capture through the weekly recycling service (marked in blue) and how much is left in the black sacks (marked in pink). It shows we have a long way to go encouraging more recycling of food waste, paper, drinks cartons and metal packaging within B&NES.

**Capture Rates – Key Materials**



<b>Bath &amp; North East Somerset Council</b>		
MEETING:	<b>Cabinet</b>	
MEETING DATE:	<b>13 July 2016</b>	EXECUTIVE FORWARD PLAN REFERENCE:
		<b>E 2872</b>
TITLE:	<b>Revenue &amp; Capital Outturn 2015/16</b>	
WARD:	All	
<b>AN OPEN PUBLIC ITEM</b>		
<p><b>List of attachments to this report:</b></p> <p><b>Appendix 1:</b> Revenue &amp; Capital Outturn 2015/16 information  <b>Appendix 2:</b> Revenue Outturn by Directorate &amp; Portfolio 2015/16  <b>Appendix 3:</b> Reasons for Revenue Budget Variances 2015/16  <b>Appendix 4:</b> Revenue Budget Items to be considered for carry forward/write-off  <b>Appendix 5:</b> Corporate Earmarked Reserves  <b>Appendix 6:</b> Revenue Virements 2015/16  <b>Appendix 7:</b> Capital Outturn Summary 2015/16  <b>Appendix 8:</b> Detailed Capital Variance &amp; Rephasing Requests 2015/16  <b>Appendix 9:</b> Capital Programme by Portfolio 2015/16  <b>Appendix 10:</b> Capital Virements 2015/16</p>		

## 1 THE ISSUE

- 1.1 The report presents the revenue and capital outturn for 2015/16, highlighting an underspend of £270,000. This represents a significant achievement in the context of the continuing government's public sector deficit recovery plan which resulted in a revenue savings requirement of over £9.7 million for 2015/16.
- 1.2 The report refers to requests to carry forward specific revenue budget items to 2016/17 and to write-off revenue overspends where recovery in future years would have an adverse impact on continuing service delivery. The Council underspent by £270,000, after these carry forwards and transfers to reserves.
- 1.3 The report also refers to requests to re-phase specific capital budget items to 2016/17 and to remove net capital underspends. The impact of this will be considered in the 2016/17 Capital Review.

## 2 RECOMMENDATION

The Cabinet agrees that:

- 2.1 The revenue budget outturn underspend of £270,000 for 2015/16 as set out in Appendix 2 is noted.

- 2.2 The revenue carry forward proposals and write-off requests listed in the tables in Appendix 4 are approved.
- 2.3 Transfers to Earmarked Reserves are agreed as set out in Appendix 1 paragraph 1.9.
- 2.4 The revenue virements for 2015/16 as listed in Appendix 6(i) are approved.
- 2.5 The resulting reserves position shown in Appendix 1 paragraph 1.10 is noted and that unearmarked reserves remain at the target level of £10.5m (excluding Invest to Save drawdowns).
- 2.6 The provisional outturn of the 2015/16 capital programme in Appendix 7, and the funding as laid out in the table in Appendix 1 Paragraph 1.20, is noted.
- 2.7 The capital rephasing and write-off of net underspends as listed in Appendix 8 are approved.
- 2.8 The adjustments to the 2015/16 to 2020/21 capital programme as detailed in Appendix 10, and the final capital programme for 2015/16 in Appendix 9 are noted.

### **3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

- 3.1 These are contained throughout the report and appendices.

### **4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL**

- 4.1 The Medium Term Financial Planning process allocates scarce resources across services with alignment of these resources towards the priorities as set out in the Medium Term Service & Resource Plans. This report monitors how the Council has performed against the financial targets set in the budget as approved at the February 2015 budget setting meeting.

### **5 THE REPORT**

- 5.1 This report provides information about the Council's financial performance against its revenue and capital budgets in 2015/16.
- 5.2 This report enables Cabinet to review:
  - Requests for write-off of overspends
  - Requests for carry forward of underspends
  - Suggested transfers to earmarked reserves
- 5.3 The report identifies that after carry forwards and transfers to reserves, the Council underspent by £270,000. This represents a significant achievement in the context of the continuing government's public sector deficit recovery plan which resulted in a revenue savings requirement of over £9.7 million for 2015/16. In addition to this, a further £1.695m of in-year rebasing was actioned removing the requirement to use reserves to balance the 2015/16 budget.
- 5.4 The capital spend in 2015/16 was £39.999m against a budget of £61.455m giving a variance of £21.456m, primarily reflecting the delivery time to complete projects

moving into future financial periods. Of this variance, £20.296m is requested for carry forward to 2016/17 to cover re-phased costs of capital projects.

5.5 Details of the outturn position for the revenue and capital budgets are provided in Appendices 1-10.

5.6 The Corporate Audit Committee plan to approve the audited statutory final accounts of the Council in September 2016. This report presents the 2015/16 outturn in the form that is routinely reported throughout the year as part of budget monitoring.

5.7 The Cabinet received financial reports throughout the year highlighting the known pressure areas, and identifying those actions that could be taken to reduce these to manageable proportions.

## **6 RATIONALE**

6.1 The recommendations made are based upon the Budget Management Scheme and a consideration of the Council's latest financial position and reserves strategy.

## **7 OTHER OPTIONS CONSIDERED**

7.1 Appendix 4 lists all options that can be considered in making a decision on carry forwards and write offs relating to the revenue outturn position.

## **8 CONSULTATION**

8.1 Consultation has been carried out with the Cabinet Member for Finance & Efficiency, Strategic Directors, Section 151 Finance Officer, Chief Executive and Monitoring Officer.

8.2 The provisional outturn position has been discussed at Senior Management Team and Divisional Directors' Group during May.

## **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 The substance of this report is part of the Council's risk management process. The key risks in the Council's budget are assessed annually by each Strategic Director, with these risks re-assessed on a monthly basis as part of the budget monitoring process.

<b>Contact person</b>	Tim Richens – 01225 477468; Gary Adams – 01225 477107 ; Tim_Richens@bathnes.gov.uk ; Gary_Adams@bathnes.gov.uk
<b>Sponsoring Cabinet Member</b>	<i>Councillor Charles Gerrish</i>
<b>Background papers</b>	<i>2015/16 Budget Monitoring reports to the Cabinet; Budget Management Scheme</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	

**REVENUE OUTURN 2015/16**

- 1.1 Appendix 2 outlines the Council's budget outturn for the 2015/16 financial year at both Directorate and Portfolio level. The outturn shows the budget has been managed in total with a small under spend. After carry forwards, the Council underspent by £270,000.
- 1.2 Underlying the Council's "bottom line" figure, prior to carry forwards, are a number of variations (at a Directorate level):
- Service overspends of £1.966m
  - Service underspends / over achievement of income of £1.015m
  - A £1.610m underspend on Corporate and Agency budgets.
- 1.3 The explanations for the 2015/16 outturn variations are given in Appendix 3, and some are highlighted below.
- 1.4 The main areas contributing to the underspend and over achievement of income position occurred in the following areas:

**Heritage Services**

Favourable variance of £521,000, due to additional income from higher visitor numbers and some cost reductions on property maintenance.

**Capital Financing Costs**

Underspend of £532,000, due to lower borrowing interest costs as the Council continues to use cashflow funding to offset its borrowing requirements.

**Corporate Budgets**

Underspend of £1,080,000. This includes a £660,000 surplus on the Council contribution required for historic pension deficit recovery, an increase in income arising from the Spa profit share agreement and a reduced call on the Education Services Grant reduction provision.

- 1.5 The main areas of overspending have occurred in the following areas:

**Children Young People & Families**

Overspend of £866,000. Whilst Children's placement numbers held steady, staffing costs have increased in preparation for Ofsted and to accommodate sickness and vacancies in critical roles.

**Learning & Inclusion**

Overspend of £475,000. Children centre activity income targets have not been achieved and changes to preventative services commissions have been delayed.

**Customer Services**

Overspend of £438,000 mainly due to reductions in one-off grant income which had previously offset longer term grant reductions, as well as increases in annual billing costs.

## Commercial Estate

Adverse variance of £336,000 mainly due to a shortfall in income against extended targets, fees incurred for on-going asset revaluations required by external auditors and higher repairs & maintenance costs.

## DECISIONS REQUIRED RELATING TO OVER AND UNDERSPENDS

- 1.6 Decisions are needed on some of the items in Appendix 4 relating to under and overspending in 2015/16. Each section of Appendix 4 is clearly marked for information or for decision. In particular, decisions are required in Tables 2 and 3 of Appendix 4. If all these items are approved this would give a final underspend of £270,000.
- 1.7 Table 3 of Appendix 4 contains requests to write off overspends as an exception to the Budget Management Scheme rules. The write off is requested as it is not considered practical to recover the overspend against the continuing financial pressures in 2016/17 and future years.
- 1.8 Appendix 5 provides details of corporately earmarked reserves reflecting the outturn revenue budget position.

## USE OF UNDERSPEND

- 1.9 It is proposed that the overall underspend is transferred to the Transformation Investment Reserve.

## REVENUE RESERVES

- 1.10 If the requests shown in recommendations 2.2 and 2.3 are approved by the Cabinet, the overall situation would be as follows:

Description of the Revenue Reserves Movements	£'000
Estimated General Un-earmarked Reserves following February Budget Report 2015*	10,480
2015/16 Outturn position, including additional use in carry forward of underspends and write off of overspends	+270
Increase in earmarked Transformation Investment Reserve	-270
Remaining available reserves would then be *	10,480
<i>Recommended optimal level based on corporate risk assessment</i>	<b>10,480</b>

\*Excluding Invest to Save drawdowns which are repayable in future years. (Actual level of unearmarked reserves as at 31/3/16 is £9.0m reflecting the invest to save drawdowns)

- 1.11 As a result, the Council is meeting the reserves strategy outlined in the budget report to Council on 16<sup>th</sup> February 2016.
- 1.12 Appendix 5 provides details of corporately earmarked reserves reflecting the outturn revenue budget position.



## SCHOOLS

1.13 The bottom line out-turn position in relation to schools is an underspend of £139k. The centrally held elements of the Dedicated Schools Grant (DSG) have overspent by £0.885m. The DSG overspend results in a DSG balance to be carried forward of £5.039m down from £5.924m in 2014/15. The main reasons for the decrease in the DSG balance was a planned reduction in the DSG carry forward, with the Schools Forum allocating £0.879m in one off resources to schools and central budgets as part of setting the DSG budget for 2015/16. These items are automatically carried forward under the DSG accounting arrangements, and budget adjustments have been made to reflect this.

1.14 The balances held by schools have increased by £139k from £2.9m to £3.0m. The schools balances are closely monitored by Schools Forum which has an excessive balances policy in line with continued DFE best practise guidance which has been adopted by the Schools Forum. All schools with balances deemed to be excessive are challenged to explain their position. Most large balances are planned in preparation for capital projects in schools.

## COLLECTION FUND OUTTURN POSITION

1.15 As part of the 2016/17 Budget, an estimate was made on the position of the Collection Fund as at the 31<sup>st</sup> March 2016. The estimate is split into two elements, one relating to Council Tax and the other relating to Business Rates. The estimated and actual position for each is shown in the following table. The figures relate to the Council's share of the surplus / deficit, excluding preceptor and central government shares.

	<b>Estimated surplus / (deficit) £m</b>	<b>Actual surplus / (deficit) £m</b>	<b>Difference £m</b>
Council Tax	0.753	0.721	(0.032)
Business Rates	(1.138)	(2.332)	(1.194)
<b>Total</b>	<b>(0.385)</b>	<b>(1.611)</b>	<b>(1.226)</b>

1.16 The increase in the deficit on the Business Rates Collection Fund is mainly due to the need to further increase the appeals provision to reflect the increasing costs of settling appeals which are decided by the Valuation Office Agency. The outcome of such appeals is outside of the Council's control and significant refunds have been agreed for several Supermarkets, MoD sites and Retail properties. The difference will be taken into consideration when estimating the closing 2016/17 Collection Fund position as part of the 2017/18 Budget process. The Council also holds an earmarked reserve to help manage the volatility in Business Rates income.

## CAPITAL OUTTURN 2015/16

1.17 The outturn capital spend of £39.999m was £21.456m less than the 2015/16 revised budget of £61.455m.

1.18 Services are requesting re-phasing of funding (project re-phasing) to 2016/17 of £20.296m, which includes:-

- £1.095m - Highways Maintenance Programme
- £0.583m – Kennet & Avon Tow Path & Cycle Parking
- £4.650m – Bath Transport Package (including related Public Realm and Highway Improvements)
- £0.581m – Leisure Dilapidations
- £0.691m Digital B&NES
- £1.122m Spend at School Level (devolved school budgets)
- £2.358m Other Children Services Projects
- £0.696m Keynsham Regeneration & New Build
- £2.917m Other Property Schemes
- £0.785m Corporate Capital Contingency

Details of the overall capital outturn position are given in Appendix 7, with further detail on the rephasing requests and over/underspends adjustments provided in Appendix 8.

## CAPITAL RESOURCES

1.19 The 2015/16 outturn expenditure of £39.999m was financed mainly through the use of capital grants, third party contributions and borrowing.

1.20 The 2015/16 outturn expenditure was financed as follows:

	<b>£'000</b>
Total Capital Spending:	<b>39,999</b>
<b>Funded by:</b>	
Capital Receipts	8,000
Capital Grants	17,937
3 <sup>rd</sup> Party Receipts (inc S106)	1,705
Revenue	1,101
Prudential Borrowing (Implied Need)	11,256
<b>Total</b>	<b>39,999</b>

1.21 The £1,101k of revenue funding is predominantly in respect of Disabled Facilities Grants and IT investment projects.

1.22 Right to Buy Receipts for the year totalled £910k which was £680k above forecast. These receipts were used to fund the Council's contribution to the Affordable Housing elements of Bath Western Riverside, reducing the call on the Affordable Housing revenue reserve and Corporate Supported Borrowing.

1.23 The Council's provisional Capital Financing Requirement (CFR) as at 31<sup>st</sup> March 2016 is £182.5 million. This represents the Council's requirement to borrow to finance capital expenditure, and demonstrates that total borrowing of £118.3 million remains well below this requirement as at 31<sup>st</sup> March 2016. This illustrates the extent to which the Council is currently cash-flowing capital projects in line with the Treasury Management Strategy.

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## Financial Monitoring Statement (Revenue): All Directorates

APPENDIX 2 (i)

REVENUE SPENDING	YEAR END FINAL FIGURES			ADV/FAV	Carry forwards overspends under the BMS Rules (App 4 table 3)	Requested by Strategic Directors		Net Col 7 £'000
	Actual Spend or (Income) Col 1 £'000	Budgeted Spend or (Income) Col 2 £'000	Outturn over or (under) spend Col 3 £'000			Requested carry forward Underspend (App 4 table 2) Col 5 £'000	Write off overspend (App 4 table 3) Col 6 £'000	
All Directorates For period to  31st March 2016								
Place	25,944	26,957	(1,013)	FAV		148		(865)
Children Services	25,246	24,155	1,091	ADV	(1,091)	100	1,091	1,191
Adult Social Services	59,328	59,330	(2)	FAV				(2)
Resources	15,184	15,919	(736)	FAV		142		(594)
<b>TOTAL</b>	<b>125,702</b>	<b>126,361</b>	<b>(659)</b>	<b>FAV</b>	<b>(1,091)</b>	<b>390</b>	<b>1,091</b>	<b>(270)</b>
Note: "ADV" indicates an adverse variance, "FAV" a favourable variance, and a "(" in the over and under spend columns indicates an underspend or overachievement of income								

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APPENDIX 2 (ii)

Portfolio Summary Monitor REVENUE SPENDING For the Period APRIL 2015 to MARCH 2016	2015/16 YEAR END POSITION			ADVERSE / FAVOURABLE
	Net Actual	Annual Budget	Forecast over or (under) spend	
	£'000	£'000	£'000	
Leader	6,063	6,060	3	ADV
Finance & Efficiency	7,317	8,109	(792)	FAV
Adult Social Care & Health	59,328	59,330	(2)	FAV
Children's Services	25,246	24,155	1,091	ADV
Homes & Planning	3,609	3,755	(146)	FAV
Economic Development	(3,277)	(2,624)	(653)	FAV
Community Services	21,696	21,273	423	ADV
Transport	5,719	6,303	(584)	FAV
<b>TOTAL COUNCIL</b>	<b>125,702</b>	<b>126,361</b>	<b>(659)</b>	<b>FAV</b>

Less: Carry Forward Requests

390

REVISED OUTTURN POSITION

(270)

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**APPENDIX 3 - Financial Monitoring Statement (Revenue): All Portfolios at Cashlimit level**

REVENUE SPENDING For the Period APRIL 2015 to MARCH 2016	YEAR END ACTUAL			ADV/ FAV	Notes on main areas of over / under spending
	Net Actual A £'000	Annual Current Budget B £'000	Forecast Over or (under) spend C £'000		
<b>Leader</b>					
Council Solicitor & Democratic Services	3,069	2,923	146	ADV	Use of agency staffing whilst workload and staffing requirements reviewed ahead of restructuring exercise.
Strategy & Performance	2,994	3,137	(143)	FAV	Underspend from the Ward Members Initiative Funding
<b>Sub Total</b>	<b>6,063</b>	<b>6,060</b>	<b>3</b>	<b>ADV</b>	
<b>Finance &amp; Efficiency</b>					
Finance	2,590	2,557	32	ADV	
People Services	573	513	60	ADV	Temporary staffing costs
Risk & Assurance Services	907	965	(57)	FAV	Underspends in the Audit Partnership Budgets
Councils ICT Budgets	4,429	4,672	(244)	FAV	One off underspend from implementation of new structure and resulting vacancies, savings from print procurement costs and underspends in training and research & development.
Customer Services	3,172	2,734	438	ADV	Overspend mainly due to shortfall in grant income and increases in annual billing costs.
Human Resources	797	717	80	ADV	Loss of income following Academy conversions
Property Services	2,863	3,096	(233)	FAV	Underspend due to staff vacancies and additional income
Corporate Estate Including R&M	4,411	4,472	(61)	FAV	
Commercial Estate	(13,868)	(14,205)	336	ADV	Shortfall in income and higher repairs & maintenance costs
Traded Services	308	144	164	ADV	Shortfall in income from Print (£49k), Cleaning (£67k) and Community Meals (£48k)
Strategic Director - Resources	186	45	141	ADV	Revised implementation plan related to cross resources management savings to be delivered during 2016/17
Corporate Items - (Procurement)		(200)	200	ADV	Corporate Council wide procurement saving target- plans being developed
Hsg / Council Tax Benefits Subsidy	(233)	(195)	(38)	FAV	
Capital Financing / Interest	2,476	3,008	(532)	FAV	Underspend on borrowing interest costs as the Council continues approach to cashflow funding and delaying borrowing
Unfunded Pensions	1,691	1,679	12	ADV	
Corporate Budgets including Capital, Audit and Bank Charges	(3,514)	(2,434)	(1,080)	FAV	Mainly relating to a Pension Deficit recovery surplus, additional income from the Spa profit share model and reduced call on the Education Services Grant provision
Magistrates	13	17	(4)	FAV	
Coroners	298	305	(6)	FAV	
Environment Agency	219	219			
<b>Sub Total</b>	<b>7,317</b>	<b>8,109</b>	<b>(792)</b>	<b>FAV</b>	
<b>Adult Social Care &amp; Health</b>					
Adult Services	58,540	58,542	(2)	FAV	Balanced position achieved with commissioning budgets being supported by the earmarking of funds from the protection of social care element of the Better Care Fund
Adult Substance Misuse (DAT)	550	550			
Public Health	238	238	(0)	FAV	The Government's in-year Public Health Grant cut has been mitigated by in year savings and a transfer from the Revenue Budget Contingency
<b>Sub Total</b>	<b>59,328</b>	<b>59,330</b>	<b>(2)</b>	<b>FAV</b>	

REVENUE SPENDING For the Period APRIL 2015 to MARCH 2016	YEAR END ACTUAL			ADV/ FAV	Notes on main areas of over / under spending
	Net Actual A £'000	Annual Current Budget B £'000	Forecast Over or (under) spend C £'000		
<b>Children's Services</b>					
Children Young People & Families	13,002	12,136	866	ADV	Children's placement number holding steady but staffing costs increasing following use of agency staff. Staffing spend increased in preparation for Ofsted and to accommodate rise in sickness and vacancies in critical roles.
Learning & Inclusion	7,468	6,993	475	ADV	Children centre activity income targets have not been achieved. Changes to preventative Services commissions have been delayed
Health, Commissioning & Planning	(97,154)	(96,905)	(250)	FAV	Specific staffing vacancies and controls of commissions have created an under spend
Schools Budget	101,930	101,930			School Budgets are funded by the Dedicated school grant and under and over spends are contained within the grant totals.
<b>Sub Total</b>	<b>25,246</b>	<b>24,155</b>	<b>1,091</b>	<b>ADV</b>	
<b>Homes &amp; Planning</b>					
Development Management	1,878	1,747	131	ADV	Shortfalls in CIL administration income and costs of planning inquiries
Building Control & Land Charges	228	354	(126)	FAV	Greater income generation through GIS team, Water Monitoring and Building Control
Housing	1,503	1,654	(151)	FAV	Mainly due to staffing vacancies and additional enabling fee income
<b>Sub Total</b>	<b>3,609</b>	<b>3,755</b>	<b>(146)</b>	<b>FAV</b>	
<b>Economic Development</b>					
Economy & Culture	1,776	1,835	(59)	FAV	Mainly relating to staff vacancies and contract cost savings
World Heritage	142	159	(18)	FAV	
Heritage including Archives	(5,516)	(4,995)	(521)	FAV	Additional Heritage Income from higher visitor numbers and some cost reductions on property maintenance
Project Delivery	77	104	(27)	FAV	
Regeneration, Skills & Employment	245	273	(28)	FAV	
<b>Sub Total</b>	<b>(3,277)</b>	<b>(2,624)</b>	<b>(653)</b>	<b>FAV</b>	
<b>Community Services</b>					
Place - Overheads	473	247	227	ADV	This is the remaining balance of a three year Directorate Management savings target
Public Protection & Health Improvement - Regulatory	1,297	1,269	28	ADV	
Neighbourhoods & Environment - Waste & Fleet Service	14,230	14,350	(119)	FAV	Pressures in Vehicle Fleet budgets offset by improved income through garden waste services as well as underspends in waste services including contract savings on recycling and lower refuse fuel costs
Neighbourhoods & Environment - Parks & Bereavement Services	2,068	1,943	125	ADV	Health & Safety works at Haycombe partially offset by bereavement services income being above budget and external tree works income
Libraries & Information	1,727	1,646	80	ADV	Lower income levels, mobile library repairs and occupancy costs
Public Protection & Health Improvement - Active Leisure	1,901	1,818	83	ADV	Bath Rec Trust costs partially offset by underspends on staff, travel, projects and events
<b>Sub Total</b>	<b>21,696</b>	<b>21,273</b>	<b>423</b>	<b>ADV</b>	

REVENUE SPENDING For the Period APRIL 2015 to MARCH 2016	YEAR END ACTUAL			ADV/ FAV	Notes on main areas of over / under spending
	Net Actual A £'000	Annual Current Budget B £'000	Forecast Over or (under) spend C £'000		
<b>Transport</b>					
Transport - Planning & Policy	909	801	108	ADV	Mainly related to consultancy required to cover vacancies
Highways & Traffic Management	7,530	7,789	(259)	FAV	Generally underspend on highways maintenance, winter programme and staffing vacancies, off-set by other service pressures
Transport & Parking Services - Parking	(6,877)	(6,663)	(214)	FAV	Main variance relates to underspending, including staffing, rather than income performance
Transport & Parking Services - Public & Passenger Transport	4,157	4,376	(219)	FAV	Reduction on fare values within concessionary fares, bus revenue support and park & ride
<b>Sub Total</b>	<b>5,719</b>	<b>6,303</b>	<b>(584)</b>	<b>FAV</b>	
<b>TOTAL</b>	<b>125,702</b>	<b>126,361</b>	<b>(659)</b>	<b>FAV</b>	
<b>Less: Carry Forward Requests</b>			390		
<b>Revised Outturn Position</b>			<b>(270)</b>		

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**Budget Items to be considered for carry forward to  
2016/17**

**TABLE 1: Over and under spends already approved under  
Budget Management scheme (BMS) and Statutory  
Requirements (SR)**

This table is for **information** - no decision is required

<b>Under spend Carry Forward Requests - approved under rules of BMS – 2015/16 to 2016/17 or already agreed by the Cabinet</b>	<b>Requested approval £</b>	<b>Already Approved under BMS/ SR £</b>	<b>Director</b>
<b><u>Children's Service Portfolio</u></b> The Dedicated Schools' Grant is ring-fenced, the under spend will be automatically carried forward into 2016/17.	5,039,055	5,039,055	AA
<b>Total (Net position)</b>	<b>5,039,055</b>	<b>5,039,055</b>	

**TABLE 2:**  
**For Decision** - Under spend carry forward requests not automatically approved

Under spend Carry Forward Requests - those <u>not</u> approved under rules of BMS – 2015/16 to 2016/17	Requested approval £	Already Approved under BMS £	Dir	Reported by BMS Deadline (Jan'16)
<b>Leader Portfolio</b>				
<p><b>(L1) – Strategy &amp; Performance – Green Deal:</b>            The Council agreed a two year funding package of £375,000 for Energy at Home for 2014/15 and 2015/16. The purpose of this funding was to support a two year pilot programme to test the feasibility of a self-financing scheme. Due to the delay in setting up the scheme, some funding will remain unspent at the end of 2015/16. This remainder is requested as carry over to support the Scheme in 2016/17 and so fully deliver the two year pilot.</p>	141,809		LF	Yes
<b>Economic Development Portfolio</b>				
<p><b>(E1) – Economy &amp; Culture – Arts:</b>            Commemorating the national World War One Centenary with various projects and events to be held over the 5 years. Events to be held starting 2016/17.</p>	10,000		LF	Yes
<p><b>(E2) – Economy &amp; Culture – LEP Support:</b>            This is support funding for the development of bids for LEP funds, particularly the Local Growth Fund (LGF) where additional government funding has been awarded, and under the emerging EU Strategic Investment Framework (SIF)</p>	19,900		LF	Yes
<p><b>(E3) – Regeneration, Skills &amp; Employment – Midsomer Norton Officer Post:</b>            This budget is required to match £25k MSN Town Council contribution to fund a post to develop a MSN regeneration prospectus.</p>	25,000		LF	Yes

<b>Children's Service Portfolio</b>				
<b>(C1) - Early Years Capital Projects:</b> Carry forward requested to fund capital works at Radstock Children's Centre	100,000		AA	Partially - £75,000
<b>Homes &amp; Planning Portfolio</b>				
<b>(H1) – Development Management – West of England Engagement:</b> Planned West of England Engagement works not wholly completed in 2015/16, and commitment to complete given at West of England level.	25,000		LF	No
<b>(H2) – Development Management – Gypsy &amp; Traveller Sites:</b> Planned Gypsy and traveller site allocation works not started in 2015/16, with future commitment to complete in 2016/17.	68,000		LF	No
<b>TABLE 2 TOTAL</b>	<b>389,709</b>			

**TABLE 3:**  
**For Decision - Requests for overspend write off from services in 2016/17**

<b>Requests to write off overspends</b>	<b>Request £</b>	<b>Already approved under BMS £</b>	<b>Director</b>
<b>Children's Services</b> Net position on Children's Services	1,091,000		AA
<b>Total</b>	<b>1,091,000</b>	0	

This column lists the figures requested

This column indicates where figures are approved within the rules of BMS. If no figure it will need decision to approve it

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**Appendix 5**

<b>Corporate Earmarked Reserves</b>	<b>31/3/16 Position £'000</b>
Insurance Fund	1,778
Capital Financing / Service Supported Borrowing Reserve	7,767
Revenue Budget Contingency*	950
Transformation Investment Reserve	2,403
Business Rates Reserve	2,181
City Deal Smoothing Reserve	599
Affordable Housing & Capital Development Reserve	3,000
Restructuring & Severance Reserve	4,913
Financial Planning Reserve	6,017
Dedicated Schools Grant Carry Forward Reserve	5,039
Public Health Grant Reserve	237
Community Empowerment Fund	328
Development Fund Reserve	129
Revenue Grants Unapplied	1,652
Tax & Liabilities Reserve	560
Revenue Funding of Capital Reserve	993
Other	83
<b>Sub Total</b>	<b>38,629</b>
* Balance excludes any allocations agreed from the Revenue Budget Contingency	

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**2015/16 Revenue Virements for Approval**

Appendix 6 (i)

REF NO	REASON / EXPLANATION	CABINET MEMBER	TRANSFER FROM	Income	Expenditure	CABINET MEMBER	TRANSFER TO	Income	Expenditure	DESCRIPTION	ONGOING EFFECTS
			CASHLIM	(£'s)	(£'s)		CASHLIM	(£'s)	(£'s)		
The following virements are reported for approval under the Budget Management Scheme rules.											
<b>OVERALL TOTALS</b>				0	0			0	0		
					0				0		

**2015/16 Revenue Virements for Information**

REF NO	REASON / EXPLANATION	CABINET MEMBER	TRANSFER FROM	Income	Expenditure	CABINET MEMBER	TRANSFER TO	Income	Expenditure	DESCRIPTION	ONGOING EFFECTS
			CASHLIM	(£'s)	(£'s)		CASHLIM	(£'s)	(£'s)		

The following virements have either been previously approved, are technical in nature or are below limits within BMS that require approval, and therefore are reported for information only.

INFO 15#35	Living Wage Implementation	Finance & Efficiency	Corporate Budgets incl. Capital, Audit & Bank Charges		120,000	Children's Services	Schools Budgets		120,000	Transfer of corporately held budget for the Living Wage impact on Schools following its implementation.	Budget virement is on-going.
INFO 15#36	Education Services Grant Reduction	Finance & Efficiency	Corporate Budgets incl. Capital, Audit & Bank Charges		13,537	Children's Services	Health, Commissioning & Planning		13,537	Transfer of corporately held budget for the reduction in Education Services Grant in relation to schools transferring to Academies.	Budget virement is on-going.
Page 83 INFO 15#37	Severance Reserve Drawdown	Finance & Efficiency	Balances - Severance Reserve		1,079,992	Leader	Various		172,551	Drawdown from Severance & Restructuring Reserve.	Budget virement is one-off.
						Finance & Efficiency	Various		676,401		
						Children's Services	Health, Commissioning & Planning		40,103		
						Economic Development	Regeneration, Skills & Employment		14,852		
						Community Services	Various		111,455		
						Transport	Transport - Planning & Policy		64,630		

**2015/16 Revenue Virements for Information**

<u>REF NO</u>	<u>REASON / EXPLANATION</u>	<u>CABINET MEMBER</u>	<u>TRANSFER FROM</u>	<u>Income</u>	<u>Expenditure</u>	<u>CABINET MEMBER</u>	<u>TRANSFER TO</u>	<u>Income</u>	<u>Expenditure</u>	<u>DESCRIPTION</u>	<u>ONGOING EFFECTS</u>
			<u>CASHLIM</u>	<u>(£'s)</u>	<u>(£'s)</u>		<u>CASHLIM</u>	<u>(£'s)</u>	<u>(£'s)</u>		
INFO 15#38	Financial Planning Reserve Drawdowns	Finance & Efficiency	Balances - Financial Planning Reserve		760,918	Finance & Efficiency	Customer Services		170,000	Drawdown from Financial Planning Reserve.	Budget virement is one-off.
						Children's Services	Health, Commissioning & Planning		304,000		
						Leader	Strategy & Performance		96,631		
							Council Solicitor & Democratic Services		144,557		
						Transport	Transport - Planning & Policy		45,730		
INFO 15#39	Revenue Budget Contingency Drawdowns	Finance & Efficiency	Balances - Revenue Budget Contingency		550,625	Leader	Strategy & Performance		68,487	Drawdown from Revenue Budget Contingency Reserve.	Budget virement is one-off.
						Finance & Efficiency	Corporate Budgets incl. Capital, Audit & Bank Charges		6,000		
						Adult Social Care & Health	Public Health		237,688		
						Economic Development	Various		141,713		
						Community Services	Various		77,381		
						Transport	Transport - Planning & Policy		19,356		

**2015/16 Revenue Virements for Information**

REF NO	REASON / EXPLANATION	CABINET MEMBER	TRANSFER FROM	Income	Expenditure	CABINET MEMBER	TRANSFER TO	Income	Expenditure	DESCRIPTION	ONGOING EFFECTS
			CASHLIM	(£'s)	(£'s)		CASHLIM	(£'s)	(£'s)		
INFO 15#40	Transformation Investment Reserve Drawdowns	Finance & Efficiency	Balances - Transformation Investment Reserve		689,878	Finance & Efficiency	Customer Services		104,761	Drawdown from Transformation Investment Reserve.	Budget virement is one-off.
							Finance		335,000		
							Risk & Assurance Services		25,000		
							Human Resources		163,917		
							Corporate Budgets incl. Capital, Audit & Bank Charges		56,700		
							Community Services		4,500		
INFO 15#41	Social Care Reserve (Better Care Fund & s256 Funds)	Adult Social Care & Health	Adult Services	2,158,437		Finance & Efficiency	Balances & Reserves	2,158,437		Transfer to service earmarked reserve.	Budget virement is one-off.
INFO 15#42	Care Act Reserve	Adult Social Care & Health	Balances & Reserves	1,705,229		Finance & Efficiency	Adult Services	1,705,229		Transfer to service earmarked reserve.	Budget virement is one-off.
INFO 15#43	Leisure Model Review Drawdown	Finance & Efficiency	Balances & Reserves		718,000	Community Services	Public Protection & Health Improvement - Active Leisure		718,000	Drawdown of Invest to Save funding from reserves.	Budget virement is one-off.
INFO 15#44	Development & Major Project Regional Reserve Drawdown	Finance & Efficiency	Balances & Reserves		11,887	Economic Development	Economy & Culture		11,887	Drawdown of funding from service earmarked reserve.	Budget virement is one-off.
INFO 15#45	Workplaces Reserve Drawdown	Finance & Efficiency	Balances & Reserves		273,000	Finance & Efficiency	Corporate Estate Including R&M		273,000	Transfer reflecting Invest to Save movement on Workplaces Project.	Budget virement is one-off.

**2015/16 Revenue Virements for Information**

REF NO	REASON / EXPLANATION	CABINET MEMBER	TRANSFER FROM	Income	Expenditure	CABINET MEMBER	TRANSFER TO	Income	Expenditure	DESCRIPTION	ONGOING EFFECTS
			CASHLIM	(£'s)	(£'s)	CASHLIM	(£'s)	(£'s)			
INFO 15#46	VAT Reserve Drawdown	Finance & Efficiency	Balances & Reserves		50,000	Finance & Efficiency	Finance		50,000	Drawdown of funding from service earmarked reserve.	Budget virement is one-off.
INFO 15#47	Community Enablement Reserve Drawdown	Finance & Efficiency	Balances & Reserves		14,561	Leader	Strategy & Performance		14,561	Drawdown from Community Enablement Fund	Budget virement is one-off.
INFO 15#48	Combe Down Stone Mines 100 Year Grant Drawdown	Finance & Efficiency	Balances & Reserves		54,988	Economic Development	Project Delivery		54,988	Drawdown from Combe Down Stone Mines unapplied revenue grant reserve.	Budget virement is one-off.
INFO 15#49	Audit Partnership Reserve	Finance & Efficiency	Risk & Assurance Services		50,000	Finance & Efficiency	Balances & Reserves		50,000	Transfer to service earmarked reserve.	Budget virement is one-off.
INFO 15#50	VAT Reserve Transfer	Finance & Efficiency	Corporate Budgets incl. Capital, Audit & Bank Charges	150,000		Finance & Efficiency	Balances & Reserves	150,000		Transfer of VAT refund to Service Earmarked Reserve.	Budget virement is one-off.
INFO 15#51	Revenue Grants Unapplied Accounting Adjustment	Economic Development	Economy & Culture	81,910		Finance & Efficiency	Balances & Reserves	674,991		Technical accounting adjustment to fully recognise unconditional revenue grants fully in year of receipt.	Budget virement is one-off.
		Community Services	Neighbourhoods & Environment - Waste & Fleet Services	593,081							
INFO 15#52	DSG & Schools Reserves Transfers	Children's Services	Schools Budget		5,177,913	Finance & Efficiency	Balances & Reserves		5,177,913	Net transfer to reserves to reflect automatic carry forward of year end DSG underspend and transfers from school balances.	Budget virement is one-off.

**2015/16 Revenue Virements for Information**

<u>REF NO</u>	<u>REASON / EXPLANATION</u>	<u>CABINET MEMBER</u>	<u>TRANSFER FROM</u>	<u>Income</u>	<u>Expenditure</u>	<u>CABINET MEMBER</u>	<u>TRANSFER TO</u>	<u>Income</u>	<u>Expenditure</u>	<u>DESCRIPTION</u>	<u>ONGOING EFFECTS</u>
			<u>CASHLIM</u>	<u>(£'s)</u>	<u>(£'s)</u>		<u>CASHLIM</u>	<u>(£'s)</u>	<u>(£'s)</u>		
INFO 15#53	Workplaces Programme	Finance & Efficiency	Council's Retained ICT Budgets		31,766	Finance & Efficiency	Corporate Estate Including R&M		84,068	Year end adjustments to Resources budgets to reflect Workplaces Programme adjustments.	Budget virement is one- off.
			Property Services		23,963						
			Risk & Assurance Services		18,931						
			Commercial Estate		9,408						
INFO 15#54	DSG Re-Profiling	Children's Services	Learning & Inclusion		8,807,613	Children's Services	Health, Commissioning & Planning		11,241,504	Re-Profiling of cash limits within Education to reflect the actual services' DSG spend in 2015/16.	Budget virement is one- off.
			Schools' Budgets		2,433,891						
<b>OVERALL TOTALS</b>				<b>4,697,657</b>	<b>22,548,743</b>			<b>4,697,657</b>	<b>22,548,743</b>		
					<b>27,246,400</b>				<b>27,246,400</b>		

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**Portfolio Cash Limits 2015/16 - Revenue Budgets**
**Appendix 6(ii)**

CABINET PORTFOLIO	Service	Feb'16 Approved Cash Limits	Technical Adjustments, below BMS limits or already agreed - shown for information	Total Virements for Approval	Final 2015/16 Cash Limits
		£'000	£'000	£'000	£'000
<b>Leader</b>	Council Solicitor & Democratic Services	2,702	221		2,923
	Strategy & Performance	2,861	276		3,137
	<b>PORTFOLIO SUB TOTAL</b>	<b>5,563</b>	<b>497</b>		<b>6,060</b>
<b>Finance &amp; Efficiency</b>	Finance	2,161	397		2,557
	People Services	513			513
	Risk & Assurance Services	1,008	(44)		965
	Council's ICT Budgets	4,433	239		4,672
	Customer Services	2,402	332		2,734
	Human Resources	529	189		717
	Property Services	2,946	150		3,096
	Corporate Estate Including R&M	4,115	357		4,472
	Commercial Estate	(14,195)	(9)		(14,205)
	Traded Services	5	138		144
	Strategic Director - Resources	45			45
	Corporate items (Procurement)	(200)			(200)
	Hsg / Council Tax Benefits Subsidy	(195)			(195)
	Capital Financing / Interest	3,008			3,008
	Unfunded Pensions	1,679			1,679
	Corporate Budgets incl. Capital, Audit & Bank Charges	1,496	(221)		1,275
	New Homes Bonus Grant	(3,709)			(3,709)
	Magistrates	17			17
	Coroners	305			305
Environment Agency	219			219	
<b>PORTFOLIO SUB TOTAL</b>	<b>6,582</b>	<b>1,527</b>		<b>8,109</b>	
<b>Adult Social Care &amp; Health</b>	Adult Services	62,406	(3,864)		58,542
	Adult Substance Misuse (Drug Action Team)	550			550
	Public Health		238		238
<b>PORTFOLIO SUB TOTAL</b>	<b>62,956</b>	<b>(3,626)</b>		<b>59,330</b>	
<b>Children's Services</b>	Children, Young People & Families	12,136			12,136
	Learning & Inclusion	15,801	(8,808)		6,993
	Health, Commissioning & Planning	(108,504)	11,599		(96,905)
	Schools Budget	109,422	(7,492)		101,930
<b>PORTFOLIO SUB TOTAL</b>	<b>28,855</b>	<b>(4,700)</b>		<b>24,155</b>	
<b>Homes &amp; Planning</b>	Development Management	1,747			1,747
	Building Control & Land Charges	354			354
	Housing	1,654			1,654
<b>PORTFOLIO SUB TOTAL</b>	<b>3,755</b>			<b>3,755</b>	
<b>Economic Development</b>	Economy & Culture	1,782	53		1,835
	World Heritage	159			159
	Heritage including Archives	(4,995)			(4,995)
	Project Delivery	49	55		104
	Regeneration, Skills & Employment	240	34		273
<b>PORTFOLIO SUB TOTAL</b>	<b>(2,765)</b>	<b>142</b>		<b>(2,624)</b>	
<b>Community Services</b>	Place - Overheads	242	5		247
	Public Protection & Health Improvement - Regulatory	1,269			1,269
	Neighbourhoods & Environment - Waste & Fleet Services	14,808	(458)		14,350
	Neighbourhoods & Environment - Parks & Bereavement Services	1,925	18		1,943
	Libraries & Information	1,646			1,646
	Public Protection & Health Improvement - Active Leisure	1,065	753		1,818
<b>PORTFOLIO SUB TOTAL</b>	<b>20,955</b>	<b>318</b>		<b>21,273</b>	

**Portfolio Cash Limits 2015/16 - Revenue Budgets**

**Appendix 6(ii)**

CABINET PORTFOLIO	Service	Feb'16 Approved Cash Limits £'000	Technical Adjustments, below BMS limits or already agreed - shown for information £'000	Total Virements for Approval £'000	Final 2015/16 Cash Limits £'000
Transport	Transport - Planning & Policy	672	130		801
	Highways & Traffic Management	7,789			7,789
	Transport & Parking Services - Parking	(6,663)			(6,663)
	Transport & Parking Services - Public & Passenger Transport	4,376			4,376
	<b>PORTFOLIO SUB TOTAL</b>	<b>6,173</b>	<b>130</b>		<b>6,303</b>
	<b>NET BUDGET</b>	<b>132,074</b>	<b>(5,713)</b>		<b>126,361</b>
<b>Sources of Funding</b>					

Council Tax	74,455			74,455
Revenue Support Grant*	20,504			20,504
Retained Business Rates	21,744			21,744
Collection Fund Deficit (-) or Surplus (+)	1,578			1,578
Council Tax Freeze Grant	813			813
Balances	12,979	(5,713)		7,266
<b>Total</b>	<b>132,074</b>	<b>(5,713)</b>		<b>126,361</b>

FINANCIAL YEAR 2015-2016	Actuals	Budget	Variance	Requested Re-phasing			Overspend / (Underspend) Adjustment to Programme		
				+ Over	- Under	Total	+ Over	- Under	Total
	£' 000's	£' 000's	£' 000's	£' 000's	£' 000's	£' 000's	£' 000's	£' 000's	£' 000's
Place	26,273	39,144	(12,870)	482	(12,692)	(12,210)	1	(661)	(660)
Resources	6,286	10,081	(3,795)	88	(3,883)	(3,795)	0	0	0
People & Communities	7,440	11,445	(4,006)	61	(3,567)	(3,506)	0	(500)	(500)
<b>Total</b>	<b>39,999</b>	<b>60,670</b>	<b>(20,671)</b>	<b>631</b>	<b>(20,142)</b>	<b>(19,511)</b>	<b>1</b>	<b>(1,161)</b>	<b>(1,160)</b>
Capital Contingency	0	785	(785)	0	(785)	(785)	0	0	0
<b>GRAND TOTAL</b>	<b>39,999</b>	<b>61,455</b>	<b>(21,456)</b>	<b>631</b>	<b>(20,927)</b>	<b>(20,296)</b>	<b>1</b>	<b>(1,161)</b>	<b>(1,160)</b>

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Detailed Capital Variance and Re-phasing Requests 2015/2016

Appendix 8

FINANCIAL YEAR 2015-2016	Requested Rephasing				Total £'000	Commentary
	Variance £'000	Over £'000	Under £'000	Total £'000		
<b>PLACE</b>						
<b>Environmental Services</b>						
Highways Maintenance Programme	(1,095)		(1,095)	(1,095)	0	Fully grant funded with some programme elements continuing delivery into 2016/17.
Transport Improvement Programme	(432)		(432)	(432)	0	Fully grant funded with some programme elements continuing delivery into 2016/17.
Local Sustainable Transport Fund	(48)		(48)	(48)	0	Fully grant funded, now linked within Transport Improvement Programme. Project finalisation now due in 2016/17.
LSTF: Riverside Path & Employers Grant, Bath	22	22		22	0	Fully grant funded, now linked within Transport Improvement Programme. Project finalisation now due in 2016/17.
Cycle City Ambition / 7 Dials	(346)		(346)	(346)	0	Fully grant funded. 7 dials project complete during 2015/16, remaining funding now realigned to alternative multi year projects including Bath Quays.
Kennet & Avon Tow Path & Cycle Parking	(583)		(583)	(583)	0	Fully grant funded, multi year project underway with majority of works anticipated during 2016/17.
Victoria Bridge	(51)		(51)	(51)	0	Minor project completion costs due to complete mid 2016/17.
Batheaston Bridge	(1)		(1)	(1)	0	Minor project completion costs due to complete mid 2016/17.
A431 Kelston Road Stabalisation	(292)		(292)	(292)	0	Scheme due for completion 2016/17.
Rossiter Road	1	1		1	0	Scheme due for completion 2016/17 and funding realignment requires agreement in 2016/17.
MetroWest - the Greater Bristol Metro Project	3	3		3	0	Project phase complete with funding realignment required in 2016/17. Revenue supportive work on wider WoE project continuing into 2016/17.
Saltford Station - reopening feasibility work	(100)		(100)	(100)	0	Ongoing strategy covering feasibility and preparation costs.
Park and Ride East of Bath Project Development	(106)		(106)	(106)	0	Ongoing strategy covering feasibility and preparation costs.
2 Tunnels Northern Link Cycle Scheme	(139)		(104)	(104)	(35)	Project completed. Outstanding funding arrangements to be resolved in 2016/17.
2 Tunnels	50	50		50	0	Project completed. Outstanding funding arrangements to be resolved in 2016/17.
Bath Transport Package - Main Scheme	(4,650)		(4,650)	(4,650)	0	Significant multi year project; the substantial works were completed in 2015/16 with continuing programme into 2016/17.
20mph Schemes	(7)		(7)	(7)	0	Fully grant funded, now linked within Transport Improvement Programme, project finalisation now due in 2016/17.
Cycle Schemes	(250)		(250)	(250)	0	Fully grant funded, now linked within Transport Improvement Programme, project finalisation now due in 2016/17.
Better Bus Fund	(71)		(71)	(71)	0	Fully grant funded, now partially linked within Transport Improvement Programme and project progression now due in 2016/17.
Parking - Vehicle Replacement Programme	(15)		(15)	(15)	0	Project due to be complete in 2016/17.
Waste Vehicles	3	3		3	0	Combined position on Environmental Services vehicles is expected to complete in 2016/17.
Neighbourhoods - Bin and Bench Replacement	(8)		(8)	(8)	0	Multiyear rolling capital programme continuing into 2016/17.
Litter Bins	(1)	0		0	(1)	Project Completed.
Public WC Conversions	(6)		(6)	(6)	0	Minor project completion costs due to complete 2016/17
Waste Re-provision feasibility work	(33)		(33)	(33)	0	Multiyear ongoing project continuing into 2016/17.
Vehicle Replacement: Neighbourhoods	(132)		(132)	(132)	0	Combined position on Environmental Services vehicles is expected to complete in 2016/17.
Parks Vehicles	(1)		(1)	(1)	0	Combined position on Environmental Services vehicles is expected to complete in 2016/17.
Cemetery Vehicle Replacement	(13)		(13)	(13)	0	Combined position on Environmental Services vehicles is expected to complete in 2016/17.
Cleansing Vehicles	(3)		(3)	(3)	0	Combined position on Environmental Services vehicles is expected to complete in 2016/17.
Allotments	(5)		(5)	(5)	0	Minor project completion costs due to complete 2016/17
Beechen Cliff Woodland & Other Open Spaces Improvements	(40)		(40)	(40)	0	Project completion now due 2016/17.
Royal Victoria Park Open Space Improvement	(1)	0		0	(1)	Project completed.
Queen Square Improvements	1	0		0	1	Project completed.
Improvements at the Sandpits - Play Equipment	(5)		(5)	(5)	0	Multiyear rolling capital programme continuing into 2016/17.
Play Equipment	(18)		(18)	(18)	0	Multiyear rolling capital programme continuing into 2016/17.
Great Dell Walkway	(3)		(3)	(3)	0	Minor project completion costs due to complete 2016/17.
Haycombe Improvements	(19)		(19)	(19)	0	Due to complete 2016/17.
Sydney Gardens	(311)		(311)	(311)	0	Project continuing into 2016/17.
Parks Service Schemes	(267)		(267)	(267)	0	Fully funded through s106. Late implementation in 2015/16 and delivery continuing into 2016/17.
Environmental Protection Vehicles	(6)		(6)	(6)	0	Combined position on Environmental Services vehicles is expected to complete in 2016/17.
Leisure Dilapidations	(581)		(581)	(581)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only
Bath Leisure Centre Refurbishment	(127)		(127)	(127)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only
Leisure - Council Client / Contingency	(313)		(313)	(313)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only
Odd Down Playing Fields Development	20	20		20	0	Project completed, funding realignment requires agreement in 2016/17.
<b>Sub Total - Environmental Services</b>	<b>(9,979)</b>	<b>99</b>	<b>(10,043)</b>	<b>(9,944)</b>	<b>(35)</b>	
<b>Community Regeneration</b>						
Roman Baths Development: East Baths Development	(152)		(152)	(152)	0	Underspend is due to rescheduling to allow for scheduled monument consent and specifications to be prepared.
Temple Precinct	(16)		(16)	(16)	0	Minor project work costs due to complete 2016/17.
Heritage Infrastructure Development	(94)		(94)	(94)	0	Multi year programme, rephasing due to timing difference only.
BWR - Council Project Team	(141)		(141)	(141)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
BWR - Affordable Housing	239	239		239	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only; overspend reduces 2016/17 budget.
BWR - Infrastructure	138	138		138	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only; overspend reduces 2016/17 budget.
BWR - Relocation of Gas Holders	(164)		(164)	(164)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
BWRE/Green Park	2	2		2	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Public Realm-Northumberland Place	(10)		(10)	(10)	0	Multi year continuing public realm scheme works.

FINANCIAL YEAR 2015-2016	Requested Rephasing				Total £'000	Commentary
	Variance £'000	Over £'000	Under £'000	Total £'000		
Public Realm-Pattern Book	(11)		(11)	(11)	0	Multi year continuing public realm scheme works.
Public Realm-Team Costs	(5)		(5)	(5)	0	Multi year continuing public realm scheme works.
Public Realm-City Information Scheme	4	4		4	(0)	Difference due to timing on spend against budget, will reduced already rephased budget in 2016/17.
NRR Infrastructure	(263)		(263)	(263)	0	Final project completion costs due to complete 2016/17.
London Road Regeneration	(30)		(30)	(30)	0	Final project completion costs due to complete 2016/17.
Innovation Quay	(104)		(104)	(104)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Radstock Regeneration	(52)		(40)	(40)	(12)	Minor project completion costs due to complete 2016/17.
River Corridor & RoSPA safety works	(109)		(109)	(109)	0	Multi year works progressing into 2016/17.
Cattlemarket/Cornmarket	(1)		(1)	(1)	0	Development work continuing into 2016/17.
Digital B&NES (was BDUK)	(691)		(691)	(691)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Somer Valley Business Centres	(36)		(36)	(36)	0	Scheme initiated with feasibility & development works to continue into 2016/17.
Bath Quays South	(265)		(265)	(265)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Bath Quays North	(139)		(139)	(139)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Radstock and Westfield Implementation Plan	(7)		(7)	(7)	0	Minor project completion costs due to complete 2016/17.
Saw Close Development Works	(19)		(19)	(19)	0	Multi year works progressing into 2016/17.
Guidhall Co-Working Hub	(8)	0		0	(8)	Project completed.
Affordable Housing	(352)		(352)	(352)	0	Multi year programme, rephasing due to timing difference only; spend is largely developer driven.
Gypsy & Traveller Sites	(604)	0		0	(604)	Project completed.
<b>Sub Total - Community Regeneration</b>	<b>(2,891)</b>	<b>383</b>	<b>(2,649)</b>	<b>(2,266)</b>	<b>(624)</b>	
<b>Total PLACE</b>	<b>(12,870)</b>	<b>482</b>	<b>(12,692)</b>	<b>(12,210)</b>	<b>(660)</b>	
<b>PEOPLE &amp; COMMUNITIES</b>						
<b>Children's Services</b>						
Schools Capital Maintenance Programme 2015/16	(531)		(531)	(531)	0	Changes to the Repairs & Maintenance Programme have resulted in a revised expenditure profile.
Schools Minor Works and DDA Schemes	(200)		(200)	(200)	0	Rephasing required as expenditure profile has changed.
School Energy Invest to Save Fund	(500)	0		0	(500)	Invest to Save element of budget no longer required.
Early Years - 2yr Olds Funding / S106	(2)		(2)	(2)	0	s106 funding - to be rephased and allocated to EY projects.
Client Data System for Children's Social Services	(62)		(62)	(62)	0	Rephasing required as expenditure profile has changed.
St Mary's Writhlington Replace Classroom Block	(15)		(15)	(15)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Weston All Saints Primary School - Basic Need	(100)		(100)	(100)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Castle Primary School - Basic Need	(30)		(30)	(30)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
St Saviour's Junior School - Basic Need	(54)		(54)	(54)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Oldfield Park Junior School - Basic Need	(129)		(129)	(129)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Paulton Junior School - Basic Need	(19)		(19)	(19)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Bishop Sutton Primary School - Basic Need	(51)		(51)	(51)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
St John's School Keynsham classroom refurbishment	(59)		(59)	(59)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Basic Needs Feasibility / Option Appraisal	(2)		(2)	(2)	0	Fully grant funded to be added to 2016/17 feasibility projects.
Children's Centre Capital Schemes	(30)		(30)	(30)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
MOD Foxhill Mulberry Park - New School Feasibility Study	(19)		(19)	(19)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
MOD Warminster Road - New School Feasibility Study	(19)		(19)	(19)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Schools Devolved Capital	(1,122)		(1,122)	(1,122)	0	Devolved budgets are held by schools. Rephasing required to 2016/17.
Ensligh - New Primary School Feasibility Study	(452)		(452)	(452)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Saltford Primary - Basic Need	(231)		(231)	(231)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Short Breaks for Disabled Children	(22)		(22)	(22)	0	Budget allocated to projects due to complete shortly in 2016/17.
Schools LA Contribution to Capital / Private Capital / Seed Challenge / Travel Plans	(150)		(150)	(150)	0	Devolved budgets are held by schools. Rephasing required to 2016/17.
Youth Projects	(48)		(48)	(48)	0	S106 funding to be rephased and allocated to Youth projects.
Peasedown St John Primary	(20)		(20)	(20)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Chandag Infants UIFSM	(40)		(40)	(40)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Farmborough Primary BN Feasibility Study	(24)		(24)	(24)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
St Marys Writhlington BN Feasibility Study	25	25		25	0	Cost of enabling works/feasibility higher than anticipated, will be met from 2016/17 budget.
Castle Primary BN Phase 2 Feasibility Study	37	37		37	0	Cost of enabling works/feasibility higher than anticipated, will be met from 2016/17 budget.
Whitchurch Primary BN Feasibility Study	(2)		(2)	(2)	0	Rephasing required as expenditure profile has changed.
Bathampton School Basic Needs	(15)		(15)	(15)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
St Michaels Junior School Pratten Building Feasibility Study	(6)		(6)	(6)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
East Harptree - DDA BN Feasibility Study	(3)		(3)	(3)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Keynsham East New School Feasibility Study - Cost	(20)		(20)	(20)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
St Keyna Basic Need Feasibility Study	(14)		(14)	(14)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Somerdale New School Feasibility Costs	(24)		(24)	(24)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
St Gregs, St Marks 6th Form	(24)		(24)	(24)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
<b>Sub Total - Children's Services</b>	<b>(3,980)</b>	<b>61</b>	<b>(3,542)</b>	<b>(3,480)</b>	<b>(500)</b>	
<b>Adult Social Care</b>						

FINANCIAL YEAR 2015-2016	Requested Rephasing					Commentary
	Variance £'000	Over £'000	Under £'000	Total £'000	Total £'000	
Adult Social Care Database replacement	(26)		(26)	(26)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
<b>Sub Total - Adult Social Care</b>	<b>(26)</b>	<b>0</b>	<b>(26)</b>	<b>(26)</b>	<b>0</b>	
<b>Total PEOPLE &amp; COMMUNITIES</b>	<b>(4,006)</b>	<b>61</b>	<b>(3,567)</b>	<b>(3,506)</b>	<b>(500)</b>	
<b>RESOURCES &amp; SUPPORT SERVICES</b>						
<b>Property Services</b>						
Workplaces Programme Delivery	(974)		(974)	(974)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Keynsham Regeneration & New Build	(696)		(696)	(696)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Corporate Estate Planned Maintenance	(503)		(503)	(503)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Disposals Programme (Minor)	(48)		(48)	(48)	0	Minor disposals coming forward in 2016/17.
Commercial Estate Investment Fund	(350)		(350)	(350)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Grand Parade & Undercroft	(44)		(44)	(44)	0	The business case is being refreshed with a new a planning application to be progressed in 2016/17.
Equality Act Works	(415)		(415)	(415)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Roseberry Place	(38)		(38)	(38)	0	Awaiting prospective developer to be in a position to make an offer. The Council, with only a minority interest in the site cannot accelerate the project.
1 - 3 James Street West	(115)		(115)	(115)	0	Lease agreement now signed and waiting for progression of developer planning application.
7 - 9 Lower Borough Walls	(39)		(39)	(39)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Lewis House (Inc Comms Hub & OSS)	(28)		(28)	(28)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
The Hollies	(39)		(39)	(39)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Saw Close Development	(57)		(57)	(57)	0	Budget to be carried forward for next phase of development
Victoria Hall	(4)		(4)	(4)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Bathampton Farmhouse	(40)		(40)	(40)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Acquisitions - Future Revenue Generation	1	1		1	0	Minor overspend to be carried forward to reduce 2016/17 budget.
Housing Delivery Vehicle	(224)		(224)	(224)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
<b>Sub Total - Property Services</b>	<b>(3,613)</b>	<b>1</b>	<b>(3,614)</b>	<b>(3,613)</b>	<b>0</b>	
<b>Support Services</b>						
Desktop As a Service - VDI Technology	(61)		(61)	(61)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Customer Services System	39	39		39	0	Rephasing required - expenditure earlier than expected as budget was slipped into 2016/17.
IT Asset Refresh (Servers and Network)	(41)		(41)	(41)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Windows 7 Upgrade	33	33		33	0	Rephasing required - expenditure earlier than expected as budget was slipped into 2016/17.
New Customer Payments & Library Kiosks	(5)		(5)	(5)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
<b>Sub Total - Support Services</b>	<b>(34)</b>	<b>72</b>	<b>(107)</b>	<b>(34)</b>	<b>0</b>	
<b>Strategy &amp; Performance</b>						
LAA Performance Reward Grant	9	9		9	0	Rephasing required - expenditure earlier than expected as budget was slipped into 2016/17.
Warmth & Health Homes Programme	(163)		(163)	(163)	0	Multi year scheme; scheme not yet complete, rephasing due to timing difference only.
Energy at Home	5	5		5	0	Rephasing required - expenditure earlier than expected as budget was slipped into 2016/17.
<b>Sub Total - Strategy &amp; Performance</b>	<b>(148)</b>	<b>14</b>	<b>(163)</b>	<b>(148)</b>	<b>0</b>	
<b>Total RESOURCES &amp; SUPPORT SERVICES</b>	<b>(3,795)</b>	<b>88</b>	<b>(3,883)</b>	<b>(3,795)</b>	<b>0</b>	
Capital Contingency	(785)		(785)	(785)	0	
<b>Grand Total</b>	<b>(21,455)</b>	<b>631</b>	<b>(20,927)</b>	<b>(20,296)</b>	<b>(1,160)</b>	

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	Revised Budget After February 2016 Cabinet	Approvals to Outturn	Final Budget at Outturn
CAPITAL SCHEME	£'000	£'000	£'000
<b><u>Transport</u></b>			
Highways Maintenance Programme	7,686	0	7,686
Transport Improvement Programme	2,332	49	2,381
Local Sustainable Transport Fund	0	140	140
LSTF: Riverside Path & Employers Grant, Bath	486	-156	330
Cycle City Ambition / 7 Dials	817	0	817
Kennet & Avon Tow Path & Cycle Parking	695	0	695
Victoria Bridge	77	0	77
Batheaston Bridge	36	0	36
A431 Kelston Road Stabalisation	369	0	369
Rossiter Road	65	0	65
MetroWest - the Greater Bristol Metro Project	460	0	460
Salford Station - reopening feasibility work	100	0	100
Park and Ride East of Bath Project Development	209	300	509
2 Tunnels Northern Link Cycle Scheme	-122	260	139
2 Tunnels	-53	0	-53
Bath Transport Package - Main Scheme	7,409	0	7,409
20mph Schemes	130	0	130
Cycle Schemes	40	26	66
Better Bus Fund	31	40	71
Parking - Vehicle Replacement Programme	15	0	15
	20,781	659	21,440
<b><u>Community Services</u></b>			
Waste Vehicles	283	0	283
Neighbourhoods - Bin and Bench Replacement	68	0	68
Litter Bins	12	0	12
Public WC Conversions	9	0	9
Waste Re-provision feasibility work	150	0	150
Vehicle Replacement: Neighbourhoods	380	0	380
Parks Vehicles	156	0	156
Cemetery Vehicle Replacement	40	0	40
Cleansing Vehicles	146	0	146
Allotments	10	0	10
River Safety	0	0	0
Beechen Cliff Woodland & Other Open Spaces Improvements	58	0	58
Royal Victoria Park Skate Park	267	12	279
Queen Square Improvements	6	0	6
Play Equipment	146	0	146
Great Dell Walkway	76	0	76
Haycombe Improvements (was Neighbourhoods - Haycombe Cemetery Florist/Café)	98	0	98
Sydney Gardens	23	317	340
Haycombe Cemetery Entrance	60	0	60
Environmental Protection Vehicles	32	0	32
Wellow Sports Grant	15	0	15
Leisure facility modernisation	500	0	500
Leisure - Council Client / Contingency	350	0	350
Parks Service Schemes	0	300	300
	2,885	629	3,514

	Revised Budget After February 2016 Cabinet	Approvals to Outturn	Final Budget at Outturn
	£'000	£'000	£'000
<b>CAPITAL SCHEME</b>			
<b><u>Economic Development</u></b>			
Leisure Dilapidations	650	-10	640
Odd Down Playing Fields Development	696	28	723
Beau Street Coin Hoard	12	0	12
Roman Baths Development: East Baths Development	250	0	250
Heritage Infrastructure Development	100	0	100
BWR - Council Project Team	385	-15	370
BWR - Affordable Housing	779	0	779
BWR - Infrastructure	1,043	1	1,044
BWR - Replacement of Destructor Bridge	1,657	0	1,657
BWR - Relocation of Gas Holders	874	15	889
BWRE/Green Park	1	0	1
NRR Infrastructure	740	0	740
London Road Regeneration	550	0	550
Innovation Quay - Strategic Flooding Solution (other names: BEA Flood Mitigations / Bath Quays Waterside (RIF) / Enterprise Area - Flood Mitigation Phase 1)	1,165	-94	1,071
Radstock Regeneration	54	0	54
River Corridor & RoSPA safety works	350	-20	330
Cattlemarket/Cornmarket	30	0	30
Digital B&NES (was BDUK)	938	0	938
Somer Valley Business Centres (was: Midsomer Norton Business Centre)	50	0	50
Bath Quays South	451	0	451
Bath Quays North	792	0	792
Radstock and Westfield Implementation Plan	15	0	15
Saw Close Development Works	80	0	80
Energy at Home	377	0	377
Warmth & Health Homes Programme	0	163	163
	12,039	68	12,107
<b><u>Children's Services</u></b>			
Schools Capital Maintenance Programme 2015/16	2,023	-21	2,002
Schools Minor Works and DDA Schemes	230	-30	200
School Energy Invest to Save Fund	500	0	500
Early Years - 2yr Olds Funding / S106	77	-28	49
Client Data System for Children's Social Services	557	0	557
St Mary's Writhlington Replace Classroom Block	113	0	113
Weston All Saints Primary School - Basic Need	1,021	0	1,021
Castle Primary School - Basic Need	42	0	42
Paulton Infant School - Basic Need	123	-108	15
St Saviour's Junior School - Basic Need	1,164	-84	1,080
Oldfield Park Junior School - Basic Need	200	0	200
Paulton Junior School - Basic Need	124	0	124
Bishop Sutton Primary School - Basic Need	1,225	0	1,225
St John's School Keynsham classroom refurbishment	59	0	59
Basic Needs Feasibility / Option Appraisal	147	-145	2
Children's Centre Capital Schemes	46	0	46
MOD Foxhill Mulberry Park - New School Feasibility Study	19	0	19
MOD Warminster Road - New School Feasibility Study	19	0	19
Schools Devolved Capital	1,630	-49	1,581
Ensleigh - New Primary School Feasibility Study	626	0	626
Saltford Primary - Basic Need	317	0	317
Chew Magna Primary - Flooding works	31	0	31
Short Breaks for Disabled Children	30	0	30
Universal Infant Free School Meals	-21	21	-0
Schools LA Contribution to Capital / Private Capital / Seed Challenge / Travel Plans	49	0	49
Ralph Allen ALC	51	-4	47
Writhlington BSF	31	-31	0
Writhlington ALC	25	-25	0
Moorlands Junior IT Suite	1	-1	0

	<b>Revised Budget After February 2016 Cabinet</b>	<b>Approvals to Outturn</b>	<b>Final Budget at Outturn</b>
<b>CAPITAL SCHEME</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Wellsway Sports Hall	42	-42	-0
Oldfield Co-Ed Improvements	26	-26	0
Youth Projects	3	49	52
Children's Services Capital Schemes	2	-16	-15
Children's Services Capital Schemes Managed by Property Services	7	-7	0
Southdown Infant / Junior Schools	298	73	371
Peasedown St John Primary	31	-11	20
St Saviours Infant School - Basic Need	77	-21	56
Chandag Infants UIFSM	29	15	44
Farmborough Primary BN Feasibility Study	21	60	81
Castle Primary BN Phase 2 Feasibility Study	15	0	15
Whitchurch Primary BN Feasibility Study	20	0	20
Bathampton School Basic Needs	15	0	15
Bathford Primary School BN 2015-2016	36	-12	24
St Michaels Junior School Pratten Building Feasibility Study	20	0	20
Bathampton Primary	6	0	6
East Harptree - DDA BN Feasibility Study	10	30	40
Keynsham East New School Feasibility Study - Cost	20	0	20
St Keyna Basic Need Feasibility Study	0	25	25
Somerdale New School Feasibility Costs	0	25	25
	11,140	-365	10,775
<b><u>Finance &amp; Efficiency</u></b>			
Public Realm-Northumberland Place	10	0	10
Public Realm-Pattern Book	20	0	20
Public Realm-Street Furniture	0	0	0
Public Realm-Team Costs	15	0	15
Workplaces Programme Delivery	1,398	32	1,430
Keynsham Regeneration & New Build	2,831	0	2,831
Corporate Estate Planned Maintenance	1,864	0	1,864
Disposals Programme (Minor)	50	0	50
Commercial Estate Investment Fund	350	0	350
Grand Parade & Undercroft	100	0	100
Equality Act Works	1,037	0	1,037
Englishcombe Lane	17	0	17
Roseberry Place	51	0	51
1 - 3 James Street West	126	0	126
7 - 9 Lower Borough Walls	73	0	73
Key Disposal - Keynsham K2 Charlton Road	-1	0	-1
Lewis House (Inc Comms Hub & OSS)	236	-32	203
The Hollies	86	0	86
Saw Close Development	70	0	70
Victoria Hall	12	0	12
Bathampton Farmhouse	40	0	40
Capital Contingency	785	0	785
Acquisitions - Future Revenue Generation	-5,882	5,882	0
Housing Delivery Vehicle	0	654	654
	3,287	6,536	9,823

	<b>Revised Budget After February 2016 Cabinet</b>	<b>Approvals to Outturn</b>	<b>Final Budget at Outturn</b>
<b>CAPITAL SCHEME</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b><u>Leader</u></b>			
Desktop As a Service - VDI Technology	124	0	124
Customer Services System	96	0	96
IT Asset Refresh (Servers and Network)	167	0	167
Windows 7 Upgrade	24	0	24
New Customer Payments & Library Kiosks	87	0	87
LGA Bonds Investment	50	0	50
LAA Performance Reward Grant	0	0	0
	<b>549</b>	<b>0</b>	<b>549</b>
<b><u>Homes and Planning</u></b>			
Affordable Housing	894	0	894
Gypsy & Traveller Sites	611	0	611
	<b>1,505</b>	<b>0</b>	<b>1,505</b>
<b><u>Adult Social Care &amp; Housing</u></b>			
Disabled Facilities Grant	1,494	-423	1,072
Adult Social Care Database replacement	670	0	670
	<b>2,164</b>	<b>-423</b>	<b>1,742</b>

<b>TOTAL CAPITAL SCHEME BUDGET</b>	<b>54,351</b>	<b>7,104</b>	<b>61,455</b>
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<b><u>Sources of Funding (£'000)</u></b>			
EU/Government Grant	<b>20,779</b>	<b>-172</b>	<b>20,607</b>
Revenue	<b>2,625</b>	<b>-955</b>	<b>1,670</b>
Other Council Support including Borrowing and Capital Receipts	<b>26,588</b>	<b>7,853</b>	<b>34,441</b>
s106 Contribution	<b>2,748</b>	<b>430</b>	<b>3,178</b>
Other 3rd Party	<b>1,611</b>	<b>-53</b>	<b>1,558</b>
<b>Total Sources of Funding (£'000)</b>	<b>54,351</b>	<b>7,104</b>	<b>61,455</b>

Capital Virements - Additions & Reductions 2015/2016

Appendix 10 (i)

REF NO	REASON / EXPLANATION	TRANSFER / FUNDING FROM	Income (£'s)	Expenditure (£'s)	TRANSFER TO	Income (£'s)	Expenditure (£'s)	Notes
CAP15#045-2015	Disabled Facilities Grant	Revenue	-494,000		Place - Community Regeneration		-494,000	DFG budget adjustment after rebase. Approved by Technical Adjustment Dec 2015
CAP15#046-2015	Housing Delivery Vehicle	Service Supported Borrowing	653,600		Resources - Property Services		653,600	Set up of Property Investment Company. Approved by Cabinet Dec 2015.
CAP15#047-2015	Warmth & Health Homes Programme	Government Grant	162,500		Resources - Strategy & Performance		162,500	Successful application for external funds to the Warmth & Health Homes Programme (NEA Grant). Approved by Technical Adjustment Dec 2015
CAP15#048-2015	Minor Disposal - Roseberry Place	3rd Party Contribution	3,341		Resources - Property Services		3,341	Funding from Delley Freed, to cover external legal fees incurred. Approved by Technical Adjustment Dec 2015
CAP15#049-2015	Paulton Infants - Expansion of Accommodation	Government Grant	-107,847		People & Communities - Children's Services		-107,847	Return underspend on scheme to Basic Needs grant provisional budget. Approved by Technical Adjustment Dec 2015
CAP15#050-2015	Writhlington - Applied Learning Centre	Government Grant	-25,350		People & Communities - Children's Services		-25,350	Return underspend on scheme to Basic Needs grant provisional budget. Approved by Technical Adjustment Dec 2015
CAP15#051-2015	Oldfield Co-Ed School	Government Grant	-26,395		People & Communities - Children's Services		-26,395	Return underspend on scheme to Basic Needs grant provisional budget. Approved by Technical Adjustment Dec 2015
CAP15#052-2015	Culverhay - Co-Ed School Works	Government Grant	-7,275		People & Communities - Children's Services		-7,275	Return underspend on scheme to Basic Needs grant provisional budget. Approved by Technical Adjustment Dec 2015
CAP15#053-2015	Wellsway Sports Hall	Government Grant	-42,304		People & Communities - Children's Services		-42,304	Return underspend on scheme to Basic Needs grant provisional budget. Approved by Technical Adjustment Dec 2015
CAP15#054-2015	Ralph Allen ALC Project	Government Grant	-4,051		People & Communities - Children's Services		-4,051	Return underspend on scheme to Basic Needs grant provisional budget. Approved by Technical Adjustment Dec 2015
CAP15#055-2015	Lansdown Lane Schemes	Revenue	50,000		Place - Environmental Services		50,000	Additional money allocated from reserves to increase road safety works in this area following discussions with various stakeholders. Approved by Technical Adjustment Dec 2015
CAP15#056-2015	People and Communities 15/16 Re-phasing	Various 15/16 Budgets	-2,452,076		People & Communities - Various		-2,452,076	Capital mid-year re-phasing as approved in 16/17 Budget Report at Cabinet Feb 2016
CAP15#057-2015	Place 15/16 Re-phasing	Various 15/16 Budgets	-10,086,000		Place - Various		-10,086,000	Capital mid-year re-phasing as approved in 16/17 Budget Report at Cabinet Feb 2016
CAP15#058-2015	Resources 15/16 Re-phasing	Various 15/16 Budgets	-8,311,103		Resources - Various		-8,311,103	Capital mid-year re-phasing as approved in 16/17 Budget Report at Cabinet Feb 2016
CAP15#059-2015	Sydney Gardens	Corporate Supported Borrowing	317,000		Place - Environmental Services		317,000	£67k increased budget to prepare and submit a stage one bid. £250k as match funding. Approved by Single Member Decision Dec 2015
CAP15#060-2015	East of Bath Park & Ride	Corporate Supported Borrowing	300,000		Place - Environmental Services		300,000	Budget to fund the progression of this work following specific requests arising from the report taken to November Council. Approved by Single Member Decision Mar 2016
CAP15#061-2015	Transport Improvement Programme	S106 Contribution	-1,500		Place - Environmental Services		-1,500	£1.5k s106 contribution now longer anticipated until 16/17. Approved by Technical Adjustment Mar 2016
CAP15#062-2015	Early Years - 2yr Olds Funding / S106	Government Grant	-27,852		People & Communities - Children's Services		-27,852	Underspend on Early Years capital schemes, grant released for reallocation. Approved by Technical Adjustment Mar 2016

Capital Virements - Additions & Reductions 2015/2016

Appendix 10 (i)

REF NO	REASON / EXPLANATION	TRANSFER / FUNDING FROM	Income (£'s)	Expenditure (£'s)	TRANSFER TO	Income (£'s)	Expenditure (£'s)	Notes
CAP15#063-2015	Cycle Schemes	S106 Contribution	10,000		Place - Environmental Services		10,000	Allocation of S106 receipts for North Rd Zebra. Approvals from Cabinet Member and SD held.
CAP15#064-2015	Parks Service Schemes	S106 Contribution	300,000		Place - Environmental Services		300,000	£300k S106 schemes for Parks. Approved by Single Member Decision Feb 2016
CAP15#065-2015	Royal Victoria Park Skate Park	S106 Contribution	12,000		Place - Environmental Services		12,000	Allocation of S106 receipts to fund the final overspend at RVP skate park. Approved by Technical Adjustment Mar 2016
CAP15#066-2015	St Saviours Infant School - Basic Need	Government Grant	-21,180		People & Communities - Children's Services		-21,180	Return underspend on scheme to Basic Needs Unallocated Grant. Approved by Technical Adjustment Mar 2016
CAP15#067-2015	Enterprise Area - Flood Mitigation Phase 1	Government Grant	-93,550		Place - Community Regeneration		-93,550	Re-phasing of budget into 17/18 to align to Scheme Cashflow. Approved by Technical Adjustment Mar 2016
CAP15#068-2015	Better Bus Fund	Government Grant	40,000		Place - Environmental Services		40,000	Part of £300k 4 year scheme with £40k relating to 15-16. The programme of works is linked to the 3 bus corridors within BANES identified within the original approved bid. Approved by Technical Adjustment Mar 2016
CAP15#069-2015	River Corridor & ROSPA safety works	Government Grant	-20,000		Government Grant		-20,000	To correct project budget in line with Environment Agency funding received. Approved by Technical Adjustment Apr 2016
CAP15#070-2015	Disabled Facilities Grant	Revenue	71,388		Revenue		71,388	To align budget to 2015/2016 expenditure (budget funded by grant, Housing Association contributions and revenue contribution). Approved by Technical Adjustment Apr 2016
CAP15#071-2015	Odd Down Playing Fields Development	Government Grant	17,597		Government Grant		17,597	Contributions from Performance Reward Grant of £9250 applied in 15/16 & Wheels for All 14/15 of £8347 to fund increased spend. Approved by Technical Adjustment Apr 2016
CAP15#072-2015	Youth Projects	S106 Contribution	49,354		S106 Contribution		49,354	Use of s106 funds towards various Youth Projects. Approved by Single Member Decision Oct 2015
CAP15#073-2015	St Saviour's Junior School - Basic Need	Government Grant	-83,855		Government Grant		-83,855	Return underspend on scheme to Basic Needs Unallocated Grant. Approved by Technical Adjustment Apr 2016
CAP15#074-2015	Peasedown St John Primary School	Government Grant	-31,163		Government Grant		-31,163	Return underspend on scheme to Basic Needs Unallocated Grant. Approved by Technical Adjustment Apr 2016
CAP15#075-2015	Moorlands Junior School IT Suite	Government Grant	-1,430		Government Grant		-1,430	Return underspend on scheme to Basic Needs Unallocated Grant. Approved by Technical Adjustment Apr 2016
CAP15#076-2015	Children's Services Capital Schemes	Government Grant	-16,347		Government Grant		-16,347	Return underspend on scheme to Basic Needs Unallocated Grant. Approved by Technical Adjustment Apr 2016
CAP15#077-2015	Bathford Primary School Basic Needs 2015-2016	S106 Contribution	-12,069		S106 Contribution		-12,069	Return underspend on scheme to Basic Needs Unallocated Grant. Approved by Technical Adjustment Apr 2016
CAP15#078-2015	Writhlington BSF	Government Grant	-30,727		Government Grant		-30,727	Return underspend on scheme to Basic Needs Unallocated Grant. Approved by Technical Adjustment Apr 2016

**Capital Virements - Additions & Reductions 2015/2016**
**Appendix 10 (i)**

REF NO	REASON / EXPLANATION	TRANSFER / FUNDING FROM	Income (£'s)	Expenditure (£'s)	TRANSFER TO	Income (£'s)	Expenditure (£'s)	Notes
CAP15#079-2015	Southdown Infant / Junior Schools	Government Grant	23,526		Government Grant		23,526	Fund overspend on Roundhill Project from unused contingency on St Saviour's Basic Needs Project. Approved by Technical Adjustment Apr 2016
CAP15#080-2015	Two Tunnels Northern Links	Government Grant/S106 Contribution	260,470		Government Grant/S106 Contribution		260,470	Budget approved July 213 by Cabinet not uploaded onto Agresso
<b>OVERALL TOTALS</b>			<b>-19,625,299</b>	<b>0</b>		<b>0</b>	<b>-19,625,299</b>	
				<b>-19,625,299</b>			<b>19,625,299</b>	

**Capital Virements - Additions & Reductions Future Years**
**Appendix 10 (i)**

REF NO	REASON / EXPLANATION	TRANSFER / FUNDING FROM	Income (£'s)	Expenditure (£'s)	TRANSFER TO	Income (£'s)	Expenditure (£'s)	Notes
CAP15#006-FY	2015/2016 Budgets re-phased into future years	Various	26,194,915		Various		26,194,915	15/16 Re-phased budgets in Budget Report approved Feb 2016 by Cabinet
CAP15#007-FY	2016/2017 Future Year Budget amendments	Various	43,515,800		Various		43,515,800	2016/2017 Future Year Budget amendments in Budget Report approved Feb 2016 by Cabinet
CAP15#008-FY	Enterprise Area - Flood Mitigation Phase 1	Government Grant	93,550		Place - Community Regeneration		93,550	Re-phasing of budget into 17/18 to align to Scheme Cashflow. Approved by Technical Adjustment Mar 2016
CAP15#009-FY	Transport Improvement Programme	S106 Contribution	1,500		Place - Environmental Services		1,500	£1.5k s106 contribution now longer anticipated until 16/17. Approved by Technical Adjustment Mar 2016
<b>OVERALL TOTALS</b>			<b>69,805,765</b>	<b>0</b>		<b>0</b>	<b>69,805,765</b>	
				<b>69,805,765</b>			<b>-69,805,765</b>	

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<b>Bath &amp; North East Somerset Council</b>		
MEETING:	<b>Cabinet</b>	
MEETING DATE:	<b>13<sup>th</sup> July 2016</b>	
TITLE:	<b>Treasury Management Outturn Report 2015/16</b>	AGENDA ITEM NUMBER: <b>E 2869</b>
WARD:	All	
<b>AN OPEN PUBLIC ITEM</b>		
<p><b>List of attachments to this report:</b></p> <p><b>Appendix 1</b> – Performance Against Prudential Indicators  <b>Appendix 2</b> – The Council’s Investment Position at 31<sup>st</sup> March 2016  <b>Appendix 3</b> – Average monthly rate of return for 2015/16  <b>Appendix 4</b> – The Council’s External Borrowing Position at 31<sup>st</sup> March 2016  <b>Appendix 5</b> – Counterparty Update  <b>Appendix 6</b> – Arlingclose’s Economic &amp; Market Review of 2015/16  <b>Appendix 7</b> – Interest &amp; Capital Financing Budget Monitoring 2015/16  <b>Appendix 8</b> – Summary Guide to Credit Ratings</p>		

## **1 THE ISSUE**

- 1.1 In February 2012 the Council adopted the 2011 edition of the CIPFA Treasury Management in the Public Services: Code of Practice, which requires the Council to approve a Treasury Management Strategy before the start of each financial year, review performance during the year, and approve an annual report after the end of each financial year.
- 1.2 This report gives details of performance against the Council’s Treasury Management Strategy and Annual Investment Plan for 2015/16.

## **2 RECOMMENDATION**

The Cabinet agrees that:

- 2.1 the 2015/16 Treasury Management Report to 31<sup>st</sup> March 2016, prepared in accordance with the CIPFA Treasury Code of Practice, is noted.
- 2.2 the 2015/16 Treasury Management Indicators are noted.

## **3 RESOURCE IMPLICATIONS**

- 3.1 The financial implications are contained within the body of the report.

## 4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

4.1 This report is for information only.

## 5 THE REPORT

### Summary

5.1 The average rate of investment return for the 2015/16 financial year is 0.47%, which is 0.06% above the benchmark rate.

5.2 Performance against the Treasury Management & Prudential Indicators agreed as part of the annual Treasury Management Strategy is provided in Appendix 1. The outturn position and all treasury activity undertaken during the financial year is within the limits agreed by Council in February 2015 as shown in **Appendix 1**, as well as the CIPFA Code of Practice and the relevant legislative provisions.

### Summary of Returns

5.3 The Council's investment position as at 31<sup>st</sup> March 2016 is given in **Appendix 2**. In line with the Annual Investment Strategy, investments were mainly temporary short term investments made with reference to the core balance and cash flow requirements.

5.4 The Council is the accountable body for the West of England Revolving Investment Fund (RIF) and received grant funding of £57 million at the end of the 2011/12 financial year. The Council acts as an agent and holds these funds on behalf of the West of England Local Enterprise Partnership until they are allocated in the form of repayable grants to the constituent Local Authorities to meet approved infrastructure costs. Since these funds are invested separately from the Council's cash balances and have been placed short term with the Debt Management Office and other Local Authorities, they are excluded from all figures given in this report. The value of the fund at the end of 2015/16 was £32.6 million.

5.5 Gross interest earned on investments for 2015/16 totalled £361k. Net interest, after deduction of amounts due to Schools, the West of England Growth Points, CHC and other internal balances, is £199k. **Appendix 3** details the investment performance, showing the average rate of interest earned over this period was 0.47%, which was 0.06% above the benchmark rate of average 7 day LIBID + 0.05% (0.41%).

### Summary of Borrowings

5.6 The Council's external borrowing as at 31<sup>st</sup> March 2016 totalled £118.3 million and is detailed in Appendix 4. £10m of annual borrowing matured during the third quarter of 2015/16 and these funds were re-borrowed for a further 12 months at a more beneficial interest rate. A further £10m of borrowing, split £5m for 3 months and £5m for 6 months, was required in the fourth quarter to maintain appropriate working cash balances. The borrowing was arranged with different Local Authorities at an average rate of 0.57%.

5.7 The Council's Capital Financing Requirement (CFR) as at 31<sup>st</sup> March 2016 was £182.5 million. This represents the Council's underlying need to borrow to finance capital expenditure, and demonstrates that the borrowing taken to date relates to funding historical capital spend.

- 5.8 The Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective.
- 5.9 The premium charge for early repayment of PWLB debt remained relatively expensive for the loans in the Authority's portfolio and therefore unattractive for debt rescheduling activity. No rescheduling activity was undertaken as a consequence.
- 5.10 Following Local Government Reorganisation in 1996, Avon County Council's residual debt is administered by Bristol City Council. All successor Unitary Authorities make an annual contribution to principal and interest repayment, for which there is a provision in the Council's revenue budget. The amount of residual debt outstanding as at 31st March 2016 apportioned to Bath & North East Somerset Council is £13.40m. Since this borrowing is managed by Bristol City Council and treated in the Council's Statement of Accounts as a deferred liability, it is not included in the borrowing figures referred to in paragraph 5.6.

### **Strategic & Tactical Decisions**

- 5.11 **Appendix 5** provides further information on issues impacting on investment counterparties.
- 5.12 To increase diversification, throughout 2015/16 the Council invested in AAA rated Money Market funds, UK Banks and very highly rated Foreign Bank counterparties (AA-).
- 5.13 The Council continues to not hold any direct investments with banks in countries within the Eurozone reflecting both on the underlying debt issues in some Eurozone countries and the low levels of interest rates. The Council's investment counterparty list does not currently include any banks from Portugal, Ireland, Greece, Spain and Italy.

### **Future Strategic & Tactical Issues**

- 5.14 Our treasury management advisors economic and market review for 2015/16 is included in **Appendix 6**.
- 5.15 The Bank of England base rate has remained constant at 0.50% since March 2009.
- 5.16 The Council's treasury advisors current view is that, based on the lack of inflationary pressures in 2016 and a lower growth profile than previously expected, any rise in UK Bank Rate will be pushed back to Q2 2018. Their theme remains 'low for longer'; a slow rise in rates (when they do occur) to a new 'normal' between 2 and 3%. They continue to project gilt yields on a shallow upward path in the medium term, albeit with increased volatility around the EU referendum.
- 5.17 The benefits of the Council's current policy of internal borrowing are monitored regularly against the likelihood that long term borrowing rates are forecast to rise in future years. The focus is now on the rate of increase and the medium-term peak.

5.18 The borrowing that has taken place in 2015/16 is therefore driven by a need to maintain an appropriate working cash balance rather than any immediate changes to interest rates.

### **Budget Implications**

5.19 A breakdown of the revenue budget for interest and capital financing and the actual year end position is included in **Appendix 7**. This shows an overall underspend of £532k in 2015/16, resulting from the debt charges and interest relating to new borrowing being less than forecast.

This position will be kept under review during the new financial year, taking into account the Council's cash-flow position and the timing of any new borrowing required.

## **6 RATIONALE**

6.1 The Prudential Code and CIPFA's Code of Practice on Treasury Management requires regular monitoring and reporting of Treasury Management activities.

## **7 OTHER OPTIONS CONSIDERED**

7.1 None.

## **8 CONSULTATION**

8.1 Consultation has been carried out with the Cabinet Member for Finance and Efficiency, Section 151 Finance Officer and Monitoring Officer.

## **9 RISK MANAGEMENT**

9.1 The Council's lending & borrowing list is regularly reviewed during the financial year and credit ratings are monitored throughout the year. All lending/borrowing transactions are within approved limits and with approved institutions. Investment and borrowing advice is provided by our Treasury Management consultants Arlingclose.

9.2 The CIPFA Treasury Management in the Public Services: Code of Practice requires the Council nominate a committee to be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies. The Corporate Audit Committee carries out this scrutiny.

9.3 In addition, the Council maintains a risk register for Treasury Management activities, which is regularly reviewed and updated where applicable during the year.

<b>Contact person</b>	<i>Tim Richens - 01225 477468 ; Andrew Stanton - 01225 477209</i> <a href="mailto:Tim_Richens@bathnes.gov.uk">Tim_Richens@bathnes.gov.uk</a> <a href="mailto:Andrew_Stanton@bathnes.gov.uk">Andrew_Stanton@bathnes.gov.uk</a>
<b>Background papers</b>	<i>2015/16 Treasury Management &amp; Investment Strategy</i> <i>1<sup>st</sup> &amp; 3<sup>rd</sup> Quarter Treasury Performance Reports (Cabinet)</i> <i>Half yearly Treasury Performance Report (Cabinet &amp; Council)</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	



## APPENDIX 1

### Performance against Treasury Management Indicators agreed in Treasury Management Strategy Statement

#### 1. Authorised limit for external debt

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

	<b>2015/16 Prudential Indicator</b>	<b>2015/16 Actual as at 31<sup>st</sup> Mar. 2016</b>
	£'000	£'000
Borrowing	219,000	118,300
Other long term liabilities	2,000	0
<b>Cumulative Total</b>	<b>221,000</b>	<b>118,300</b>

#### 2. Operational limit for external debt

The operational boundary for external debt is based on the same estimates as the authorised limit but without the additional headroom for unusual cash movements.

	<b>2015/16 Prudential Indicator</b>	<b>2015/16 Actual as at 31<sup>st</sup> Mar. 2016</b>
	£'000	£'000
Borrowing	182,000	118,300
Other long term liabilities	2,000	0
<b>Cumulative Total</b>	<b>184,000</b>	<b>118,300</b>

#### 3. Upper limit for fixed interest rate exposure

This is the maximum amount of total borrowing which can be at fixed interest rate, less any investments for a period greater than 12 months which has a fixed interest rate.

	<b>2015/16 Prudential Indicator</b>	<b>2015/16 Actual as at 31<sup>st</sup> Mar. 2016</b>
	£'000	£'000
<b>Fixed interest rate exposure</b>	<b>182,000</b>	<b>98,300</b>

#### 4. Upper limit for variable interest rate exposure

While fixed rate borrowing contributes significantly to reducing uncertainty surrounding interest rate changes, the pursuit of optimum performance levels may justify keeping flexibility through the use of variable interest rates. This is the maximum amount of total borrowing which can be at variable interest rates.

	<b>2015/16 Prudential Indicator</b>	<b>2015/16 Actual as at 31<sup>st</sup> Mar. 2016</b>
--	-------------------------------------	---

	£'000	£'000
<b>Variable interest rate exposure</b>	<b>104,000</b>	<b>20,000*</b>

\* The £20m of LOBO's are quoted as variable rate in this analysis as the Lender has the option to change the rate at 6 monthly intervals (the Council has the option to repay the loan should the rate increase).

### 5. Upper limit for total principal sums invested for over 364 days

This is the maximum amount of total investments which can be over 364 days. The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments.

	<b>2015/16 Prudential Indicator</b>	<b>2015/16 Actual as at 31<sup>st</sup> Mar. 2016</b>
	£'000	£'000
<b>Investments over 364 days</b>	<b>50,000</b>	<b>0</b>

### 6. Maturity Structure of borrowing

This indicator is set to control the Council's exposure to refinancing risk.

	<b>Upper Limit</b>	<b>Lower Limit</b>	<b>2015/16 Actual as at 31<sup>st</sup> Mar. 2016</b>
	%	%	%
Under 12 months	50	Nil	25*
12 months and within 24 months	50	Nil	15
24 months and within 5 years	75	Nil	9
5 years and within 10 years	100	Nil	0
10 years and above	100	Nil	51

\* The CIPFA Treasury management Code now requires the prudential indicator relating to Maturity of Fixed Rate Borrowing to reference the maturity of LOBO loans to the earliest date on which the lender can require payment, i.e. the next call date (which are at 6 monthly intervals for the £20m of LOBO's). However, the Council would only consider repaying these loans if the Lenders exercised their options to alter the interest rate.

### 7. Average Credit Rating

The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the weighted average credit rating of its investment portfolio. A summary guide to credit ratings is set out at **Appendix 7**.

	<b>2015/16 Prudential Indicator</b>	<b>2015/16 Actual as at 31<sup>st</sup> Mar. 2016</b>
	Rating	Rating
<b>Minimum Portfolio Average Credit Rating</b>	<b>A-</b>	<b>AA</b>

### 8. Liquidity

The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.



	<b>2015/16 Prudential Indicator</b>	<b>2015/16 Actual as at 31<sup>st</sup> Mar. 2016</b>
<b>Total cash available within 3 months</b>	<b>£15m</b>	<b>£35.6m</b>

## APPENDIX 2

### The Council's Investment position at 31<sup>st</sup> March 2016

The term of investments, from the original date of the deal, are as follows:

	<b>Balance at 31<sup>st</sup> Mar. 2016</b>
	£'000's
Notice (instant access funds)	6,900
Up to 1 month	15,665
1 month to 3 months	13,000
Over 3 months	0
<b>Total</b>	<b>35,565</b>

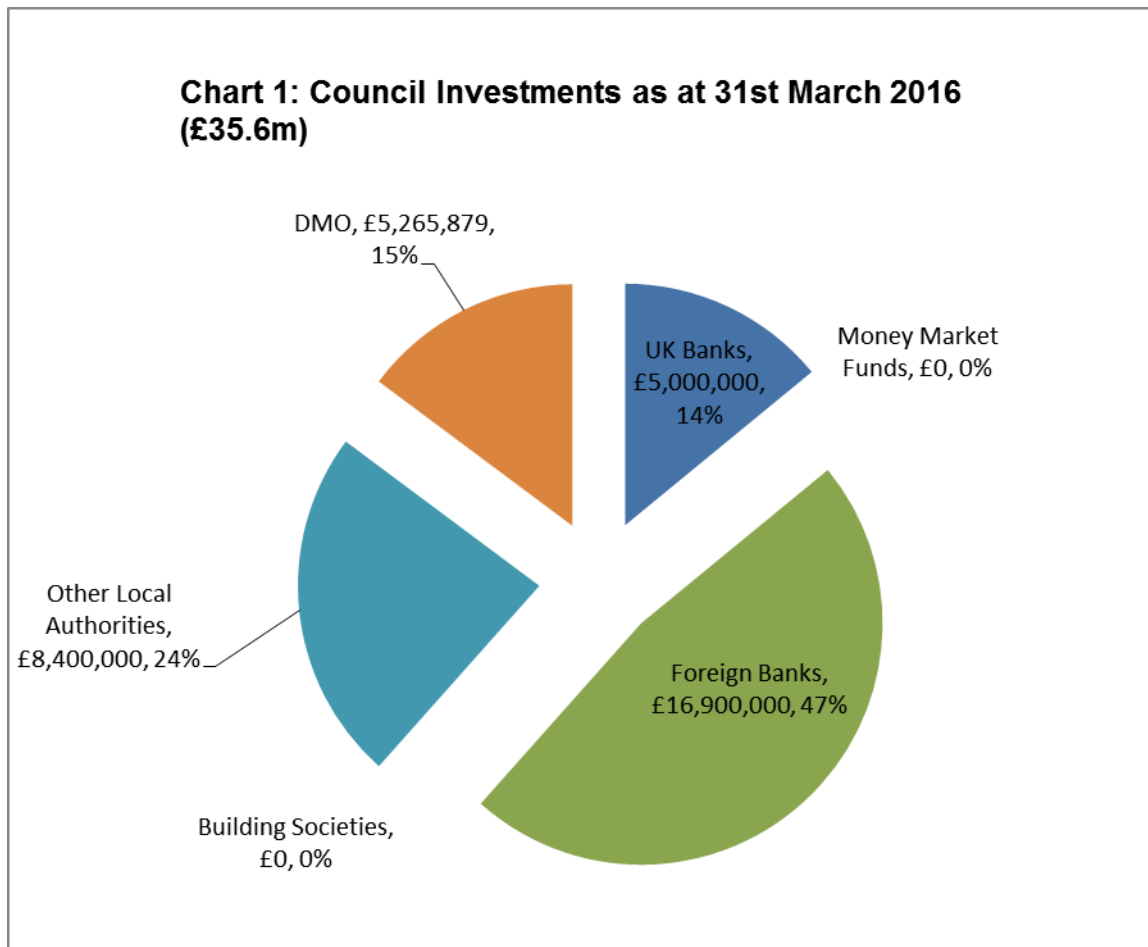
The investment figure of £35.56 million is made up as follows:

	<b>Balance at 31<sup>st</sup> Mar. 2016</b>
	£'000's
B&NES Council	8,394
B&NES CHC	8,256
LGF	12,250
West Of England Growth Points	134
Schools	6,531
<b>Total</b>	<b>35,565</b>

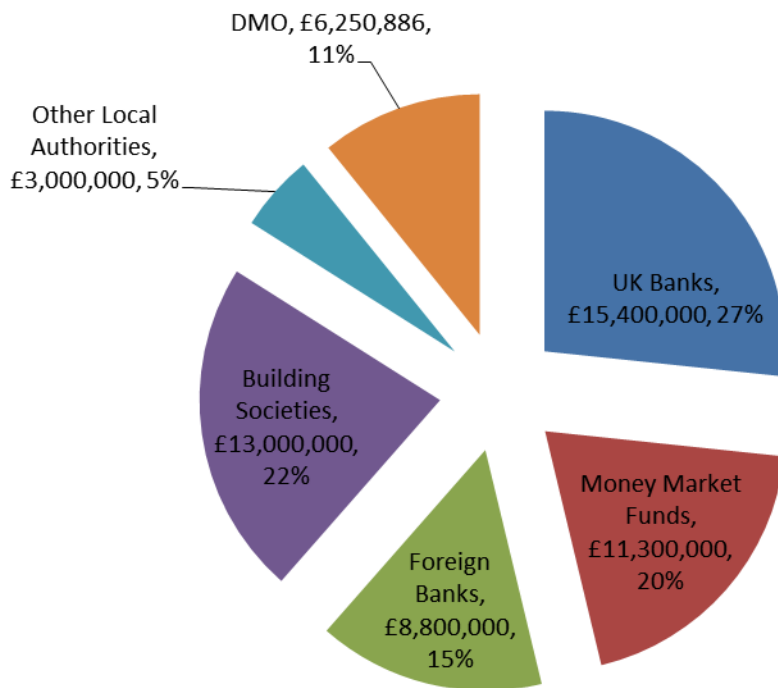
The following fixed term investments were undertaken during 2015/16 with a maturity date in the following financial year:

<b>Institution</b>	<b>Amount</b>	<b>Rate</b>	<b>Start Date</b>	<b>Maturity Date</b>	<b>Long Term Credit Rating</b>
Development Bank of Singapore	£5.000m	0.60%	04/01/16	04/04/16	AA-
Barnsley Council	£3.000m	0.40%	15/01/16	15/04/16	-
Stirling Council	£2.400m	0.45%	05/02/16	29/04/16	-
DMO	£0.266m	0.25%	05/02/16	29/04/16	AAA
Development Bank of Singapore	£5.000m	0.55%	31/03/16	30/06/16	AA-
Lloyds	£5.000m	0.57%	31/03/16	30/06/16	A+
DMO	£5.000m	0.25%	31/03/16	08/04/16	AAA
Glasgow City Council	£3.000m	0.45%	31/03/16	30/06/16	-
<b>Total</b>	<b>£28.666m</b>		-	-	

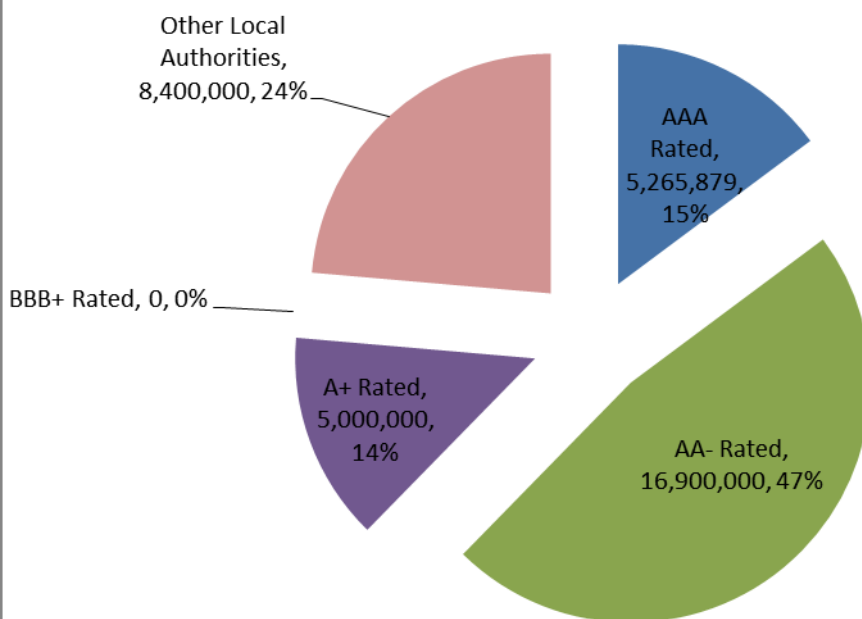
The balance of £6.9m was held in call accounts as at 31st March 2016.



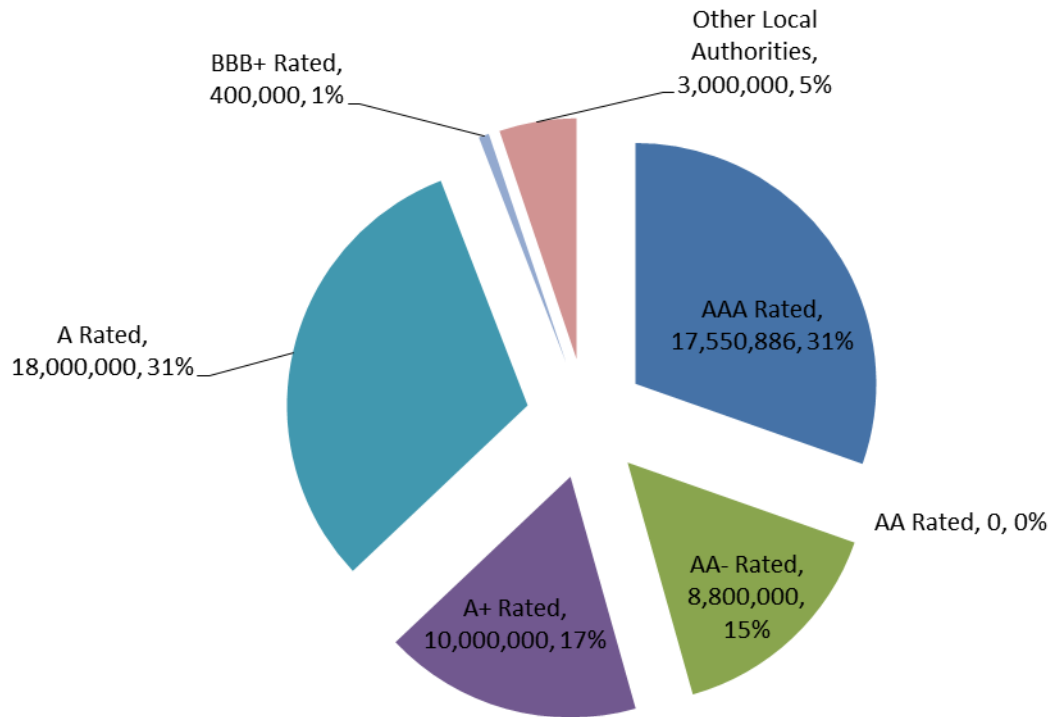
**Chart 2: Council Investments as at 31st December 2015 (£57.7m)**



**Chart 3: Council Investments per lowest equivalent Long Term credit rating (£35.6m) 31st March 2016**



**Chart 4: Council Investments per lowest equivalent Long Term credit rating (£57.7m) 31st December 2015**



## APPENDIX 3

### Average rate of return on investments for 2015/16

	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Ave. for Period
Average rate of interest earned	0.45%	0.46%	0.48%	0.48%	0.47%	0.48%	0.46%	0.48%	0.49%	0.45%	0.46%	0.49%	0.47%
Benchmark = 7 Day LIBID + 0.05% (LIBID Source - Arlingclose)	0.40%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%
Performance against Benchmark %	0.05%	0.05%	0.07%	0.07%	0.06%	0.07%	0.05%	0.07%	0.08%	0.04%	0.05%	0.08%	0.06%

## APPENDIX 4

### Councils External Borrowing at 31<sup>st</sup> March 2016

Lender	Amount	Start Date	Maturity Date	Interest Rate
PWLB	10,000,000	15/10/04	15/10/35	4.75%
PWLB	5,000,000	12/05/10	15/08/35	4.55%
PWLB	5,000,000	12/05/10	15/08/60	4.53%
PWLB	5,000,000	05/08/11	15/02/31	4.86%
PWLB	10,000,000	05/08/11	15/08/29	4.80%
PWLB	15,000,000	05/08/11	15/02/61	4.96%
PWLB	5,300,000	29/01/15	08/04/34	2.62%
PWLB	5,000,000	29/01/15	08/10/64	2.92%
KBC Bank N.V*	5,000,000	08/10/04	08/10/54	4.50%
KBC Bank N.V*	5,000,000	08/10/04	08/10/54	4.50%
Eurohypo Bank*	10,000,000	27/04/05	27/04/55	4.50%
Gloucestershire County Council	5,000,000	25/11/14	25/11/19	2.05%
Gloucestershire County Council	5,000,000	19/12/14	19/12/19	2.05%
West Midland Police Authority	5,000,000	08/10/14	10/10/16	1.10%
Portsmouth City Council	3,000,000	15/10/14	17/10/16	1.08%
London Borough of Ealing	5,000,000	21/10/15	19/10/16	0.60%
West Midland Police Authority	5,000,000	27/11/15	25/11/16	0.62%
London Borough of Brent	5,000,000	16/3/2016	14/6/2016	0.55%
Royal Borough of Kensington & Chelsea	5,000,000	21/3/2016	20/09/2016	0.52%
<b>TOTAL</b>	<b>118,300,000</b>			<b>3.37%</b>

\*All LOBO's (Lender Option / Borrower Option) have reached the end of their fixed interest period and have reverted to the variable rate of 4.50%. The lender has the option to change the interest rate at 6 monthly intervals, however at this point the borrower also has the option to repay the loan without penalty.

## **APPENDIX 5**

### **Counterparty Update (Provided by Arlingclose)**

The transposition of two European Union directives into UK legislation placed the burden of rescuing failing EU banks disproportionately onto unsecured institutional investors which include local authorities and pension funds. During the year, all three credit ratings agencies reviewed their ratings to reflect the loss of government support for most financial institutions and the potential for loss given default as a result of new bail-in regimes in many countries. Despite reductions in government support many institutions saw upgrades due to an improvement in their underlying strength and an assessment that the level of loss given default is low.

Fitch reviewed the credit ratings of multiple institutions in May. Most UK banks had their support rating revised from 1 (denoting an extremely high probability of support) to 5 (denoting external support cannot be relied upon). This resulted in the downgrade of the long-term ratings of Royal Bank of Scotland (RBS), Deutsche Bank, Bank Nederlandse Gemeeten and ING. JP Morgan Chase and the Lloyds Banking Group however both received one notch upgrades.

Moody's concluded its review in June and upgraded the long-term ratings of Close Brothers, Standard Chartered Bank, ING Bank, Goldman Sachs International, HSBC, RBS, Coventry Building Society, Leeds Building Society, Nationwide Building Society, Svenska Handelsbanken and Landesbank Hessen-Thuringen.

S&P reviewed UK and German banks in June, downgrading the long-term ratings of Barclays, RBS and Deutsche Bank. S&P also revised the outlook of the UK as a whole to negative from stable, citing concerns around the referendum on EU membership and its effect on the economy.

At the end of July 2015, Arlingclose advised an extension of recommended durations for unsecured investments in certain UK and European institutions following improvements in the global economic situation and the receding threat of another Eurozone crisis. A similar extension was advised for some non-European banks in September, with the Danish Danske Bank being added as a new recommended counterparty and certain non-rated UK building societies also being extended.

In December the Bank of England released the results of its latest stress tests on the seven largest UK banks and building societies which showed that the Royal Bank of Scotland and Standard Chartered Bank were the weakest performers. However, the regulator did not require either bank to submit revised capital plans, since both firms had already improved their ratios over the year.

In January 2016, Arlingclose supplemented its existing investment advice with a counterparty list of high quality bond issuers, including recommended cash and duration limits. As part of this, Bank Nederlandse Gemeeten was moved to the list of bond issuers from the unsecured bank lending list and assigned an increased recommended duration limit of 5 years. Interest rates are likely to stay low for longer making long-term bonds an increasingly attractive option. The Council did not make use of these long-term investment options during 2015/16.



The first quarter of 2016 was characterised by financial market volatility and a weakening outlook for global economic growth. In March 2016, following the publication of many banks' 2015 full-year results, Arlingclose advised the suspension of Deutsche Bank and Standard Chartered Bank from the counterparty list for unsecured investments. Both banks recorded large losses and despite improving capital adequacy this will call 2016 performance into question, especially if market volatility continues. Standard Chartered had seen various rating actions taken against it by the rating agencies and a rising CDS level throughout the year. Arlingclose will continue to monitor both banks.

The end of bank bail-outs, the introduction of bail-ins, and the preference being given to large numbers of depositors other than local authorities means that the risks of making unsecured deposits continues to be elevated relative to other investment options. The Authority therefore exploring secured investment options or diversified alternatives such as covered bonds, non-bank investments and pooled funds over unsecured bank and building society deposits.

In addition the Council has invested £50k in shares in the Local Capital Finance Company created to enable local authority bond issues to take place in the future, but has not used this option during 2015/16.

## **APPENDIX 6**

### **Annual Economic Review 2015/16 (Provided by Arlingclose)**

**Growth, Inflation, Employment:** The UK economy slowed in 2015 with GDP growth falling to 2.3% from a robust 3.0% the year before. CPI inflation hovered around 0.0% through 2015 with deflationary spells in April, September and October. The prolonged spell of low inflation was attributed to the continued collapse in the price of oil from \$67 a barrel in May 2015 to just under \$28 a barrel in January 2016, the appreciation of sterling since 2013 pushing down import prices and weaker than anticipated wage growth resulting in subdued unit labour costs. CPI picked up to 0.3% year/year in February, but this was still well below the Bank of England's 2% inflation target. The labour market continued to improve through 2015 and in Q1 2016, the latest figures (Jan 2016) showing the employment rate at 74.1% (the highest rate since comparable records began in 1971) and the unemployment rate at a 12 year low of 5.1%. Wage growth has however remained modest at around 2.2% excluding bonuses, but after a long period of negative real wage growth (i.e. after inflation) real earnings were positive and growing at their fastest rate in eight years, boosting consumers' spending power.

**Global influences:** The slowdown in the Chinese economy became the largest threat to the South East Asian region, particularly on economies with a large trade dependency on China and also to prospects for global growth as a whole. The effect of the Chinese authorities' intervention in their currency and equity markets was temporary and led to high market volatility as a consequence. There were falls in prices of equities and risky assets and a widening in corporate credit spreads. As the global economy entered 2016 there was high uncertainty about growth, the outcome

of the US presidential election and the consequences of June's referendum on whether the UK is to remain in the EU. Between February and March 2016 sterling had depreciated by around 3%, a significant proportion of the decline reflecting the uncertainty surrounding the referendum result.

**UK Monetary Policy:** The Bank of England's MPC (Monetary Policy Committee) made no change to policy, maintaining the Bank Rate at 0.5% (in March it entered its eighth year at 0.5%) and asset purchases (Quantitative Easing) at £375bn. In its Inflation Reports and monthly monetary policy meeting minutes, the Bank was at pains to stress and reiterate that when interest rates do begin to rise they were expected to do so more gradually and to a lower level than in recent cycles.

Improvement in household spending, business fixed investment, a strong housing sector and solid employment gains in the US allowed the Federal Reserve to raise rates in December 2015 for the first time in nine years to take the new Federal funds range to 0.25%-0.50%. Despite signalling four further rate hikes in 2016, the Fed chose not to increase rates further in Q1 and markets pared back expectations to no more than two further hikes this year.

However central bankers in the Eurozone, Switzerland, Sweden and Japan were forced to take policy rates into negative territory. The European Central Bank also announced a range of measures to inject sustained economic recovery and boost domestic inflation which included an increase in asset purchases (Quantitative Easing).

**Market reaction:** From June 2015 gilt yields were driven lower by the a weakening in Chinese growth, the knock-on effects of the fall in its stock market, the continuing fall in the price of oil and commodities and acceptance of diminishing effectiveness of central bankers' unconventional policy actions. Added to this was the heightened uncertainty surrounding the outcome of the UK referendum on its continued membership of the EU as well as the US presidential elections which culminated in a significant volatility and in equities and corporate bond yields.

10-year gilt yields moved from 1.58% on 31/03/2015 to a high of 2.19% in June before falling back and ending the financial year at 1.42%. The pattern for 20-year gilts was similar, the yield rose from 2.15% in March 2015 to a high of 2.71% in June before falling back to 2.14% in March 2016. The FTSE All Share Index fell 7.3% from 3664 to 3395 and the MSCI World Index fell 5.3% from 1741 to 1648 over the 12 months to 31 March 2016.

## APPENDIX 7

### Interest & Capital Financing Costs – Budget Monitoring 2015/16 (Outturn)

April 2015 to March 2016	YEAR END POSITION			ADV/FAV
	Budgeted Spend or (Income) £'000	Actual Spend or (Income) £'000	Actual over or (under) spend £'000	
<b>Interest &amp; Capital Financing</b>				
- Debt Costs	4,589	4,120	(469)	FAV
- Internal Repayment of Loan Charges	(9,281)	(8,828)	453	ADV
- Ex Avon Debt Costs	1,340	1,288	(52)	FAV
- Minimum Revenue Provision (MRP)	6,559	6,095	(464)	FAV
- Interest on Balances	(199)	(199)	0	
<b>Sub Total - Capital Financing</b>	<b>3,008</b>	<b>2,476</b>	<b>(532)</b>	<b>FAV</b>

## APPENDIX 8

### Summary Guide to Credit Ratings

Rating	Details
AAA	Highest credit quality – lowest expectation of default, which is unlikely to be adversely affected by foreseeable events.
AA	Very high credit quality - expectation of very low default risk, which is not likely to be significantly vulnerable to foreseeable events.
A	High credit quality - expectations of low default risk which may be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
BBB	Good credit quality - expectations of default risk are currently low but adverse business or economic conditions are more likely to impair this capacity.
BB	Speculative - indicates an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time.
B	Highly speculative - indicates that material default risk is present, but a limited margin of safety remains. Capacity for continued payment is vulnerable to deterioration in the business and economic environment.
CCC	Substantial credit risk - default is a real possibility.
CC	Very high levels of credit risk - default of some kind appears probable.
C	Exceptionally high levels of credit risk - default is imminent or inevitable.
RD	Restricted default - indicates an issuer that has experienced payment default on a bond, loan or other material financial obligation but which has not entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure, and which has not otherwise ceased operating.
D	Default - indicate an issuer that has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure, or which has otherwise ceased business.

## Bath & North East Somerset Council

MEETING/ DECISION MAKER:	<b>Cabinet</b>	
MEETING/ DECISION DATE:	<b>13<sup>th</sup> July 2016</b>	EXECUTIVE FORWARD PLAN REFERENCE:
		<b>E 2859</b>
TITLE:	<b>Future of Adoption Services; Adoption West Proposals and Engagement</b>	
WARD:	All	
<b>LIKELY TO BE TAKEN IN EXEMPT SESSION</b>		
<p><b>List of attachments to this report:</b></p> <p>Access to Information Arrangements - Exclusion of access by the public to Council meetings</p> <ol style="list-style-type: none"> <li>1. Adoption West vision and outcomes document - <b>Open</b></li> <li>2. Adoption West services in scope - <b>Exempt</b></li> <li>3. Profile of the Adoption West service user, staff and financial information - <b>Exempt</b></li> <li>4. Delivery model options appraisal document (Bevan Brittan LLP report) - <b>Exempt</b></li> <li>5. Adoption West Project plan - <b>Exempt</b></li> <li>6. Public, service user and staff engagement document - <b>Exempt</b></li> <li>7. Adoption West Governance Structure - <b>Exempt</b></li> <li>8. Potential Delivery Model Options - <b>Exempt</b></li> </ol>		

### 1 THE ISSUE

- 1.1 The development of Regional Adoption Agency proposals is part of the national regionalising adoption agenda as set out in 'Regionalising Adoption' (July 2015), and further developed in 'Adoption; A Vision for Change' (March 2016). Proposals are also informed by the Education and Adoption Act 2016.

This proposal involves formal collaboration with a number of local authorities to establish a Regional Adoption Agency in line with Government requirements. The local authorities involved are:

Bath and North East Somerset Council  
 City of Bristol Council  
 Gloucestershire County Council  
 North Somerset Council  
 South Gloucestershire Council  
 Wiltshire Council

### 2 RECOMMENDATION

Cabinet are asked to:

- 2.1 Agree the outlined proposal for the development of a Regional Adoption Agency (RAA) in the form of a Local Authority Controlled Company.
- 2.2 Agree public and stakeholder engagement and consultation to secure this development.
- 2.3 Receive a further report on a final proposal in Autumn 2016.

### **3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

#### **3.1 Finance**

- 3.1.1 A full business case detailing projected costs and setting out funding arrangements will form part of the next stage of the process and will be reported back to Cabinet in Autumn 2016 (as it will for the other five local authorities).
- 3.1.2 The proposal is to establish a local authority trading company which as such will be controlled by each of the participating local authorities which will form the membership (shareholders) of the company. Each local authority has a fiduciary duty to look after the funds entrusted to it and to ensure that the taxpayer's money is spent appropriately. For that reason, a local authority must carefully consider any trading venture that it embarks on. The 2009 Trading Order England requires the local authority to prepare a business case. The participating authorities (or their executives) should approve the business plan before trading starts. This will form part of the subsequent report to Cabinet.
- 3.1.3 The development of the full business case will be facilitated through specific funding for external advice in conjunction with finance officers from partner organisations to support financial modelling for the new delivery model, interrogate unit costs analysis, agree estimates for projected future costs, develop funding formula, advise on apportionment of costs / risks, recommend appropriate financial systems and establish an effective accounting structure. The Adoption West RAA will explore options for any potential redundancy and pension liabilities to be covered by the partner LAs so as not to expose the new entity to an undesirable level of risk.
- 3.1.4 The plans for Adoption West RAA will not increase costs and will seek to deliver efficiencies.
- 3.1.5 Tax implications, working capital arrangements and insurances will be subject to further specialist advice and will be agreed during the next phase as part of developing the funding agreement; these considerations will be further defined in the full business case.
- 3.1.6 For the purposes of the applicable VAT legislation, the RAA will be providing "welfare services". This would bring the RAA within a VAT exemption. The consequences of the VAT exemption are twofold:
  - The RAA will not be required to charge VAT to the participating authorities in respect of the welfare services it provides.
  - Since it will be making exempt supplies, the RAA may not be able to recover the VAT it incurs in procuring support services from third

parties, such as finance, human resources advice and ICT. As such the potential costs of these services to the RAA should be factored into the full business case as part of the final decision making process.

## **3.2 Property**

3.2.1 Options are being developed around various hub and spoke models for delivering a regional service. Any such model will be enabled by flexible and remote working and utilisation of existing accommodation. The details relating to locations and provision of support functions are to be informed by analysis of service volumes and input from service users, staff and other stakeholders.

## **3.3 ICT**

3.3.1 No decisions have been reached regarding who will provide the RAA IT systems. Options will be considered regarding the relative strengths and weaknesses of existing systems in use by partner agencies or alternative systems based on an assessment of services and associated technical requirements.

3.3.2 The RAA will require access to service user records from the 6 local authorities. Decisions will need to be made regarding how this access is achieved with options including a feed into a new system or links into each of the 6 systems.

3.3.3 Decisions will also need to be made regarding other business and IT services required and who will supply them including email, storage, finance, payroll, HR, provision of hardware. There are perceived benefits to a partner local authority providing these services in which case they could be accessed via remote desktop protocol (RDP) or similar, providing a user with a graphical interface to connect to another computer over a network connection.

## **3.4 People**

3.4.1 The project will define the operating model and how the new organisation will be staffed/managed and structured during the next phase of service design. This will be developed in collaboration with current employees and stakeholders during the engagement period. Staff equality data is being gathered and will be analysed as part of a detailed equality impact assessment that will be maintained during development and delivery of proposals. The Equality Impact Assessment will also include actions to mitigate any identified impact for staff.

3.4.2 Initial advice has been taken regarding staffing implications relating to staff transfer and pensions. Once the preferred delivery model for the RAA is approved and required information has been gathered on the staff potentially affected more detailed work is planned.

3.4.3 It is anticipated that appropriate current employees of the local authorities will transfer to the new agency under the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations 2006 to

the RAA as responsibility for the delivery of all aspects of the Adoption Services are transferred. A due diligence review of the Terms and Conditions which currently apply to employees is underway to identify what terms and conditions the RAA would inherit on any TUPE transfer. The RAA will consider how the variety of terms would fit in with its structure of terms and conditions and identify potential issues and/or conflicts which may arise.

3.4.4 As the transferring employees who would transfer under TUPE from the local authorities to the RAA are likely to be members of or entitled to join the LGPS, the local authorities will be obliged to ensure that when their employment transfers to the RAA, appropriate 'pension protection' is provided for them. It is anticipated that the RAA also participates in the LGPS to allow the transferring employees to continue with their membership or entitlement to join following the transfer. There are three different LGPS Pension Funds which are applicable (Avon Pension Fund, Gloucestershire Pension Fund and Wiltshire Pension Fund). Therefore there could be potential transfer issues to be considered between the LGPS Pension Funds regarding accrued benefits. The actuaries of the LGPS Pension Funds will be consulted as to the basis of any such transfers. The local authorities will ensure that any potential negative effects on them and their participation in the relevant LGPS Pension Fund are minimised.

## **4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL**

4.1 This proposal addresses the duties placed upon the Council under the Adoption and Children Act 2002 as amended by the Education and Adoption Act 2016.

4.2 The Education and Adoption Act 2016 amends the 2002 Act to include:

4.2.1 The Secretary of State may give directions requiring one or more local authorities in England to make arrangements for all or any of their functions within subsection (3) to be carried out on their behalf by—

- (a) one of those authorities, or
- (b) one or more other adoption agencies.

4.2.2 A direction under subsection (1) may, in particular—

- (a) specify who is to carry out the functions, or
- (b) require the local authority or authorities to determine who is to carry out the functions.

4.2.3 The functions mentioned in subsection (1) are functions in relation to—

- (a) the recruitment of persons as prospective adopters;
- (b) the assessment of prospective adopters' suitability to adopt a child;
- (c) the approval of prospective adopters as suitable to adopt a child;
- (d) decisions as to whether a particular child should be placed for adoption with a particular prospective adopter;
- (e) the provision of adoption support services.



- 4.3 The legislation also reserves the right of the Secretary of State to require local authorities to terminate or change any relevant arrangements made in relation to adoption and to amend any regulations pertaining to adoption functions and services.
- 4.4 The Options Appraisal document (**Appendix 4**) sets out the legal implications pertinent to the establishment of a local authority joint venture. All such considerations will be addressed as part of the next phase of the project to provide assurance to the Council in the next report in Autumn 2016.

## 5 THE REPORT

- 5.1 The Adoption West project has developed from a steering group that formed in July 2013 to consider the possibility of more collaborative working to improve adoption and permanence service delivery across potentially eight local authorities (Bath & North East Somerset, Bristol, Gloucestershire, North Somerset, South Gloucestershire, and Wiltshire). Somerset and Swindon have subsequently joined other regional agencies. Initial work was undertaken by commissioning leads from Gloucestershire and Wiltshire before engaging the Institute of Public Care (IPC) to complete more detailed work. IPC presented a commissioning plan to the Directors of Children's Services for the Adoption West area and on the 18<sup>th</sup> July 2014 it was agreed that work should be undertaken to move towards a collaborative model of providing adoption services. Work began in April 2015 on activity to concentrate on and jointly commission a number of adoption service functions regionally.
- 5.2 Following the general election in May 2015 the context within which the Adoption West project was operating changed with the publication of 'Regionalising Adoption' (July 2015). In which, the government set out their proposals to move to Regional Adoption Agencies by the end of the Parliament in 2020 and invited expressions of interest from local partnerships. The paper included an emphasis on getting adoption/permanence right for harder to place children whilst ensuring adoption support is available and accessible to these adoptive families and set out three key aims:
- To speed up matching and improve the life chances of neglected children
  - To improve adopter recruitment and adoption support
  - To reduce costs

It is also clear that DfE expect to see Voluntary Adoption Agencies VAA / Adoption Support Agencies ASAs actively included in whichever delivery model is finally agreed and implemented and are 'particularly keen to consider models that have an element of cross-sector collaboration'.

- 5.3 Following market testing, an engagement event with voluntary sector providers and expressions of interest, it was agreed that 6 VAA / ASAs would be contributors to the design and development of Adoption West. The Voluntary Adoption Agencies and Adoptions Support Agencies involved in Adoption West include:
- Action for Children

- Adoption UK
- After Adoption
- Barnardo's
- CCS Adoption
- PAC UK

5.4 The Adoption West expression of interest was submitted in September 2015 and DfE agreed funding to begin in November 2015. Funding was agreed for resources to support the project including project management, professional leadership and independent specialist legal, financial and technical advice. Support and challenge to the project is also provided through an allocated coach offering guidance and acting as a link with the DfE. The project is required to provide progress reports to the DfE on milestone delivery and spending, subsequent phases of funding are contingent upon meeting DfE reporting and project gateway requirements.

5.5 Adoption West was included in the 'Scope and Define' category of projects and has achieved the following objectives during this period

- confirmed commitment to an agreed approach and delegated authority is in place to take the work forward
- project mobilisation team is in place
- vision statement and the key outcomes to be achieved by the RAA (**Appendix 1**)
- project scope including the adoption/permanence functions to be provided by the RAA (**Appendix 2**)
- an agreed profile of the RAA cohort including service user data, staffing information and budgets (**Appendix 3**)
- process for an options appraisal, gateway criteria and success factors has been followed to ensure sound decision making
- preferred delivery model agreed, following due consideration of possible models and legal advice informing a detailed options appraisal (**Appendix 4**)
- project plan to enable delivery of the approved model is in place and is being implemented (**Appendix 5**)
- key stakeholders including council members, adopters, and staff have been engaged in the development
- engagement with Adoption Panel chairs, NHS commissioners and providers to explore options for collaborative working recognising their centrality to the adoption process
- analysis of the stocktake of existing services is completed to inform the development and delivery of the RAA
- a transition plan is developed to take the project into the next phase and to ensure maintenance and improvement in existing services during the change process
- critical underpinning plans relating to ICT and information sharing, financial, risk management, and communication are in place

5.6 The governance structure outlined in **Appendix 7** shows the organisation of project groups and decision making. Each Local Authority and VAA / ASA

partner is represented on relevant groups. Representatives are responsible for feeding back to their respective adoption services and collecting views and ideas to feed into the groups.

5.7 As part of the scope and define phase Adoption West has developed and agreed a preferred delivery model. The process for reaching a preferred model comprised a review of provisional options, business case development, legal advice, and option appraisal. Project groups considered 4 initial options shown in **Appendix 8** and following soft market testing, debate and analysis of the strengths and weaknesses of the various models with a view to short-listing viable options, partners agreed to remove the fully commissioned model from consideration. The Governance group proceeded to develop and debate the strengths and weaknesses of the remaining 3 models:

- (i) Hosted by a single LA on behalf of a number of LAs
- (ii) Joint venture between LAs – public sector owned entity
- (iii) Creation of a new VAA – public and third sector ownership

5.8 Potential models (**Appendix 8**) were considered over a series of meetings. Legal advice was procured from Bevan Brittan LLP to assist in the development of outline business cases for each of the options and to conduct a thorough and independent options appraisal based on a clear brief and input from the Governance Group and Service Manager Group. The Service Manager Group provided input from the perspective of operational teams and service users to propose weighted criteria for assessing options. Appraisal criteria were used as a basis against which to assess the models under consideration.

5.9 The options appraisal exercise highlighted the potential benefits and, on balance recommended option 2, a joint venture local authority owned entity. This option is preferred because it will best allow us to deliver better outcomes for children, affording us greater flexibility and independence to pursue innovation and enterprise in how we deliver services. Option 2 is further supported by legal advice evidencing the feasibility and advantageous procurement position of such a model. The options appraisal has been reviewed by the Governance Group and Directors of Children's Services and they have approved the development of a full business case for option 2. Within this model and as stated in the delivery model options appraisal (**Appendix 4**) there is scope to include VAA / ASAs on the Board arrangements limited by specific legal parameters. Further discussion is taking place to ensure VAA / ASA interests are represented and promoted within this model and to explore how this may work in practice.

5.10 In summary, option 2 is preferred due to the following key strengths:

- (i) A corporate joint venture between the participating authorities creates a new entity which offers a neutral platform which affords all participating authorities equal status within the arrangements and avoids the perception of control which the required role of a "lead authority" can create.
- (ii) The structure allows governance arrangements to be straightforward with all partners represented on the Board of Directors (although the VAA / ASAs would have limited voting rights).

- (iii) It will be easier to establish a new identity and brand distinct from the local authorities, providing a better platform to engage adopters, build trust and innovate while maintaining effective connections with LA children services teams
- (iv) The procurement position is more favourable as certain exemptions are afforded if the RAA is local authority controlled and the essential part of the RAA activities is with the controlling local authorities
- (v) Innovation and growth are better facilitated by this model. This may range from experimenting with new practice methodologies and trialling alternative evidence based practice models and programmes, through to embracing new technology and improving working practices such as team and service user communications.

5.11 The preferred option 2 is likely to involve slightly higher set-up costs and longer implementation timescales than option 1. This is due to the requirement to establish new legal structures and involve regulators in the formation of the company. All implementation costs are to be covered by DfE RAA grant funding subject to approval. Given the strategic benefits of the preferred model, the strengths outlined above, and DfE support for innovative delivery models, the additional cost and time is considered to be justified.

5.12 The preferred model and accompanying financial plans and project schedules have been submitted to the DfE. The DfE are reviewing plans of 21 prospective RAAs and any further progress of Adoption West proposals will be informed by the outcome of this process. Responses were originally expected on 16<sup>th</sup> May 2016, on reviewing proposals the DfE are now undertaking a series of discussions with prospective RAAs to agree plans and funding decisions.

5.13 There are a number of key areas that require further work to develop a full business case. The financial, property, HR and IT considerations are covered in Section 3 above. The other areas, initial proposals and factors for consideration during the public and service user engagement period are highlighted below.

### **Proposed plan and decision-making process**

5.14 The high-level plan is to engage and gather feedback on outline proposals in order to develop a full business case for decision making by the end of 2016. This will be followed by a period of workforce change processes, infrastructure set up and other implementation activity. It is anticipated that some service improvements identified may be implemented during the transition period to achieve incremental change and trial new ways of working ahead of a formal implementation date. The new service is planned to be operational from April 2018.

<b>Milestone</b>	<b>Date</b>
Business case development, legal & financial advice	May - Nov 2016
Local Authority political decision making and VAA / ASA decision making on 'In principle' approval of preferred model and public engagement	June / July 2016
Engagement with public, service users and staff on outline proposals.	July - Oct 2016

Draft engagement document included as <b>Appendix 6</b>	
Local Authority political decision making and VAA / ASA decision making on implementation of preferred model including service specification, budget and staffing	Nov - Dec 2016
Implementation – workforce change, establish legal structures and organisational infrastructure	Jan – Dec 2017
Implement new delivery model	April 2018

## **Governance and accountability**

- 5.15 The participating authorities will enter into a members or shareholders agreement. Any members’ agreement will set out clearly what the purpose of the collaboration is and will clearly assign roles and responsibilities to each of the participating authorities. It will also deal with governance and issues such as dispute resolution. Adoption is regulated by statutory provisions and administered through the courts in line with these principles. Adoption services are administered through agencies approved by the secretary of state and are subject to inspection by OFSTED. Proposals will consider the potential impact of the inspection requirements, acknowledging that DfE and OFSTED are working together to agree the best approach for new delivery models. The Adoption Leadership Board and Regional Adoption Boards provide leadership to the adoption system, improve its performance and tackle the key challenges it currently faces by supporting the collection, analysis and dissemination of timely performance data and the sharing of best practice.
- 5.16 In addition to the Members Agreements each of the participating authorities will need to commission services from the RAA and this will require a further Services Agreement to be entered into jointly between the participating authorities and the corporate RAA or singularly between each participating authority and the corporate RAA.
- 5.17 Each of the participating authorities will have a role to play in the Board of Directors of the Corporate RAA. Statutory company directors are required to have the necessary skills and experience to carry out their duties effectively and to do so in good faith and in a way that would be most likely to promote the success of the Corporate RAA for the benefit of its members as a whole. All members or officers of an LA expected to act as statutory directors will receive detailed and appropriate training and appropriate support.
- 5.18 The six council's will wish to consider how effective member scrutiny of, and influence on, the Joint Venture Company is best achieved. Further work will be undertaken to develop a range of options for consideration at a second Member's workshop in September.

## **Health provision**

- 5.19 Initial engagement with Health service commissioners from the 6 Clinical Commissioning Groups has identified opportunities for more joined up working. However, current commissioning cycles and the complexity of disaggregating adoption and permanence related health services from wider children’s services health provision may limit the potential for regional commissioning. Options are being discussed collaboratively to enable greater consistency of health provision across the region. Processes will also be

established to coordinate demand, and manage the administrative and financial implications of more flexible health services regionally.

### **Education services**

- 5.20 Links have been established with the Virtual Schools in each Local Authority to include them in the planning process for the RAA. Virtual School head teachers are keenly aware of their responsibilities to children who are adopted, which is a recent increase in workload and expectations for their services. As with health provision there are potential opportunities for joined up working which could provide better co-ordinated and more timely education services to adopted children. Initial work is now underway to collate information across the six Local Authority Virtual Schools to better understand the current picture of educational provision and to identify opportunities to work together and develop joint processes. It is anticipated that there will be some cross authority collaboration between the Virtual Schools, including the RAA, that will ensure more consistent services to children and adoptive parents, and make more effective use of available resources.

### **Adoption Panel Arrangements**

- 5.21 Opportunities will be considered to rationalise existing panel arrangements to ensure the process is as efficient as possible and resources are used most effectively on a regional basis. This may involve changes to local authority and voluntary agency panels to combine resources and ensure administration, structures and timing reflect and support the outcomes to be achieved by regionalising adoption and permanence services.

### **Voluntary Adoption Agency and Adoption Support Agency (VAA / ASA) roles and Considerations**

- 5.22 VAA / ASAs will form an integral part of new regional working arrangements. Further work will be undertaken to clarify the specific nature and extent of involvement of different agencies but partners are committed to engaging positively with VAA / ASAs and incorporating VAA / ASAs fully within any future RAA and as part of the wider permanence service mix. Partners anticipate thriving VAA / ASAs to be an essential part of the mixed local market of adoption service provision in the future and voluntary agencies will play a central part in defining their future role in further detail. Detailed consideration of the anticipated capacity and capability of a future RAA and other adoption service providers will be analysed in coordination with VAA / ASA partners and options considered that will ensure the continued strength of commissioned provision. Opportunities for expansion and diversification in the voluntary sector will be explored to address potential capacity gaps and growth areas by providing greater certainty and encouraging more collaborative working within regional arrangements to enable providers to develop new services and engage in longer term planning.

### **Service delivery and focus on operational practice excellence**

- 5.23 The new RAA will focus on excellent practice and improved outcomes for children through ensuring that new processes, activities and structures reflect the objectives and enable the planned benefits of the new entity. Service excellence will be supported through developing a clear service specification

and embedding effective processes and practices. This will be sustained through appropriate governance and performance management arrangements. Service excellence will be central to all aspects of the next phase of developing proposals and the fundamental criteria against which decisions will be made. The development and delivery of proposals will continue to benefit from detailed input of adopters, the voice of the child and voluntary sector partners.

5.24 We are in the process of looking across all partners and beyond to ensure the best practice of current services provide a baseline from which to develop new practices. The preferred delivery model will provide further continuous improvement opportunities through:

- greater freedom and flexibility to involve staff in governance and decisions
- being a single purpose organisation that will not have to focus on other local authority priorities
- create lean processes and removal of duplicated functions
- the potential to develop tailored back of house functions appropriate specifically to the business of adoption / permanence
- the ability to develop a culture and practices that focus purely around adoption and permanence support and the needs of the child / adopters.

5.25 Funding for the new RAA will be provided by the partner LAs, the mechanism for agreeing funding requires further work and agreement as part of the process of developing the full business case, governance and operational practices. Options include Local Authority funding for the new service on the basis of:

- historic and projected numbers of children looked after and number of adoptions and permanence solutions;
- historic and projected volume of activity to be delivered;
- inter-agency fixed fee per adoption;
- a combination of the above

### **Public, service user and staff engagement**

5.26 Plans are in place for more thorough engagement with adopters working with Adoption UK to facilitate surveys, focus groups and various forums to ensure proposals are informed by service users. Following consideration of these outline proposals by decision makers within partner organisations involved in the Adoption West project, there is a planned period of public, service user and staff engagement. Equality considerations will be explored through this engagement process and will inform the development of the Equality Impact Assessment. During this process there will also be a members' workshop currently being planned for September to follow up on the event in April 2016. The engagement period is planned to run for 10 weeks from Monday 25<sup>th</sup> July

to Monday 3<sup>rd</sup> October 2016. The purpose, approach and specific nature of the engagement process is set out in the engagement document **appendix 6**. The principal stakeholders include:

- Adoptees
- Adopters
- Birth families
- Local Authority, Voluntary Adoption Agency and Adoption Support Agency Staff
- Health service commissioners and providers
- Adoption panel members
- Education services

## **6 RATIONALE**

6.1 This proposal meets the requirements placed upon the Council to develop a new form of service to deliver our statutory adoption functions. The preferred model secures best outcomes for children, prospective adoptive families and enables the Council to ensure that its excellent record and reputation in relation to adoption is secured into the future.

## **7 OTHER OPTIONS CONSIDERED**

7.1 See Appendix 4 and Section 5.

## **8 CONSULTATION**

8.1 Cabinet Member for Children and Young People, Chief Executive, Legal Services.

8.2 Staff have supported the process through an engagement event in November 2015 and ongoing communication with service managers and the project team through operational team meetings. Trade Unions have been informed of outline proposals and arrangements are in place for ongoing consultation as proposals are developed further. The adopter voice is provided through adopter champion representation within the governance structures and plans are in place for more structured involvement of service users, including the voice of the child. The report and specifically **appendix 6** sets out the approach to engagement and consultation with residents, service users and staff. The outcomes of this engagement process will inform the development of proposals for a decision paper to return to this committee later in the year.

8.3 Full consultation with the Section 151 and Chief Legal and Monitoring Officer will be undertaken within the next phase of the project.

## **9 RISK MANAGEMENT**

9.1 A full Risk Assessment of all financial, legal, human resource and operational delivery issues will be undertaken as part of the next stage of the project and reported back to Cabinet in Autumn 2016. This Risk Assessment will be fully compliant with the Council's decision making risk management guidance.



<b>Contact person</b>	Richard Baldwin, Divisional Director Children, Young People and Families Services, Tel: 01225 396289
<b>Background papers</b>	Regionalising Adoption (June 2015) DfE Adoption: A vision for change (March 2016) DfE The Education and Adoption Act 2016 Adoption and Children Act 2002
<b>Please contact the report author if you need to access this report in an alternative format</b>	

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**Access to Information Arrangements**

**Exclusion of access by the public to Council meetings**

Information Compliance Ref: LGA 1133/16

Meeting / Decision: Cabinet

Date: Wednesday 13<sup>th</sup> July 2016

Author: Richard Baldwin, Divisional Director Children, Young People and Families Services

Report Title: Future of Adoption Services; Adoption West Proposals and Engagement

List of attachments to this report:

1. Adoption West vision and outcomes document (Open)
2. Adoption West services in scope (Exempt)
3. Profile of the Adoption West service user, staff and financial information (Exempt)
4. Delivery model options appraisal document (Bevan Brittan LLP report) (Exempt)
5. Adoption West Project plan (Exempt)
6. Public, service user and staff engagement document (Exempt)
7. Adoption West Governance Structure (Exempt)
8. Potential Delivery Model Options (Exempt)

The Report contains exempt information, according to the categories set out in the Local Government Act 1972 (amended Schedule 12A). The relevant exemption is set out below.

Stating the exemption:

1. Information relating to any individual
2. Information which is likely to reveal the identity of an individual
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

The public interest test has been applied, and it is concluded that the public interest in maintaining the exemptions outweigh the public interest in

disclosure at this time. It is therefore recommended that the exempt information set out above be withheld from publication on the Council website. The paragraphs below set out the relevant public interest issues in this case.

### PUBLIC INTEREST TEST

If the Committee wishes to consider a matter with press and public excluded, it must be satisfied on two matters.

Firstly, it must be satisfied that the information likely to be disclosed falls within one of the accepted categories of exempt information under the Local Government Act 1972.

The officer responsible for this item believes that this information falls within the following exemptions and this has been confirmed by the Council's Information Compliance Manager.

The following exemptions are engaged in respect to this report:

Exemptions 1 and 2 above must be considered in conjunction with the Principles of the Data Protection Act 1998 (DPA). It is considered that disclosure of the information in this report would breach the first principle of the DPA, which requires personal data to be fairly and lawfully processed.

Secondly, it is necessary to weigh up the arguments for and against disclosure on public interest grounds. It is considered that there is a public interest in decisions relating to employee dismissals.

Other factors in favour of disclosure include:

- furthering public understanding of the issues involved;
- furthering public participation in the public debate of issues, in that disclosure would allow a more informed debate;
- promoting accountability and transparency by the Council for the decisions it takes;
- allowing individuals and companies to understand decisions made by the Council and assist individuals to challenge those decisions.

However there is a real risk that the first Principle of the DPA will be breached by this disclosure, and that the individual/s identified within the appendices could bring a successful action against the Council if the disclosure occurred.

The officer responsible for this item also believes that this information falls within the exemption under paragraph 3 and 5 and this has been confirmed by the Council's Information Compliance Manager. It is necessary to weigh up the arguments for and against disclosure on public interest grounds. The main factor in favour of disclosure is that all possible Council information should be public and that increased openness about Council business

allows the public and others affected by any decision the opportunity to participate in debates on important issues in their local area. Another factor in favour of disclosure is that the public and those affected by decisions should be entitled to see the basis on which decisions are reached.

Weighed against this is the fact that the exempt appendices contain strategic and financial information about the proposal, which is commercially sensitive and could prejudice the commercial interests of the organisation if released. It would not be in the public interest if advisors and officers could not express in confidence opinions or proposals which are held in good faith and on the basis of the best information available. It is also important that public authorities be allowed to conduct a free exchange of views as to their legal rights and obligations with those advising them without fear of intrusion. Without such confidence, there are risks of lack of openness between client and lawyer and threats to the administration of justice. This thereby enables a public body to have confidence that legal issues are being discussed fully. There is an important public interest in such confidence.

It is also important that the Committee should be able to retain some degree of private thinking space while decisions are being made, in order to discuss openly and frankly the issues under discussion in order to make a decision which is in the best interests of the parties.

Therefore it is recommended that exemptions 1,2, 3 and 5 in Schedule 12A stand, that the exempt information be discussed in exempt session and that any reporting on the meeting is prevented in accordance with Section 100A(5A)

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## Appendix 1

### Vision / Mission statement:

**“Together we will deliver the best service, enabling children to live and flourish in adoptive families that provide them with security and lifelong relationships”.**

### Outcomes

- More children will be identified earlier for an adoption plan
- We will recruit a larger pool of adopters with diverse skills and abilities including more adoptive parents able to consider “hard to place” children
- Fewer children will wait more than 6 months for an adoptive family
- Children will experience fewer moves before being settled into a permanent home
- Our adopters will be better prepared with relevant training and support
- There will be fewer disrupted adoptions
- We will be more efficient with our resources to achieve best value
- An increased range of post-adoption services will reach more adoptive families to maintain lifelong family relationships

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By virtue of paragraph(s) 1, 2, 3, 5 of Part 1 of Schedule 12A of the Local Government Act 1972.

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