

Cabinet

Date: Thursday, 8th October, 2020

Time: 6.30 pm

**Venue: Virtual Meeting - Zoom - Public Access via
YouTube**

<https://www.youtube.com/bathnescouncil>

Agenda

To: All Members of the Cabinet

Councillor Dine Romero (Council Leader and Liberal Democrat Group Leader), Councillor Rob Appleyard (Cabinet Member for Adult Services), Councillor Tim Ball (Cabinet Member for Housing, Planning, and Economic Development), Councillor Neil Butters (Cabinet Member for Transport Services), Councillor Paul Crossley (Cabinet Member for Community Services), Councillor Kevin Guy (Cabinet Member for Children's Services), Councillor Richard Samuel (Deputy Council Leader and Cabinet Member for Resources), Councillor Sarah Warren (Cabinet Member for Climate Emergency and Neighbourhood Services), Councillor David Wood (Cabinet Member for Climate Emergency and Neighbourhood Services) and Councillor Joanna Wright (Cabinet Member for Transport Services)

Chief Executive and other appropriate officers
Press and Public

The agenda is set out overleaf.



Jack Latkovic

Democratic Services

Lewis House, Manvers Street, Bath, BA1 1JG

Telephone: 01225 39 443501225 394452

Web-site - <http://www.bathnes.gov.uk>

E-mail: Democratic_Services@bathnes.gov.uk

NOTES:

1. **Inspection of Papers:** Papers are available for inspection as follows:

Council's website: <https://democracy.bathnes.gov.uk/ieDocHome.aspx?bcr=1>

2. **Details of decisions taken at this meeting** can be found in the minutes which will be circulated with the agenda for the next meeting. In the meantime, details can be obtained by contacting as above.

3. **Recording at Meetings:-**

The Council will broadcast the images and sounds live via the internet

<https://www.youtube.com/bathnescouncil>

The Council may also use the images/sound recordings on its social media site or share with other organisations, such as broadcasters.

4. **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 Thursdays notice must be received in Democratic Services by 5.00pm the previous Monday.

Further details of the scheme can be found at:

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=12942>

5. **Supplementary information for meetings**

Additional information and Protocols and procedures relating to meetings

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13505>

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A G E N D A

1. WELCOME AND INTRODUCTIONS
2. APOLOGIES FOR ABSENCE
3. 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.

4. TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR
5. 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.

6. 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.

7. MINUTES OF PREVIOUS CABINET MEETING (Pages 7 - 20)

To be confirmed as a correct record and signed by the Chair

8. 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

9. MATTERS REFERRED BY POLICY DEVELOPMENT AND SCRUTINY BODIES

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.

10. SINGLE MEMBER CABINET DECISIONS TAKEN SINCE PREVIOUS CABINET MEETING (Pages 21 - 24)

A list of Cabinet Single Member decisions taken and published since the last Cabinet meeting to note (no debate).

11. MEAD LANE, SALTFORD - RIVER MOORINGS (Pages 25 - 96)

This report provides an update on the action taken following the Cabinet meeting held in January 2020. In addition, Cabinet is requested to make a final decision on moorings.

12. LEISURE SERVICE REVIEW (Pages 97 - 118)

This report sets out the main issues considered in that review and then makes recommendations for consideration by Cabinet to help mitigate the continued impact from Covid-19 on income, customer behaviour and confidence and the need to adapt to changing guidance and the challenges presented by the current situation .

13. 2021/22 MEDIUM TERM FINANCIAL STRATEGY (Pages 119 - 148)

The Medium Term Financial Strategy (MTFS) sets out the strategic direction and priorities for the Council as well outlining the financial context and challenges the Council faces over the next five years and the strategy that will be used to inform its annual budget process.

14. TREASURY MANAGEMENT MONITORING REPORT TO 30TH JUNE 2020 (Pages 149 - 166)

This report gives details of performance against the Council's Treasury Management Strategy for 2020/21 for the first three months of 2020/21.

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

BATH AND NORTH EAST SOMERSET

CABINET

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

Wednesday, 22nd July, 2020

Present:

Councillor Dine Romero	Council Leader and Liberal Democrat Group Leader
Councillor Rob Appleyard	Cabinet Member for Adult Services
Councillor Tim Ball	Cabinet Member for Housing, Planning, and Economic Development
Councillor Neil Butters	Cabinet Member for Transport Services
Councillor Paul Crossley	Cabinet Member for Community Services
Councillor Kevin Guy	Cabinet Member for Children's Services
Councillor Richard Samuel	Deputy Council Leader and Cabinet Member for Resources
Councillor Sarah Warren	Cabinet Member for Climate Emergency and Neighbourhood Services
Councillor David Wood	Cabinet Member for Climate Emergency and Neighbourhood Services
Councillor Joanna Wright	Cabinet Member for Transport Services

23 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting by explaining that this meeting is being held under The Local Authorities and Police and Crime Panels (Coronavirus)(Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020. The Council has agreed a protocol to cover virtual meetings and this meeting would operate in line with that protocol. The meeting has the same status and validity as a meeting held in the Guildhall.

24 APOLOGIES FOR ABSENCE

There were no apologies for absence.

25 DECLARATIONS OF INTEREST

The Senior Democratic Services read out the following declaration of disclosable pecuniary interest on behalf of Councillor Shaun Hughes in respect of his question to Councillor Richard Samuel;

'Further to my question regarding support of our retail tenants I wish to declare that I rent a serviced office within Unit 22 Midsomer Enterprise Park, and this building is owned and run by BANES council.

To be clear, my business at Unit 22 has not applied for or received and grants or benefits from this Council. Other tenants within this building have applied for support; however, I have no interest in this and to further clarify my business is not in any way

a retail business and my question is regarding the survival of our retail business sector.'

There were no other declarations of interest made.

26 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR

There was none.

27 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 as Appendix 1 and are available on the Council's website.]

28 STATEMENTS, DEPUTATIONS OR PETITIONS FROM PUBLIC OR COUNCILLORS

The Chair informed the meeting that there were 14 registered speakers for this meeting.

Note: All statements were read out after item 10 of the agenda.

David Redgewell read out a statement *[a copy of which is attached to the Minutes as Appendix 2 and on the Council's website]* where he expressed his concerns around the transport in ex-Avon area and with the Western Gateway Transport Plan.

Councillor Mark Elliott addressed the Cabinet by saying that residents of Lansdown Ward would prefer not to see change of use of Lansdown approach golf course. Councillor Elliott added that he was aware of financial pressures the Council was under, but the site was an iconic green space in the centre of Bath and the best option would be to find a specialist golf provider to manage the site. Councillor Elliott concluded his statement by saying that there would be a need for a proper public consultation if there was a proposal for significant change of use for this site.

Adam Gretton (the Chair of More Trees BANES) read out a statement *[a copy of which is attached to the Minutes as Appendix 3 and on the Council's website]* where he spoke in support of Avon Wildlife Trust's bid for Entry Hill Golf Course.

Robin Kerr (Chair of the Federation of Bath Residents' Associations) read out a statement *[a copy of which is attached to the Minutes as Appendix 4 and on the Council's website]* where he suggested that the criteria for marking bids should be

made public, and that the final decision should be made either by the Cabinet of Full Council.

Emilio Pimentel-Reid (Chairman Friends of the High Common) read out a statement *[a copy of which is attached to the Minutes as Appendix 5 and on the Council's website]* where he welcomed comments from Councillor Paul Crossley that there would be no physical changes to the park, no additional allotments built and no change from the current golf activities.

Elizabeth Hallam addressed the Cabinet about Entry Hill Golf Course, by saying that the course was not yet out for the count. Nearby golf courses were flourishing, and the consultation was against continuing golf provision at this golf course. The golf proposal has attached more than 1,000 signatures and the bid from local businessman should be supported.

Nicolette Boater read out a statement *[a copy of which is attached to the Minutes as Appendix 6 and on the Council's website]* in regards of Future of Entry Hill and Approach Golf Courses agenda item.

Katina Beckett (Chair of the Entry Hill Community Association) read out a statement *[a copy of which is attached to the Minutes as Appendix 7 and on the Council's website]* where she had a number of suggestions for the Entry Hill Golf Course.

Amy Coulthard (speaking as Bath resident and Director of Conservation at Avon Wildlife Trust) read out a statement *[a copy of which is attached to the Minutes as Appendix 8 and on the Council's website]* where she urged the Council to make addressing the ecological and climate crisis the most important factor in determining the future of all their land holdings which would instigate a green recovery for the city.

Adam Reynolds (Walk Ride Bath) read out a statement *[a copy of which is attached to the Minutes as Appendix 9 and on the Council's website]* where he asked the Council to ensure that any use of Entry Hill would facilitate the long term delivery of Scholars Way, by ensuring that walking and cycling routes across the grounds at the top and bottom of the site are planned and agreed before awarding any contracts.

Councillor Winston Duguid read out a statement *[a copy of which is attached to the Minutes as Appendix 10 and on the Council's website]* where he supported the proposal to go out to tender as soon as possible and reach a decision based on the four criteria mentioned in the report in respect of Entry Hill Golf Course.

Patricia Ludlam (Sion Hill and Summerhill Road Residents Association) read out a statement *[a copy of which is attached to the Minutes as Appendix 11 and on the Council's website]* where she said that the residents want the golf to continue on the 18-hole Approach Golf course

Councillor Lucy Hodge addressed the Cabinet by saying that residents of Lansdown Ward would prefer that Approach Golf Course should not change its use. The site should be well maintained and not over commercialised. It is an iconic site for Bath. A provision of golf as a recreational opportunity with affordable price for visitors to Bath should be supported.

Nicolette Boater read out a statement *[a copy of which is attached to the Minutes as Appendix 12 and on the Council's website]* in regards of Update on Corporate Strategy Progress and Issues agenda item.

29 MINUTES OF PREVIOUS CABINET MEETING

On a motion from Councillor Rob Appleyard, seconded by Councillor Kevin Guy, it was **RESOLVED** that the minutes of the meeting held on Thursday 2nd July 2020 be confirmed as a correct record and signed by the Chair.

30 CONSIDERATION OF SINGLE MEMBER ITEMS REQUISITIONED TO CABINET

There were none.

31 MATTERS REFERRED BY POLICY DEVELOPMENT AND SCRUTINY BODIES

There were none.

32 SINGLE MEMBER CABINET DECISIONS TAKEN SINCE PREVIOUS CABINET MEETING

The Cabinet agreed to note that there were no Single Cabinet Member decisions made since the previous Cabinet meeting.

33 FUTURE OF ENTRY HILL AND APPROACH GOLF COURSES

The Chair invited Councillor Paul Crossley to introduce the report.

Before reading out the statement, Councillor Paul Crossley thanked to all speakers who addressed the Cabinet today and responded to speakers' statements by highlighting the following points

- The anti-social behaviour was not unique just for golf courses; it was an issue that the Council would be taking up across all parks in Bath and North East Somerset.
- There were nearly 2,000 responses from postcodes in BANES, out of which 10% was from young people, which was quite unique and welcome.
- The decision would not be made based on bias.

- The fact that people were cycling around, and up and down the course, would not mean that the Council would want to create cycle route. The Council would go through the consultation responses and then make final decision.
- Signage would have to improve.

Councillor Paul Crossley read out the following statement:

'First of all I would like to thank the leisure section of the Council who have put so much time and effort into this item, to Lemon Gazelle who ran our consultation, GLL and to the many many residents who engaged in the process at the consultation , on line and also via the many hundreds of emails I have had on these proposals. I recognize and understand the passion with which people hold their favourite pastime in.

The two sites have been closed since the start of the consultation so that our debt does not increase and the sites will remain closed until we have appointed new operators for the sites.

We originally anticipated making a decision on the future of the Entry Hill site based on the results of the consultation that took place a few months ago.

However the consultation process ignited a lot of interest in the site and this has led to a number of parties submitting bids or proposals that respond well to the criteria that were set out in the consultation. These were 1. Addressing climate change 2. Encouraging more people to be more active, more often and 3. Ensuring the site does not require a financial subsidy from the Council in the future.

And then came Covid.

In addition to a climate emergency and a nature emergency we also now have a financial emergency.

This has resulted in us supporting GLL and working with them in partnership on getting our sporting facilities back in use. And that is why The Approach 12 hole and Approach 18 hole have been added to the decision.

In recent weeks at least 3 leisure trusts have gone out of business, locked up the facilities and handed the keys back to the local Council.

We do not want that to happen here.

Sport and leisure is a very important part of what makes living in Bath and NE Somerset such an attractive option for all our residents.

The interest that has been sparked by this consultation and is in marked contrast to the previous time the golf offer was put out under a previous administration when no interest was shown.

At this point I will describe the 3 sites:-

EH 9 hole par 3 Golf on the Wellsway. Over recent years it has seen a decline in use. There are other comparable course in the area. However it has a very loyal group of users especially older lady players. It is also popular with dog walkers.

*Approach 18 18 hole par 3 Pitch and Putt and a very important part of the open visual landscape for central Bath. It has several public rights of way across it and is well used by a variety of groups in addition to golfers including dog walkers.
Approach 12 par 3 Pitch and Putt and also an important part of the landscape that makes Bath special.*

What is certain is that with our financial situation as it is and with the cuts we are making we CANNOT continue to subsidise the current model of operation at Entry Hill and Approach.

The losses at Entry Hill are well advertised through the consultation and run in excess of £80k pa. The losses at Approach are less well known but the last 3 years have been £40.7K, £29.6K and £31.9K. Whatever else it is not right for the tax payer of B&NES that public money is continued to be used to support the current model of operation at these two sites.

We have had detailed proposals on new ways of working and new ideas for use of the sites ranging from golf to disc-golf to cycling to sculpture parks to allotments to forest school.

*These proposals have different levels of detail in them and so are difficult to compare easily.
Indeed some are just outline ideas.*

Awarding a contract to one of these proposals or making a decision on the future of any site at this stage would not be a fair and equitable approach and would not meet the Council's procurement regulations.

In fact the proposals are evolving over time as they start to consider how other ideas can complement their key proposal.

As a result of this the Council has concluded that an open procurement process that is evaluated against the same criteria that were used during the consultation process as well as taking into account the results of the consultation is the most appropriate way forward at this time.

To be fair to all the bidding parties and the various users of the sites we will hold this exercise as speedily as is possible under procurement rules.'

Councillor Paul Crossley moved the recommendations as per report.

The Chair seconded the motion by thanking to all of those that came today to make a statement on the future of Entry Hill and Approach Golf courses, and also to everyone who took part in the consultation. The Cabinet felt that it was important that the future of these courses was moved on to the next stage, as soon as possible. The responses received in the consultation would move this issue forward.

Councillor Paul Crossley clarified that the Cabinet Members would be briefed on regular basis on this matter before making the final decision.

Councillor Kevin Guy commented that community views and opinions must be taken fully into account with full and open transparency along the way.

Councillor Tim Ball said that the Cabinet would need to make quick decision on this matter due to ongoing cost for those sites. Councillor Ball welcomed that Cabinet Members would be briefed on regular basis before making the final decision.

Councillor David Wood thanked all those who participated in the consultation and said that this was great example on how a consultation should be conducted. Councillor Wood also agreed that the decision must be transparent, and it would need to take climate, ecological and financial emergency into account.

Councillor Richard Samuel gave some clarification on what would happen next. Once the Cabinet agree with the recommendations, the tendering process would commence. The officers would produce a tender report, which would analyse the results of tenders' proposals in line with its appropriate weighting to the different types of proposal. After that stage, Councillors Crossley and Samuel would be consulted on the outcome of that tender process. If there were any concerns about the delegation to the Director of Environment in appointing the contract then it would probably come back to the Cabinet, for final decision. Councillor Samuel added that sufficient safeguards were in place and expressed his support for this matter to go forward.

Councillor Rob Appleyard also supported the motion by adding that certain amount of importance is given to mass participation and use of the site rather than just focused on too narrow a group of people.

RESOLVED (unanimously) that the Cabinet agreed to:

- 2.1 Agree the next steps for the future uses of Entry Hill and Approach golf courses
- 2.2 Note the results of the community consultation exercise in relation to Entry Hill
- 2.3 Recommend that an open procurement exercise is undertaken that allows all proposals to be properly considered and evaluated against an agreed set of criteria. Proposals for community and sporting provision only will be considered. Ensure that bidders are able to tender for one or both of the sites as desired.
- 2.4 Delegate to the Director of Environment authority to appoint a contractor in accordance with the Council's prescribed governance and procurement process in consultation with the Cabinet Members for Finance and Communities

34 BATH CLEAN AIR PLAN GRANT SETTLEMENT - JULY 2020

3.40pm - The Chair adjourned the meeting for a short break

3.48pm – The Chair reconvened the meeting.

The Chair invited Councillor Sarah Warren to introduce this report.

Councillor Sarah Warren read out the following statement:

'It is my pleasure to introduce this paper on the grant settlement in relation to Bath's Clean Air Zone. As you know, poor air quality is one of the most significant threats to public health in the UK. Bath is under a legal imperative to bring in a Clean Air Zone, introducing a daily charge for the most polluting vans, buses, taxis and HGVs entering the city centre, to reduce illegal levels of nitrogen dioxide pollution.'

In the last 4 months, we have seen a significant and welcome reduction in nitrogen dioxide around the city, accompanying the reduction in traffic due to coronavirus lockdown. However, traffic levels are unfortunately now returning to more usual levels, and with them, pollution. We received written confirmation last week from Ministers that we must therefore go ahead and implement the Clean Air Zone, as per the full business case submitted to the Joint Air Quality Unit earlier this year. We were asked by Government to defer our original start date of November this year, to early 2021, due to coronavirus, and we are on track to deliver in time for this new deadline. No specific date has yet been agreed with Government. As soon as we have an agreed date, we will inform the public, and run an extensive media and communication programme running up to “go live”, to ensure everyone who needs to know, is aware.

Over the past few months we have been in negotiation with Government, challenging the initial funding offer for the Clean Air Zone, which fell significantly short of our original request. Government has now agreed to provide up to £15.5m to implement the scheme and support affected businesses, bringing the total funding package to £23.5m. Having already completed much of the build, and revisited our financial models, we feel confident that this will be sufficient. We are still negotiating with Government around the costs of running the central service to operate the zone. Since the start of lockdown, we’ve been talking to a wide range of businesses and trade associations to understand the impact the pandemic has had on them, and how they see the road to recovery unfolding, and we have been considering how we might improve our support package for them, whilst still achieving our air quality objective.

We have now amended the terms of our financial assistance scheme to provide further help, in the form of additional flexibility for businesses applying for grants and interest-free finance to upgrade polluting vehicles. Temporary exemptions will also be granted to businesses that have placed orders for fully electric vehicles and are waiting for them to be delivered.

As a Cabinet we remain committed to innovation to improve air quality for the health of all residents and visitors to the city, whilst being mindful of the need to balance this imperative with the social and economic impact on businesses affected by the pandemic. I believe the proposal before you today will achieve this balance.’

Councillor Sarah Warren moved the recommendations as printed in the report.

Councillor Joanna Wright seconded the motion by saying that poor air quality generated by polluting vehicles had a significant impact on public health. The Council was working diligently to implement a clean air zone as quickly as possible in 2021. This settlement would make sure that the air we all breathe would become healthier, as outlined by Councillor Warren. The Council has been mindful of the need to balance clean air with the social and economic impact on businesses affected by the pandemic.

Councillor Richard Samuel commented that it was almost three years since he moved the motion to Council calling for a Clean Air Zone to be introduced in Bath, and that he was glad about the latest developments on this important issue. Councillor Samuel was pleased with the settlement. This was a really important step for the City of Bath, particularly in regard to nitrogen dioxide pollution which has been far too high for far too long. Councillor Samuel thanked all those involved.

Councillor Tim Ball also welcomed the report by saying that he has seen difference in the air during the lockdown, and with the less traffic on Bath streets.

RESOLVED (unanimously) that the Cabinet agreed to:

2.1 Consider the settlement as negotiated and if supported, delegate authority to the Director - Partnership & Corporate Services to formally accept the additional grant determination and assurance letters from government providing up to £15.508M in additional funding for the scheme, bringing the total funding package to £23.452M.

2.2 With reference to recommendation 2.2 in the September 2019 Cabinet report and subject to the approval of the recommendation above, approve the incorporation into the Council's capital programme of an additional £12.437M, bringing the total Clean Air Zone (CAZ) budget to £18.381M.

2.3 With reference to recommendation 2.12 in the January 2020 Cabinet report regarding the delegated authority to progress the operational agreements, note that these negotiations are ongoing and include discussions regarding the ongoing cost of providing the CAZ Central Service (which may now be subject to a separate Statutory Instrument).

2.4 Note the progress made towards implementing the scheme during the COVID-19 restrictions.

2.5 Delegate authority to the Director - Partnership & Corporate Services, the Director of Legal and Democratic Services and the S151 Officer, in consultation with the Cabinet member for Climate Emergency and the Deputy Leader, to negotiate and agree with government a new launch date following the Minister's letter dated 3 April 2020 which required a delay to the scheme, bearing in mind also the legal obligation to deliver compliance with NO2 limit values in the shortest possible time.

2.6 Note that the financial assistance scheme has been kept under review and in recognition that some local residents and businesses may be suffering in light of the COVID-19 pandemic, that it has been amended to provide further support.

35 UPDATE ON CORPORATE STRATEGY PROGRESS AND ISSUES

The Chair introduced the report by saying that the Council adopted a four-year Corporate Strategy in February 2020, with an overriding purpose to improve people's lives. Also, there were two key policies that went with this; one was around addressing the climate emergency and the second was giving people a bigger say. Covid19 impact had put a huge amount of pressure on staff, on services, and on finances. This has given the Council an opportunity to rethink on how to deliver some services with better partnership working. The Chair expressed her concern on how reliant the Council has been on tourism and retail, and how the lockdown has enabled the Council to speed up adoption of new technology and new ways of communication, such as live remote meetings. For example, the Chair has hosted a number of webinars with different subjects. However, there were many residents who were not online, and the Council must make sure that they have access to updated information. The Council would continue to prepare for the future, whatever that may look like, and would remain committed to net zero carbon by 2030. The partnership working has proven to be a real lifeline for many residents, as demonstrated by the success of the Compassionate Communities Hub partnership working and engagement has been invaluable with key stakeholders during the most intense periods of the pandemic. The Engagement Board has had representation from a

wide range of bodies, including the police, fire rescue and both universities, as well as health providers. The Economic Recovery and Renewal Board had been set up as a tool to drive and to influence business recovery. The Chair concluded her statement by saying that she would like to ensure all that the work would continue to make sure that Council has solid foundations of good governance and clear lines of cooperation, corporate control and oversight.

The Chair moved the recommendations as printed in the report.

Councillor Kevin Guy seconded the motion.

Councillor Richard Samuel welcomed the report and said that he was pleased with the proposed workplan. The whole Covid19 situation had great impact on the Council in terms of ways of working and use of technology. Councillor Samuel also said that there would be a huge challenge in finance and the property portfolio. Nevertheless, the new Medium-Term Financial Strategy and the Budget would be produced in the coming months.

Councillor David Wood also welcomed the report by updating the Cabinet on the latest within Waste Services, in particular about opening waste recycling centres across the area, with some being open 7 days in a week, and 'Don't Be A Tosser' litter campaign.

Councillor Rob Appleyard welcomed the report by highlighting the importance of partnership working during Covid19, and paid his respect to the wider community, and those organisations that have blended together to make this experience as less painful as it could be.

Councillor Sarah Warren welcomed the report by saying that the Council had been running a number of webinars in terms of climate emergency, and how this medium (virtual meetings) had been quite successful in engaging the community. Councillor Warren also informed the Cabinet on the ongoing work of bringing the Local Plan in line with climate emergency.

Councillor Tim Ball also welcomed the report and took the Cabinet through the latest developments within his portfolio, main highlights being helping 16 individual rough sleepers with accommodation and situation within social housing and temporary accommodation.

Councillor Joanna Wright took the Cabinet through the developments within her portfolio by highlighting success in putting through low traffic neighbourhoods' residence parking zone, charging points for electric vehicles, and the delivery of the transport delivery plan.

RESOLVED (unanimously) that the Cabinet agreed to:

2.1 Note the impacts of the Council's Covid-19 response and recovery on the delivery of its Corporate Strategy, including opportunities to bring forward delivery where appropriate

2.2 Adopt the key actions this year set out in Appendix 1 of the report, designed to deliver key Corporate Strategy commitments

2.3 Note the case studies attached in Appendix 2 of the report, which set out how delivery of the Strategy has been “kickstarted” during this period and will be built upon

36 TREASURY MANAGEMENT OUTTURN REPORT 2019/20

The Chair invited Councillor Richard Samuel to introduce the report.

Councillor Richard Samuel introduced the report by saying that this was a positive report which has shown that the management of the Council's finances was stable and well run. Councillor Samuel used this opportunity to thank Andy Rothery and his staff for the presentation of this report. Councillor Samuel said that this report included details of performance against the Council's Treasury Management Strategy and Annual Investment Plan for 2019/20. Councillor Samuel also said that the same report would be presented to the Full Council meeting on 23rd July and highlighted the following sections in the report: summary of returns and borrowings, strategic and tactical decisions, future strategic and tactical issues, PWLB borrowing rate increase, and budget implications.

Councillor Richard Samuel moved the recommendations.

Councillor Kevin Guy seconded the motion by thanking Councillor Samuel and the officers for an excellent financial management during this challenging year.

Councillor Sarah Warren welcomed the report, in particular the progress that has been made towards disinvesting the treasury management fund from fossil fuel funds.

Councillor Tim Ball also thanked the officer for the report, and also praised the officers within his portfolio for delivering great services during this difficult year.

RESOLVED (unanimously) that the Cabinet agreed to:

2.1 The Treasury Management Report to 31st March 2020, prepared in accordance with the CIPFA Treasury Code of Practice, is noted.

2.2 The Treasury Management Indicators to 31st March 2020 are noted.

37 REVENUE & CAPITAL OUTTURN 2019/20

The Chair invited Councillor Richard Samuel to introduce the report.

Councillor Richard Samuel introduced the report by saying this was very important report because it marked the end of the position for the first financial year of this current administration. Council Samuel said that one of the things that he set as the target was to balance the books every year, if possible. This year the budget was actually under budget, just around the £250,000. Councillor Samuel took the Cabinet through the report (as printed) and thanked the officers for the report.

Councillor Richard Samuel moved the recommendations as printed.

Councillor Neil Butters seconded the motion by thanking Councillor Samuel and the officers for this report.

RESOLVED (unanimously) that the Cabinet agreed to:

- 2.1 Note the revenue budget outturn under budget position of £0.12m for 2019/20, after allowing for carry forwards.
- 2.2 Approve the revenue carry forward proposals listed in the tables in paragraph 3.5.
- 2.3 Approve that all over budgets are written-off as an exception to the Budget Management Rules for 2019/20.
- 2.4 Approve the transfer of the net underspend of £0.12m to the Revenue Budget Contingency Reserve.
- 2.5 Note the revenue virements for 2019/20 reported for information in Appendix 2(i)
- 2.6 Note the reserve positions and the use of flexible capital receipts shown in paragraphs 3.16-3.18;
- 2.7 Note the outturn position of the 2019/20 capital programme in paragraph 3.24, and the funding outlined in paragraph 3.26;
- 2.8 Approve the capital rephasing and write-off of net underspends as listed in Appendix 3. This reflects the outturn spend position on projects against final budgets as detailed in Appendix 4(ii).

38 REVENUE AND CAPITAL BUDGET MONITORING, CASH LIMITS AND VIREMENTS – APRIL 2020 TO JUNE 2020

The Chair invited Councillor Richard Samuel to introduce the report.

Councillor Richard Samuel introduced the report by saying that it covered the first quarter of the 2020/2021 financial year. It was very different report that it would normally expect the Cabinet to receive at this time of year but this was due to the coronavirus crisis. The Cabinet had already approved a financial recovery plan a few weeks ago, and although the position set out in this report was very worrying, it was something that the Council expected to deal with. Councillor Samuel said that he had heard that Robert Jenrick was talking about support for losses of Council Tax and Business Rates income, which was encouraging. Nevertheless, the Council should continue with business as usual, in terms of reporting actual facts and figures, and not trying to conceal them.

Councillor Richard Samuel moved the recommendations as printed in the report.

Councillor Rob Appleyard seconded the motion by saying that Councillor Samuel, and his team of officers, should take credit for the work that has actually been done. Councillor Appleyard also praised Chief Executive, Corporate Director and a number of other Council services and teams who have worked so hard to continue provision of services to the community during the pandemic.

RESOLVED (unanimously) that the Cabinet agreed to:

- 2.1 To note the 2020/21 revenue budget position (as at the end of June 2020).
- 2.2 To approve the revenue virements listed for approval in Appendix 3(i) and to note those virements listed for information only.
- 2.3 To note the capital year-end forecast detailed in paragraph 3.39 of this report;

2.4 To note the changes in the capital programme including capital schemes that have been agreed for full approval under delegation listed in Appendix 4(i).

The meeting ended at 4.50 pm

Chair _____

Date Confirmed and Signed _____

Prepared by Democratic Services

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Bath & North East Somerset Council

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

published from 13-Jul-2020 to 29-Sep-2020

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>

04/09/2020 - Keynsham High Street Renewal Programme

A High Street Renewal Programme has been established for Keynsham High Street including funding from WECA, B&NES Council, Historic England and partner match funding. This report seeks approval to accept the Historic England grant funding alongside the agreement of an outline Delivery Plan.

Decision Maker: Council Leader

Decision published: 04/09/2020

Effective from: 12/09/2020

Decision:

The Cabinet Members agreed to;

1.1 Agree acceptance of the £1.100m High Street Heritage Action Zone grant from Historic England. This requires the submission of a delivery plan before 1st September 2020.

1.2 Fully approve the revised budget of £3.658m for the Keynsham High Street public realm scheme reflecting the inclusion of grant and third-party funding as set out in section 5.

1.3 Note that the Delivery Plan (Appendix 2) includes a masterplanning exercise to assess the evidence and feedback from the current COV-19 High Street access restrictions.

1.4 Note a provisional budget of £150k will reflect future CIL funding for this project considered as part of the CIL allocation in the 2021/22 budget-setting.

Wards affected: Keynsham East; Keynsham North; Keynsham South;

Lead officer: Lynda Deane, Caroline Lightfoot, Cleo Newcombe-Jones

01/09/2020 - Midsomer Norton High Street Renewal Programme

A £2 million, funding package to support Midsomer Norton High Street and to deliver a renewal programme has been secured. A number of successful grant applications have been made working closely with key stakeholders in the town. This report outlines the sources of funding, the key terms of the spend, funding approval mechanisms and key deliverables and outputs anticipated.

This report requests agreement to formally accept this grant funding and progress the renewal programme in line with the Delivery Plan, working closely with the local community and business stakeholders.

Decision Maker: Council Leader

Decision published: 02/09/2020

Effective from: 10/09/2020

Decision:

The Cabinet Members agree to

1.1 Delegate approval for John Wilkinson, Director of Economy and Growth to accept the £793k High Street Heritage Action Zone grant from Historic England, to be spent over a four-year period to March 2024, and submit the required Delivery Plan to secure the funding by 1st September 2020 (Appendices 2 & 3), in consultation with the s151 officer, and the Leader of the Council.

1.2 Note the scheme funding as set out in section 5 of the report.

1.3 Agree to incorporate Midsomer Norton High Street Renewal Programme into the 2020/21 capital programme and allocate provisional capital budget of £913k to be funded from Historic England Grant (£793k), Midsomer Norton Town Council (£45k), Midsomer Norton Town Trust (£25k) and transfer of £50k from the provisional capital budget item CIL – Public Realm.

Wards affected: Midsomer Norton North; Midsomer Norton Redfield;

Lead officer: Lynda Deane, Cleo Newcombe-Jones

26/08/2020 - Bath and North East Somerset Council School Organisation Plan 2019 – 2025

The Council has a statutory duty to secure sufficient schools are available for their area to provide primary and secondary education. The School Organisation Plan 2019 – 2025 covers the current level of primary and secondary school provision in the Authority and projected pupil numbers up to admissions in September 2023 for primary and 2025 for secondary. School places projected to be required due to population growth and new housing development up to 2029 are also outlined.

Decision Maker: Cabinet Member for Children's Services

Decision published: 27/08/2020

Effective from: 04/09/2020

Decision:

The Cabinet Member agrees that:

The proposed strategy for the provision of school places within the 2019 – 2025 Plan period is approved.

The LA has undertaken significant planning and investment for increasing capacity for children with SEND. These developments can be viewed via links in the Plan document. Future iterations of the LA's Plan will include planning for children with

SEND, but the Cabinet Member can be reassured that significant planning and delivery for children with SEND in Bath and North East Somerset has been undertaken.

Wards affected: (All Wards);

Lead officer: Helen Hoynes

28/07/2020 - Saltford Lawn Tennis Club - Community Asset Transfer

Saltford Lawn Tennis Club has run the Tennis facility for over 50 years. The club provides three all-weather courts. They provide a range of community based activities including court hire, free tennis sessions as well as coaching programmes working with Team Bath, from the University of Bath. The Community Asset Transfer will be a 99 year lease. Annual rent will be abated to a peppercorn subject to the club satisfying the Council that they will use the site for the purposes set out in their Business Plan.

Decision Maker: Cabinet Member for Resources

Decision published: 29/07/2020

Effective from: 06/08/2020

Decision:

The Cabinet Member agrees to delegate authority to the Head of Estates authority for;

- completing the disposal of Saltford Lawn Tennis Club into a final lease in line with the Heads of Terms attached.
- abating the rent to a peppercorn subject to Saltford Lawn Tennis Club satisfying the Council that they will use the site for the purposes set out in their Business Plan.

Wards affected: Saltford;

Lead officer: Richard Long

23/07/2020 - Fees & Charges 2020/21- Legal Services

To update legal fees and charges to take account of inflation.

Decision Maker: Cabinet Member for Resources

Decision published: 23/07/2020

Effective from: 31/07/2020

Decision:

The Cabinet Member agrees that the fees and charges for relevant services - as proposed in Appendix 1 of the report, are to be implemented.

Wards affected: (All Wards);

Lead officer: Michael Hewitt

15/07/20 - Neighbourhood Community Infrastructure Levy for Bath Round 8

The report that will follow will contain recommendations for funding :

(i) Pelican Crossing for Ensleigh

(ii) Glasshouse Sports Pavilion Access

(iii) Student Community Partnership Community Wardens

(iv) Wellbeing Community Rotunda Building at Newbridge

(v) Youth Connect South West provision in Southdown / Whiteway

Decision Maker: Council Leader

Decision published: 16/07/2020

Effective from: 24/07/2020

Decision:

The Cabinet Member agrees that funding be provided from Neighbourhood CIL Project Funding for Bath:

- An allocation of £125,000 towards the installation of a new pedestrian crossing at Ensleigh BA-086(Capital Internal). This project will provide improved road safety to a new residential development.
- An allocation of £123,215.58 towards the cost of access improvements for the new pavilion and sports facilities at Glasshouse BA-070 (Capital External). This project will provide improved road infrastructure to support the new sports facilities being provided,
- An allocation of £80,000 towards the build costs for a new Rotunda that will offer both, Wellbeing and Community Space at Newbridge School BA-091 (Capital External). This project will address the shortage of communities' facilities and provide new health and wellbeing services to be delivered.
- An allocation of £105,000 to fund two Student Community Wardens in Bath over the three-year period (September 2020 – September 2023) BA-088 (Revenue External). This project will support the communities which have seen high level of student accommodation delivered to the local area.
- An allocation of £89,638 to fund Youth Service to serve the areas of Southdown and Whiteway in Bath over the three-year period (April 2020 – April 2023) BA-090 (Revenue External). This project will support the wider needs for increased and better youth provision across the City.

Wards affected: Combe Down; Kingsmead; Lansdown; Newbridge; Oldfield Park; Southdown; Twerton; Westmoreland;

Lead officer: Mark Hayward

Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Cabinet	
MEETING:	8 October 2020	EXECUTIVE FORWARD PLAN REFERENCE
		E 3228
TITLE:	Mead Lane Moorings	
WARD:	Saltford	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
<ul style="list-style-type: none">Atkins Report. Mead Lane Moorings, Riverbank Mooring AssessmentHighway inspections and actionsUpdated Equalities Impact Assessment		

1 THE ISSUE

1.1 At the meeting held on 16 January 2020, the Cabinet resolved to:

- Request that officers to undertake a structural survey of the riverbank at Mead Lane and as part of the survey consider the suitability of this land for future moorings. The request being subject to approval of the revenue budget provision for 20/21 (approved by Cabinet/Council in February 2020)
- Request that officers report back to Cabinet once the results of the structural survey are known, to enable Cabinet to make an informed decision on the long-term use of this land
- Remove moorings at Mead Lane with effect from 21 days after the date of this decision. Any Council enforcement action to be subject to compliance with statutory duties
- Request that officers undertake further analysis of residential mooring arrangements along the river, to include arrangements for boaters and their families

1.2 This report provides an update on the action taken following the Cabinet meeting held in January 2020. In addition, Cabinet is requested to make a final decision on moorings.

2 RECOMMENDATION

The Cabinet is asked to agree to:

- Reduce the number of moorings in the short/medium term, by implementing paragraphs 2.2. & 2.3, thereby increasing the amount of open space along Mead Lane
- Agree to a long-term aspiration to relocate moorings from Mead Lane
- Ensure that suitable alternative moorings are identified and in place prior to reducing further any moorings at Mead Lane
- To increase enforcement & engagement capacity

Specifically:

- 2.1 To work with Waterspace Partners to identify alternative sites for 14-day moorings along the watercourse and to request that it gives due consideration to the Opinion Research Survey assessment and findings, and
- 2.2 To remove the 48-hour moorings at Mead Lane from 1/11/20, on a permanent basis, this part of the riverbank to be reallocated as open space for other leisure purposes and
- 2.3 Agree to no 14-day moorings at Mead Lane, on a seasonal basis, during the time period 1 November until the end of February each year and
- 2.4 When the Waterspace Partnership programme of work and Opinion Research Survey assessment is complete (see 2.1 above), review the moorings on Mead Lane, with the aim that the total number of 14 day moorings available along the watercourse are not reduced, and
- 2.5 Create a joint River Warden post with the Canal and Rivers Trust (CRT)
- 2.6 Delegate future decisions on Mead Lane/moorings to the Cabinet Member for Community Services, in consultation with the Director of Environment and,
- 2.7 Request that the Cabinet Members for Transport and Director of Environment, in consultation with Avon and Somerset Police, review the parking restrictions along Mead Lane/Saltford

3 THE REPORT

- 3.1 **Background.** The Council is landowner for a stretch of riverbank on Mead Lane. Following an escalation in the number of informal moorings, a decision was taken to formalise the arrangements to help control moorings on this stretch of the watercourse. The trial was introduced in 2016 and an initial review was undertaken approximately 1 year later. The moorings remained in place until a more substantial review and consultation was undertaken in 2019. The results of the 2019 review and engagement were reported to Cabinet in January this year. Following the Cabinet decision, Cabinet/Council approved a revenue budget provision of £35,000 for Mead Lane. The funding, available from 1 April

2020, was to be used to engage civil engineers to review the stability of the riverbank and to enhance officer provision to monitor arrangements.

3.2 Approximately 2/3 of moorings at Mead Lane are 14-day maximum stay (approximately 245ms), the remainder being of 48-hour duration. The number of moorings is not fixed and is dependent upon the length of boats present. The 14-day moorings are highly valued by the boating community, these being the only moorings of this duration on the watercourse. The 14-day moorings tend to be used by liveaboard boaters, the 48-hour moorings being used for leisure purposes. Boaters are required to move approximately 20+ miles each licence period. Data collected in March 2019 confirmed that 2,456 boats were cruising along the Kennet and Avon Canal, 40% of these (995) between Bath and Foxhangers, some 22% of the water course. Illustrating the high volume of boats in our district. The use of the moorings at Mead Lane tends to be seasonal, the heaviest use being between March and October each year. During officer visits to site (May to October 2019) the number of boats observed on any one day varied between 7 and 13.

3.3 **The impact of Covid-19.** The council has been mindful of its' full range of duties during the pandemic, specifically of the need to comply with enhanced housing and homelessness duties, which were extended until 20 September 2020. The moorings have not been re-opened, however, during the pandemic action has not been taken to move people on from the moorings at Mead Lane. Whilst the council's extended duties finished in September, the Twerton sluice gate incident has resulted in many liveaboard boaters being placed in a vulnerable position. As a result of these exceptional circumstances, a decision was taken to extend the 'no enforcement' approach to moorings at Mead lane until the date of this meeting, to support this vulnerable community.

3.4 Covid 19 has resulted in a larger influx of visitors to Saltford. The council initially put in place an Emergency Traffic Regulation Order, followed by a Temporary Traffic Regulation Order. These arrangements were put in place following consultation with Avon and Somerset Police and the Temporary Order remains in place to help control traffic, including along Mead Lane.

3.5 **Partnership Working.** Officers have held fortnightly meetings with police colleagues and the boater outreach workers at Julian House to monitor all matters Mead Lane, share information and ensure a partnership approach to resolve any issues.

Ward Councillors have been kept regularly updated during the last eight months and they have in turn kept the parish council and community informed. The influx of visitors to the area and numbers of enquiries has resulted in a second 'Community Trigger'. This is as a result of non-boat related visitor behaviour and not as a result of any anti-social-behaviour from boaters. Police colleagues have regularly patrolled Saltford/Mead Lane and council officers have undertaken periodic visits. Levels of reports of anti-social-behaviour from both residents and boaters using Mead Lane has remained very low.

The WaterSpace Partnership (C&RT, Environment Agency, Wessex Water & B&NES) is supportive of a piece of work to identify suitable locations for additional mooring capacity which was identified in the Waterspace Study (p.90-92). Initial areas have been identified and a more detailed study is required to carry out assessment of suitability and engage with landowners, this will link with

the work being carried out by ORS (see section 3.8). The assessment will take approximately 1 year and include consulting with third party landowners and other river stakeholders. Canal & River Trust are developing on a programme called, 'Communities to the West of the K&A' which runs from Dundas Aqueduct to Hanham Lock and which will engage with local communities, boat dwellers and leisure users, this will be launched later this year.

3.6 Survey findings. As soon as was appropriate and as restrictions eased, the structural survey of the riverbank was commissioned. The West of England Combined Authority Professional Services Framework was used as the procurement vehicle and Atkins was appointed to undertake the survey. The link at the end of this report provides details of the survey specification. The draft survey findings are appended to this report.

Atkins Global engineering consultancy undertook a detailed visual survey of the riverbank, road, utilities and 2005 bio-engineered solutions (rock armour) on Wednesday 3 September. A summary of their assessment is detailed below:

- Bank stability and condition: Atkins recommend that short term there are no immediate concerns or signs that mooring is adversely affecting the stability of the riverbank. There was evidence of erosion caused by people traversing the bank, though these include anglers and leisure users, as well as boaters. The rock armour and bioengineering are intact and maintaining the bank as it had been designed to do so. The riverbank has developed horizontally, there is an element of 'cliffing' and some of the rock armour has moved/settled. The consultants advise that these changes (post 2005) are very much in keeping with expectations and should not be viewed negatively.
- Road stability and condition: Atkins found the road to be in good condition, however, there is some evidence of rutting due to vehicle parking
- Utilities: Atkins found no evidence of damage to utilities or sewage pipe.
- Atkins made several recommendations for future action (ref: section 6, Atkins report):
 - Medium/Long term – bank below mean water level
 - Medium term – bank above mean water level
 - Medium term – road verge

3.7 Highway Inspections. The highway at Mead Lane is inspected on a six-monthly rotational programme. No issue of highway stability or poor condition has been raised. The report detailing inspections undertaken during the last two years is appended to this report.

3.8 Local Plan Review. Opinion Research Services (ORS) have been commissioned to undertake an assessment of the need for further moorings within B&NES. This encompasses two main elements – an assessment of current supply and need or demand. The latter will be assessed through means including a survey of boat dwellers and liaison with other relevant stakeholders. This work is underway and is anticipated to be completed later this year. Dependent on the results of this assessment the most appropriate actions, including the role of the planning system/Development Plan policy, will need to be considered and agreed. Adopted Development Plan policy in B&NES is set

out in the Placemaking Plan through Policy H6, which is a criteria-based policy enabling planning applications for new and additional moorings to be determined. Currently it is not anticipated that the Local Plan partial update will address boat dweller provision given that the scope of the partial update is limited to specific issues in order to maintain timely progress in its preparation and adoption. If planning policy needs to be reviewed in respect of boat dwellers/moorings this could be done through various mechanisms which will need to be properly considered. The ORS assessment and findings will be shared with the Waterspace Partnership

3.9 Charging precedents: The council does not currently charge for moorings at Mead Lane. There is no single system for how Local Authorities charge for moorings, indeed it would appear very few do. The following examples are cited as options for charging;

- Charging for overstaying: moorings offered in popular locations are often free, but charges are applied for overstay or non-compliance of mooring terms. For example, East Cambridgeshire District Council charge £100 every 24 for overstay on their popular council owned moorings in Ely.
- Charging for facilities: Charging is most used for boats that use private marinas or pontoons that offer facilities such as electricity and water hook up, washrooms and Wi-Fi. Prices vary depending on popularity of location and demand and can range from £1000 - £30,000 per annum (high-end central London location). Fees for local marinas (Saltford, Devizes, Bath) range from £2000 - £4,500 per annum for full hook up and use of facilities. The [Thames Visitor Mooring](#) offer a range of mooring locations along the river which vary in price (free - £200 per night), length of stay (24 hours – 7+ days) and facilities. Crucially, all boats just pre-book to support the management of boat movement and mooring along the Thames. There is a desire within the local community to keep Mead Lane as natural as possible and the council does not intend to put in additional facilities for boaters. If the council did decide to put in place a charge, it would be based on the facilities available.
- Charging for entering the network: Bristol City Council has developed a charging system which charges for navigation and berthing once entering Bristol Port Authority area at Netham Lock. The prices include use of the facilities and depend on the size of vessel and which pontoon or mooring is used. Prices range from £500 - £5000 per annum.

3.10 Enforcement. Monitoring and enforcement of boat overstay was commented upon by many respondents to the 2019 Mead Lane consultation. Many respondents were supportive of increased regulation. Some individuals proposing that CRT be commissioned to regulate overstay, with penalties in place for overstay that occur for no good reason. Officers have explored the opportunity of putting in place a joint engagement and enforcement post with CRT. CRT is supportive of a joint River Warden post, covering river moorings, safety and community engagement. With a focus on key localities such as Warleigh weir, Pulteney weir (Bath Rugby) and Mead Lane. Duties to include river safety and management of river moorings to ensure compliance with boater licences. The council contribution to this post can be funded from the revenue growth agreed for 2020/21. The postholder would be employed by CRT and this would initially be on a 2-year trial basis. Increased enforcement will ensure that action is taken in relation to overstay, increase turnover on the use of Mead

Lane/council moorings, thus helping boaters to fulfil their CRT continuous cruising licensing conditions.

4 STATUTORY CONSIDERATIONS

4.1 Duty to consult. The council has ensured that the consultation on the moorings was undertaken at a formative stage (Autumn 2019). The recommendations in this report have been developed in accordance with the weighted preferences arising from the consultation and to address key matters raised, such as enforcement. There was an excellent response to the consultation, which was open for 32 days. The consultation responses and the riverbank structural survey have informed the recommendations in this report.

4.2 Equality Act 2010 duties. The Council has a public sector equality duty to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people carrying out their activities. Live aboard boaters are not specifically covered under the protected characteristics identified under the Act (eg Gypsies and Irish Travellers); however, age, disability and pregnancy/maternity are protected characteristics under the legislation. In March 2019, CRT data indicated that there are 995 boats operating between Bath and Foxhangers, of which 403 of these are on continuous cruiser licences. 48 boats/boaters have licences with reasonable adjustments in place under the provisions of the Equalities Act 2010. An Equalities Impact assessment is attached to this report and members attention is specifically drawn to this. Members must consider the impact of the phased reduction in moorings on those with protected characteristics. Barriers faced by the boating community include difficulty in accessing services such as education and health care. Access to public transport and WIFI can also be an issue. There is a limited number of residential moorings available and some do not accept children.

The recent failure of the sluice gate at Twerton (September 2020) had a significant impact upon the boaters, approximately 50 boats being grounded as a result of the sudden change in river levels. It has highlighted the vulnerability of the boating community. The impacts on this community will take some time to resolve and the council is working closely with its' partners in the Environment Agency and CRT. The Cabinet may wish to take this into account when considering their next steps.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 The council has allocated £35,000 revenue for Mead Lane activity during 2020/21 and a £25,000 recurring sum from 2021/22. The proposals in this report can be financed from the allocated revenue budget provision.

6 RISK MANAGEMENT

6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision-making risk management guidance.

6.2 An update on the key risks and mitigation measures is provided below:

RISK	DETAILS	MITIGATION
Legal	The council has a range of statutory duties to fulfil The risk of legal challenge remains	<ul style="list-style-type: none"> • Relevant officers across the authority engaged in addressing matters at Mead Lane • Senior Officer Coordinating Mead Lane matters • Report recommendations consider the structural survey and consultation outputs/findings
Financial	Cost to implement agreed Cabinet decision Cost of defending any legal challenge	<ul style="list-style-type: none"> • Revenue budget agreed by Cabinet/Council in February 2020
Safety	Structural stability of the Riverbank	<ul style="list-style-type: none"> • The civil engineering survey has been undertaken and the draft conclusion is that there are no signs of instability along the riverbank
Reputational		<ul style="list-style-type: none"> • Council web pages updated • Ward Cllrs keeping community informed • Regular liaison with partners

7 CLIMATE CHANGE/ECOLOGICAL EMERGENCY

7.1 The impacts of climate change will result in more frequent/heavy downpours of rain, possible higher wind speeds.

7.2 Related considerations include how the council manages flood risks and takes forward opportunities to enhance the natural environment, water quality and air quality

8 OTHER OPTIONS CONSIDERED

8.1 Retain the existing mooring arrangements

8.2 Increase the number of 48-hour moorings, reduce the number of 14-day moorings

8.3 Managed open space, no moorings

8.4 Measures to prevent mooring at Mead Lane

9 CONSULTATION

9.1 The council commissioned a third part to undertake consultation and engagement on Mead Lane Moorings in 2019. The consultation took place between 30 September and 31 October 2019. It consisted of an on-line

questionnaire, three stakeholder events and one to one discussion with partners. A total of 1,251 responses were received. We asked for feedback on:

- What people liked/disliked about Mead Lane
- Views on future mooring options (as per current arrangement, changes to 14 day/48-hour arrangements, fewer moorings, remove the option to moor, riverbank as open space)
- Views on enforcement and management of the moorings
- Potential charging
- And an open section for more broader feedback

9.2 The consultation report concludes that after weighting the options that scored highest were those that retain the existing mooring arrangements or increase the number of 14-day mooring/reducing the 48-hour moorings. That said, more 48 hour/less 14-day moorings and a mix of fewer moorings/managed open space were not dissimilar in scoring. The option of managed open space was less preferable.

9.3 A significant proportion of issues raised during the consultation stemmed from the issue of enforcement. Concerns were raised about mooring overstay, parking and environmental matters. The recommendations in this report address the matters of enforcement raised by many respondents.

9.4 As part of the 2019 consultation, contrasting views were expressed about booking and charging for moorings. Those in favour saw booking and charging to increase/support regulation. Some boaters said that they would support greater regulation to ensure a fair opportunity to moor at Mead Lane. Charging was generally unpopular with boaters. Further consultation would be required prior to any charging regime being implemented.

Contact person	Mandy Bishop, Director of Environment Mandy_bishop@bathnes.gov.uk
Background papers	Please see the link to the Cabinet papers for 16 January 20, item 60, Mead Lane Moorings: https://democracy.bathnes.gov.uk/ieListDocuments.aspx?CId=122&MIId=5556&Ver=4 Please see the link to the Work Package Brief for the Mead Lane River Bank Survey: https://www.bathnes.gov.uk/sites/default/files/work_package_brief_mead_lane_survey_specification.pdf
Please contact the report author if you need to access this report in an alternative format	

Mead Lane Moorings

Riverbank Mooring Assessment

Bath and Northeast Somerset Council

28 September 2020

5200632-ATK-XX-GEN-RP-C-0001

Notice

This document and its contents have been prepared and are intended solely as information for Bath and Northeast Somerset Council and use in relation to Mead Lane Moorings.

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This document has 53 pages including the cover.

Document history

Document title: Riverbank Mooring Assessment

Document reference: 5200632-ATK-XX-GEN-RP-C-0001

Revision	Purpose description	Originated	Checked	Reviewed	Authorised	Date
Rev 1.0	Draft For Information	NTA	MH	DBF	DBF	25/09/2020
Rev. 2.0	For Information	NTA	MH	DBF	DBF	28/09/2020

Client signoff

Client	Bath and Northeast Somerset Council
Project	Mead Lane Moorings
Job number	5200632
Client signature/date	

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1. Introduction

Bath & Northeast Somerset Council (B&NES) commissioned Atkins to undertake a desk study and visual inspection of a 350m (approximately) stretch of riverbank, which is owned by B&NES along Mead Lane, Saltford.

The objectives of the commission are to:

- Assess if the current arrangement of temporary mooring is compromising the stability of the highway and associated infrastructure, including the sewage pipe.
- Assess whether Mead Lane is a suitable site for mooring boats without destabilising the riverbank or causing damage to the natural environment or watercourse.
- Assess if any damage has been done to the riverbank due to mooring, and what work would be needed to ameliorate this damage and at what cost.
- Recommend what work would enable future moorings to be achieved without compromising the stability of the riverbank.

This report summarises the assessments made and, where appropriate, provides recommendations on actions/measures to be taken to satisfy the above objectives.

2. Site Information and Background

2.1. Site Location and Description

Mead Lane (Figure 2-1) is located to the north east of Salford, Somerset (approximately 6km northwest of Bath).



Figure 2-1 - Site Location (see red box)

The site comprises approximately 350m long stretch of the left bank of the River Avon (Figure 2-2), upstream of Salford Lock, running between Spion Kop (upstream extent) to Bristol Avon Sailing Club (downstream extent). It is bounded along its full length by a narrow road (Mead lane) with residential properties on the west side of the road (properties are typically set back from the land boundary).

2.2. Background

2.2.1. History of the site

The following site history has been provided by B&NES:

- **2005:** Work was undertaken by highways to stabilise the bank and the road, the scheme implemented bio-engineering solutions to stabilise the bank and protect it from further erosion. The result of this work inadvertently made the bank more attractive to boaters.
- **2016:** B&NES, in partnership with CRT, EA and Wessex Water developed the WaterSpace Study. The study included a detailed boater survey which highlighted a lack of river moorings and facilities for the boater community, especially along the River Avon.



Figure 2-2 - View of Mead Lane riverbank (upstream section) from the opposite bank

- **Oct 2016 – Dec 2018:** A Mooring Trial introduced a combination of 48 hour and 14 days' time limited mooring. As part of this signage and mooring totems were installed. However, local residents cite that boats often overstay the time limit and put undue pressure on the river bank.
- **2016:** New white lines are painted on the highway to prevent parking opposite residential and business gateways.
- **2017:** A Traffic Regulation Order consultation is undertaken to explore imposing an overnight parking restriction on Mead Lane due to the increased presence of vehicles, presumed to be connected to the boaters. This was rejected.
- **2019:** An independent consultant, Lemon Gazelle ran an in-depth consultation with residents, boaters and local stakeholders about the future of the Mead Lane moorings. The consultation found that overall there was support to retain mooring at Mead Lane, specifically keeping the 14 day and 48 hour mooring, or having more 14 day moorings and fewer 48 hour mooring.

2.2.2. Navigation

The Avon navigation is managed by the Canal & River Trust (CRT) and runs from Bath, where there is a junction with the Kennet and Avon Canal, and Hanham Lock (on the outskirts of Bristol). Below Hanham Lock, the river is navigable but not managed by CRT. The river below Hanham is also semi-tidal and leads to Netham Lock, the feeder canal and Bristol Floating Harbour.

Navigating the Avon between Bath and Hanham requires a CRT licence or registration. Navigating below Hanham towards Bristol requires a separate short term licence.

Bath is a destination for boats on the canal and on the river and has several moorings convenient for the city centre. On the canal east of Bath it is legal to moor to the towpath in most places. However, on the river the banks are privately owned and there are very few moorings against land in public ownership.

Bristol is also a destination with moorings but requires a separate licence. This means that boats heading downstream from Bath either need to buy a separate licence to proceed beyond Hanham or to moor before reaching Hanham. This affects both leisure boaters and those who live aboard. A lack of moorings on the CRT section of the river means that boaters will not venture onto the river or that they will venture and moor up in locations which are ill-advised.

Although the distinction is made above between leisure boaters and 'liveaboards' there is a second distinction which almost (but not quite) correlates. This is between boaters who have a home mooring and those who do not. The rules governing both are very similar (primarily, a requirement to stay in one place no more than 14 days) but those without a home mooring are far more likely to wish to moor in one place for 14 days – in doing so they can follow a pattern of moving on about 26 occasions each year whilst simultaneously covering a significant annual cruising range and staying within travelling range of, for example, a place of employment. This is known colloquially as "continuous cruising".

2.2.3. Use of Mooring

The lack of moorings on the Avon has historically meant that boats either don't venture downstream from Bath, or if they do, they get to Bristol in one day. The exceptions have been those boats based in marinas on the river who already have a mooring and can make it to either Bath or Bristol as they choose, and would know the informal mooring places where mooring was possible, safe and unlikely to draw an objection. Mead Lane has, historically been one such mooring.

With the growth in leisure boating and, in particular, the increase in the number of boats with no home mooring, the pressure on moorings has increased and this has resulted in more boats mooring along Mead Lane. To put the value of these moorings in context, the length of mooring bank available at Mead Lane is longer than any other mooring on the river.

It should also be noted that Mead Lane is possibly the only place on the river where mooring for 14 days is practical and legitimate. The moorings in Bath are restricted to 72 hours, the Bitton Railway moorings are restricted to 24 hours, and all other moorings on the river are privately owned and thus mooring is only permitted with the consent of the landowner. Even on the canal in Bath, moorings are restricted to 48 hours and mooring for longer periods is not possible until outside of the city.

In recent years, the Mead Lane Moorings have often been full meaning boaters have had to resort to mooring elsewhere on the limited official and many unofficial moorings. With the increase in use of the moorings, objections from residents of Mead Lane have arisen.

This was a theme explored in the Waterspace Study (2017) developed by B&NES, in partnership with CRT, EA and Wessex Water. The study included a Boaters Survey (performed between May and June 2016) which targeted those who live aboard boats in the B&NES. It enquired how these boaters used the River Avon and Kennet and Avon Canal and how their needs for better basic services could be met (looking at how far boaters travel, the type and size of crafts used and the range of facilities they needed whilst on the canal and river in the B&NES area).

Also explored in the Waterspace study, was the reluctance of hire boat operators to recommend the voyage to Bristol due to the lack of moorings on the river. In that context it is worth noting that Mead Lane provides well over half of the readily available moorings between Bath and Bristol.

The Waterspace study report (<https://www.bathnes.gov.uk/services/environment/river-safety/rivers-canal/water-space-study>) presents ideas for projects, resulting from the findings of the study, which "have the potential to enhance the waterways" with an "evidence base for decision making". Thirty-five project ideas are presented, two of which (W9 Mooring Provision and W10 Boaters Facilities) relate specifically to the matters discussed in this report.

3. Desk Study

3.1. Construction Works

Works were undertaken in 2005 in order to restore the riverbank along Mead Lane. A typical cross-section of the bank works is provided in Appendix A and shows that the works included the following:

- Rock toe protection (placed at and below mean water level and detailed as a bulk/random fill to allow the riverbank above the water line to be built out, the gradient of the slope is not given but is scaled at approximately 1V:1H and is keyed into the submerged channel slope (which is shown sloping away from the rock toe)).
- Planted fibre (likely coir) roll set into the top of the rock (sitting mostly below mean water level).
- Imported fill to restore the river bank slope above mean water level (again the gradient of the slope is not given but is scaled at approximately 1V:1.3H, a degradable matting is shown which would provide temporary protection until vegetation establishes).
- Road improvement including installation of passing points.
- Installation of concrete slipways and timber gangway at the Bristol Avon Sailing Club.

Photographs of the construction work have kindly been provided by Saltford Parish Council (Appendix A). The photographs confirm the nature of the works is largely as detailed. One point of difference is that the coir roll appears to have been installed on top of the rock revetment (instead of being set within it) meaning that is mostly situated above mean water level.

3.2. Satellite Imagery and Google Street View

Satellite Imagery

Google Earth Pro historical imagery of the site is available from 1999 and has been used to develop an understanding as to how the site has developed since the construction works took place in 2005. Screenshots of the satellite imagery are provided in Appendix B.

The image taken in 2006 clearly shows the line of the rock protection (running roughly parallel to the road) and little has changed by 2009 (slight blurring of the line and occasional new young trees but no discernible change in the line or nature of the bank).

By 2013, whilst the line of the rock protection can be locally discerned, the nature of the bank at the waterline has changed with a more irregular profile which appears to be as a result of vegetation (likely reeds) developing riverwards along wide stretched. This process develops further, by 2017 the rock protection is no longer visible as a regular line of green bank has developed up to or slightly beyond the previous rock line). The change in mooring is notable in the 2017 images.

Streetview

Google Street view (image date June 2016) has been used to compare the condition of the riverbank and verge against observations made during our site visit (discussed in Section 5).

3.3. Services Information

Services information that have been obtained for the site indicates that the following services are present at the site:

- Low pressure gas main.
- 762mm diameter riser main.
- A 700mm diameter riser main crosses the site diagonally at the Bristol Avon Sailing Club and passes underneath the river.

Telecom services were not registered as being affected as part of the services search performed for the desk study but were observed as part of the Condition Survey. *A comprehensive services search, incorporating a wider search area, will be required should any further study or physical works be undertaken.*

3.4. Review of Ecological Baseline and Future Considerations

An initial review has been undertaken to identify statutory and (where information is available) non-statutory designated sites, Water Framework Directive (WFD) waterbodies, and existing habitat and species within 2km of the Site.

No ecological walkover or data requests (for example, Environment Agency, local biological record centre or Bath and Northeast Somerset Council data) have been undertaken for this initial review. The ecological baseline is characterised solely from available desk study sources (supported by review of record photographs and notes made during the condition survey discussed in Section 4).

3.4.1. Data Sources

The following data sources were used in characterising the ecological baseline of the site:

- Defra MAGIC Geospatial Mapping¹;
- Environment Agency Catchment Data Explorer²;
- Environment Agency Freshwater Fish Counts for all Species, all Areas and all Years (2019)³;
- Environment Agency Fish and Ecology Data Explorer⁴;
- National Biodiversity Network (NBN) Atlas⁵;
- River Habitat Survey (RHS) Website⁶;
- Contemporary Ordnance Survey Mapping;
- Google Earth and Streetview;
- Site photographs from condition surveys undertaken by Atkins engineers in September 2020;
- Mead Lane Bank Stabilisation: Halcrow Environmental report prepared in 2004⁷.

3.4.2. Results

3.4.2.1. Statutory Designated Sites

No Natura 2000 sites (i.e. Special Protection Areas (SPAs) or Special Areas of Conservation (SACs)) or Ramsar sites are located within 2km of the site. Other SACs and SPAs are present within the wider environs (i.e. outside of this 2km search area) and any subsequent Preliminary Ecological Appraisal (PEA) undertaken will need to consider the potential for functional habitat linkage to the site, for the qualifying species (e.g. bats and birds) for which those sites are designated.

In addition:

- Stidham Farm Site of Special Scientific Interest (SSSI) is located 620m north of the site; however the site is designated for its geological features.
- The river bank adjacent to the site falls within the Cotswolds Area of Outstanding Natural Beauty (AONB).

Whilst neither of these designations confer specific protection for the site based on its ecology, they could have a material influence on viable options for the site from a broader environmental planning (e.g. landscape) perspective.

3.4.2.2. Non-Statutory Designated Sites

The site is located within the following non-statutory designated sites:

- River Avon Site of Nature Conservation Interest (SNCI);

¹ <https://magic.defra.gov.uk/>

² <https://environment.data.gov.uk/catchment-planning/>

³ <https://data.gov.uk/dataset/f49b8e4b-8673-498e-bead-98e6847831c6/freshwater-fish-counts-for-all-species-all-areas-and-all-years>

⁴ <https://environment.data.gov.uk/ecology-fish/>

⁵ <https://species.nbnatlas.org/>

⁶ <http://www.riverhabitatsurvey.org/map-open-os/>

⁷ Halcrow Group Limited (2004) Bath and North East Somerset Council: Mead Lane Bank Stabilisation – Environmental Report.

- Strategic Green Infrastructure Corridor as part of the District-wide Strategy and Policies ;
- Forest of Avon Community Forest;
- Bath and Bristol Greenbelt; and
- Cotswolds National Character Area.

Whilst these designations do not confer specific protection for the site based on its ecology, they could have a material influence on viable options for the site from a broader environmental planning (e.g. landscape) perspective.

Halcrow (2004)⁸ indicated that there are Local Wildlife Sites within and immediately adjacent to the River Avon at this location.

3.4.2.3. River Habitats

Whilst the planform of the river itself indicates significant historical modification of channel alignment and cross-section; the river bank has relatively naturalised (at and above the waterline), with marginal and riparian habitat complexity apparent. Localised poaching (i.e. localised loss of vegetation and exposure of bare ground from footfall) is also apparent from photographs. This is common in rivers with direct public access in residential settings and is likely to be associated with the mixed-use recreational activities for which the River Avon is used locally (angling, dog-walking, mooring, sun bathers, swimming etc).

No existing RHS data is available from within the site. However, Habitat Modification Class (HMC) for three surveys undertaken within the wider 2km search area vary between HMC 2 (predominantly unmodified) and HMC 4 (significantly modified), indicating degree of river habitat modification within the wider area is highly reach-dependant.

3.4.2.4. Notable Species

Numerous protected and notable species were identified from NBN Atlas within the search area from within the last 10 years. Of particular note in the context of the site and the potential works; European otter (*Lutra lutra*) and water vole (*Arvicola amphibius*) were both recorded. No records of native white-clawed crayfish (*Austropotamobius pallipes*) or invasive signal crayfish (*Pacifastacus leniusculus*) were identified.

Otter and water vole are both protected under the Wildlife and Countryside Act 1981 (as amended); otter is further protected under the Conservation of Habitats and Species Regulations 2017 (as amended).

In addition, the aquatic/riparian non-native plant species Himalayan balsam (*Impatiens glandulifera*) and Japanese knotweed (*Fallopia japonica*) were both identified. Under the Wildlife and Countryside Act 1981 (as amended) it is illegal plant or otherwise cause these species to grow in the wild.

3.4.2.5. Environment Agency Routine Monitory Data

Fish

No Environment Agency fish monitoring sites were located within 2km of the site. However, monitoring has been undertaken in an upstream water body - Newton Bk - source to conf R Avon (Brist) water body (ID: GB109053021880) between 2005-2013 and provides an indicative (and likely, conservative) representation of the species present the River Avon at the site. The following species were recorded during these survey efforts:

- Brown / sea trout (*Salmo trutta*);
- Chub (*Leuciscus cephalus*);
- European eel (*Anguilla anguilla*);
- Stone loach (*Barbatula barbatula*);
- Bullhead (*Cottus gobio*);
- 3-spined stickleback (*Gasterosteus aculeatus*); and
- Lamprey sp. (*Petromyzontidae*).

⁸ Halcrow Group Limited (2004) Bath and North East Somerset Council: Mead Lane Bank Stablisation – Environmental Report.

Brown trout, European Eel and river/sea lamprey are all species of principal importance for nature conservation in England under the Natural Environment & Rural Communities (NERC) Act 2006, which sets out the duty for public authorities to conserve biodiversity in England.

Macrophytes

An Environment Agency macrophyte monitoring site (Site ID 156047 – NGR ST6919767853) is located within the site and has been surveyed three times since 2010. A mean River Macrophyte Nutrient Index (RMNI) of 8.37 at the site suggests highly eutrophic (nutrient-rich) conditions at the site and supporting a relatively species rich macrophyte assemblage. Further to the already noted Himalayan balsam presence at the site, the invasive non-native species Nuttall's waterweed (*Elodea nuttallii*) was also recorded during survey.

Macroinvertebrates

No Environment Agency macroinvertebrate monitoring has been undertaken within the search area over the last 10 years. The most recent sample (2009) was undertaken within the site and was indicative (based on review of biological metrics) of a species-rich macroinvertebrate assemblage with a low tolerance to organic pollution (indicating low pollution within the watercourse which otherwise removes species with low tolerance from the assemblage).

3.4.2.6. Water Framework Directive Surface Water Bodies

The site is situated in the Severn River Basin District (as part of the Avon Bristol Urban operational catchment) and the management strategies for the district are stated in the Severn RBMP.

Article 4 of the WFD requires all natural surface water bodies to achieve both Good Chemical Status (GCS) and Good Ecological Status (GES). The River Basin Management Plans (RBMPs) outline actions required to enable natural water bodies to achieve GES and are updated at 6 year management cycles. The first RBMP was published in 2009 and set out the management plan for the first six years 2009-2015 (Cycle 1). The plan was updated in 2015 to cover the second period 2015-2021 (Cycle 2) and will be updated again in 2021.

Artificial and Heavily Modified Water bodies (A/HMWBs) may be prevented from reaching GES due to the modifications necessary to maintain their function, e.g. navigation. They are, however, required to achieve Good Ecological Potential (GEP), through the implementation of a series of mitigation measures, and achievement of good status for all biological elements that are non-sensitive to the modified nature of the water body.

The Environment Agency is responsible for consenting works on main rivers (including the River Avon) and already monitors, advises and manages many aspects of the water environment through regulating discharges, abstractions and processing environmental permits and licences. Local authorities are also required to have due regard for the WFD when exercising their powers and duties

The proposed works will take place in the Bristol Avon (By Bk to Netham Weir) water body (ID: GB109053027371). A summary of the water body classification for the Bristol Avon (By Bk to Netham Weir) water body from Cycle 2 (2015 – 2021) is provided in Table 3-1 below. There is no Cycle 1 data available for the Bristol Avon (By Bk to Netham Weir) water body. This water body discharges into the Avon (ID: GB530905415405), located approximately 14.5 km downstream of the works.

Cycle 2 data for the Bristol Avon (By Bk to Netham Weir) water body, reports an overall status of 'Moderate', with overall ecological potential assessed as 'Moderate' and chemical status assessed as 'Fail', as presented within Table 3-2.

Reasons for not achieving good potential are due to point source sewage discharge, leading to a phosphate failure. Mitigation measures assessment is also identified as being moderate or less. Clarification should be sought from the Environment Agency as to the reason for this failure; should the project progress further it may be able to contribute to implementation of identified mitigation measures for the water body that are not yet in place. The project will ultimately be required to demonstrate it does not result in deterioration of the water body status, or prevent future improvement in status, as part of a WFD compliance assessment.

Table 3-1 - Summary WFD information for Bristol Avon (By Bk to Netham Weir) surface water body (GB109053027371)-

Name	Type	Water body ID	Catchment Area (km ²)	Overall Status Cycle 2	Objective
Bristol Avon (By Bk to Netham Weir)	River (heavily modified)	GB109053027371	8520.409 ha	Moderate	Good by 2027

Table 3-2 - WFD Status – Bristol Avon (By Bk to Netham Weir) water body (GB109053027371)

Overall status: Moderate			
Ecological status: Moderate			
Chemical status: Fail			
Biological quality elements	Physicochemical elements	Hydromorphological supporting elements	Supporting elements
Macrophytes and Phytobenthos Combined: Good	Ammonia (Phys-Chem): Good	Hydrological Regime: Supports Good	Mitigation measures assessment: moderate or less
Invertebrates: Good	Dissolved Oxygen: High		
	pH: High		
	Phosphate: Moderate		
	Temperature: High		
	Specific pollutants: High		
	Priority hazardous substances: Fail		

3.4.2.7. Water Framework Directive: Groundwater Bodies

The Bristol Triassic groundwater body (ID: GB40902G804800), underlies a small area of the Site. A summary of the groundwater body classification for the Bristol Triassic groundwater body from Cycle 1 (2009 – 2015) and Cycle 2 (2015 – 2021) is provided in Table 3-3 below. The overall groundwater body classification is 'Good'. The chemical status of the groundwater 'Good' and the chemical status objective is 'Good' by 2027'. The groundwater body was previously classified as 'Poor' in Cycle 1 assessments. This is due to diffuse source pollution from agriculture and rural land management.

The site is located within the Bristol Triassic Drinking Water Protected Area.

There are no Source Protection Zones within 2km of the proposed works. The Source Protection Zone in closest proximity to the works is located approximately 14.5 km upstream of the Site and is classified as a Zone 1: Inner Protection Zone and Zone 2: Outer Protection Zone. The project will ultimately be required to demonstrate it does not result in deterioration of the water body status.

Table 3-3 - Summary WFD information for Bristol Triassic groundwater body (ID: GB40902G804800)

Name	Type	Water body ID	Catchment Area (km ²)	Overall Status Cycle 1	Overall Status Cycle 2	Objective
Bristol Triassic	Groundwater body	GB40902G804800	694.305	Poor	Good	Good by 2027

4. Condition Survey

A visual condition survey of the riverbank at Mead Lane was undertaken on 3rd September 2020. The following chapter provides a summary of the observations made with the locations of the observations being matched against the corresponding properties fronting along Mead Lane.

The visibility during the condition survey was approximately 500 to 600mm (below the water line).

The waterline was obscured along significant sections of the reach due to the presence of a dense reed bank.

Reference is made to informal access points which, in the context of this report, relates to pathways, which have developed between the road and water's edge (for angling, dog-walking, mooring, swimming etc.).

Some photographs are provided in the main body of the report with more included in Appendix C. The photographs provided do not pick up as much detail (below water line) as could be visually observed, so photographs taken during a preliminary site visit (August 2020), where visibility was greater, have also been included.

4.1. Spion Kop

The Spion Kop reach covers approximately 100m of riverbank with four informal access points being observed (and evidence of the use of spikes). There is a gate to private land and mooring at the upstream boundary – this area was not included in the survey.

The rock armour appeared to be intact. Generally, only occasional loose individual stones were observed (Figure 4-1) whilst, at the one informal access point, a small number of hollows in the revetment were noted (likely due to individual stones being displaced, but not sufficient to compromise the protection).

The bottom edge of the vegetated bank fell away steeply to the rock at the waterline (approx. 450mm drop).

A short stretch of the bank at the upstream end presented evidence of extensive use (terracing and damage due to footfall) with the area being used by an angler at the time of the survey. There was evidence of instability (slippage or cracking).

An active burrow was observed (Figure 4-1). It is considered that these are likely to be present (and more prevalent) in areas of increased vegetation where the reeds have developed.



Figure 4-1 - Rock revetment (left) and active burrow (right)

4.2. Avon Lea

The Avon Lead reach covers approximately 21m of riverbank with three informal access points being observed.

Whilst it appeared to have been used recently, due to the reed growth, the first informal access point could not be used to make a clear inspection of the riverbank.

At the second informal access point, some deterioration of bank surface due to traversal was observed. Reeds were seen either side and the rock revetment was visible and intact at the waterline.

At the third informal access point, the vegetated bank fell away steeply to the rock at the waterline. The rock revetment was visible and appeared to be at a shallower gradient compared to other locations (Figure 4-2).

Rutting of the road verge caused by vehicle use was observed at this location (Figure 4-2).



Figure 4-2 - Rock revetment (left) and damage to verge (right)

4.3. Green Hills

The Green Hills reach covers approximately 17m of riverbank and was dominated by the presence of a large weeping willow in the upper part of the riverbank. A single informal access point was observed at this location.

The rock revetment could be seen and was intact (Figure 4-3).

There was a large bare patch (Figure 4-3) at the base of the slope – likely due to use and exacerbated by the shade given by the willow. The slight steepening of the bank observed at the water's edge, combined with the fibrous nature of the soil in the area, suggests that reeds used to be present.



Figure 4-3 - Rock revetment (left) and informal access point (right)

4.4. Water Row

The Water Row reach covers approximately 19m of riverbank with two informal access points being observed and a tree (Figure 4-4)

At the first access mooring point, the rock appeared to be intact, but potentially marginally steeper than at other sections. Again, the bottom edge of the vegetated bank fell away steeply to the rock at the waterline.

At the second informal access point, the rock appeared to be intact, but it is possible that some stone loss has occurred around the tree.



Figure 4-4 - Informal access point 1 (left) and informal access point 2 (right)

4.5. Cherry Cottage

The Cherry Cottage reach covers approximately 21m of riverbank with a single access point being observed.

The rock revetment was observed to be intact (Figure 4-5).

Again, the bottom edge of the vegetated bank fell away steeply to the rock at the waterline (Figure 4-5).

The riverbank (above the water line) was locally over steep (compared to adjacent sections).

Reduced vegetation coverage was observed where the reed growth was less.



Figure 4-5 - Rock revetment (left) and drop at water's edge (right)

4.6. Rockside

The Rockside reach covers approximately 20m of riverbank with a single informal access point being observed.

At the informal access point, the rock revetment could be seen (Figure 4-6), but inspection was limited by visibility below the waterline (approximately 500mm).

The bottom edge of the vegetated bank fell away steeply to the rock revetment at the waterline.

Some minor degradation of the bank surface due to traversal was observed.

Rutting of the road verge caused by vehicle use was observed at this location (Figure 4-6).



Figure 4-6 - Rock revetment (left) and damage to verge (right)

4.7. Sheldrake/Rockside

The Sheldrake reach covers approximately 15m of riverbank with a single access mooring point being observed.

The top of rock armour appeared to be intact (Figure 4-7). Around the tree, there appeared to be a small number of hollows in the rock revetment with individual rocks not having three points of contact (defect is not sufficient to compromise the protection). Inspection of slope of the rock revetment was limited due to visibility.

To the south of the tree, the rock tie into the riverbank was visible. The slope of the rock appeared to be marginally steeper than at other locations. Again, individual rocks were observed as not having three points of contact (defect is not sufficient to compromise the protection).

The damage to the riverbank (above waterline) was found to be less significant (compared to adjacent sections). However, local steepening of the riverbank (above waterline) was observed (Figure 4-7).

A chain, believed to be for mooring was observed to be fixed around a tree.



Figure 4-7 - Rock revetment (left) and local steepening of riverbank (right)

4.8. Waterleet

The Waterleet reach covers approximately 15m of riverbank.

There was a fishing landing area at this location (Figure 4-8) with formal access. The rock was not visible at the platform (the construction drawings show gaps in the rock at this type of feature).

The transitions to riverbank either side was in good condition.



Figure 4-8 - Fishing landing area

4.9. Marlyn

The Marlyn reach covers approximately 17m of riverbank and was dominated by the presence of a large weeping willow. A single informal access point was observed.

The rock revetment could be seen and was intact (Figure 4-9). Generally, beneath the tree canopy, the bank sloped directly to the rock at the waterline (no vertical step) with the coir roll being exposed (Figure 4-9).

Some damage was observed to the riverbank surface – likely due to heavy use and exacerbated by the shade given by the willow. Either side of the willow, the reed bank was seen to develop quickly (rising up from the waterline).

Note: This area is marked as a deer crossing point, we do not have information on this and cannot comment on how this may have contributed to the damage.



Figure 4-9 - Rock revetment (left) and exposed coir roll (right)

4.10. Riverview

The Riverview reach covers approximately 24m of riverbank with a single informal access point observed at this location.

Given the density of the reed bank, there was limited access to make observations on the rock revetment at this location. Some rock was observed to be bedded into base of the bank. With the use of a staff, some small hollows in the rock revetment were identified (likely due to individual stones being displaced, but not sufficient to compromise the protection). The revetment appeared to be marginally steeper in comparison to other sections.

Photographs from the preliminary reconnaissance site visit in August 2020 (Appendix C which had improved conditions for visibility below waterline), shows good coverage of the rock revetment in this area.

The bottom edge of the vegetated bank fell away steeply to the rock revetment at the waterline (Figure 4-10).

There was evidence of vegetation being removed and left floating in the water.



Figure 4-10 – Drop at water’s edge (left) and access mooring point (right)

4.11. Havonall

The Havonall reach covers approximately 39m of riverbank with three informal access points being observed.

Generally, the rock armour was visible at the waterline. At one informal access point, some hollows were noted (likely to be due to individual stones being displaced, but not sufficient to compromise the protection).

The bottom edge of the vegetated bank fell away steeply to the rock at the waterline.

At another informal access point, some minor deterioration of the bank surface due to traversal was observed (Figure 4-11).

There was a boating landing at this location in front of the property.



Figure 4-11 - Informal access points

4.12. Bristol Avon Sailing Club

The mooring area for Bristol Avon Sailing Club is considered to be outside the scope of the study. However, some observations were made as part of the condition survey of the bank.

Some gaps were observed behind the face of the wall which has caused pitting of the slope. The deterioration is considered to be due to loss of material behind the face of wall due to gaps in the mortar of the wall.

Relatively recent repair works had been undertaken south of the ramp, (Figure 4-12).

The rock armour could be seen below the waterline.



Figure 4-12 - Recent repair works near Bristol Avon Sailing Club

5. Discussion

5.1. Condition Assessment

The works to stabilise the riverbank was detailed by Halcrow and constructed in 2005 (and are summarised in Section 3.1). In comparing the observations made during the condition survey against the available information (including the satellite imagery), it is possible to draw the following conclusion as to the performance of the bank following construction:

5.1.1. Reed Development

It can be seen that, due to the stable nature of this stretch of river (in terms of construction), the porous nature of the rock revetment on which the coir roll is placed and the relatively consistent water levels (controlled at Kelston Weir), reed development has been strong in this area.

The platform provided by the rock armouring has meant that the reed bank has developed horizontally, which has promoted sediment accumulation, and in time been reinforced through the root mat.

From discussion with local residents, there is a perception that the rock has been lost (exposure of the bank and rock descending steeply from the toe of the bank side). However, the steep face at the water's edge can instead be attributed to root mat development on top of the rock revetment (and the "falling away" as the original steep face of the rock).

Where the reed bank has not been able to develop (such as at the large willow in front of Marlyn) the bank meets the waterline and the coir roll netting and narrow rock berm is still visible (whilst the bank rises as the reed bank develops on both sides).

5.1.2. Bank Stability

The bank condition and profile is relatively consistent (especially at and below the water line).

Broadly, the rock protection appeared intact (accepting that the visibility was limited to 500mm to 600mm).

Locally, occasional blocks were seen to be missing or loose, which can be due to relaxation due to settlement or loss of contact, but this is not of immediate concern, as the protection is sufficiently resilient to deal with this.

Based on the typical section for the bank stability works constructed in 2005, the riverbed falls away from the toe of the rock revetment, and the detail does not include surplus to manage scour. There is potential for scour of the unprotected bank/bed to undermine the protection (either through natural processes or as a result of boat use) causing it to fail.

It is not possible to determine the risk associated boat wash causing scour as the depth to the toe of the protection is not available. However, there are currently no observable signs of instability along the length of the bank. That is, there is no observable settlement, stress (cracking) or other movement, which would indicate that the bank is suffering as a result of scour.

At some locations, where the reeds were lost (such as at informal access locations), the upper bank profile was uneven and occasionally bare as a result of footfall, use by boaters and fishing. Whilst the condition of the bank at these locations has deteriorated since 2016 (by comparison to Google Streetview images), there were no observable indicators of instability.

The road was found to be in good condition, but there were sections of the verge, which were affected by rutting and were holding water. Again, by comparison to Google Streetview images, the verge condition has deteriorated since 2016.

5.2. Mooring

5.2.1. Overview

At 350m in length, the moorings can accommodate approximately 17 boats without the need to 'raft up'. The condition assessment has found that use to date has not affected the stability of the river bank. Therefore, the major issues would appear to be management related. Particularly, how to facilitate mooring and how to manage it such that conflicts are minimised.

There are two potential conflicts:

- between boaters and residents; and
- between boaters seeking short term moorings en-route to and from Bristol (24 hour or 48 hours), and those seeking long term (up to 14 days) moorings.

A 14 day mooring limit is a condition of the licence or registration of any vessel on CRT waters unless that vessel is at its home mooring: “a place where the boat may lawfully be kept”. If the boat owner declares a home mooring, they must state where it is and if they declare they have no mooring, then they are bound by that (landowner consent is not applicable in this case). Thus, all moorings except a boat’s home mooring are, by default, 14 day moorings regardless of the land owner.

There is the potential for demand for short stay visitor moorings along the Avon as the journey from Bath to Bristol is of the order of six hours (and possibly longer if starting from the canal above Widcombe Locks in Bath). Saltford has two public houses accessible from Mead Lane, the Jolly Sailor next to Saltford Lock at the downstream end of Mead Lane Moorings, and the Bird in Hand a few yards from the upstream end. Both of these would appeal to boaters for an evening or lunchtime stop.

There is a general demand for longer stay moorings due to the number of boats on the western Kennet and Avon/River Avon with no home mooring.

Conflict between the two mooring demands can be regulated by allocating part of the mooring as 24hr or 48 hr and the rest as 14 day.

Conflict between moorers and residents can generally be managed by boaters complying with their licence conditions (e.g. no running engines or generators between 8pm and 8am) and by making permanent the parking restrictions presently in place.

Although, by reference to Section 5.1, there are no overall concerns about the condition of the bank, it is desirable to minimise potential damage into the future. There are three physical issues that have caused concerns to be raised at this location. These are

- The effects of traversing the bank (damage to the upper bank);
- Use of mooring pins or tying to trees to secure boats; and
- Propeller-wash causing erosion of the bank.

Traversing the bank - at present, the bank slopes up to the road and has trees and other vegetation. Concerns have been expressed regarding boaters scrambling up the bank, which can cause damage from footfall on the earth bank and also cause the marginal vegetation at the water’s edge to be displaced. However, boaters are not the only group known to traverse the bank. Other groups include wild swimmers, sunbathers, anglers, and other recreational users.

Use of mooring pins or tying to trees – where there is no bespoke provision, boaters moor to the bank either by tying to something that is already there (in this case trees) or fixing a mooring pin or spike. On soft banks, boaters often use two pins for each rope, hammered in at an angle to each other, and some boaters use springs to accommodate movement resulting from the wash of passing boats. If both techniques are used, then a single boat will use eight pins to moor, and each pin leaves a hole in the bank when removed. These holes are unlikely to be useful for the next boat to moor as they enlarge when the pin is removed and thus do not hold well if reused. This currently does not adversely affect the stability of the bank.

Whilst there is only limited evidence of damage to trees as a result of boats tying to them it is clearly not desirable (from the point of view of tree protection) to do this. It isn’t an especially convenient way to moor either, ropes do not slide around trees and it isn’t practical to put a loop over a tree in the way it is for a bollard or a pin.

Propeller-wash - There are some concerns over erosion from propellers. In practice boats arriving at and leaving the mooring will only have their propeller rotating for a very short period, although if this keeps occurring in the same location it may be a problem. Bigger issues can occur with bow thrusters (which will send a jet of water directly towards the riverbank) and running the engine in gear whilst moored in order to charge the boat’s domestic batteries. This last practice is against CRT craft licence conditions and CRT byelaws. With regard to bow thrusters, few craft have them, and as the river is generally deep, the use of a bow thruster to get away from the mooring should only last a few seconds and the force of flow against the bank weakens as the boat moves away.

There may be a further issue with deep-draughted boats, as the bank protection (as scaled from the construction drawings) only extends approximately 1.3m below mean water level, and thus propeller-wash at or below this depth has the potential to undermine the rock armour.

5.2.2. Mooring Options

5.2.2.1. Do Nothing

Boats have managed to moor at this location, and the location has proved popular, with no formal provision for mooring.

The bank is suitable for mooring as boats can come alongside and crew can get ashore to secure the boat. However, mooring in this way is causing limited damage to the bank and the trees. The site cannot be described as a formal mooring location in its present form. Being informal, any management of the mooring is difficult and largely restricted to policing of boat licence terms and conditions.

Under the existing baseline, marginal and riparian habitat complexity is apparent with only localised bank poaching (i.e. localised loss of vegetation and exposure of bare ground from footfall) observed during condition surveys. This is common in rivers with direct public access in residential settings and is likely to be associated with the mixed-use recreational activities for which the River Avon is used locally (angling, dog-walking, mooring, swimming etc). Under a Do Nothing scenario, noting there is no indication that mooring is adversely affecting bank stability, habitat condition is unlikely to change significantly from the existing baseline.

5.2.2.2. Current Mooring Arrangement Improvement

It would be feasible to mount bollards or mooring rings in the bank/road verge for boaters to tie up to. These would need to be set in the bank and secured to ensure they don't pull out. Normally bollards and rings are mounted on a concrete foundation. Bollards/rings would need to be at least at 10m centres along the bank and, for smaller vessels (and for flexibility of mooring configuration), 5m centres may be preferred. There is the potential for boats to moor in exactly the same location due to the fixed configuration of bollards, thus having the potential to concentrate propeller-wash erosion in certain locations. However, this repeated use is likely already occurring as the locations in which a rope can be fixed area already limited and discrete rather than continuous (with currently no observable adverse effects).

In order to manage the mix in demand for mooring at Mead Lane, an approximate split of 70/30 between long stay and short stay moorings could be introduced. Short stay moorings could be located at the downstream end of the site (near Jolly Sailor) or split with some at the upstream end (near the Bird in Hand).

Localised excavation along the bank has the potential to lead to localised riparian habitat loss during construction. Construction and operational effects from this change would need to be assessed in further detail in the context of protected, notable and invasive species constraints, as well as WFD requirements to ensure such works were compliant. However, given the designation of the River Avon at this location as HMWB, as well as the relatively small scale of the mooring activity (as a proportion of the wider water body extent); mooring activities may ultimately be consistent with the river's designation and formalisation of mooring may not necessarily compromise objectives of the WFD.

5.2.2.3. Improved River Management

The success of the moorings is dependent upon their conditions of use being respected, both as laid down in CRT licence conditions and bylaws and by any local restrictions. On the main canal system, where mooring opportunities are more or less continuous, the most basic level of management (monitoring how long boats are moored in one place) is undertaken by a weekly (or more frequent) towpath patrol beat by CRT (subcontracted to District Enforcement Limited). However, on the river, the towpath doesn't belong to CRT and the sporadic nature of the mooring locations works against a beat patrol as there would be large gaps in the beat that are both inaccessible and where no mooring is expected to occur. Also, whilst the length of stay is dictated by CRT licence conditions, CRT are in a weaker position when the boat is moored to third party land.

B&NES have shown an active interest in the river as illustrated by their commissioning this report and by their previous initiative with the Waterspace Study in 2016/17. Given that, in this (and some other) instance, the river boaters are mooring to land owned or managed by B&NES, there is scope to consider a joint management approach representing the navigation authority and the landowner/local authority and ensuring that management doesn't fall between the two organisations. A joint B&NES/CRT warden system for the river would present opportunities for better management of moorers, boaters and other river users.

Given the cost of providing moorings (discussed below), there is consideration as to whether a charge can be made for their use. This is also a management tool as a charging system, assuming it is enforced, also monitors length of stay.

There is some history of local authorities charging for river moorings where they own the bank – it is commonplace on the River Thames, and occurs on the River Severn at Worcester, and at locations on the Stratford Avon. It is less common for CRT to charge for moorings, as they are the navigation authority and already collect the boat licence fee from boaters and thus only normally charge where moorings are in high demand and have to be rationed. However, this is a river navigation with moorings in third party ownership and thus charging is an option.

One barrier to charging for moorings has been collection, however B&NES already use the MiPermit system for parking of vehicles across the council area, and thus would present an option for boaters to pay. The MiPermit system would have to be altered to accept boat registration numbers and also to accept payment for durations measured in days rather than hours.

5.2.2.4. Floating pontoon

If formal mooring measures are introduced, such as those discussed in Section 5.2.2.2 above, consideration would have to be given to introducing minimum safety standards relating to depth of water and definition of a firm edge (such as those applied by CRT). Such consideration may result in changes to the nature of the bank.

Instead, a floating pontoon could be provided just off the riverbank (for most or part of the riverbank), with a narrow gap between it and the waterside margin. The pontoon would need to be secured with pile anchor restraints (large piles secured in the riverbed and extending upward for the pontoon to ride up and down on as water levels change). Formal access between the pontoon and the bank, in the form of a bridge or gangway, would be needed. This would restrict traverse of the bank, at least by boaters, to these locations and also the traverse would at least in part be on a gangway not on the bank. An example of this, on the River Avon, can be seen at Hanham Lock (left bank upstream of the lock) is shown Figure 5-1.

As can be seen in Figure 5-1, marginal vegetation can develop between the pontoon and the bank and the boats would be located further away from the bank (reducing concerns that boat wash might cause scour).



Figure 5-1 - Vegetation development behind Hanham Lock pontoon moorings⁹

Services information available shows that there is a 700mm diameter riser main crossing the site diagonally at the Bristol Avon Sailing club (Appendix D). This main is deep enough to be unaffected by the installation of

⁹ https://canalplan.uk/photo/16_h05

bollards in the riverbank, but could be affected by the depth of piling needed for a floating pontoon (at least by the vibration caused during installation). This is unlikely to rule out the construction of a pontoon, but the location of the pile anchor restraints on which the pontoon is secured, will need consideration.

Whilst the development of marginal vegetation would provide environmental benefit, construction and operation of the floating pontoon would need to be assessed in further detail in the context of protected, notable and invasive species constraints, as well as WFD requirements to ensure such works were compliant. Construction activities such as piling within the water channel can generate significant acoustic disturbance of fish and other wildlife, for example.

Anchors within the river bed will lead to permanent loss of benthic habitat. However, given the designation of the River Avon at this location as HMWB, as well as the relatively small scale of the mooring activity (as a proportion of the wider water body extent); mooring activities may ultimately be consistent with the river's designation and formalisation of mooring may not necessarily compromise objectives of the WFD. There may also be options to 'green' the design of such an installation – for example with floating ecosystem designs that include structural complexity beneath the pontoon to provide enhanced river habitat for species such as fish.

5.2.2.5. Alternative locations for mooring

At present there are no alternative locations for 14 day moorings between Bath and Bristol. Some mooring occurs on the lock cuts at Weston (Bath) and Keynsham where the banks are owned and managed by CRT and therefore canal-type conditions apply. The other locks are not situated in lock cuts, but are separated from the associated weirs by lock islands, which have very little capacity to moor boats. That capacity, which does exist is usually in the weir stream and is already occupied by formal permanent moorings with the exception of Swineford Lock, where mooring in the weir stream does not occur.

It should also be noted that, downstream of Swineford, only the left bank of the river is in the B&NES area, thus the entire lock cut at Keynsham is actually in South Gloucestershire (as the boundary runs down the middle of the river and the lock cut is on the right bank).

Moorings need to have some form of access by land. Boaters do (to some extent) live off grid, but few can live on board for 14 days without access to a shop, and even fewer would want to.

Given the right bank downstream of Swineford is not in B&NES, and many favourable locations are already in use for permanent marina moorings, there are few locations left that are suitable and none as suitable as Mead Lane. A short summary of alternative mooring locations is shown in the table below (note that no characterisation of ecological constraints has been undertaken for any alternative locations as part of this study):

Table 5-1 - List of Possible Alternative Mooring Locations

Possible mooring locations	Comment
Twerton- in the weir stream above the sluice.	The water above the sluices is normally safe and calm and would be safe for moorings if the strong flow in flood conditions were considered in the design of new moorings. However, the recent incident (15 th September 2020) in which one of the gates lifted and drained the river above by 2m, which follows a previous incident in October 2019, means that further moorings in Bath have been put on hold until it is certain these incidents will not be repeated.
Newbridge, left bank above or below bridge	-
Left Bank opposite Kelston Park	There is potential for good moorings, but it is not close to shops and facilities.
The Shallows, Saltford	Probable conflict with existing users.
Left Bank – Saltford Mead/Swineford	Possibly Wessex Water ownership – long walk to shops and facilities.
Avon Valley Water Park*	-
Keynsham Hams*	-
Broad Mead*	-

*at these locations there is no public right of way on the left bank – land side access for boaters would need to be negotiated

5.2.2.6. Costs

This section outlines indicative budget costs for the options discussed in this assessment.

Without ground investigation data for the pontoon piles, the costs are indicative budget estimates, and will need confirming after site surveys and detailed design.

The costs for the pontoons are based on construction costs for two completed schemes on the Tay in Scotland. The pontoons were “Seahaven” units, which should be sufficiently robust for mooring of barges and river craft. Steel pontoon units have been used at Bath, but steel will be considerably more expensive.

The pontoons will be restrained by steel piles, and access to the pontoons will be along 1m wide steel walkways. No services have been allowed in the costings, as they are deemed not required at this location.

Table 5-2 - Indicative Budget Costs for Options

Floating Pontoon			
Description	Surveys and Fees	Construction Works	Total
350m long pontoon	£105,000	£820,000	£925,000
200m long pontoon	£80,000	£550,000	£630,000

The construction works costs are based on the following assumptions:

- Price of steel pontoon based on a length of 350m (or 200m length) and width of 2m.
- Pontoons units will be 2m wide and 10m long (other lengths and widths are available).
- At this stage, it is assumed for pricing that two six metres long access ramps with a width of 1m would be needed.
- Pontoons will be restrained by 6m long piles at 10m intervals.
- Timber mooring bollards have been allowed at 10m centres.
- A sum has been allowed for river bank strengthening and ecological improvements.
- The costs include contractors’: mobilisation, site set up, overheads and profit.
- The costs include a 10% contingency.
- The Tay pontoon construction unit costs have been increased by 11.3% to allow for inflation since 2016.

The fees and surveys includes:

- The cost allow for professional fees based on ACE scale fees.
- Ground investigation for the piles, using dynamic probing and window sampling.
- Ecological walkover survey of river bank.
- Underwater survey of river bank.
- Detailed services search.
- Detailed design.
- Planning application fees.
- Tendering of the construction works.
- Supervision of the works on site.
- Construction management.
- Cost control.
- Duties under CDM Regulations.
- 10% contingency.

6. Recommendations

6.1. Bank Stability

The key recommendations in regard to bank stability are:

Short term

Do nothing, as there are no immediate concerns or signs that mooring is adversely affecting the stability of the bank.

Medium/long term (bank below mean water level)

Whilst there are no immediate concerns or signs that the current levels of use are affecting the integrity of the rock protection, it would be prudent to consider undertaking measures to reduce the potential for scour at the base of the rock, such as:

- enforcing by laws regarding engine/generator use and running engine in gear whilst moored
- restricting vessel draught to a maximum of 0.9m (3 feet)
- improving mooring provision (see Section 6.2)

Medium term (bank above mean water level)

Where regularly used, the condition of the bank (focussing on the informal access points) will continue to deteriorate, if not maintained and access formalised to reduce the type of damage observed. Consideration should be given to formalising step access for locations already used for mooring and areas already heavily traversed by other users. This should include, but may not be limited to, the bank reaches at Green Hills, Marlyn, Riverview and Spion Kop.

Medium term (road verge)

Although not currently affecting the integrity of the bank, further development of ruts (and softening as the ruts hold water) can have an adverse impact on the condition and integrity of the bank. Repairs should be made, and protection/prevention measures introduced (such as making existing temporary parking restrictions permanent).

6.2. Mooring

The key recommendations in regard to future mooring are:

Improvements to existing arrangement

In order to improve the current arrangement for mooring, it is recommended that consideration be made to managing the mix of use of the mooring at Mead Lane. An approximate split of 70/30 between long stay and short stay moorings could be introduced. With short stay moorings located at the downstream end of the site (near Jolly Sailor) or split with some at the upstream end (near the Bird in Hand).

The installation of bollards at around 10m centres (Section 5.2.2.2) can be introduced in order to discourage (current) informal mooring practices, such as the use of pins or fixing the vessel to trees.

A joint B&NES/CRT warden and/or charging system for mooring would provide mechanisms in order to more effectively manage the mooring at Mead Lane in order to reduce potential conflicts between different groups.

Enhanced mooring arrangement

Improvement of the existing mooring arrangement could be undertaken by the installation of a floating pontoon (over part or whole of the riverbank). This is not required in terms of bank stability, but would provide benefits in reducing the amount of traversal over the riverbank, would allow for unbroken vegetation to develop and reduce concern of scour at the base of the revetment caused by boat wash (from vessels with deeper draughts). This option will be considerably more expensive than improvements to the existing arrangement (Table 5-2).

6.3. Environmental Review

Potential ecological constraints have been broadly characterised based on available desk study information in Section 3.4. The desk study identified a range of protected, notable and invasive non-native species. Constraints associated with these species will need to be refined based on further supporting investigations.

Should the project progress further, specialist walkover surveys and further baseline characterisation will be required. Supporting ecological assessments (subject to the nature of proposed works) are likely to include, at a minimum:

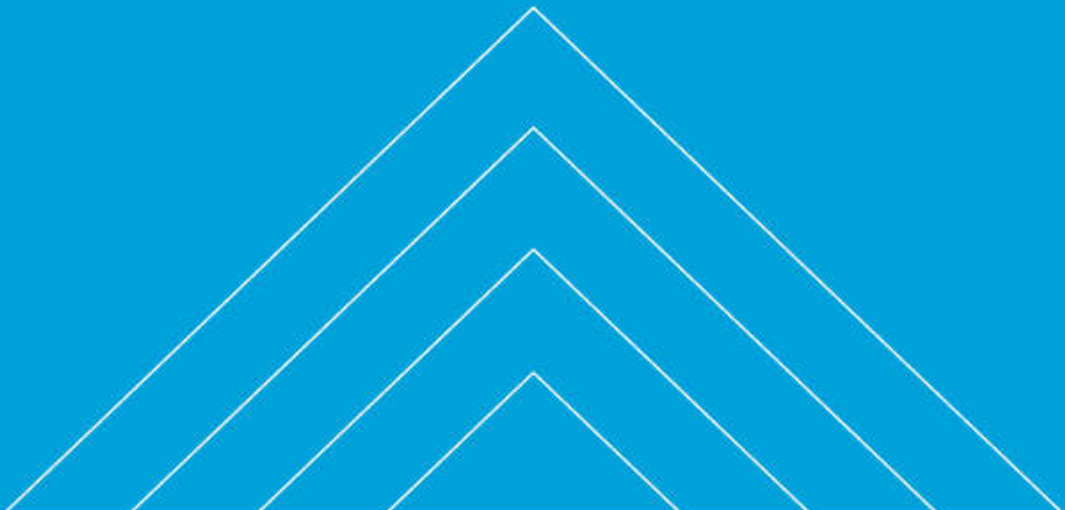
- a Preliminary Ecological Appraisal (PEA) in line with CIEEM guidance¹⁰ (to identify evidence of, and potential for, legally protected and notable species); and
- a WFD Compliance Assessment (including hydro morphology, ecology and water quality assessment) of the proposals in support of any authorisation for the works, including Environment Agency environmental permitting¹¹.

The planning context for the proposals (for example, whether works are covered under any permissive powers) will further define the supporting ecological and environmental assessments required in support of any proposed construction works.

¹⁰ Chartered Institute of Ecology and Environmental Management (2017) Guidelines for Preliminary Ecological Appraisal.

¹¹ <https://www.gov.uk/government/publications/water-framework-directive-how-to-assess-the-risk-of-your-activity>

Appendices



Appendix A. 2005 Construction Works Information

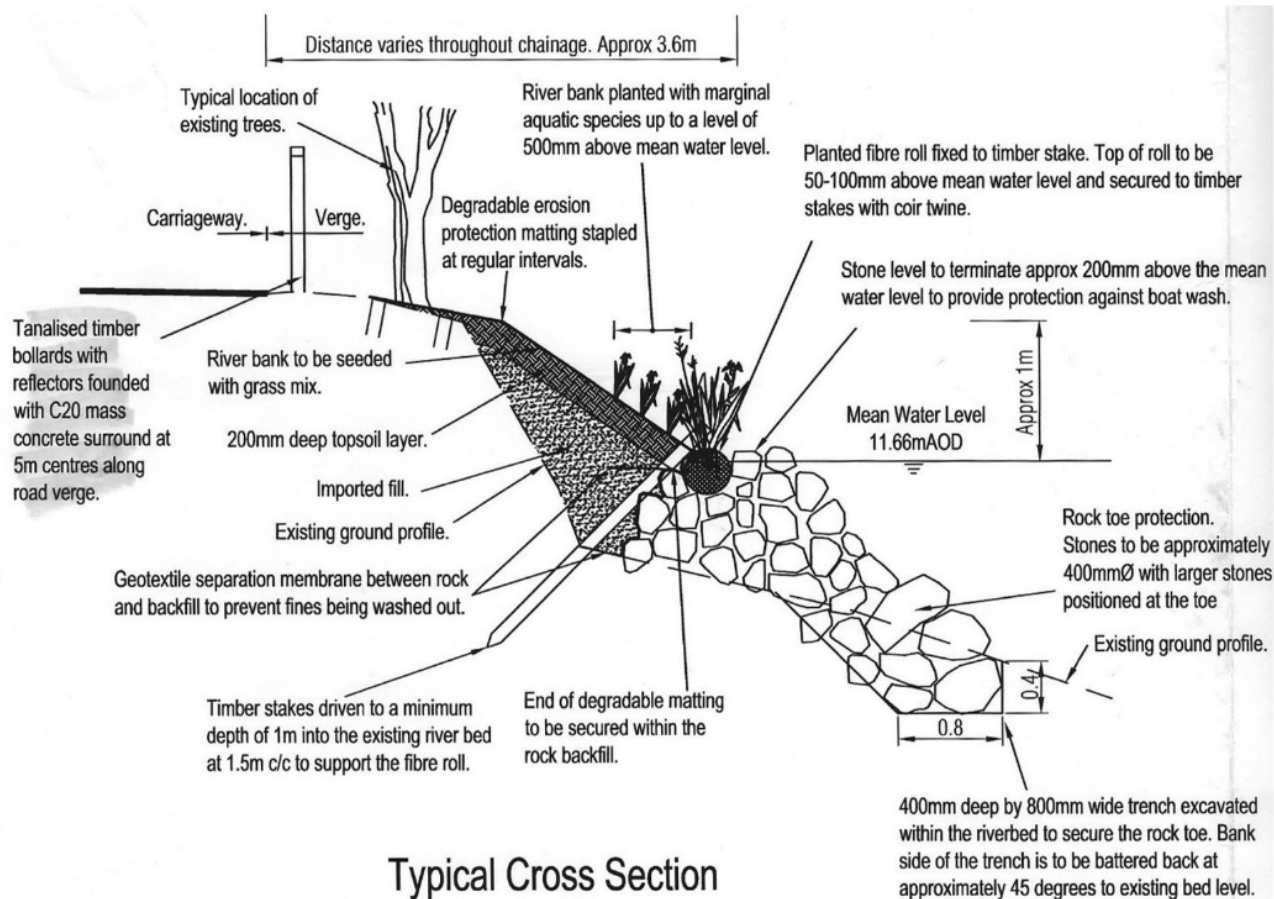


Figure A-1 - 2005 Bank Stability Works Typical Detail

© Salford Environment Group



Figure A-2 - 2005 Construction Works Photograph (© Salford Environmental Group)

Appendix B. Google Earth Imagery

6/7/2005 (American Dating System) © Google 2020



12/31/2006 (American Dating System) © Google 2020



9/9/2014 (American Dating System) © Google 2020



6/17/2017 (American Dating System) © Google 2020



6/7/2005 (American Dating System) © Google 2020



12/31/2006 (American Dating System) © Google 2020



9/9/2014 (American Dating System) © Google 2020



6/17/2017 (American Dating System) © Google 2020



Appendix C. Condition Survey Figures and Photographs

C.1 Spion Kop



Figure C-1: Private area not accessed as part of survey (left) and rock revetment at waterline (right)



Figure C-2: View along water's edge (left) and surface damage to bank slope (right)



Figure C-3: View along river side edge of road (left) and evidence spiking for mooring (right)



Figure C-4- Rock revetment at Spion Kop from preliminary site visit (August 2020)

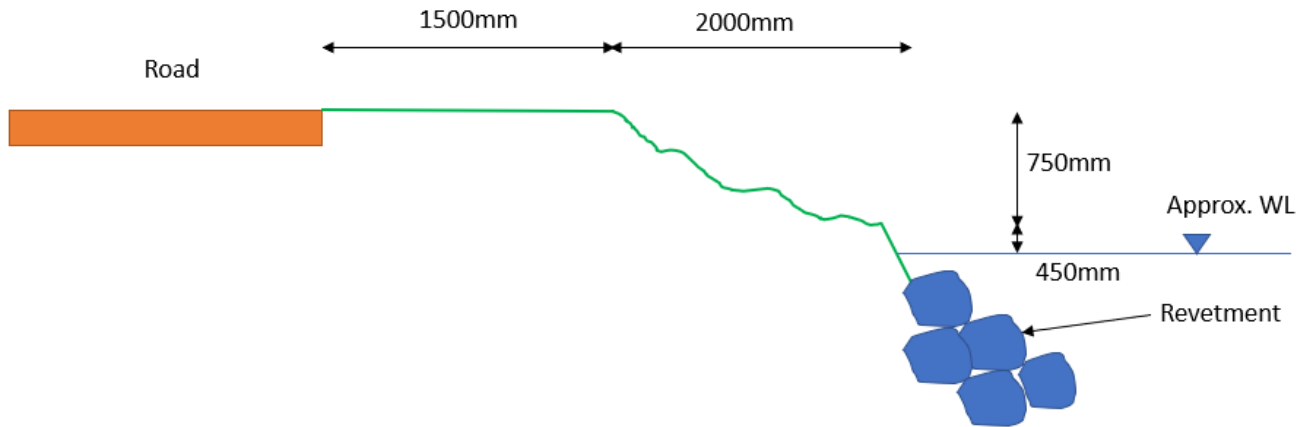


Figure C-5: - Sketch of informal access point at Spion Kop (approx. dimensions)

C.2 Avon Lea



Figure C-6: Informal access points (left and right)



Figure C-7: Damage to verge

C.3 Green Hills & Water Row



Figure C-8: Green Hills - View of bank to willow tree (left) and reed development (right)



Figure C-9: Water Row - Informal access point 1 (left) and informal access point 2 (right)

C.4 Cherry Cottage & Rockside



Figure C-10: Cherry Cottage - Reduced vegetation cover locally (left) and reed development (right)



Figure C-11: Rockside - Informal access point

C.5 Sheldrake/Rockside & Waterleet



Figure C-12: Sheldrake/Rockside – View of bank to willow tree (left) and chain around tree (right)



Figure C-13: Waterleet - Access steps

C.6 Marlyn



Figure C-14: Rock revetment (left) and bare area to base of slope (right)



Figure C-15: Local surface damage to the bank (left) and deer crossing sign (right)

C.7 Riverview & Havonall

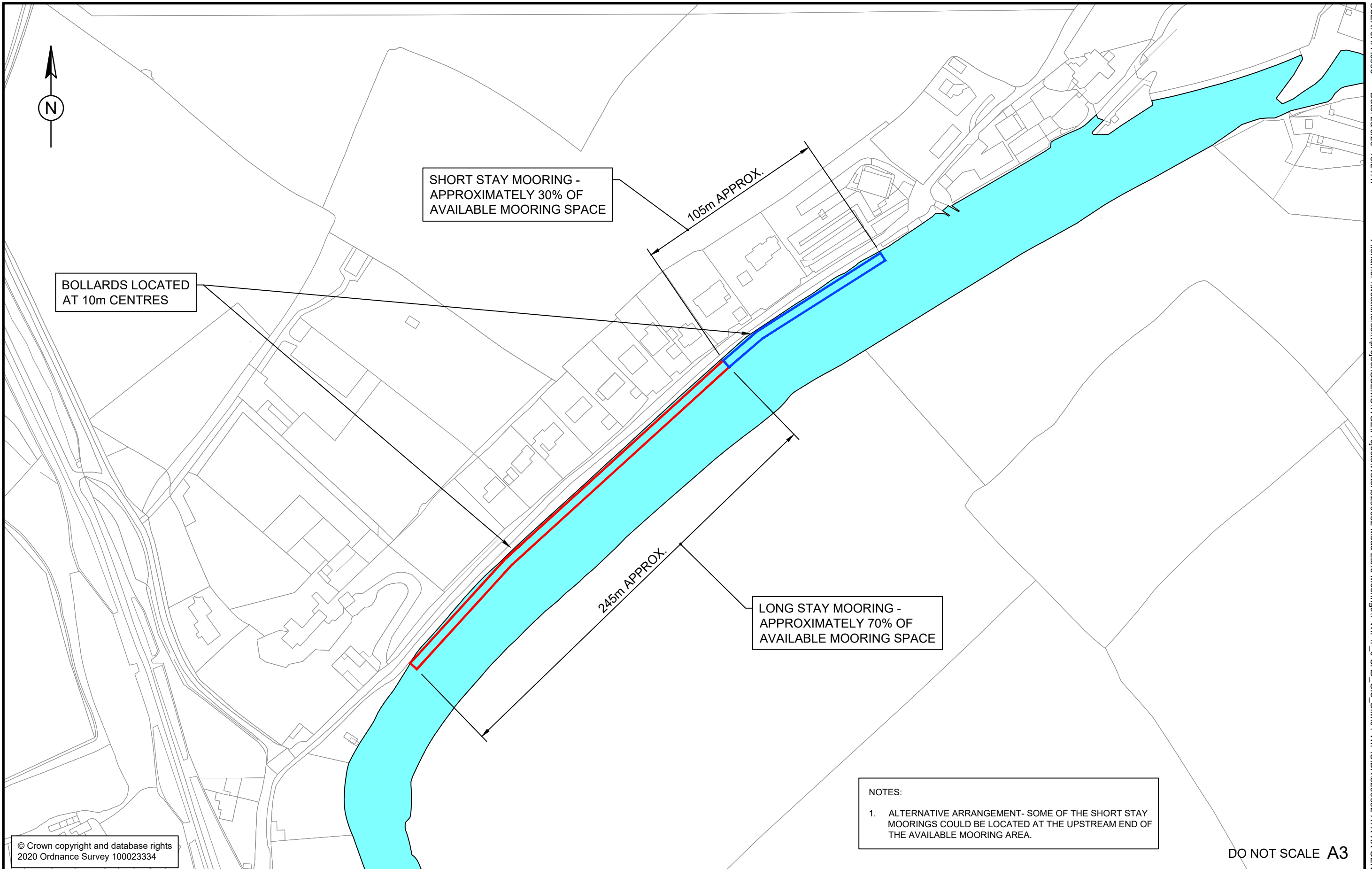


Figure C-16: Riverview - Riverbank at informal access August (left) and September (right)

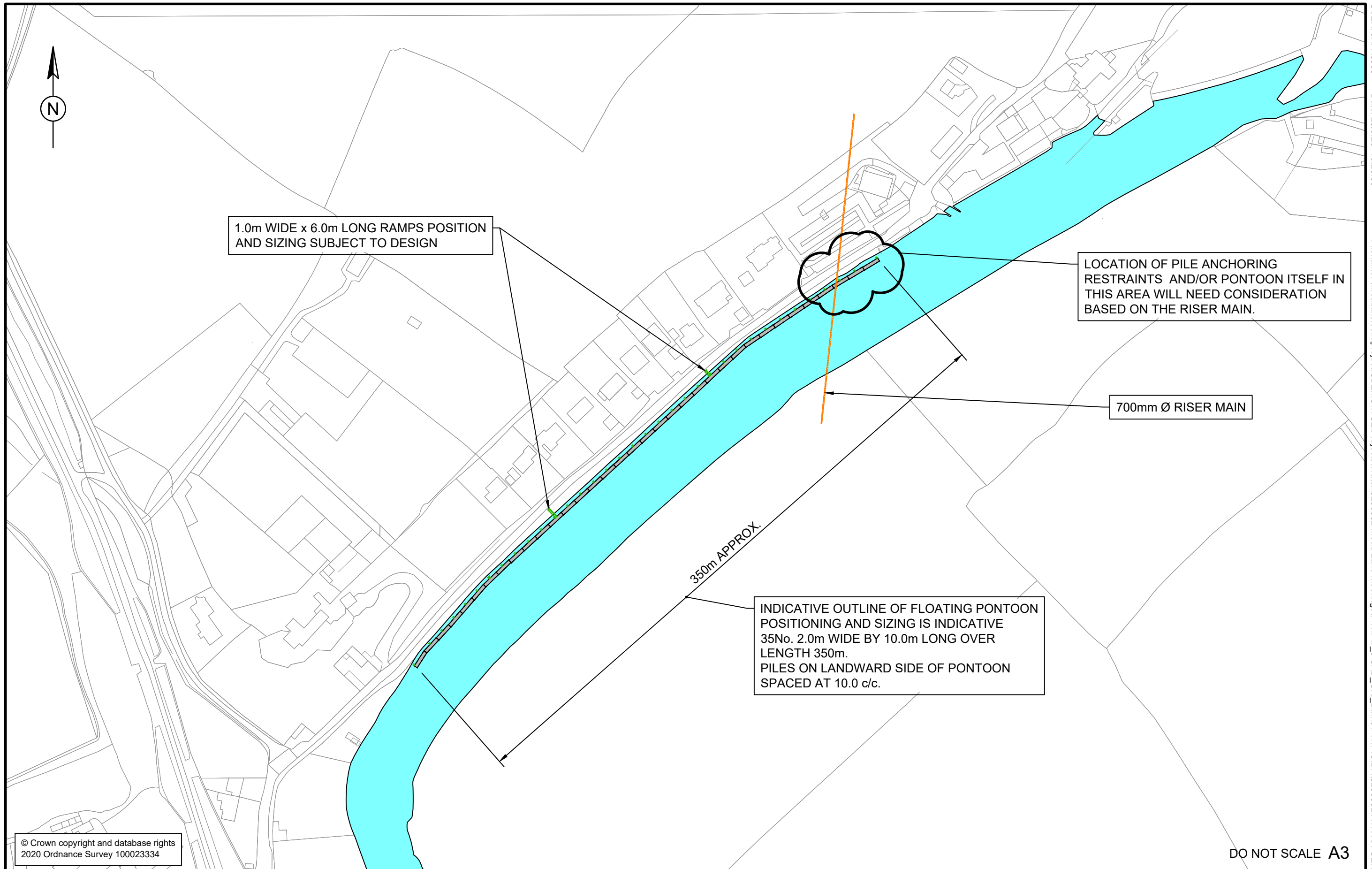


Figure C-17: Havonall - Boat mooring access (left) and very localised damage to the bank (right)

Appendix D. Sketches



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2020 Ordnance Survey 100023334



Derek Fenn
Atkins Limited
West Glamorgan House
12 Orchard Street
Swansea
SA1 5AD

derek.fenn@atkinsglobal.com

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Equality Impact Assessment / Equality Analysis

Title of service or policy	Review of moorings on Mead Lane, Saltford (referencing traffic management).
Directorate	Place
Name and role of officers completing the EqlA	Samantha Jones Inclusive Communities Manager Louise Murphy, Corporate Equalities Officer Mandy Bishop, Director, Environmental Services
Date of assessment	08/10/2019 (updated 24/9/20)

Equality Impact Assessment (or 'Equality Analysis') is a process of systematically analyzing a new or existing policy or service to identify what impact or likely impact it will have on different groups within the community. The primary concern is to identify any discriminatory or negative consequences for a particular group or sector of the community. Equality impact Assessments (EIAs) can be carried out in relation to service delivery as well as employment policies and strategies.

This toolkit has been developed to use as a framework when carrying out an Equality Impact Assessment (EIA) or Equality Analysis on a policy, service or function. It is intended that this is used as a working document throughout the process, with a final version including the action plan section being published on the Council's website.

1.	Identify the aims of the policy or service and how it is implemented.	
	Key questions	Answers / Notes
1.1	<p>Briefly describe purpose of the service/policy including</p> <ul style="list-style-type: none"> • How the service/policy is delivered and by whom • If responsibility for its implementation is shared with other departments or organisations • Intended outcomes 	<p>The River Avon at Mead Lane, Saltford is a popular location for leisure and recreation, and for informal mooring of boats. Until now it has been used as an unregulated mooring space utilised by live aboard and other boaters. The area was subject to a temporary mooring trial introducing 48 hour and 14 days' time limited moorings between December 2016 and October 2018.</p> <p>Boat dwellers with a continuous cruising licence must move every 14 days (unless extenuating circumstances arise). The moorings at Mead Lane make up part of the local mooring network and some of those using the moorings will have a car to enable them to get to work/school/GP etc.</p> <p>The Council is owner of this stretch of the river and does not have regulatory power to enforce mooring compliance. As the Council is the owner of this stretch, Canal and River Trust do not have the powers to monitor, inspect and report on overstaying, therefore during the mooring trial compliance with the 48 hour or 48 hour stays was self-regulatory.</p> <p>Bath and North East Somerset Council commissioned an independent survey of stakeholders on the options for the future of the Mead Lane moorings, and seeking views from all those who live, visit and work in the area.</p> <p>In advance of the mooring trial white lines were installed along the lane to discourage vehicles parking opposite residential driveways (Nov 2016).</p>

		<p>During the period of the mooring trial a Traffic Regulation Order prohibiting overnight parking between 1am-8am was consulted upon. A decision was made not to implement a parking restriction.</p> <p>The intended outcome of the mooring consultation is to resolve current tensions and complaints from some house residents against boaters and vice versa.</p>
1.2	<p>Provide brief details of the scope of the policy or service being reviewed, for example:</p> <ul style="list-style-type: none"> ● Is it a new service/policy or review of an existing one? ● Is it a national requirement? ● How much room for review is there? 	<p>The current consultation seeks to find out the views of a wide range of stakeholders on their views on the mooring options at Mead Lane. At the moment mooring continues in a self-regulated manner.</p> <p>Consultation commenced on 30 September and closed on 31/10/19.</p>
1.3	Do the aims of this policy link to or conflict with any other policies of the Council?	<p>This links to issues within the following portfolios:</p> <p>Planning riparian ownership Owning a watercourse</p> <p>Local housing needs assessment Review of housing needs for caravans and houseboats</p> <p>Equality & Diversity Policy Equality and Diversity</p> <p>Parking & Transport</p>

2. Consideration of available data, research and information

Monitoring data and other information should be used to help you analyse whether you are delivering a fair and equal service. Please consider the availability of the following as potential sources:

- **Demographic** data and other statistics, including census findings
- Recent **research** findings (local and national)
- Results from **consultation or engagement** you have undertaken
- Service user **monitoring data** (including ethnicity, gender, disability, religion/belief, sexual orientation and age)
- Information from **relevant groups** or agencies, for example trade unions and voluntary/community organisations
- Analysis of records of enquiries about your service, or **complaints** or **compliments** about them
- Recommendations of **external inspections** or audit report.

	Key questions	Data, research and information that you can refer to
2.1	What is the equalities profile of service users?	<p>In this case the service users are the general public, some of whom are boat dwellers and others using boats to travel along the River Avon.</p> <p>More demographic information is available at Travellers and Gypsy Travellers</p> <p>CRT figures show: March 2019 – 2,456 boaters on Kennet & Avon canal, 995 boats between Bath and Foxhangers (40% of boats on 22% of K&A), 403 of 995 are Continuous cruisers, 80 holiday hire, 43 trade boats.</p>
2.2	What other data do you have in terms of service users or staff? (e.g. results of customer satisfaction surveys, consultation findings). Are there any gaps?	<p>Boater Survey consultation report 01.12.2016</p> <p>Gypsy Traveller Accommodation (and Other Needs) Assessment 2006-2016 accommodation</p> <p>The council has commissioned an organisation to undertake and</p>

		<p>update the assessment of the need for further moorings within B&NES. This encompasses two main elements – an assessment of current supply and need or demand. The latter will be assessed through means including a survey of boat dwellers and liaison with other relevant stakeholders. This work is underway and is anticipated to be completed later this year (2020). The outcomes of this needs assessment will be considered as part of further work on moorings along the watercourse.</p> <p>Bath and North East Somerset’s Gypsy, Traveller, Boater, Showman and Roma Health Survey 2012-2013 health study</p>	
2.3	What engagement or consultation has been undertaken as part of this EIA and with whom? What were the results?	<p>A community trigger was instigated which led to meetings at mead lane with boaters and residents, meetings with parish council and residents and meeting with boaters.</p> <p>Current consultation (see above).</p> <p>Extensive consultation was undertaken as part of the TRO proposal and those who took part included local residents, live aboard boaters, and leisure users: including anglers paddle boarders, dog walkers day trippers</p>	
3. Assessment of impact: ‘Equality analysis’			
	<p>Based upon any data you have considered, or the results of consultation or research, use the spaces below to demonstrate you have analysed how the service or policy:</p> <ul style="list-style-type: none">• Meets any particular needs of equalities groups or helps promote equality in some way.• Could have a negative or adverse impact for any of the equalities groups		
3.1		<p>Examples of what the service has done to promote equality</p>	<p>Examples of actual or potential negative or adverse impact and what steps have been or could be taken to address this</p>

3.2	All groups	The proposal relates to all users of Mead Lane including residents, live aboard boaters and leisure users, so is non-specific in terms of gender or other equalities groups.	The lack of lighting, hard standing and mooring rings on the river bank creates additional hazards for many people, especially pregnant women, people with babies and young children, Disabled people and older people.
3.3	Sex - identify the impact/potential impact of the policy on women and men.	N/A	N/A
3.4	Pregnancy and maternity -	N/A	No hard standing or mooring rings would create additional hazards for pregnant women or those with babies and young children.
3.5	Transgender - identify the impact/potential impact of the policy on transgender people.	N/A	N/A
3.6	Disability - identify the impact/potential impact of the policy on disabled people (ensure consideration both physical and mental impairments).	The Canal & River Trust implement reasonable adjustments for disabled boaters. Their figures show that state 48 boats/licences in this area issued with reasonable adjustments to take in to account Equality Act duties. Close proximity of parking and public transport may be particularly beneficial for some Disabled people, especially those who rely on public transport because they are not able to drive, or drivers who cannot walk very far to their vehicle.	See section 3.1 any moorings on a river may be more hazardous than canal moorings.
3.7	Age - identify the impact/potential impact of the policy on different age groups.	N/A	N/A

3.8	Sexual orientation - identify the impact/potential impact of the policy on lesbians, gay, bisexual & heterosexual people.	N/A	N/A
3.9	Marriage and civil partnership - does the policy/strategy treat married and civil partnered people equally	N/A	N/A
3.10	Religion/belief - identify the impact/potential impact of the policy on people of different religious/faith groups and also upon those with no religion.	N/A	N/A
3.11	Socio-economically disadvantaged - identify the impact on people who are disadvantaged due to factors like family background, educational attainment, neighbourhood, employment status can influence life chances.	N/A	N/A
3.12	Rural communities - identify the impact / potential impact on people living in rural communities.	N/A	N/A
3.13	Boat dwellers - identify the impact/potential impact on boat dwellers	The proposal will have an impact on boat dwellers (continuous cruisers on the waterways network) as well as residents and leisure users of the moorings at Mead Lane.	

4. Bath and North East Somerset Council & NHS B&NES Equality Impact Assessment Improvement Plan

Please list actions that you plan to take as a result of this assessment. These actions should be based upon the analysis of data and engagement, any gaps in the data you have identified, and any steps you will be taking to address any negative impacts or remove barriers. The actions need to be built into your service planning framework. Actions / targets should be measurable, achievable, realistic and time framed.

Issues identified	Actions required	Progress milestones/Updates
Awaiting results of consultation to ascertain if any unanticipated equality impacts are highlighted	- Cabinet to consider the consultation responses, as part of the decision-making process and in accordance with the council's legal duties	- Consultation closed and conducted between 30/9 and 31/10/19. Cabinet Meetings held on 16/1/20 and 8/10/20
Communication: some feedback that the survey is not as easily accessible to people reliant on mobile signal to complete the questionnaire.	Meetings for stakeholders / residents and boaters have been arranged. Public libraries including community libraries where people can use computers are available.	Range of forum used to engage stakeholders as part of this review. 1,251 responses.
Accessing the survey	To ensure the questionnaire is accessible to all, offering alternative formats on request as is standard with Council consultations.	Please see link to the published document produced following the consultation this outlines how the council ensured good access to the survey https://democracy.bathnes.gov.uk/documents/s59792/E3180z%20MeadLaneReport021219.pdf

5. Sign off and publishing

Once you have completed this form, it needs to be 'approved' by your Divisional Director or their nominated officer. Following this sign off, send a copy to the Equality Team (equality@bathnes.gov.uk), who will publish it on the Council's. Keep a copy for your own records.

Signed off by Mandy Bishop Director of Environment

Date: Updated EIA – 25/9/20

Effective: 01/09/2018 to 17/09/2020
Street: MEAD LANE (47903032)

Display Action Officer: No

Street: MEAD LANE (47903032)			Locality: SALT FORD, BATH AND NORTH EAST SOMERSET			Area: Saltford		
Condition Survey								
Defect No:	Description	Log Date	Location	Defect Type	Class.	Organisation	Status	Job No.
No.:	1.00	Rd. - Locn.:	CW: From jnc. High Street to end	Asset Type: Whole Street			Area: Saltford	
Batch: 30060331 - Inspection Batch			Route: Area 4 - Keynsham			Date: 25/02/2019		
30029437	PCLG - Urban - Light Traffic - 20mph - Approx 3m Working width - ch8 CARRIAGEWAY - 0.3x0.3m (FILLED WITH COLDLAY MATERIAL BY PCL ON 25/02/19)	25/02/2019	(SALT FORD) Level with back end of Jolly Sailor car park	Pothole	Internal		Committed	272765
Batch: 30058245 - Inspection Batch			Route: Adhoc Inspection Route			Date: 28/12/2018		
30028443	Five potholes in the carriageway Done by AS Measuments and photographs	28/12/2018	Outside Sheldrake and Rockside	Pothole	Internal		Committed	271722
Batch: 30055900 - Inspection Batch			Route: Adhoc Inspection Route			Date: 25/10/2018		
30027277	PCLG - Urban - Light Traffic - 20mph - Approx 3m working width - CH8 - CARRIAGEWAY - 3.5x1m	25/10/2018	(SALT FORD) Outside Cherry Cottage	Patching Defect	Internal		Committed	270359
Batch: 30055381 - Inspection Batch			Route: Adhoc Inspection Route			Date: 15/10/2018		
30027028	PCLG - Urban - Light Traffic - 20mph - Approx 3m working width - CH8 - CARRIAGEWAY - 0.4x0.4m	15/10/2018	(SALT FORD) Outside Sheldrake	Pothole	Internal		Committed	270095
Batch: 3000370 - Inspection Batch			Route: Adhoc Inspection Route			Date: 31/05/2020		
3000370	Closing road as to many people	31/05/2020		Emergency Callout	Internal		Archived	2750370
Batch: 2016825 - Inspection Batch			Route: Area 4 - Keynsham			Date: 24/07/2020		
No actionable defects found								
Batch: 2012404 - Inspection Batch			Route: Adhoc Inspection Route			Date: 27/02/2020		
2006324	PCL - (1) 0.5x0.5 (2) 1.5x0.5 (3) 4x1 (4) 1x0.4	27/02/2020	(SALT FORD) (1-3) Outside Cherry Cottage (4) Outside Marlyn LIASE WITH PC ON SITE	Carriageway Patching < 20 SQM	Internal		Archived	1005782
Batch: 2011976 - Inspection Batch			Route: Adhoc Inspection Route			Date: 19/02/2020		
2006035	PCL - Place out x3 flood/road closed signs. Collect when flood has abated.	19/02/2020	(SALT FORD) At bridge & junction of Avon Lane	Road Sign	Internal		Archived	1005529
Batch: 2011966 - Inspection Batch			Route: Area 4 - Keynsham			Date: 19/02/2020		
No actionable defects found								
Batch: 2010408 - Inspection Batch			Route: Adhoc Inspection Route			Date: 13/01/2020		
2005141	GULLY - clear gully, Suck out pot & jet through	13/01/2020	(SALT FORD) Under railway path arch	Jetting	Internal		Archived	1004713
Batch: 2005056 - Inspection Batch			Route: Area 4 - Keynsham			Date: 16/08/2019		
2002563	PCL - (1) 5x1 (2) 4x1 (3) 3x0.5 (4) 4.5x0.5 (5) 1x0.5 (6) 0.5x0.5	16/08/2019	(SALT FORD) (1-4) Opposite first mooring point (5) Outside Greenhills (6) Outside Jolly Sailor car park	Carriageway Patching < 20 SQM	Internal		Archived	1002368

Effective: 01/09/2018 to 17/09/2020
Street: MEAD LANE (47903032)

Display Action Officer: No

Maintenance Management

Job No.	Description	Location	Priority	Job Status	Entered	Completion	Works Order
No.:	1.00	Rd. - Locn.: CW: From jnc. High Street to end	Asset Type: Whole Street		Area: Saltford		
270095	PCLG - Urban - Light Traffic - 20mph - Approx 3m working width - CH8 - CARRIAGEWAY - 0.4x0.4m (Pothole)	(SALT FORD) Outside Sheldrake	P4 - 28 Calendar days	Contractor Completed	15/10/2018	24/10/2018	Act. HM03/225504
270359	PCLG - Urban - Light Traffic - 20mph - Approx 3m working width - CH8 - CARRIAGEWAY - 3.5x1m (Patching Defect)	(SALT FORD) Outside Cherry Cottage	P4 - 28 Calendar days	Contractor Completed	25/10/2018	13/12/2018	Act. HM03/225805
271722	PCL G)Five potholes in the carriageway Done by AS Measurements and photographs (Pothole)	Outside Sheldrake and Rockside	P1 - Emergency Works	Contractor Completed	28/12/2018	28/12/2018	Act. HM03/227043
272765	PCLG - Urban - Light Traffic - 20mph - Approx 3m Working width - ch8 CARRIAGEWAY - 0.3x0.3m (FILLED WITH COLDLAY MATERIAL BY PCL ON 25/02/19) (Pothole)	(SALT FORD) Level with back end of Jolly Sailor car park	P1 - Emergency Works	Contractor Completed	25/02/2019	25/02/2019	Act. HM03/227998

Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Cabinet	
MEETING/ DECISION DATE:	8 October 2020	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3213
TITLE:	Leisure Service Review	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
<ul style="list-style-type: none">Equality Impact Assessment (reviewed)		

1 THE ISSUE

- 1.1 In March 2020, the Government announced the temporary closure of all gyms, leisure centres and outdoor spaces as part of its COVID-19 response to stop the spread of infection.
- 1.2 Councils across the country have been faced with a choice between providing financial support to cover the losses sustained during this period or seeing leisure centres close down.
- 1.3 Bath and North East Somerset Council has provided financial support in line with government supplier relief guidance (PPN 02/20) to its contractor GLL to ensure its leisure centres can continue to operate.
- 1.4 The Council has worked closely with GLL to manage costs and access funding such as the government furlough scheme during this period to minimise the losses sustained.
- 1.5 To consider the best way to ensure there is a sustainable business model moving forwards in Bath and North East Somerset a review of leisure/sports provision has been undertaken.
- 1.6 This report sets out the main issues considered in that review and then makes recommendations for consideration by Cabinet to help mitigate the continued impact from Covid-19 on income, customer behaviour and

confidence and the need to adapt to changing guidance and the challenges presented by the current situation .

2 RECOMMENDATION

The Cabinet is asked to;

- 2.1 Agree to the following recommendations that have been developed in response to the Covid-19 impact upon the leisure industry, our contractual arrangements with GLL and the financial impacts this has placed upon the council.
- (1) Remove Chew Valley Leisure Centre from the GLL contract and hand back the lease to Chew Valley School at the end of this financial year (31st March 2021) and work with the Lighthouse School Partnership to provide an alternative solution to providing community use of the leisure facilities outside school hours.
 - (2) Re-open the dry side facilities at Culverhay Leisure Centre. The future of the swimming pool will be considered in more detail as numbers return to leisure centres and Covid 19 infection risk is reduced.
 - (3) Request officers explore investment opportunities at Odd Down Sports Ground to turn this facility from a deficit to a profit. A business case that demonstrates a clear return on investment well within the remaining life of the contract will be required for this to proceed.

3 THE REPORT

Background

- 3.1 The Leisure Service is a discretionary service, however it contributes to many critical Council priorities including tackling obesity, improving physical health and wellbeing; addressing mental health and reducing our impact on climate change through encouraging walking and cycling.
- 3.2 The contract with Greenwich Leisure Limited (GLL) to manage the Council's leisure centres is key to delivering these outcomes.
- 3.3 GLL is a social enterprise. Many local authorities have outsourced their leisure provision to social enterprises over the last 10-20 years. These partnership models build in capital investment to profit making elements (gyms, astro turf), which in turn subsidise those elements that run at a loss (swimming pools, squash courts, sports halls) minimising costs to local authorities.
- 3.4 GLL operates 394 facilities across 50 local authorities and public organisations that deliver leisure, sport, health, children's centres, library & cultural services which are fully accessible to the public. These facilities welcome 54m visits each year with an overall customer satisfaction level of 85%.
- 3.5 A nationally recognised tool has been used to assess the Social Value created by the work GLL do within B&NES and this has been valued at over £8,000,000 since 2015.

3.6 Facilities and sites within the leisure portfolio managed by GLL under the contract are as follows:

- Bath Leisure Centre
- Keynsham Leisure Centre
- The Pavilion
- Chew Valley Leisure Centre (Dual Use Centre)
- Culverhay Leisure Centre
- Odd Down Sports Centre

3.7 Since the start of the GLL contract in 2015 there has been a year on year increase in usage and targeted programmes to engage priority groups and an extensive refurbishment programme. Pre-covid-19 the centres had

- a) over 6000 members – 45% of which are on a concessionary rate
- b) c.2000 children enrolled in the swim schools
- c) over 1 million visits a year
- d) over 900 people referred on to the exercise on referral programme which helps people manage health conditions such as obesity, mental health support and heart conditions

3.8 As a social enterprise GLL's cash reserves are limited.

Impact of Covid-19

3.9 Along with all leisure operators across the country all of GLL's contracts were impacted at once by the Covid-19 situation.

3.10 When Covid-19 legislation was passed that required leisure facilities to close GLL lost all income from all of its facilities in all of its contracts. However, costs still remained - for example ensuring the mechanical and electrical systems, particularly linked to the swimming pools, were managed and maintained and ready to operate again once lockdown was released.

3.11 This left GLL and all other leisure operators with very limited options to deal with the financial impacts without support from their Local Authority partners. The situation has been made worse as leisure providers are exempt from most Covid-19 emergency support funding.

3.12 As a result GLL has requested supplier relief from the Council as recommended under guidance note PPN 02/20.

3.13 A sum of £565,643 has been agreed to the cover losses to the end of August 2020 with the Council working closely with GLL to control costs as far as possible during this time.

3.14 These costs have also been independently benchmarked by Sport England supported advisors to ensure they are in line with what other Local Authorities are experiencing and that all avenues for controlling costs are being explored.

- 3.15 It has been agreed with GLL that any further support required from September 2020 will be via a loan agreement to be paid back over the lifetime of the contract.
- 3.16 Officers have been working with other South West local authorities to share experiences, best practice and approaches taken with leisure providers. Where Local Authorities have not supported leisure contractors their leisure centres have not reopened.
- 3.17 At the request of the SW Chief Executive Officers group, this group has been lobbying Ministers directly on the financial pressured faced by the sector. Funding from central government has only covered directly run LA leisure services, not those who use leisure trusts as a model of delivery as in this case.
- 3.18 GLL representatives are also involved in direct discussions with government. All parties are working closely with Sport England who have submitted a request to government to support the sector (circa (£1b).

Phased Re-opening

- 3.19 GLL have managed a phased re-opening of the facilities which started at the end of July. GLL and the Council have worked together to ensure that they open those facilities that can improve the financial position and have the greatest impact on participation levels while social distancing remains in place as this impacts the capacity of the facilities. It also allows time to assess how customer confidence, behaviour and demand has been affected by Covid-19 as we came out of initial Covid-19 response period.
- 3.20 Bath Sports and Leisure Centre and Keynsham Leisure Centre re-opened on 25 July to start this process with Odd Down Sports Ground following in August. This has seen c.40,000 visits to these centres as facilities gradually reopen which is around a third of the visits for the same period last year. Given the reduced capacity required by social distancing rules and the fact that not all areas of the facilities have been open for the whole period this is a positive and encouraging start.
- 3.21 The additional government measures to control Covid-19 announced on 22nd September 2020 do not impact on the leisure recovery model at the time of writing this report.
- 3.22 Culverhay School dry facilities are due to come online, date to be confirmed by the operator, with Chew Valley Sports Centre working to restart club and block bookings only at this stage.
- 3.23 The Pavilion however will remain closed at this time in line with Government guidelines. This is being reviewed regularly as advice is updated on the types of activities that can and can't take place. Staff have been re-deployed to other sites to mitigate costs where possible.
- 3.24 While it is positive that centres are re-opening and income streams are returning it is likely to be some time before they recover fully and there is also the risk of further restrictions on use being put in place to combat Covid-19.

Leisure Service Review

- 3.25 In the light of the financial pressure Covid-19 has placed on the Council and GLL a review has been undertaken to seek to develop a more sustainable business model for the future.
- 3.26 The recommendations in this report are designed to balance the need for a sustainable financial model against the desire to provide leisure services that help to improve the health and wellbeing of the local population.
- 3.27 Actual profit and loss figures for each site are not included as this is deemed commercially sensitive information as part of the contract with GLL.
- 3.28 Bath Sports and Leisure Centre and Keynsham Leisure Centre are not considered as part of this review as they have recently been refurbished and will not require any subsidy to operate once maturity is reached for the new facilities. They are also the biggest sites with the highest participation levels as shown below as visits per year:

Centre	2018	2019	Subsidy per user
Bath Pavilion	89,477	69,912	£0
Bath Sports & Leisure Centre	612,784	771,976	£0
Chew Valley Sports Centre	24,705	27,383	£2.10
Culverhay Sports Centre	81,803	77,065	£0.5 or £1.60 for swimming pool users
Keynsham Leisure Centre*	161,044	132,559	£0 at maturity
Odd Down Sports Ground	60,840	86,593	£1.10

*Keynsham Leisure Centre was refurbished during this period and was operating at reduced capacity. User numbers are expected to increase significantly once the centre business plan reaches maturity.

Chew Valley Leisure Centre

- 3.29 Chew Valley Leisure Centre is located on the site of Chew Valley School which is run by the Lighthouse School Partnership (LSP) in Chew Magna and provides a programme of sports, exercise and activities for the local community. The facilities are used by school during the day and then are open to the public in the evenings and at weekend.
- 3.30 This centre has the lowest level of usage of all our leisure centres due to the relatively small community that it serves and makes a significant trading loss which is in excess of £50k per year. This equates to a subsidy of c.£2.10 per visit which is the most expensive of all of the leisure centres.
- 3.31 This level of usage makes it hard to sustain the overheads of a full leisure centre type operation and is more suited to providing a scaled down community lettings type approach.
- 3.32 Other full-scale leisure centre facilities are available within a reasonable distance for a rural area in Midsomer Norton (11 miles) or Keynsham (8 miles). Public bus services connect to Keynsham and Midsomer Norton.

https://www.bathnes.gov.uk/sites/default/files/sitedocuments/chew_valley_bu_s_leaflet_nov_12.pdf

- 3.33 The council currently holds a lease from the Multi Academy Trust for the community management of the leisure facilities and the lease can be terminated with 3 months' notice.
- 3.34 Discussions with the school have taken place to understand the feasibility and practicality of continued community use of the facilities should the lease be ended. Officers have been working with LSP staff to develop a sustainable business model for future operation that is more in line with the usage level.
- 3.35 Dragonfly Leisure, who operate Withington Sports Centre and Midsomer Norton Sports Centre, have been approached as a potential partner for the school to develop a new operating model.

3.36 Recommendation 1:

Agree to hand back the lease to the school at the end of this financial year (31st March 2021) and work with the Lighthouse School Partnership to secure community use outside school hours under a different more cost-efficient operating model.

Culverhay Leisure Centre

- 3.37 The leisure centre is part of the former Bath Community Academy site and serves the communities of Twerton, Southdown and Whiteway which have been identified as having higher levels of socio-economic deprivation. The facilities are in poor condition and the pool is not well used. The maintenance liability means that the centre makes a significant trading loss with the pool being the major part of this.
- 3.38 The future use of the whole BCA/Culverhay site is currently under review through an options appraisal exercise.
- 3.39 The council has invested in teaching and swim facilities at both Bath and Keynsham.
- 3.40 The pool at Culverhay is old and expensive to heat in part due to the unusual 3m depth at the deep end. The future of the pool will be considered as part of the overall re-development of the site.
- 3.41 The sports hall is well used and is needed to meet the demand identified through Sport England modelling in Bath and this alongside the fitness facilities represents a viable offering.

3.42 Recommendation 2:

In the short term re-open the facility without the pool as part of the phased re-opening. This would include the sports hall and fitness areas and would provide a significant saving on maintenance and energy costs.

The long term leisure provision on the site should be decided as part of the wider work on the future use of the whole site.

Odd Down Sports Ground

3.43 The site was refurbished in 2015 with a new 3G pitch, new pavilion, new closed road cycle circuit and investment into the grass pitches. Since it's reopening it has become a busy and valued community site with over 85,000 visits in 2019, up from 60,000 in 2018 as shown in the table above in paragraph 3.28.

3.44 Odd Down operates at a loss (in excess of £70k per year) mainly due to the grass pitch element of the site. Football pitches and cricket pitches are expensive to maintain and drive very little income. Removing this provision from the site would save money but would be removing facilities that the community value and would put at risk local football clubs and local leagues who would find it hard to find alternative sites.

3.45 The current subsidy required to cover the loss equates to c.£1.10 per user

3.46 Several funding agreements are in place with Sport England, the Football Foundation, RFU, ECB and British Cycling which would result in claw back of grants if the pitches on the site were closed.

3.47 While the site currently makes a loss, this has significantly reduced in recent years and the site could benefit from additional investment in facilities that could remove this loss-making position and allow the site to become cost neutral. This will ensure that the broad leisure offer remains in place.

3.48 With the right investment there is potential to significantly increase income at this site. The addition of a fitness suite, studio space and soft play type facilities would make this site a viable proposition. The cost of the additional facilities is estimated at £660K. This would be on an invest to save basis with a relatively quick return on investment (c. 4.5 years). More detailed business planning and design would be needed to bring this idea to fruition.

3.49 Other partnership projects are being explored as well at this time.

3.50 Recommendation 3:

Request officers explore investment opportunities at Odd Down Sports Ground to turn this facility from a deficit to a profit. A business case that demonstrates a clear return on investment well within the remaining life of the contract will be required for this to proceed.

Bath Pavilion

3.51 The Bath Pavilion (music and cultural venue, event space etc) normally operates at a break-even or small surplus. However, given the nature of the venue it is not anticipated that mass participation events will be allowed this financial year and so this facility is showing a loss and slower recovery than the sports facilities as there will be staff costs to maintain beyond the end of furlough.

3.52 An option is to permanently close this facility making the staff redundant; however this would likely have a detrimental long term impact on the contract and would likely be a difficult decision as this facility has a significant history

in Bath and there are no other similar facilities in the local area. Closure is not an option the council wishes to explore.

3.53 It is currently planned that the Pavilion should remain closed in line with Government guidelines at this time. This situation should be regularly reviewed as advice is updated on the types of activities that can and can't take place and seek to re-open as soon as it is safe to do so. Staff to continue to be re-deployed to other sites to mitigate costs where this is possible.

4 STATUTORY CONSIDERATIONS

4.1 Equalities, natural environment, public health, procurement and inequalities.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 A detailed business case is required for Odd Down Sports Ground before progressing that option.

5.2 Potential savings based on the recommendations above:

Site	Potential annual recurring Saving
Odd Down Sports Ground	c. £45 K dependant in business case
Culverhay Leisure Centre	c. £30 K
Chew Valley Leisure Centre	c. £40 K

6 RISK MANAGEMENT

6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision-making risk management guidance.

7 EQUALITIES

7.1 It is anticipated that the recommendations will have minimal impact. The facilities at Chew Valley School are planned to continue under a different operating model, the pool at Culverhay has alternatives that are accessible and the facilities at Odd Down are proposed to be extended. The Swimming Pool Equality Impact Assessment (copy attached) has been reviewed and is not impacted by these changes. Members must, when exercising their decision making powers, consider their public sector equality duty to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people carrying out their activities. Members must consider the impact of the phased return of leisure services on those with protected characteristics.

8 CLIMATE CHANGE & ECOLOGICAL EMERGENCY

8.1 Ensure any planned investments at Odd Down consider the climate change and ecological agenda during the design stage to maximise energy efficiency and minimise/improve any ecological impacts.

8.2 With new more efficient teaching pools being completed at Bath and Keynsham Leisure Centres this will reduce our energy use.

9 OTHER OPTIONS CONSIDERED

9.1 See above

10 CONSULTATION

10.1 Cabinet Members, Monitoring Officer, S151.

10.2 GLL – National Team and Regional Business Manager

10.3 Max Associates – Lead consultant Mark Steward

10.4 Lighthouse Schools Partnership

Contact person	Marc Higgins marc_higgins@bathnes.gov.uk
Background papers	N/A
Please contact the report author if you need to access this report in an alternative format	

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Equality Impact Assessment / Equality Analysis

Title of service or policy	Swimming Pool Provision in Bath and North East Somerset
Name of directorate and service	Place, Environmental Services
Name and role of officers completing the EIA	Martin Pellow
Date of assessment	Oct 2017 (reviewed 24/9/20)

Equality Impact Assessment (or 'Equality Analysis') is a process of systematically analysing a new or existing policy or service to identify what impact or likely impact it will have on different groups within the community. The main aim is to identify any discriminatory or negative consequences for a particular group or sector of the community, and also to identify areas where equality can be better promoted. Equality impact Assessments (EIAs) can be carried out in relation to service delivery as well as employment policies and strategies.

This toolkit has been developed to use as a framework when carrying out an Equality Impact Assessment (EIA) or Equality Analysis on a policy, service or function. It is intended that this is used as a working document throughout the process, with a final version (including the action plan section) being published on the Council's and NHS Bath and North East Somerset's websites.

1.	Identify the aims of the policy or service and how it is implemented.	
	Key questions	Answers / Notes
1.1	Briefly describe purpose of the service/policy e.g. <ul style="list-style-type: none"> • How the service/policy is delivered and by whom • If responsibility for its implementation is shared with other departments or organisations • Intended outcomes 	Greenwich Leisure Ltd is contracted by Bath and North East Somerset Council from July 2015 for 20 years. Responsibility for the implementation of the policy sits with both the Council and GLL. The schedule outputs detail the expected outcomes with regard to equalities. The contract is monitored by the Council; The Contract Manager inspects the facilities on a monthly basis to ensure that the contract outputs are adhered to.
1.2	Provide brief details of the scope of the policy or service being reviewed, for example: <ul style="list-style-type: none"> • Is it a new service/policy or review of an existing one? • Is it a national requirement?). • How much room for review is there? 	The Scope of the policy is effectively the contract which runs from 1st July 2015 until 30th June 2035
1.3	Do the aims of this policy link to or conflict with any other policies of the Council?	No

2. Consideration of available data, research and information

Monitoring data and other information should be used to help you analyse whether you are delivering a fair and equal service. Please consider the availability of the following as potential sources:

- **Demographic** data and other statistics, including census findings
- Recent **research** findings (local and national)
- Results from **consultation or engagement** you have undertaken
- Service user **monitoring data** (including ethnicity, gender, disability, religion/belief, sexual orientation and age)
- Information from **relevant groups** or agencies, for example trade unions and voluntary/community organisations
- Analysis of records of enquiries about your service, or **complaints** or **compliments** about them
- Recommendations of **external inspections** or audit reports

	Key questions	Data, research and information that you can refer to
2.1	What is the equalities profile of the team delivering the service/policy?	<p>The equalities profile of the staff delivering the service for the contract (all sites) is as follows:</p> <p>The makeup of the staff broadly reflects the local demographics</p> <p>This information is obtained through staff completing an Equal Opportunity Monitoring form upon joining the company</p>
2.2	What equalities training have staff received?	<p>All managers and supervisors are expected to actively promote equality of opportunity and awareness of diversity issues in their own area of responsibility.</p> <p>Management consult with relevant user groups on issues they may raise.</p> <p>Relevant staff receive disability awareness training; pool hoist training and training on ramp access for disabled users. Accessibility issues are discussed at General Manager's meetings and filtered down to Duty</p>

		<p>Manager and shift meetings.</p> <p>New staff members are encouraged to attend a GLL Equality and Diversity workshop.</p>
2.3	What is the equalities profile of service users?	<p>Male 46.1% Female 49.1% Unknown 4.9% Disabled 0.8%</p> <p>Ethnicity (2016) Asian 4.6% Black 0.7% Mixed 1.0% Other 0.1% White 93.7%</p> <p>Average of 35,322 pool users per month across partnership (2016) (figures based upon membership data)</p> <p>Sample of data collection shown in appendix</p>
2.4	What other data do you have in terms of service users or staff? (e.g. results of customer satisfaction surveys, consultation findings). Are there any gaps?	Customer Satisfaction Surveys, membership application captures the data to generate the KPI's. Customer Panel meetings, Access audits, Quarterly review of programming.
2.5	What engagement or consultation has been undertaken as part of this EIA and with whom? What were the results?	<p>Consultation with all swimming groups conducted for the refurbishment plans.</p> <p>Regular warm water swimming group views have been considered.</p>
2.6	If you are planning to undertake any consultation in the future regarding this service or policy, how will you include equalities considerations within this?	Customer survey to be conducted annually as part of benchmarking process
3. Assessment of impact: 'Equality analysis'		
	Based upon any data you have considered, or the results of consultation or research, use the spaces below to demonstrate you have analysed how the service or policy:	

	<ul style="list-style-type: none"> Meets any particular needs of equalities groups or helps promote equality in some way. Could have a negative or adverse impact for any of the equalities groups 		
		Examples of what the service has done to promote equality	Examples of actual or potential negative or adverse impact and what steps have been or could be taken to address this
3.1	Gender – identify the impact/potential impact of the policy on women and men.	<p>No gender bias in marketing demonstrated by the KPI's.</p> <p>Clothing policy: T-shirt while swimming and towels on poolside.</p> <p>Children under 8 when supervised can use either changing room</p> <p>Balanced programme provides an opportunity for all.</p> <p>Female only swimming classes –This Girl can Swim</p> <p>Changing village with cubicles and separate male & female showers</p>	
3.2	Pregnancy and maternity	<p>Female only swimming classes –This Girl can Swim</p> <p>Low intensity classes in pool – aquafit</p> <p>T-shirt can be worn while swimming</p> <p>Keynsham Leisure Centre hold a weekly warm water pre-school session, with a poolside facilitator, on Thursday mornings.</p>	

3.3	Transgender – – identify the impact/potential impact of the policy on transgender people	At Bath Sport and Leisure Centre and Keynsham Leisure Centre changing village approach produces a positive impact for trans people, in that it “allows male, female and transgender into a mixed change area with separate cubicles”.	
3.4	Disability - identify the impact/potential impact of the policy on disabled people (ensure consideration both physical and mental impairments)	<p>By the end of 2018, warm water swimming will be provided in teaching pools (30-32 degrees) in Bath and Keynsham Centres. Teaching pool warm water facility will be available for public use and for groups to book including groups of disabled people.</p> <p>Continue to heat the main pool at Bath Sports and Leisure Centre to 30°C on Thursday mornings as per the current arrangements. Review afternoon usage in the light of the new provision of the teaching pools.</p> <p>Disabled access to Bath and Keynsham Leisure Centres and in particular the pools will be improved as part of the refurbishment works.</p> <p>Concession pricing policy Carers can attend activities for free After school club for people with disabilities Mencap swimming session Hoists and beds available</p> <p>GLL host Keynsham Seals disability swimming club at Keynsham for a</p>	<p>Depth of teaching pools will be 90cm-1m which will be suitable for children to learn to swim in a safe depth. This depth will also be suitable and safe for disabled children and for disabled adults supported by carers in the water. This facility is in addition to the heating of the main pool at Bath Sports and Leisure Centre.</p> <p>Thermae Bath Spa management confirmed that a discount of 50% applies to any guest who is a blue badge holder/registered disabled.</p> <p>The Council have explored the request for a deeper warm water pool to be provided at the Bath Leisure Centre, and have considered the proposals that have been put forward. However the proposals are not considered to be feasible on the grounds of deliverability and cost. See recommendations to CTE panel 11 January 2017.</p> <p>In considering what adjustments are reasonable for the Council to make - consideration was given to the users of</p>

		discounted rate	<p>the facility and how many would require warmer water at a greater depth than that provided by the new Learning Pools. Consideration was given to the impact that a deeper pool would have on current and potential users, the safety considerations, the costs and practicality of providing these facilities.</p> <p>As detailed in the report - the Council considers that the provision of these facilities constitutes a reasonable adjustment based upon the respective needs of the core user and the needs identified by the WWISE group while maximising the use for all users and minimising the risks to safety of users, capital and revenue impacts and deterioration of premises that operating a permanent dedicated warm water facility would entail.</p>
3.5	Age – identify the impact/potential impact of the policy on different age groups	<p>Concession pricing policy</p> <p>no charge for under 3's</p> <p>Club offer for over 60 will include swim option</p> <p>Keynsham Leisure Centre hold a weekly warm water 50 + session on Thursday mornings</p>	
3.6	Race – identify the impact/potential impact on different black and minority ethnic groups	<p>Usage profile in line with demographics</p> <p>Use of a wide range of promotional</p>	

		images	
		Examples of what the service has done to promote equality	Examples of actual or potential negative or adverse impact and what steps have been or could be taken to address this
3.6	Sexual orientation - identify the impact/potential impact of the policy on lesbian, gay, bisexual, heterosexual people	Use of neutral language in membership application forms. GLL Marketing is carefully designed to appeal to a cross section of the community including customers with different sexual orientations.	
3.7	Marriage and civil partnership – does the policy/strategy treat married and civil partnered people equally?	Yes	
3.8	Religion/belief – identify the impact/potential impact of the policy on people of different religious/faith groups and also upon those with no religion.	(Host Indian weddings in the Pavilion) Clothing policy: T-shirt while swimming and towels on poolside.	
3.9	Socio-economically disadvantaged* – identify the impact on people who are disadvantaged due to factors like family background, educational attainment, neighbourhood, employment status can influence life chances (this is not a legal requirement, but is a local priority).	Concession pricing GLL work with the following organisations to provide free or reduced price access to their facilities: Carers Centre Bath Rugby Foundation St Philip and St James Church Bath Mencap Curo Housing Association Youth offending Team Youth Services Exercise on referral prices Swimming offered for a pound in various half term promotions.	

		Free swimming sessions for Bath Rugby Foundation's Hitz programme	
3.10	Rural communities* – identify the impact / potential impact on people living in rural communities	Pools are accessible by public transport and marketing of swim programme is across the whole of Bath and North East Somerset area.	

There is no requirement within the public sector duty of the Equality Act to consider groups who may be disadvantaged due to socio economic status, or because of living in a rural area. However, these are significant issues within B&NES and have therefore been included here.

4. Bath and North East Somerset Council & NHS B&NES Equality Impact Assessment Improvement Plan

Please list actions that you plan to take as a result of this assessment/analysis. These actions should be based upon the analysis of data and engagement, any gaps in the data you have identified, and any steps you will be taking to address any negative impacts or remove barriers. The actions need to be built into your service planning framework. Actions/targets should be measurable, achievable, realistic and time framed.

Issues identified	Actions required	Progress milestones	Officer responsible	By when
Pricing is a potential barrier to accessing service	Continued review on annual basis		Martin Pellow	Jan
GLL offer a varied and wide ranging programme to appeal to large range of people	Programme to be reviewed annually		Martin Pellow	Monthly reports

National physical activity data shows that women and ethnic minorities tend to be less active and under-represented in taking up physical activity opportunities	Specific programmes in place in monitored to target these groups		Martin Pellow	Quarterly reports

5. Sign off and publishing

Once you have completed this form, it needs to be 'approved' by your Divisional Director or their nominated officer. Following this sign off, send a copy to the Equalities Team (equality@bathnes.gov.uk), who will publish it on the Council's and/or NHS B&NES' website. Keep a copy for your own records.

Signed off by: Martin Shields

(Divisional Director or nominated senior officer)

Date: 4/1/17

Reviewed 24/9/20

I have considered the original EIA and am satisfied that our operating model continues to deliver on the actions outlined.

Facilities remain available to support groups with protected characteristics to access swim facilities. The newly refurbished pools in Keynsham, with improved change facilities, opened during the first half of 2020.

Mandy Bishop. Director of Environment

Appendix

Below is a screenshot of the ethnic origin question asked when a customer takes out a new membership.

The screenshot displays the 'Legend Club Management System' interface. The main window is titled 'New Member Wizard' and shows the 'Personal Details' section. A dropdown menu for 'Ethnic Origin' is open, showing a list of options: Black/British Black(African), Antipodean, Arab, Bangladeshi, Black African, Black Caribbean, Black Other, Black/British Black(African), Black/British Black(Caribbean), and Black/British Black(Caribbean). The 'Black/British Black(African)' option is selected. The 'Date of Birth' field is set to 01/11/1969 and is marked as mandatory with a red asterisk. The 'Gender' field has radio buttons for Male and Female. The 'Occupation' and 'Employer' fields are also visible. The bottom of the window shows a status bar with fields for Name, Number, Check In Note, and a list of tabs including 'Balance: £0.00', 'Active', 'No Issues', 'gll09702', 'Bath S J.C', 'j_ma.mharrison', and 'Keynsham Leisure Centre'.

Legend Club Management System

New Member Wizard

Personal Details

Please collect some personal details regarding the prospective member. These details are optional. The red asterisk denotes a mandatory field.

Gender: ☒ Male ☐ Female

Date of Birth: 01/11/1969 *

Marital Status:

Ethnic Origin: Black/British Black(African)

Employee Details: ☐ This prospective member is an employee. Note: Ticking this box will require you to complete the Employee Details section.

Occupation:

Employer:

OK Cancel

< Previous Next > Finish

Name:

Number:

Check In Note:

Balance: £0.00 Active No Issues gll09702 Bath S J.C j_ma.mharrison Keynsham Leisure Centre

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Bath & North East Somerset Council		
MEETING	Cabinet	
MEETING DATE:	8 October 2020	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3232
TITLE:	2021/22 Medium Term Financial Strategy	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1 – Medium Term Financial Strategy		

1 THE ISSUE

- 1.1 The Medium Term Financial Strategy (MTFS) sets out the strategic direction and priorities for the Council as well outlining the financial context and challenges the Council faces over the next five years and the strategy that will be used to inform its annual budget process.

2 RECOMMENDATION

The Cabinet is asked to;

- 2.1 Approve the attached Medium Term Financial Strategy.**

3 THE REPORT

- 3.1 The Medium Term Financial Strategy (MTFS) provides framework for strategic planning, articulating the organisation's key aims and ambitions and guiding our activities with medium term budget setting and planning. This sets out the current financial challenge (including the Covid impact on Council budgets), strategic direction and financial priorities for the Council, as well as the financing mechanisms available to the Council to achieve this.
- 3.2 The MTFS does not detail how individual savings will be made, nor how categories of additional income will be achieved. Nevertheless it describes the scope of the work required, and taking place, to meet these targets together with some of the anticipated impacts. Due to the unprecedented financial challenge as a result of Covid the MTFS sets the approach to strategically manage and transition the Councils financial recovery.

3.3 The focus is on the next two years for financial planning purposes. However, there is significant uncertainty for next year and beyond because the national approach to funding Government nationally and locally government is currently under review.

4 STATUTORY CONSIDERATIONS

4.1 The Medium Term Financial Strategy as outlined is part of the preparation for the budget and Council Tax setting for 2021/22 that will be considered by this council in February 2021. Equality analysis will be carried out on specific budget proposals as part of that process.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 The resource implications are outlined within the Medium Term Financial Strategy attached to this report.

6 RISK MANAGEMENT

6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

6.2 The Medium Term Financial Strategy includes a section on specific risks.

7 CLIMATE CHANGE

7.1 The Corporate Strategy highlights that "Addressing the Climate Emergency" is one of the key themes reflected in the administration's priorities. This includes plans to work with local communities to deliver the Council resolution agreed in March 2019 to declare a climate emergency, and for the area to become carbon neutral by 2030.

8 OTHER OPTIONS CONSIDERED

8.1 The supporting paper outlines options for balancing future budgets.

9 CONSULTATION

9.1 A consultation plan is being prepared to ensure stakeholder engagement for the key aspects of the strategy and this will take place in the autumn period, including a series of community engagement sessions.

Contact person	Andy Rothery, Director of Finance (S151 Officer) – 01225 477103; andy_rothery@bathnes.gov.uk
Background papers	Budget and Council Tax 2020/21 and Financial Outlook – Council Agenda February 2020 Financial Settlement information (Government website)
Please contact the report author if you need to access this report in an alternative format	

Appendix 1

Bath & North East Somerset – Medium Term Financial Strategy 2021/22 -2025/26

1. Purpose of the Strategy

The Medium Term Financial Strategy (MTFS) provides a framework which details the available resources for strategic financial planning, articulating the organisation's key aims and ambitions and guiding our activities with medium term budget setting and planning.

The MTFS does not detail how individual savings will be made, nor how categories of additional income will be achieved. Nevertheless it describes the scope of the work required, and taking place, to meet these targets together with some of the anticipated impacts. Due to the financial pressure Covid has put on the Council the MTFS sets out strategic management options based on high level planning assumptions in section 10.

The focus is on the next two years for financial planning purposes with the emphasis on creating a transitional budget to allow the Council to recover from the financial impacts of Covid-19. At this stage there is significant uncertainty for next year and beyond because the national approach to funding local government is currently under review. The MTFS assumes that despite significant cuts in previous years funding, constraints will continue and will therefore be guided by the priority areas of service delivery as set out in the Corporate Strategy.

2. Expected Outcomes from the Strategy

The objective of this document is to set the future years Covid-19 financial recovery strategy alongside meeting the administration's priorities for the Council within the context that enables the Council's budget setting and financial planning process to deliver a balanced budget over the next five years, but with specific focus on the next two years.

A balanced budget requires the financial plan to set out how income will equal spend over the short and medium term. Plans will take into account cost savings alongside income growth strategies as well as useable reserves.

As a result of the Covid pandemic the scale of the financial challenge is unprecedented, the Council is highly exposed due to its reliance on income, alongside the additional demands on Children's and Adult Social Care. The Council has responded to this challenge with a robust set of in year recovery measures that stabilises the budget position. The strategy focusses on how this approach can be adopted in future years addressing the short, medium and long-term financial planning requirements.

3. Executive Summary and recommendations from the MTFS for consideration

The overall aim of the Medium Term Financial Strategy is to:

- Set out and deliver the Council's priorities within affordable and sustainable financial constraints;
- Ensure that the administration's (Council's) strategic priorities are reflected in its capital programme and also that the capital programme is affordable;
- Ensure that cash flows are adequately planned so that cash is available when required and the Council can meet its capital spending obligations; and
- Set a sound financial planning framework to underpin the effective financial management of the Council.

There is a continued lack of clarity around future funding for Local Government, however this will be informed by the Chancellor's Comprehensive Spending Review that will be published in Autumn. This will set out the Governments spending plans for the Parliament and Government Department budgets, informing the Local Government settlement that will be announced in December. The estimates within the Strategy have not made any assumptions on new Government funding that may be allocated in 2021/22. However, it will be necessary to provide Members with an update once the changes are known.

Despite this uncertainty the Council still needs to plan its finances for the medium to longer term and therefore the Strategy is based on best estimates at this stage. The Council has a good track record in savings delivery, in 2019/20 the savings requirement was £8.85m and the revenue outturn was £0.12m under budget with positive transfers into reserves of £4m. A further £4.85m of savings is expected in this financial year which will have additional challenges as a result of Covid and the government lockdown and ongoing social distancing requirements.

The MTFS base case as set out in the report (section 9) estimates that the Council will need to find up to £35.93m (including the £2.81m already identified) in savings over the next five years. The strategy sets out revisions to the base case for consideration that would require £10m temporary use of reserves and holding Council tax increases at 2020/21 levels over the five-year MTFS period (subject to Government guidance). This will result in a savings requirement of £29.63m over the five year period which includes fully repaying the temporary use of reserves.

The main contributing factor that is driving the budget gap is the need to rebase income budgets as a result of Covid and general Council demand and inflationary pressure being higher than the additional income raised through Council tax increases.

In the shorter term the profile of the savings shows a requirement of £29.13m over the next two years (£20.76m in 2021/22 of which there are planned savings of £2.41m, followed by £8.37m). This gives a front loaded profile as a result of the budget rebasing and transition from loss of income due to Covid.

To manage this risk the revised base case sets out a reprofiled saving of £21.71m over the two-year period (£11.61 in 2021/22 and £10.10m).

The current MTFS base case includes increases of 1.99% per annum in Council Tax for each year of the plan. No further increases in Adult Social Care Precepts have been factored into the plan as there has been no further flexibility announced by central Government. The revision to the base case includes 3.99% per annum which is subject to Government guidance for Council tax setting.

To manage financial risk the Council holds £13.52m of unearmarked reserves, if unutilised in 2020/21 the MTFS proposes that £5m of this reserve is transferred into an earmarked Covid risk reserve. This will leave a reserve balance of £8.52m that is within Council benchmark levels for unearmarked reserves as a percentage of net budget.

The Council holds Revenue Budget Contingency and Financial Planning / Smoothing reserves that enable one-off transitional funding to meet revenue costs. The MTFS proposes utilisation of £10m of reserves over the next two years to create transitional funding enabling the Council to deliver the changes required to reduce its reliance on Commercial Income. These reserves are replenished within the five year MTFS period. Flexible capital receipts will continue to be utilised to fund severance costs that result in delivering ongoing savings.

Capital spending will focus on the delivery of priority schemes within affordability levels, the 2020/21 Capital programme has undergone a thorough review as part of the Covid Financial Recovery Plan, resulting in a more accurate budget profile.

As part of delivering this strategy plans are being put in place to engage with all elected members, partners and the public as part of the budget process for 2021/22 and the following years.

4. The Medium Term Financial Strategy

The MTFS outlines the factors which are expected to drive future costs and sets out the funding projections and our strategy for addressing the funding gap. It supports the medium term policy and financial planning process at the heart of setting revenue and capital budgets.

The core principles underlying the MTFS are as follows:

- That the Council will seek to maintain a sustainable financial position over the course of the planning period and balance the budget on a two year rolling programme;
- That the Council will make provision for pressures, demographic changes, and inflation where appropriate with new priorities added only if “headroom” is achieved;
- The deployment of the Council’s limited resources will be focused towards essential services and those that contribute to the delivery of the Corporate Strategy
- Council tax increases have been included within the term of the MTFS to support essential services.

- New sustainable income opportunities are to be maximised wherever possible while maintaining current income streams through current economic uncertainty.

5. The Current Financial Position

2019/20 Outturn

The 2019/20 outturn reported an under budget position of £0.12m to Cabinet in July 2020 as follows:

Portfolio	Revised Budget £'m	Outturn £'m	Variance £'m
Leader	(0.36)	0.07	0.43
Resources	1.33	0.06	(1.27)
Adult Services	61.95	61.56	(0.40)
Children's Services	28.15	30.40	2.25
Climate Emergency & Neighbourhood Services	16.23	16.43	0.20
Transport Services	(0.02)	(0.22)	(0.20)
Housing, Planning & Economic Development	3.29	2.69	(0.60)
Community Services	(2.72)	(3.48)	(0.76)
Total	107.84	107.49	(0.35)
Approved Carry forwards			0.23
Total (Including carry forwards)			(0.12)

Budget 2020/21

The 2020/21 net budget of £118.8m was approved by Council in February 2020. Quarter 1 budget monitoring to the end of June, showed a projected overspend of £10.8m against the revised budget of £121.94m as shown below.

These figures include the delivery of £20.7m in year recovery measures agreed by the Cabinet on the 2nd July. Current monitoring indicates that the majority of recovery measures will be delivered, the Government income reimbursement scheme will give the opportunity to reduce the need for all recovery measures to be implemented in this financial year.

Note: these are the Quarter 1 monitoring published figures and exclude the government sales, fees and charges income claim that will improve the position and be incorporated into the Quarter 2 monitoring.

Portfolio	Revised Budget £'m	Forecast Year End Actual £'m	Variance Over / (Under) £'m
Leader	(0.63)	(0.63)	0.00
Resources	16.44	4.53	(11.91)
Adult Services	63.55	63.46	(0.09)
Children's Services	26.33	26.31	(0.02)
Climate Emergency & Neighbourhood Services	16.99	16.88	(0.11)
Transport Services	(0.09)	7.94	8.03
Housing, Planning & Economic Dev.	3.59	3.12	(0.47)
Community Services	(4.24)	11.10	15.34
Total	121.94	132.71	10.77

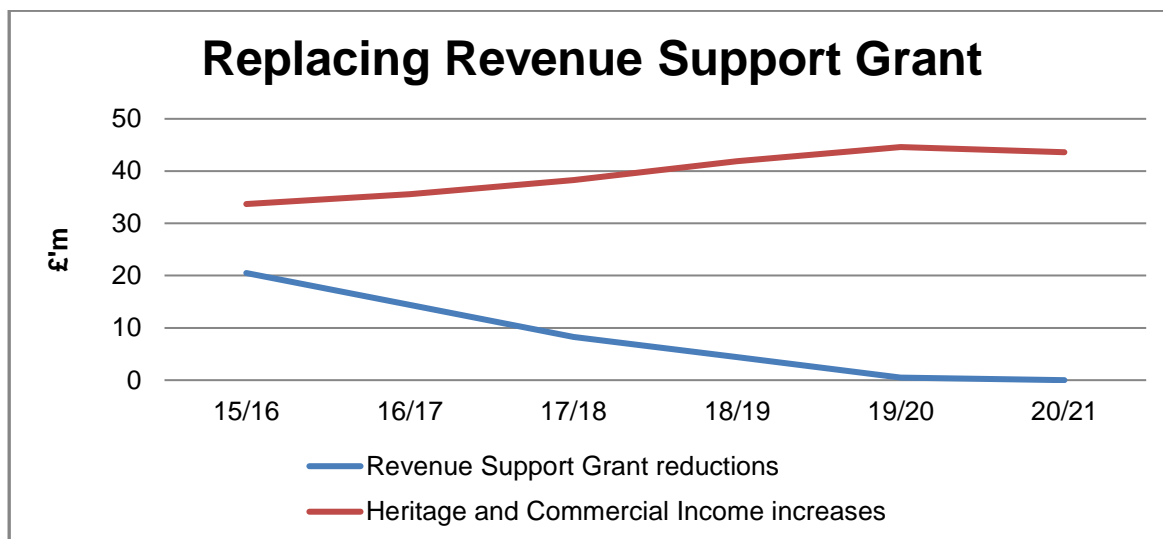
The projected deficit is due to income losses in Heritage Services, Parking and Commercial rents, as well as other income generating services, combined with new Covid-19 related expenditure pressures.

To mitigate this the Council has earmarked and committed general un-earmarked and financial planning reserves to fund the projected deficit. However, the requirement to use reserves should reduce as the announcement from MHCLG to reimburse local authorities for lost income will help minimise the impact on reserve balances and give the option to re-visit and adjust the recovery plans. The income reimbursement claim and proposed changes to the in-year recovery measures will be presented to Cabinet through the Quarter 2 monitoring in November.

Analysis of Current Position

Local Government has built its budget plans based on continued reductions in revenue support grant funding.

The table below shows an extract from the 2020/21 MTFS that shows the Council has grown its' main income streams from heritage and commercial estates – due to Covid and the impact on income this is no longer a sustainable strategy.



6. Drivers of Demand

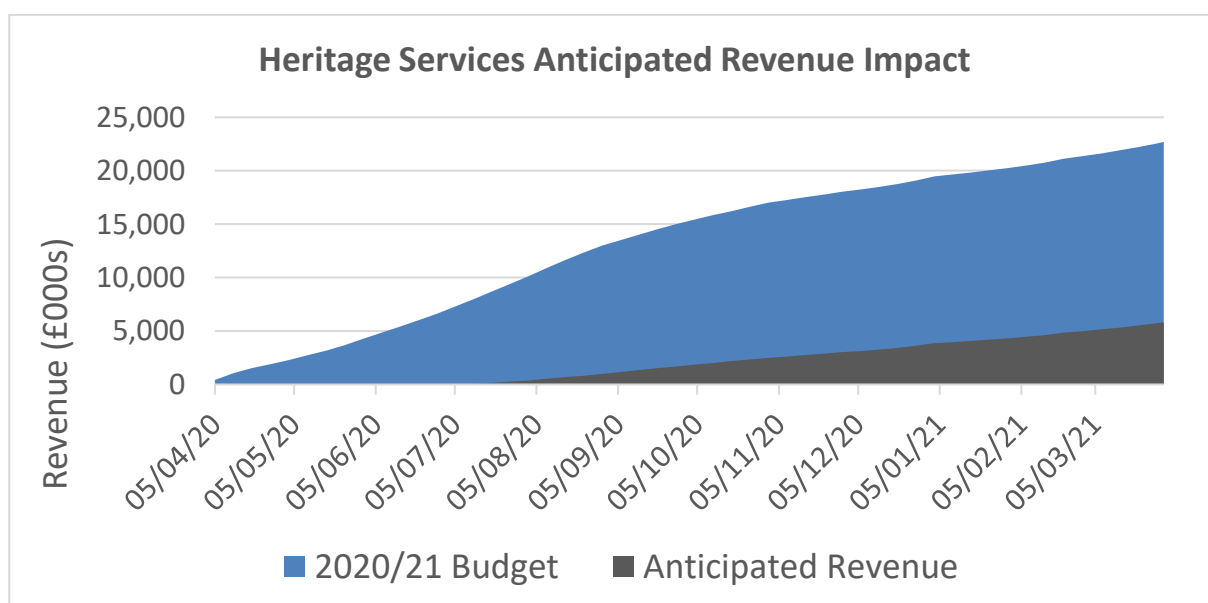
Covid impact on the Councils income budgets

The Office of National Statistics reported that the UK Gross Domestic Product in July was 11.7% lower than pre-pandemic levels seen in February 2020. During July there has been growth of 6.6% which indicates the steady path to recovery from the easing of restrictions and reopening of businesses, however this has had a material impact on the Councils finances which can be seen in the graphs below.

The projections are based on a period of recovery and do not account for a second Government lockdown.

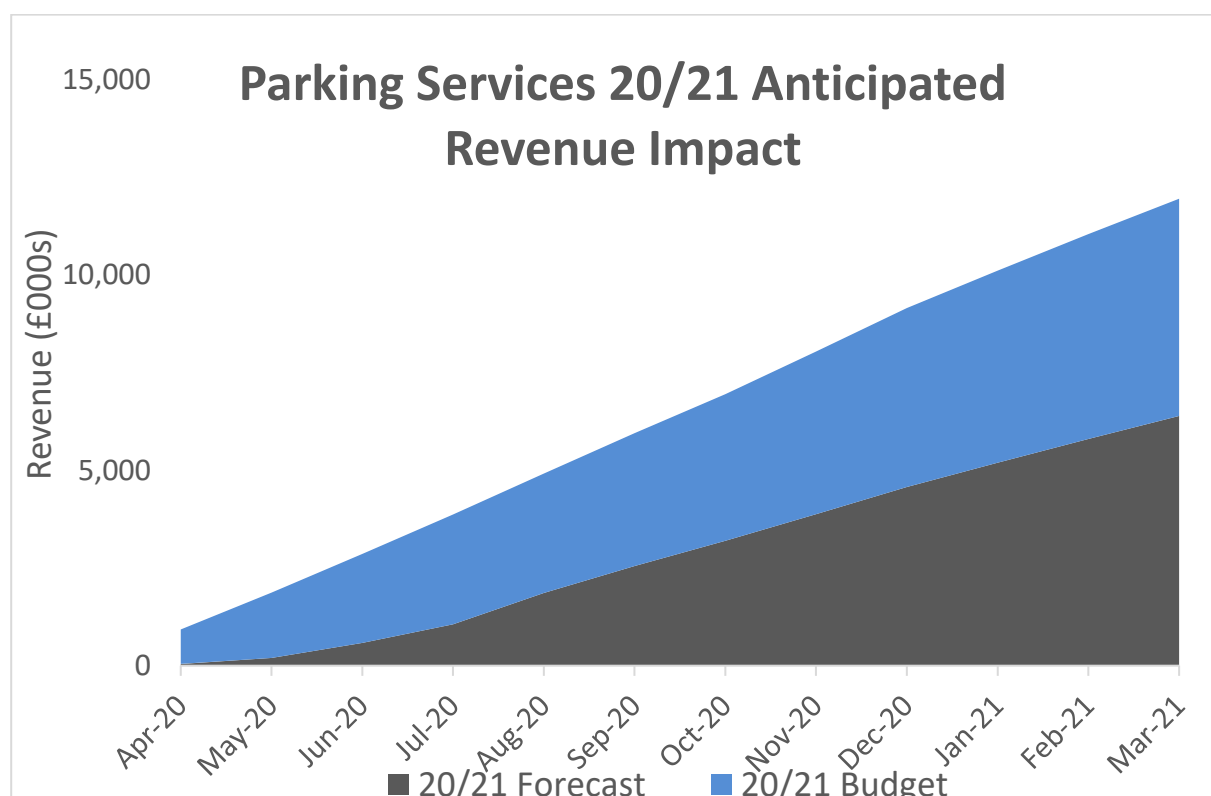
Heritage Services Income

Our Heritage Services gross income budget is c£23m, we are currently projecting a year end £16.5m deficit due to closure of the Roman Baths from March to early July. As the graph indicates there has been positive performance from the re-opening, performance has been ahead of the expected performance. The Roman Baths are open with restricted capacity of 20% to allow for social distancing.



Parking Services Income

Our Parking Services income budget is c£12m, we are currently projecting a year end £5.1m deficit due to a period of non-charging whilst the government restrictions were in place and lower utilisation from a reduction in visitors. There has been positive performance during August attributed largely to public 'staycations' and is being closely monitoring to see whether this will continue after the holiday period and the cessation of the Government "Eat Out to Help Out" scheme. Early analysis highlights a rapid reduction in income with the beginning of the school term. Park & Ride usage is approximate 80% down on 2019 and this is contributing to car park income as workers in the city centre chose to avoid public transport, with Charlotte Street car park in particular showing a stronger yield per space than in 2019.



Commercial Estate Income

The Council owns a large and diverse asset base of over 400 properties which includes a large proportion of Bath City Centre retail. The estate generates annual net income of £15.2m, as a result the financial configuration of the Council has been built on the annual income being achieved to fund services across the Council including Social Care. This poses one of the biggest recurring income risks to the Council, as a result a full review of the Commercial Estate is underway to revise the strategy and diversify the asset base to provide longer term financial security.

To help support retail tenants in their recovery periods of rent deferral has been granted, in addition to this there are significant levels on non-payment that require

income recovery action. In 2020/21 we are anticipating a financial pressure between £3-£6m at year end on Commercial Estate income.



Demand Led Services - Social Care

Adult Social Care

The Council has sought to set realistic and deliverable budgets through the MTFs and budgeting process. Significant resource has been added to Adult and Children's services over the last few years whilst both services have delivered other savings and efficiency gains.

The MTFs assumes that the Social Care funding included in the 2020/21 settlement will continue throughout the MTFs period, this is made up as follows:

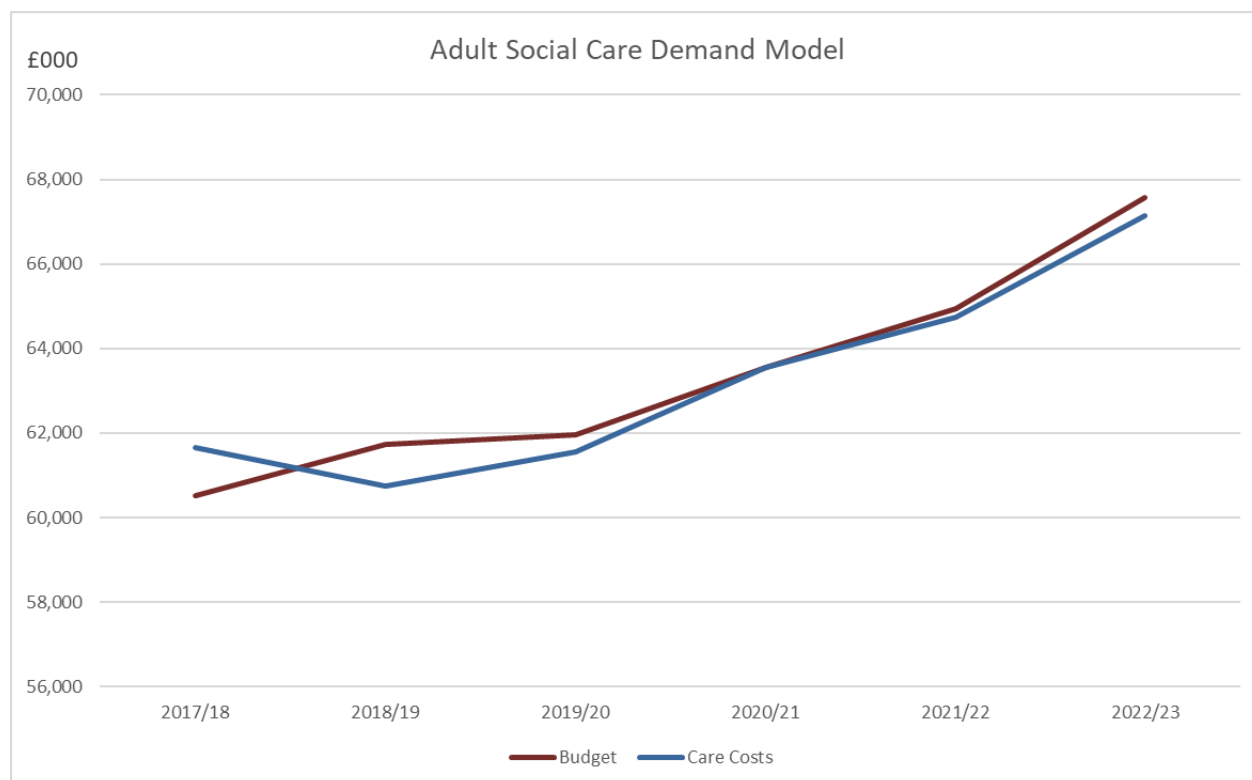
Grant	B&NES Allocation
Social Care support grant	£1.25m
Additional Social Care grant	£2.68m
iBCF Grant	£4.76m

The iBCF grant is part of the pooled budget with the B&NES Clinical Commissioning Group and ring-fenced to exclusively fund Adult Social Care.

The challenges facing adult social care services (ASC) nationally as well as locally include factors such as increasing demand, capacity and market stability issues in the independent sector and the impact of year-on-year savings requirements. This has been amplified as a result of Covid with direct support provided to the market through the government £600m infection control funding that allocated £2.2m to B&NES, with a further £500m recently announced to support the sector to the 31st March 2021. The

MTFS allocates £14.3m for demographic and contract inflation pressures within ASC over the next five years, service demand levels are being reviewed in detail as the current trend has show that caseload has slowed, and complexity of need and provider cost has increased.

The following graph shows the impact of demographic and inflationary growth in ASC on the budget and outturn position since 2014/15:



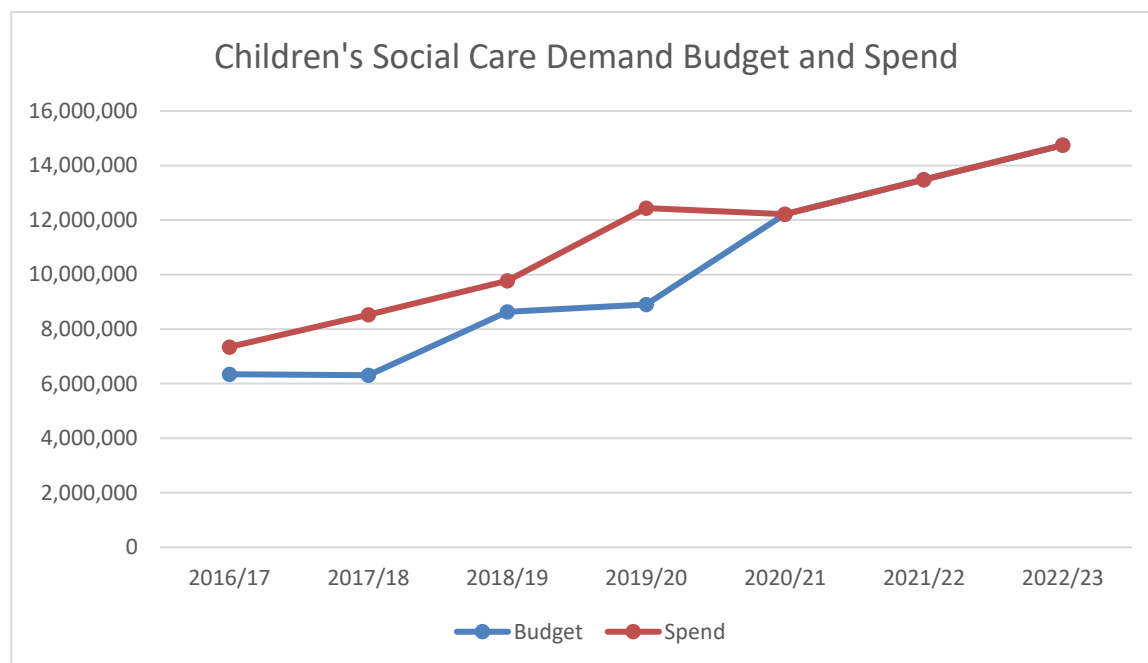
The above graph shows that the Council budget and care costs have much closer alignment from previous years. As part of the detailed work on the 2021/22 budget there will be a budget rebase to align with the latest information on service demand.

The Council has embarked on an ambitious savings programme of service transformation in adult services, much of this integrated with local health service provision. The programme, being delivered in partnership with Virgin Care, focusses on:

- Managing the Councils budget to meet demand needs without overspending through robust needs assessment and care planning.
- Strengthen brokerage and contract monitoring to ensure payments to providers are made in a consistent and fair manner.
- Learn from our neighbours in improving services delivery whilst delivering savings.
- Identifying and managing in year risk and financial pressure within existing budget such as changes in the care home market.

Children's Social Care

As demonstrated from the graph below Children's Services has been underfunded for many years. A rebasing exercise was completed for the 2020/21 budget, which added £2.1m budget into this area to reflect the increasing cost and number of children in care, in addition to the increasing costs of supporting disabled children at home. The number of children looked after (LAC) by the Council has risen by 40% in the past 5 years to 180 in 2019/20 (although this higher level is in line with similar authorities). The MTFS allocates £6.9m for demographic and contractual inflationary pressures within Children's Services over the next five years.



Children's Services are very cognizant of the continued financial pressure that is resultant from the expense of providing appropriate care and placements to meet the needs of our children and young people. As a service we continue to review the models of care we utilise, opportunities to bring in external investment and good practice, and to scrutinise individual needs and placement costs in order to mitigate these financial pressures wherever possible.

Significant increases in children and young people with SEND are also adding to the pressure on the Dedicated Schools Grant managed by the Council. The 2019/20 outturn resulted in a DSG pressure of £1.25m. Between January 2013 and January 2017, there was a 90% increase in locally supported children and young people with a Statement or EHCP who have a primary need diagnosis of autistic spectrum disorder, the largest volume increase of all the primary need types (increased from 146 to 277). The second biggest rise has been seen with those who have a primary need classified as Social, Emotional and Mental Health, up from 117 to 200 during the same period. These increases will have to be met from the Dedicated School Grant of future years and a deficit management plan will be required to be submitted to the DFE showing how we will recover the overspend.

7. Outlook for Government Grant Funding

Covid Grants and Support

The MTFS assumes that the 2020/21 Government response and financial support package to Councils was one-off and will not continue in 2021/22. We are seeking clarity from government on further support that will address the material income reductions faced by Councils. This is likely to be confirmed in the December Provisional settlement.

New Homes Bonus

The Local Government Finance Settlement for 2020/21 confirmed the payment of £2.039m for new housing growth over the previous year, taking the total New Homes Bonus Grant (NHB) to £5.688m for 2020/21. The settlement announced that the uplift for 2020/21 would only be paid for one year without the further 3 years of legacy payments which are made for growth rewarded in 2019/20 and prior years. The proposed changes to the planning system will need to be assessed for financial risk when finalised following the Government consultation.

The table below shows the likely annual remaining funding which is reflected in the MTFS.

	Total New Homes Bonus Grant			
<i>Payment relating to:</i>	2020/21 £'m	2021/22 £'m	2022/23 £'m	2023/24 £'m
2020/21	2.039			
2019/20	1.392	1.392	1.392	
2018/19	0.913	0.913		
2017/18	1.344			
Total	5.688	2.305	1.392	0.000

The MTFP also reflects an estimate of the Council's share of the nationally top-sliced funding for NHB being redistributed based on the old relative needs grant formula from 2021/22 onwards.

Retained Local Business Rates – 100% Business Rate Retention Pilot

The MTFS assumes that the West of England 100% Business Rate Retention Pilot will continue into 2021/22. The estimated benefit is approximately £3.8m in 2021/22. The plan currently assumes that this benefit will be removed as part of the review of Local Government Financing and Fairer Funding Review and that the Council will revert to the 75% Business Rate Retention Scheme currently planned for 2022/23.

As part of the proposed Budget, financial risk adjustments have been made for likely levels of future Business Rate income reflecting the Covid 19 related pressures impacting on the business sector together with making specific provisions for appeals. These assumptions will be kept under review as the final budget is developed. Any surplus or deficit on the Business Rate Collection Fund and associated income will be transferred to or from the Business Rates Reserve for consideration as part of the

Business Rates calculations for future years. This approach will include any changes that arise from the final settlement announcement relating to Business Rates.

The government has announced that additional flexibility will be granted to Local Authorities in financing any Collection Fund deficit that arises in 2020/21 in light of the Covid 19 impact on income. The MTFS factors in the spreading of the forecast £1.5m 2020/21 collection fund deficit over the following 3 years in line with the revised government financing rules.

Schools Funding

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

As schools convert to academies the DfE take back the element of DSG payable to the local authority in order to make payments direct to the academies.

With the introduction of the National Funding Formula (NFF) the DSG was ring-fenced for schools from 2018/19 making the local authority responsible for the demographic pressures being observed in the SEND / High Needs element of the DSG. The local authority will need to submit a deficit recovery plan to the DfE to recover the deficit that occurred in 2019/20.

As part of the recovery the schools asked to contribute resources from schools allocations to support the SEND expenditure. Regulations allow up to 0.5% of the schools block to be transferred to the high needs block to support the SEND expenditure providing approval of schools through the Schools forum is obtained.

The school's contributions are limited to 1 year under the NFF regulations and therefore further consultation is currently underway to gain a transfer from the schools block in 2021/22. This continues the transfers that have occurred in prior years, and would amount to approx. £580k.

The Capital Programme has been providing funding to provide additional SEND places in mainstream schools.

When schools convert to academies their reserves transfer to them and therefore school reserves have reduced significantly as a result reflecting that only 10% remain as maintained schools.

Social Care Grant

The MTFS assumes that government will not reduce grant funding into Social Care as outlined in the section 6 of the report. It is anticipated that the pending Social Care reform and Government Green paper will bring fundamental changes to the ongoing

funding methodology. At the stage it is prudent to plan on the basis of existing funding with the assumption that there will not be a net reduction.

Better Care Fund

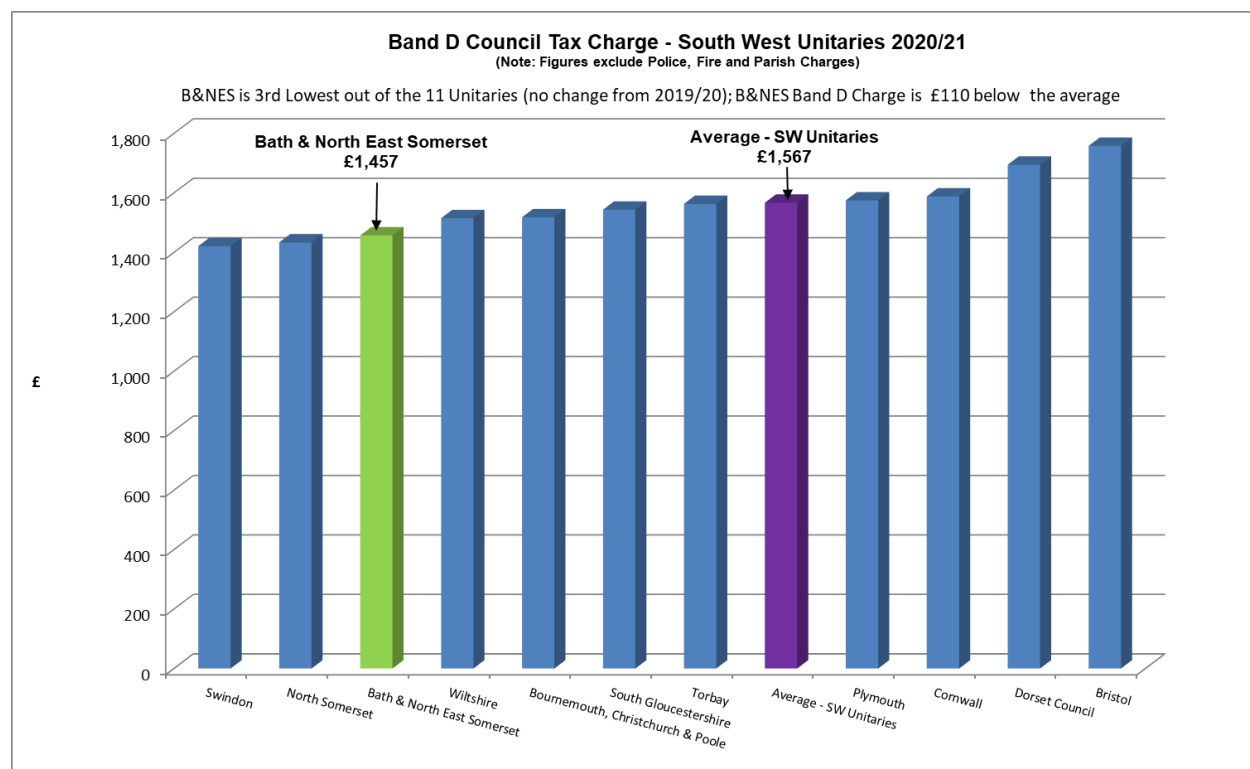
The Better Care Fund is intended to incentivize the integration of health and social care, requiring Clinical Commissioning Groups and Local Authorities to pool budgets and agree an integrated spending plan. Greater integration is seen as a potential way to use resources more efficiently, in particular by reducing avoidable hospital admissions and facilitating early discharge from hospital. The Government announced that the Better Care Fund was under review for 2020/21 but no further announcements have been made to date due to the impact of the pandemic.

The Council and CCG's Better Care Fund has a minimum CCG funding contribution of £12.7m in 2020/21. The Strategy currently estimates that funding will continue at current levels with inflationary uplift given annually to help fund the known pressures on both the Council and the CCG.

8. Council Tax

Comparison of 2020/21 Council Tax

The chart below shows how B&NES compares (3rd lowest) to other South West unitary authorities:



Council Tax collection fund deficit

Due to the 2020/21 impact of Covid on Council tax collection and local Council tax support scheme, we are projecting potential year end deficit of £4.5m. The recovery of this deficit has been factored into the next three financial years of the MTFS.

Council Tax Precept

The current funding gap in the MTFS assumes a **1.99% increase** in council tax each year. This assumes that the Government's referendum principles in respect of general Council Tax will continue to allow increases of up to 2% before a referendum is required. In addition, for 2021/22 and 2022/23 the MTFS assumes that the Council tax base remains at 2020/21 levels with incremental growth from 2023/24 onwards.

Adult Social Care Precept

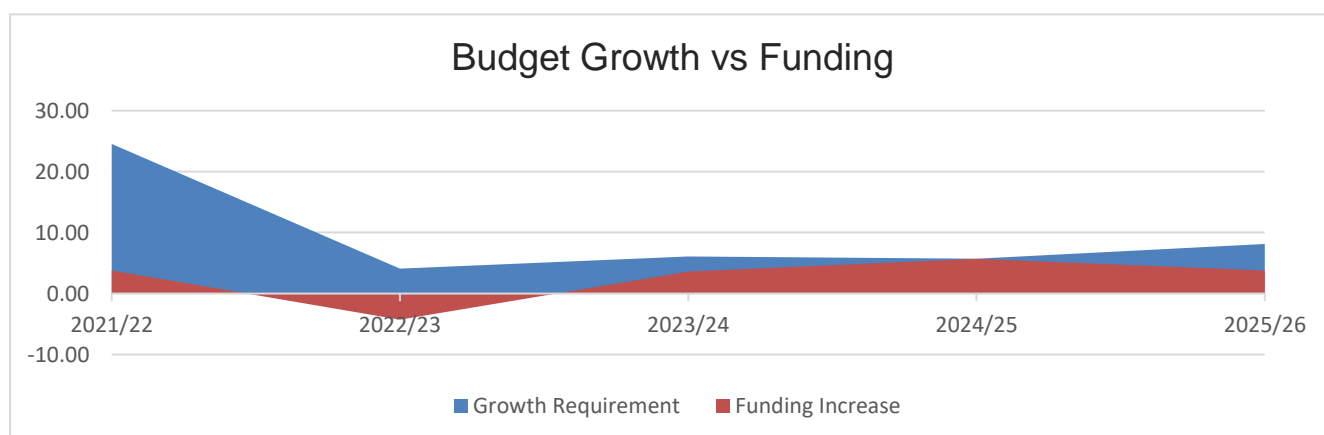
The Government has continued to recognise some of the pressures facing Adult Social Care (ASC) authorities, providing for a one year continuation of the specific increase in the local council tax precept ringfenced to ASC of 2% in 2020/21. There has been no further indication from central Government to extend the precept beyond 2020/21 and therefore no further increases have been factored in at this time.

9. Financial Outlook

Currently the MTFS shows a projected budget gap for each year of the plan as follows:-

Budget Planning	Future years assumptions					Total
	2021/22	2022/23	2023/24	2024/25	2025/26	
Growth Requirement	24.54	4.09	6.07	5.70	8.12	48.52
Funding Increase	3.78	-4.28	3.60	5.70	3.79	12.59
Annual Funding gap	20.76	8.37	2.47	0.00	4.33	35.93
Savings Already Agreed	2.41	0.40				2.81
Remaining Funding Gap	18.35	7.97	2.47	0.00	4.33	33.12

The funding gap over the medium term can be analysed further to identify additional pressures on expenditure and the impact of funding reductions in income as follows:



Indicative Budget Forecast

The detail of the budget gap is shown in the table below and outlines additional cost pressures and reduced funding:

Budget Planning	Future years assumptions £m				
	2021/22	2022/23	2023/24	2024/25	2025/26
Budget Requirement (Previous Year)	118.25	122.03	117.76	121.36	127.06
Budget Adjustments	(1.20)	0.21	0.00	0.00	0.00
Pay & Pension	2.44	2.35	3.02	3.09	3.15
Demographic Growth	2.34	1.98	1.98	1.98	1.98
Contract Inflation	1.93	1.97	1.92	1.98	1.98
New Homes Bonus Pressure	2.57	0.56	1.01	0.00	0.00
Capital Financing	1.61	1.00	1.00	1.00	1.00
Budget pressure / rebasing	14.85	(3.97)	(2.86)	(2.35)	0.00
Draft Budget Before Savings	142.80	126.13	123.83	127.06	135.17
Agreed Savings Plans	(2.41)	(0.40)	0.00	0.00	0.00
Estimated Savings Required	(18.36)	(7.96)	(2.47)	0.00	(4.33)
Budget Requirement	122.03	117.76	121.36	127.06	130.84
Funding of Budget Requirement					
Council Tax	97.87	99.85	102.90	107.55	110.78
Business rates retention	21.16	17.90	18.45	19.51	20.06
Reserve transfers (To) / From	3.00	0.00	0.00	0.00	0.00
Funding of Budget Requirement Total	122.03	117.76	121.36	127.06	130.84

The forecast includes the following cost pressures and assumptions:

- **Pay Inflation** – Estimated 2.75% per annum.
- **Council tax** – Assumed at 1.99% excluding Social Care precept.
- **Council tax collection fund 2020/21 deficit** – Forecast at £4.5m recovered evenly over the next 3 years.
- **Pension Costs** – Have been revised in line with the recent revaluation for the next two years followed by a 1% increase per annum from 2023/24;
- **Demographic Growth & Increase in Service Volumes** – Additional demand from new placement and market pressures in Adult & Children Social Care;
- **Interest Rates** - Continued very low rates of interest of around 1% per annum for treasury management cash investments. The Council will maintain a minimum cash policy;
- **Inflation** – CPI projections held at existing planning levels of 2%, this will be refreshed for the detailed budget proposal based on ONS data.
- **Budget Pressures / Rebasing** – 2021/22 budget rebasing of income budgets taking account of Covid pressures, with improvement in future years.
- **Capital Spending** – an allowance has been made to fund a minimal number of new schemes given current financial constraints;

- **Borrowing** – longer term borrowing costs have been factored into the MTFS however the authority will continue to optimise the use of cash balances subject to market conditions and the overriding need to meet cash outflows;
- **New Priorities** – will be developed with the new administration as part of the Corporate Strategy and have not yet been factored into the plan.
- **Reserves** – Planned use of £3m reserves to fund business rates pressures and corporate contingency budget for unplanned revenue pressures. Establishment of a £5m Covid risk reserve.

10. Managing the Medium Term Financial Strategy

Current estimates are that £35.93m savings will now be required over the next five years including savings already approved.

The strategy has outlined that the savings will be reviewed on a two-year rolling profile which means that there is currently a gap of £29.13m, including the pre-approved savings of £2.81m. Due to the budget rebasing from income loss this puts 81% of the 5 year MTFS savings in 2021/22 and 2022/23 with £20.76m to find next year.

This gives an unprecedented target next year which is 17.6% of the current net budget of £118.25m. It is the view of the Chief Executive and S151 Officer that this level of recurrent revenue savings will not be achievable in full given the current strain and new Covid related demands the Council is managing.

Recovery and transition plan

The following approach is recommended to create a robust plan of action, manage change and balance the budget.

Focus on short to medium term savings that enable Covid-19 recovery and meet the following principles:

3 Key Principles

- Manifesto & Corporate Strategy aligned and Member engaged with Cabinet assurance and oversight of all proposals.
- Corporate Focus on areas of Strategic Priority: Structure, Income, Social Care, Property Services - High financial value and organisational benefit required.
- Directors are collectively responsible for generating service plan savings – Achievable with minimal disruption to services and the public.

To ensure:

- Removal of duplicated effort & improved service delivery.
- Use of technology for smarter working.
- Change is resourced appropriately to deliver results.
- The implementation and delivery of the budget proposal is Director led and Finance facilitated.

The following strategic planning themes will enable the Council to break down the actions needed to address the short, medium and long term. An overarching theme

that underpins delivery plans will be ensuring that the Climate and Nature Emergency is supported with no adverse impacts.

Stabilise – Short term

- Reduce reliance on income through reducing expenditure and broaden income base wherever this is possible.
- Ensure temporary corporate and service mitigations are in place.

Transition – Medium term

- Reset business plans looking at new delivery models
- Revise the Councils operating structure
- Maximise opportunity through IT and smarter working
- Minimise cost to reflect lower income base

Change – Long term

Implement new strategies for:

- Commercial income management
- Social Care delivery
- Resident focussed service delivery models

To manage the strategy financially and in practice there will need to be fundamental changes to the way we approach budget planning to ensure a fully achievable set of proposals can be taken forward in the 2021/22 Budget proposal.

The following scenario shows how the MTFS base case can be revised to give a realistic and manageable savings profile based on some core planning assumptions:

Assumption 1

Utilise £10m of one-off funding to fund revenue transition through either, temporary use of reserves / capital receipts / government loan request. Funding repaid in full within the 5-year MTFS period.

Assumption 2

Maintain Council tax and social care precepts at 2020/21 levels of a minimum of 3.99% throughout the MTFS term (Subject to government decision on the Council tax cap). This will help rebase Council funding levels as the graph in section 8 illustrates that B&NES is well below the South West average.

Assumption 3

Revise older adults Social Care demand to recognise current placement levels. Section 6 illustrates that placement demand on Adults Social Care in B&NES has reduced allowing the Council to rebase annual demand growth funding.

Assumption 4

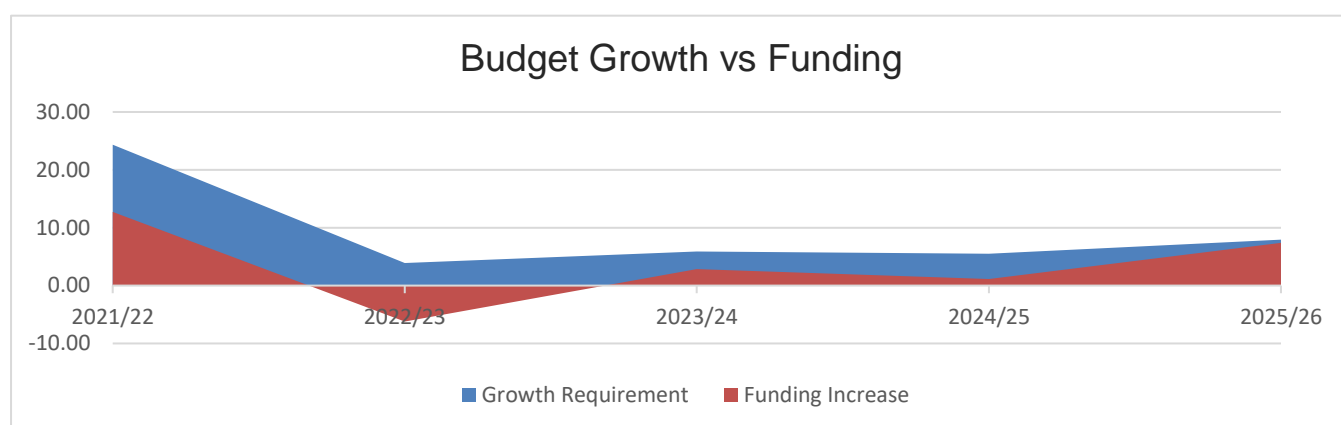
Restructure the council's commercial property portfolio to increase returns throughout the plan period.

Revised MTFS projection

Taking in to account the above assumptions the MTFS projections have been revised as follows:

NOTE: This is for illustration purposes only and may not be the final option put forward in the budget proposal.

Budget Planning	Future years assumptions					Total
	2021/22	2022/23	2023/24	2024/25	2025/26	
Growth Requirement	24.34	3.89	5.87	5.50	7.92	47.52
Funding Increase	12.73	-6.21	2.85	1.12	7.40	17.89
Annual Funding gap	11.61	10.10	3.02	4.38	0.52	29.63
Savings Already Agreed	2.41	0.40				2.81
Remaining Funding Gap	9.20	9.70	3.02	4.38	0.52	26.82



Summary of changes

This profile would enable more manageable savings profile over the 5 year period. This does bring significant challenges when assessed against the February 2020/21 budget profile with an increase of £7.6m over the next two years. The revised projection uses £10m of reserves (£7m in 2021/22 and £3m in 2022/23), which are paid back in years 4 & 5.

Budget Planning	Future years assumptions					Total
	2021/22	2022/23	2023/24	2024/25	2025/26	
Annual Funding gap	20.76	8.37	2.47	0.00	4.33	35.93
Revised Annual Funding gap	11.61	10.10	3.02	4.38	0.52	29.63
Variance Adverse / (Favourable)	(9.15)	1.73	0.55	4.38	(3.81)	(6.30)

The core funding changes that will enable a more manageable profile are achieved through the following:

Budget gap movement	2021/22 £m	2020/21 £m	2020/21 £m	2020/21 £m	2020/21 £m
Opening budget movement		8.95	7.01	6.26	1.69
Demographic Growth	(0.20)	(0.20)	(0.20)	(0.20)	(0.20)
Council Tax	(1.95)	(4.01)	(6.26)	(8.69)	(11.30)
Reserve transfers	(7.00)	(3.00)	0.00	7.00	6.00
Total	(9.15)	1.73	0.55	4.38	(3.81)

This shows how the combination of Council tax (3.99%), reduced growth (£0.2m per annum) and temporary funding (£10m) will enable a smoother transition period to enable recurrent savings to be achieved over a longer term to address the Councils income pressures.

Affordability risk

This approach needs to be managed in an affordable way, there is a risk of over reliance on reserves needing repayment that will become unaffordable if one-off reserve mitigations are used to reprofile savings further into future years.

The illustration below shows how the temporary funding requirement moves from the proposed £10m to c£25m to facilitate a reduced savings requirement of £6m per annum for 2021/22 and 2022/23. This assumes temporary funding will be repaid within the 5-year period as above.

Budget Planning	Future years assumptions					Total
	2021/22	2022/23	2023/24	2024/25	2025/26	
Annual Funding gap	20.76	8.37	2.47	0.00	4.33	35.93
Revised Annual Funding gap	5.99	6.00	12.74	7.88	8.86	41.47
Variance Adverse / (Favourable)	(14.77)	(2.37)	10.27	7.88	4.53	5.54
Transition funding requirement	12.62	12.72	0.00	(10.50)	(14.84)	0.00

Whilst this helps reduce the year 1 and 2 savings requirement this will compound the need for transitional funding, resulting in a temporary funding requirement of £25.34m which will add to the budget gap in years 3-5. This will result in an increase to the total budget gap from the original base case by £5.54m with £41.47m of savings required over the 5-year period. This approach is not advised or affordable for the Council.

11. Corporate Strategy and Council priority areas

The Medium Term Financial Strategy sets out the financial framework for allocating resources across the Council. How this is achieved will require close alignment to the Corporate Strategy as set out below.

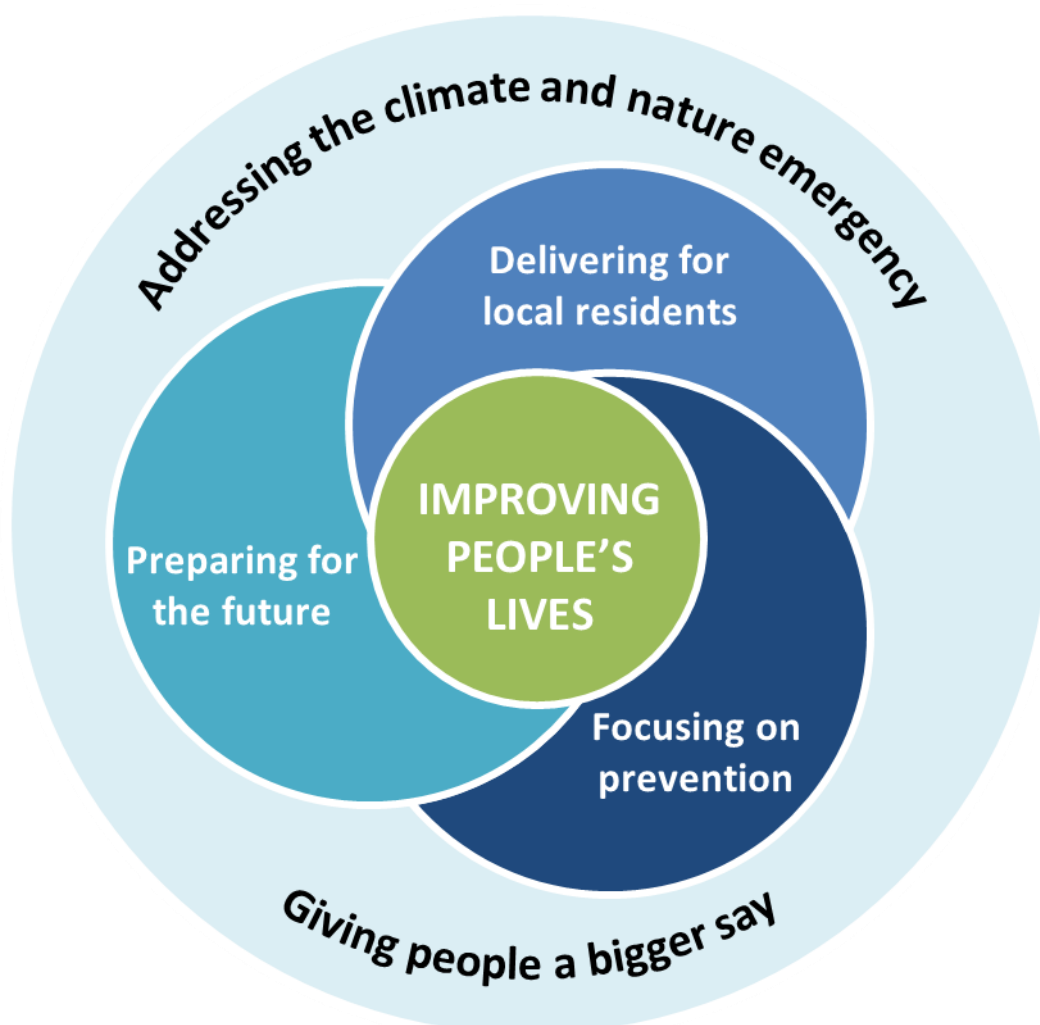
ONE: We have **one** overriding purpose – to improve people’s lives.

This might sound simple but it brings together everything we do, from cleaning the streets to caring for our older people. It is the foundation for our strategy and we will ensure that it drives our commitments, spending and service delivery.

TWO: We have **two** core policies – **tackling the climate and ecological emergency** and **giving people a bigger say**. These will shape **everything** we do.

THREE: To translate our purpose into commitments, we have identified **three** principles. We want to **prepare for the future, deliver for local residents and focus on prevention**.

This is all set out clearly in the diagram below:



This is the “golden thread” which drives what we do ensuring that setting budgets and managing our people - our most valuable resource - are guided by the council’s priorities. It also means that our commitments are realistic and achievable.

Areas of strategic priority and focus over the next two years will include:

- Ongoing investment to deliver more effective transport schemes across the council area, with a particular focus on creating low traffic neighbourhoods and more opportunity to prioritise walking and cycling and the introduction of financial incentives to reduce inward commuting through the extension of RPZs.
- Continued investment to support the most vulnerable people in our communities.
- Continued commitment to secure action to address the climate and ecological emergency.
- Focus on supporting the local economy to recover from the impact of the pandemic with a particular priority to work with partners to rebalance the economy to reduce the dependence on retail, hospitality and tourism.
- Support the “Preparing for the Future” programme to modernise the council with a focus on improved asset management and flexible working.

12. Capital Programme

The Prudential Code for Capital Finance in Local Authorities was updated in December 2017. The objectives of the Prudential Code are to ensure that the capital expenditure plans of local authorities are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved.

It requires authorities to assess capital expenditure and investment plans in the light of overall organisational strategy and resources and ensure that decisions are made with sufficient regard to the long-term financial implications and potential risks to the authority.

The Council follows this approach through:

- Continuing to review all existing schemes and simplify, revise, reprofile or remove as necessary;
- Minimising new schemes except those that meet corporate priorities;
- Agreeing an affordable limit for new schemes requiring corporate borrowing;
- Ensuring adequate investment in assets supporting key service provision (including meeting health and safety requirements or replace obsolete or inefficient assets/equipment); and
- Delivering or working with partners to deliver high priority government funded programmes and WoE programmes where they meet corporate priorities.

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

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

Items for **Provisional Approval** will require either a further Officer decision and in some cases a formal Executive decision for Full Approval. The budget estimates for schemes shown for Provisional Approval are therefore included on an indicative basis, and as an aid to planning.

The Capital Programme will retain narrative only reference to pipeline projects and grant funding in early stage progression. These items will require further decision to incorporate into the programme at a later date, in line with the delegations outlined in the February Budget report.

The capital programme is aligned with the Community Infrastructure Levy allocations agreed for the coming financial year.

The following shows the capital programme approved in February 2020 as part of budget setting:

Capital Schemes for Approval

Cabinet Portfolio: Capital Schemes	Budget 2020/2021 £'m	Budget 2021/2022 £'m	Budget 2022/2023 £'m	Budget 2023/2024 £'m	Budget 2024/2025 £'m	Total £'m
Resources & Deputy Leader	22.538	0.121	0.110	0.670	0.000	23.439
Adult Services	0.388	0.000	0.000	0.000	0.000	0.388
Children's Services	3.667	0.047	0.000	0.000	0.000	3.714
Climate Emergency & Neighbourhood Services	6.595	0.000	0.000	0.000	0.000	6.595
Transport Services	10.548	0.110	0.000	0.000	0.000	10.658
Housing, Planning & Economic Development	58.208	15.112	2.071	0.131	0.000	75.522
Community Services	6.662	0.252	0.154	0.04	0.000	7.116
Corporate Capital Contingency	0.900	0.000	0.000	0.000	0.000	0.900
Total	109.507	15.642	2.335	0.849	0.000	128.333

Capital Schemes for Provisional Approval (Subject to)

Cabinet Portfolio: Capital Schemes	Budget 2020/2021 £'m	Budget 2021/2022 £'m	Budget 2022/2023 £'m	Budget 2023/2024 £'m	Budget 2024/2025 £'m	Total £'m
Resources & Deputy Leader	34.349	4.315	2.200	0.000	0.000	40.864
Children's Services	20.450	0.000	0.000	0.000	0.000	20.450
Climate Emergency & Neighbourhood Services	35.224	0.458	1.007	0.855	2.607	40.151
Transport Services	11.089	8.415	5.704	4.924	0.025	30.157
Housing, Planning & Economic Development	23.071	13.637	2.955	2.610	0.615	42.888
Community Services	2.596	2.289	1.401	0.683	0.657	7.626
Total	126.779	29.114	13.267	9.072	3.904	182.136

Grand Total	236.286	44.756	15.602	9.921	3.904	310.469
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The current capital programme that was approved in February 2020 was funded as follows:

Financing	Budget 2020/2021 £'m	Budget 2021/2022 £'m	Budget 2022/2023 £'m	Budget 2023/2024 £'m	Budget 2024/2025 £'m	Total £'m
Grant	86.605	20.437	6.899	6.469	1.158	121.569
Capital Receipts/RTB	9.593	1.410	1.685	5.700	0	18.388
Revenue	0.114	0.000	0.000	0.000	0.000	0.114
Borrowing	130.266	20.763	6.055	-3.344	2.632	156.371
3rd Party (inc S106 & CIL)	9.707	2.146	0.963	1.096	0.114	14.027
Total	236.286	44.756	15.602	9.921	3.904	310.469

Note this does not include slippage from 2019/20 which totalled £26.4m.

An allocation of up to £1m in revenue to support new schemes has been factored into 2021/22, of which £0.3m remains to fund new proposals as part of this years budget report, with £0.5m included in future years of the Medium Term Financial Strategy. This enables high priority schemes to be approved as well as considering the impact on the revenue budget. The more detailed capital strategy will be updated for approval as part of the budget in February 2021.

Capital receipts will be used flexibly and further adjustments may be made as part of setting the budget for 2021/22 to replace some of the capital receipts with borrowing to ensure the first call on any receipts is to maintain flexibility within revenue. The current programme will continue to be reviewed to ease this financial impact.

The intention is to take a measured approach between borrowing in the current market climate and the utilisation of internal cash flow wherever possible. Borrowing has been factored into the strategy to ensure that the authority can meet its future borrowing obligations as well as taking advantage of current low interest rates. The decision on the timing of new borrowing will still be driven by market factors, particularly movements in interest rates to provide overall value for money to the Council

Capital Risk Contingency

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

- Individual major projects within the capital programme hold their own contingency in accordance with good project management practise to meet unavoidable and unforeseen costs;
- The capital programme includes a funded corporate risk contingency of £2.4m;
- The corporate risk assessment on which the general reserves target is based includes an element in the context of the capital programme based on the risks of the current programme.

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

Minimum Revenue Provision (MRP) Policy

The Council is required to make revenue provision to repay capital spend that is financed by borrowing (either supported or unsupported). This is called the Minimum Revenue Provision (MRP). The Department of Communities & Local Government has issued regulations that require full Council to approve a MRP Policy in advance each year, or if revisions are proposed during the year they should be put to the Council at that time. The policy was updated in February 2020 and there are currently no revisions proposed.

11. Earmarked and Non-Earmarked Reserves

Earmarked Reserves are set aside for specific purposes whereas Non-Earmarked Reserves are retained to meet unforeseen risks. A regular review of financial risks to assess the optimum levels of balances and reserves will be reported to members annually. This ensures that the authority has sufficient funds to meet its key financial risks. The strategy remains that balances remain at a level that covers these key risks.

The 2020/21 Financial Recovery plan reviewed and assessed the Council levels of Non-Earmarked Reserves, this resulted in £5m being earmarked to mitigate the in year financial impact on the revenue budget. It is now assumed that this will not be used following the announcement of the Government Sales, Fees and Charges income compensation scheme that will partially reimburse irrecoverable income loss.

To manage financial risk the Council holds £13.52m of unearmarked reserves, if unutilised in 2020/21 the MTFS proposes that £5m of this reserve is transferred into an earmarked Covid risk reserve. This will leave a reserve balance of £8.52m that is

within Council benchmark levels for unearmarked reserves as a percentage of net budget.

The following table shows each of the key reserves held for financial planning, the expected opening balance for 2021/22 and anticipated closing balance after the projected use:

	Estimated Balance 31/03/2021	Projected Use in Year	Current Estimated Balance 31/3/22
	£'m	£'m	£'m
Revenue Budget Contingency*	4.32	3.3	1.02
Financial Planning and Smoothing Reserve*	5.62	4.0	1.62
Transformation Investment Reserve	2.73	1.2	1.53
Restructuring & Severance Reserve	2.18		2.18

Note * Use of these reserves are in line with the Covid-19 Financial Recovery Report in July 2020

The Financial Recovery Report Cabinet report in July 2020 earmarked £2.43m of the Revenue Budget Contingency and £4m of the Financial Planning and Smoothing reserve, the MTFS assumes the these amounts will now be available for use in 2021/22 and not required in 2020/21 due to the Government grant for income reimbursement replacing the need to draw on Council reserves.

Flexible use of Capital receipts

The strategy requires flexibility around capitalising costs and the flexible use of capital receipts to fund redundancy, transformation, and ICT costs where appropriate to free up reserves.

12. Reviewing the Strategy

This strategy will naturally span the life of the Council Plan but will be reviewed annually to take into account changes within and external to the organisation. In more uncertain times the strategy will be reviewed more frequently.

13. Public/Stakeholder Engagement

We will be making more information available on our MTFS for stakeholder engagement in November 2020, this will also be subject to scrutiny by the Corporate Policy Scrutiny Panel.

Subject to the timing of central Government funding announcements we hope to engage on more detailed budget proposals in December / January including reporting to Policy Development and Scrutiny.

14. Budget Setting Timetable

The table below sets out the budget planning timetable.

Activity	Meeting	Date
MTFS Report	Cabinet	8 th October 2020
Revenue & Capital plans	CEX, S151 and Cabinet assurance meeting	2 nd November 2020
MHCLG Announces Local Government settlement	N/A	Early December 2020
Budget proposal consultation	Public briefings & webinar	During December 2020
Budget Report	Corporate Scrutiny	January 2021
Budget Report	Cabinet	11 th February 2021
Budget Report	Council	16 th February 2021

15. Risks to the Medium Term Financial Strategy

The Strategy and Plan make regular risk predictions. The key risks to the plan are currently seen as:

Risk	Likelihood	Impact	Risk Management Update
Further government restrictions in the event of a second wave virus spread.	Possible	High	This is certainly a material risk, whilst not one the Council has direct control over, every step is being put in place to follow government guidance following the recommendations of our Director of Public Health.
Long term impacts on the Councils Commercial Estate over and above anticipated levels.	Possible	High	Current modelling has been prudent anticipating a material impact in 2020/21 if this continues into future years a full assessment will be required of the Commercial Estate asset base.
The income from Heritage Services may not recover in the short term.	Possible	High	Continue to monitor income levels and impact on business plan once the service is re-opened. Pre Covid-19 performance has exceeded business plan targets; performance will be closely monitored for the rest of the financial year.
Impact on Reserves	Possible	High	Without additional government grant there is the risk that Council reserve levels are not enough to manage future years risk. To manage this the full delivery of recovery plans will help minimise use of reserves.

Interest rates increase	Possible	Medium	A reserve is available for borrowing to manage market risk and long-term borrowing costs have been factored into the longer-term MTFS. The current forecast from our treasury management advisors is that borrowing rates will remain at current low levels in the medium term until economic growth prospects improve. The Council will continue to consider shorter term borrowing options alongside the PWLB.
Volatility and uncertainty around business rates	Likely	High	<p>The impacts of Covid-19 will increase the volatility and uncertainty around business rate income. In 2020/21 this risk will be partly offset by the 100% business rate relief the government has announced for all Retail, Leisure and Hospitality businesses.</p> <p>We continue to monitor arrears, CVAs, and liquidations with a specific reserve held to manage in-year volatility.</p>
Capital projects not delivered resulting in revenue reversion costs or liabilities from underwriting agreements	Possible	High	The Council has a number of projects within this category. These risks will continue to be monitored and reported. An assessment is made as part of the budget process to ensure that revenue reserves are sufficient to meet these risks. The capital programme methodology looks to de-risk projects wherever possible.
Changes to Government Policy that affects future funding	Likely	High	Need to monitor and continue to highlight impact
Brexit risks	Likely	Medium	During the Brexit transition period from the 31 st January 2020 to the 31 st December 2020 there will be a period of uncertainty whilst a Trade Deal is negotiated. Impacts on the Councils supply chain will need close monitoring.
Funding pressures through WECA, CCG and other partners	Possible	Medium	Ensure good communication links with partner organisations.
Capital receipts in the areas identified are insufficient to meet target	Possible	Medium	There is a risk that a depressed market will impact on current values, in the short to medium term the Council should not rely on capital receipts as a key funding source.

The key risks will continue to be monitored throughout the budget setting process and subsequently outlined in each budget setting report to Council and will be reviewed regularly, and reported through budget monitoring to Cabinet.

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Bath & North East Somerset Council		
MEETING	Cabinet	
MEETING DATE:	8 th October 2020	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3219
TITLE:	Treasury Management Performance Report to 30 th June 2020	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1 – Performance Against Prudential Indicators		
Appendix 2 – The Council’s Investment Position at 30 th June 2020		
Appendix 3 – Average monthly rate of return for 1 st 3 months of 2020/21		
Appendix 4 – The Council’s External Borrowing Position at 30 th June 2020		
Appendix 5 – Arlingclose’s Economic & Market Review Q1 of 2020/21		
Appendix 6 – Interest & Capital Financing Budget Monitoring 2020/21		
Appendix 7 – Summary Guide to Credit Ratings		
Appendix 8 – Extract from Treasury Management Risk Register		

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 for 2020/21 for the first three months of 2020/21.

2 RECOMMENDATION

The Cabinet agrees that;

- 2.1 The Treasury Management Report to 30th June 2020, prepared in accordance with the CIPFA Treasury Code of Practice, is noted.
- 2.2 The Treasury Management Indicators to 30th June 2020 are noted.

3 THE REPORT

Summary

- 3.1 The average rate of investment return for the first three months of 2020/21 is 0.60%, which is 0.59% above the benchmark rate which is currently 0.01%.
- 3.2 The Council's Prudential Indicators for 2020/21 were agreed by Council in February 2020 and performance against the key indicators is shown in **Appendix 1**. All indicators are within target levels.

Summary of Returns

- 3.3 The Council's investment position as at 30th June 2020 is given in **Appendix 2**. The balance of deposits as at 30th June 2020, compared to those as at 31st March 2020, are also set out in the pie charts in this appendix.
- 3.4 Gross interest earned on investments totalled £132k. **Appendix 3** details the investment performance, showing the average rate of interest earned over this period was 0.60%, which was 0.59% above the benchmark rate of average 7 day LIBID +0.05% (0.01%). This excess is mainly due to the £5m investment held in the CCLA Local Authority Property Fund, which is a long term strategic investment earning a higher rate of interest (3.43% for 2020/21 Q1).

Summary of Borrowings

- 3.5 The Council's external borrowing as at 30th June 2020 totalled £246.4 million and is detailed in **Appendix 4**. On 1st April 2020, the Council borrowed £15.0m short term from a local authority for general cashflow requirements, and to lower liquidity risks arising from uncertainties surrounding the Covid-19 pandemic.
- 3.6 The Council's Capital Financing Requirement (CFR) as at 31st March 2020 was £323.7 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.
- 3.7 The CFR represents the underlying need to borrow, and the difference between that and the current borrowing of £246.4 million represents re-investment of the internal balances including reserves, reducing the in-year borrowing costs in excess of the potential investment returns.
- 3.8 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 2020 apportioned to Bath & North East Somerset Council is £11.4m. Since this borrowing is managed by an external body 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 3.5.
- 3.9 The borrowing portfolio as at 30th June 2020 is shown in **Appendix 4**.

Strategic & Tactical Decisions

- 3.10 As shown in the charts in **Appendix 2**, the investment portfolio of £62.0 million as at 30th June 2020 is diversified across Money Market Funds Local Authorities, the CCLA Property Fund and a small amount in highly rated UK Banks. The Council uses AAA rated Money Market funds to maintain very short term liquidity.
- 3.11 The Council does 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.
- 3.12 The Council's investment portfolio as at 30th June 2020 includes a total of £5m invested longer term in the CCLA Local Authorities Property Fund. Given the difficult economic climate and uncertainty over future cashflows, the Council is unlikely to make any longer term investments this year.
- 3.13 The Council has reviewed its current investment holdings with its Treasury Management advisors to assess whether any of the investments placed are directly related to companies involved in fossil fuel activities. It was confirmed that the Council does not currently invest directly in equities or certificates of deposits that were not issued by banks or building societies and does not have any investments in fossil fuel companies. The main area where there is a potential for this type of investment is in the strategic diversified income funds which the Council was considering as part of its longer term investment approach, as these funds invest part of their portfolio in equities. A review into the two funds the council was considering using has shown that direct investment in fossil fuel companies forms a low proportion of the overall fund's investments (between 4% and 8%). Following the review, the Council has no immediate plans to pursue such investments at this stage.
- 3.14 The Council's average investment return is currently below the budgeted level of 1.1%. This is largely due to the budgeted level being set before the Covid-19 pandemic, which led to the significant reductions in interest rates across the globe. The impact of the interest rate reduction is currently offset by the size of the Council's cash balances being higher than was forecast when the budget was set.

Future Strategic & Tactical Issues

- 3.15 The Council's Treasury Management advisor's economic and market review for the first quarter of 2020/21 is included in **Appendix 5**.
- 3.16 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 remains on the rate of increase and the medium-term peak.
- 3.17 Any additional borrowing to take place in 2020/21 will therefore be balanced between a need to maintain an appropriate working cash balance and taking advantage of favourable movements in long term borrowing rates.

PWLB Borrowing Rate Increase

- 3.18 On 9th October 2019, the PWLB increased the margin applied to loan rates by 100 basis points (1%) without warning; the new margin above gilts is now 180 basis points for certainty rate loans. This shift in policy was implemented by HM Treasury, who cite a substantial increase in the use of PWLB loans at some authorities in recent months, as the cost of borrowing has fallen to record lows, and state that HM Treasury is therefore restoring interest rates to levels available in 2018, by increasing the margin that applies to new loans from the PWLB by 100bps (one percentage point) on top of usual lending terms.
- 3.19 The PWLB published a consultation paper seeking feedback from Councils on the impact of this increase in rates and on how lending from the PWLB may change moving forward. The consultation paper does not give any indication as to whether the increase in margin is likely to be reduced in the near future.
- 3.20 As of 30th June 2020, the 25 year PWLB certainty rate for annuity loans was 2.16%.
- 3.21 In line with the Council's Treasury Management advisor's advice, the Council will continue to consider borrowing rates offered by alternative lenders, including other Local Authorities, alongside PWLB rates in order to minimise, where possible, its costs of borrowing.

Budget Implications

- 3.22 A breakdown of the revenue budget showing interest and capital financing and the forecast year end position based on the period April to June 2020 is included in **Appendix 6**. An overall underspend of £2m is currently forecast, mainly related to the re-phasing of capital spend following the review of the capital programme as a result of the Covid 2020/21 financial recovery plan, leading to lower than forecast borrowing costs and minimum revenue provision (MRP) requirement.

4 STATUTORY CONSIDERATIONS

- 4.1 This report is for information only.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

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

6 RISK MANAGEMENT

- 6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.
- 6.2 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.

6.3 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.

6.4 In addition, the Council maintain a risk register for Treasury Management activities, which is regularly reviewed and updated where applicable during the year. An extract from the risk register, detailing how the top 5 market risks are managed, is included as **Appendix 8**.

7 CLIMATE CHANGE

7.1 The Council will continue to to avoid any direct treasury management investments in fossil fuel related companies and will engage with its advisors to explore and assess the potential for any future investment opportunities in funds with a Renewable Energy & Sustainability focus as these products continue to be developed by the market in response to the Climate & Nature Emergency agenda.

8 OTHER OPTIONS CONSIDERED

8.1 None

9 CONSULTATION

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

Contact person	<i>Gary Adams - 01225 477107; Gary_Adams@BATHNES.GOV.UK</i> <i>Jamie Whittard - 01225 477213; Jamie_Whittard@BATHNES.GOV.UK</i>
Background papers	<i>2020/21 Treasury Management & Investment Strategy</i>
Please contact the report author if you need to access this report in an alternative format	

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.

	2020/21 Prudential Indicator	Actual as at 30th June 2020
	£'000	£'000
Borrowing	457,000	246,356
Other long term liabilities	4,000	0
Cumulative Total	461,000	246,356

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.

	2020/21 Prudential Indicator	Actual as at 30th June 2020
	£'000	£'000
Borrowing	427,000	246,356
Other long term liabilities	4,000	0
Cumulative Total	431,000	246,356

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.

	2020/21 Prudential Indicator	Actual as at 30th June 2020
	£'000	£'000
Fixed interest rate exposure	427,000	226,356*

* 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 Lender exercise this option to increase the rate).

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.

	2020/21 Prudential Indicator	Actual as at 30th June 2020
	£'000	£'000
Variable interest rate exposure	214,000	20,000

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.

	2020/21 Prudential Indicator	Actual as at 30th June 2020
	£'000	£'000
Investments over 364 days	50,000	5,000

6. Maturity Structure of borrowing

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

	Upper Limit	Lower Limit	Actual as at 30th June 2020
	%	%	%
Under 12 months	50	Nil	15.5*
12 months and within 24 months	50	Nil	2.2
24 months and within 5 years	75	Nil	2.2
5 years and within 10 years	100	Nil	4.4
10 years and above	100	Nil	75.7

* 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**.

	2020/21 Prudential Indicator	Actual as at 30th June 2020
	Rating	Rating
Minimum Portfolio Average Credit Rating	A-	AAA-

* The calculation excludes the strategic investment in the CCLA Local Authority's Property Fund which is unrated.

APPENDIX 2

The Council's Investment position at 30th June 2020

The term of investments is as follows:

Term Remaining	Balance at 30th June 2020
	£'000's
Notice (instant access funds)	27,000
Up to 1 month	0
1 month to 3 months	15,000
3 months to 6 months	15,000
CCLA Property Fund (Strategic)	5,000
Total	62,000

The investment figure is made up as follows:

	Balance at 30th June 2020
	£'000's
B&NES Council	59,090
Schools	2,910
Total	62,000

The Council had a total average net positive balance of £85.8m during the period April 2020 to June 2020.

Chart 1: Council Investments as at 30th June 2020 - £62.0m

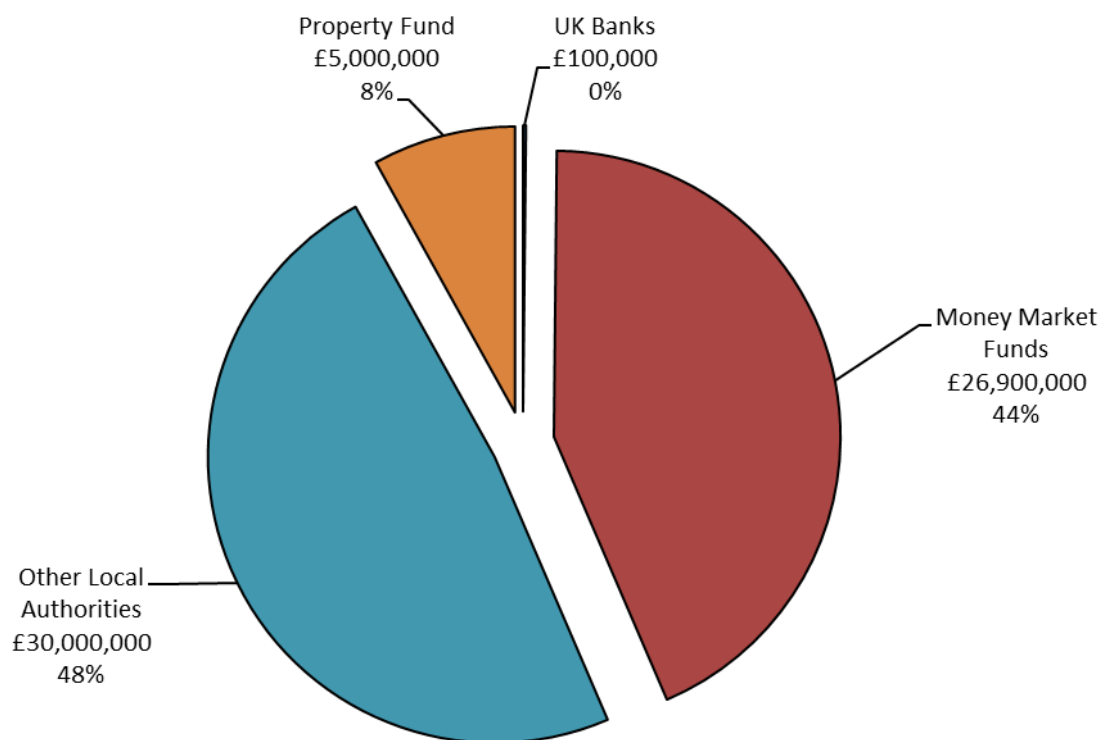


Chart 2: Council Investments as at 31st March 2020 - £57.3m

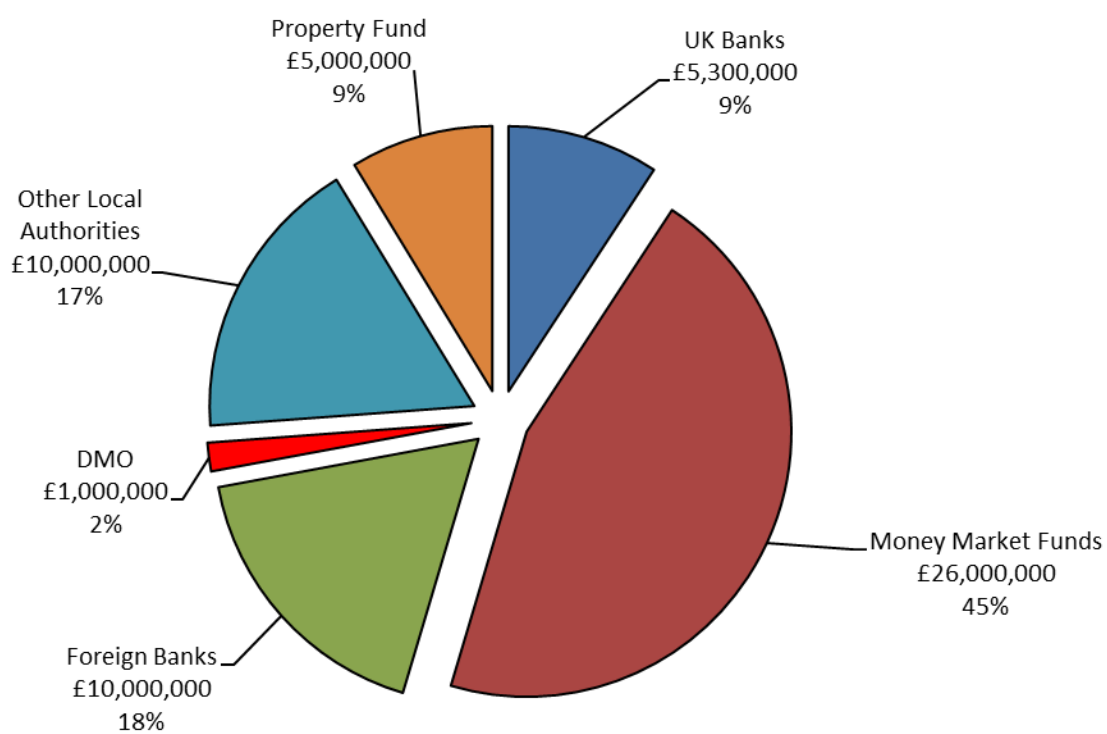


Chart 3: Council Investments Per Lowest Equivalent Long Term Credit Rating as at 30th June 2020 - £62.0m

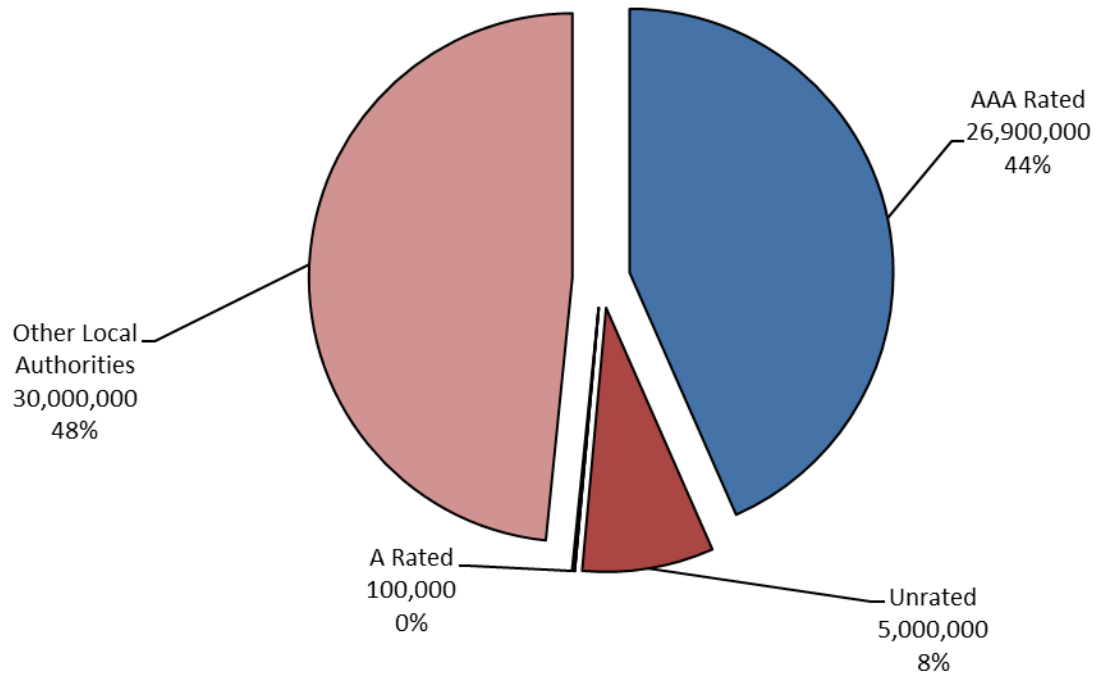
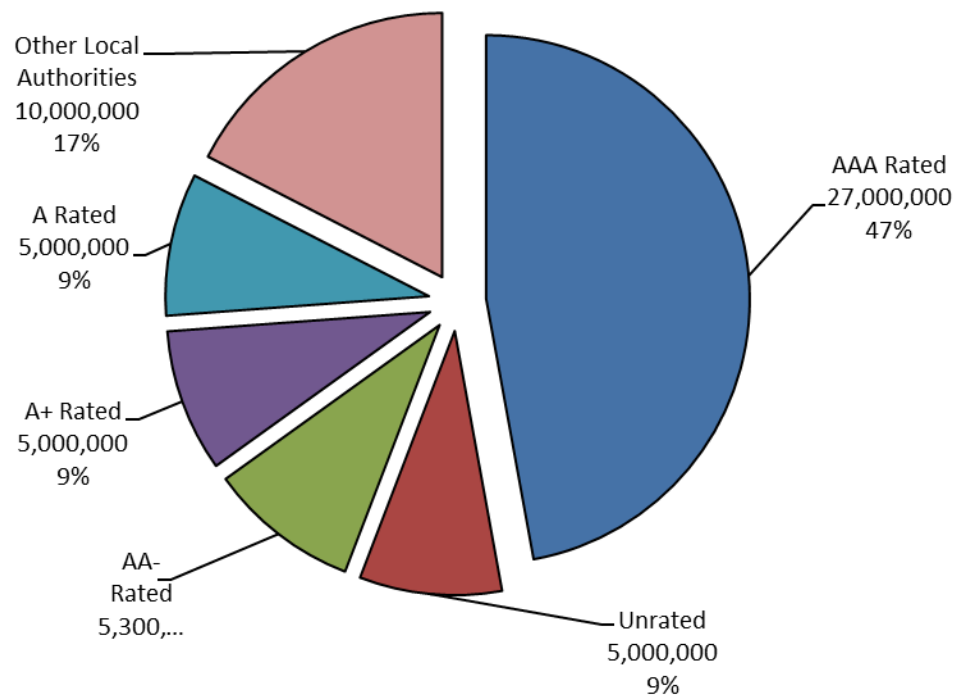


Chart 4: Council Investments Per Lowest Equivalent Long Term Credit Rating as at 31st March 2020 - £57.3m



APPENDIX 3**Average rate of return on investments for 2020/21**

	Apr. %	May %	Jun. %	Average
Average rate of interest earned	0.57%	0.63%	0.62%	0.60%
Benchmark = Average 7 Day LIBID rate +0.05% (source: Arlingclose)	0.03%	0.00%	0.00%	0.01%
Performance against Benchmark %	+0.54%	+0.63%	+0.62%	+0.59%

APPENDIX 4

Council's External Borrowing at 30th June 2020

Lender	Amount outstanding	Start date	End date	Interest rate
Long term				
PW489142	10,000,000	15/10/2004	15/10/2034	4.75%
PW497233	5,000,000	12/05/2010	15/08/2035	4.55%
PW497234	5,000,000	12/05/2010	15/02/2060	4.53%
PW498834	5,000,000	05/08/2011	15/02/2031	4.86%
PW498835	10,000,000	05/08/2011	15/08/2029	4.80%
PW498836	15,000,000	05/08/2011	15/02/2061	4.96%
PW503684	5,300,000	29/01/2015	08/04/2034	2.62%
PW503685	5,000,000	29/01/2015	08/10/2064	2.92%
PW505122	17,533,317	20/06/2016	20/06/2041	2.36%
PW508126	9,399,306	06/12/2018	20/06/2043	2.38%
PW508202	9,798,475	12/12/2018	20/06/2068	2.59%
PW508224	4,694,717	13/12/2018	20/06/2043	2.25%
PW505744	8,942,387	24/02/2017	15/08/2039	2.28%
PW505966	9,074,862	04/04/2017	15/02/2042	2.26%
PW506052	7,712,688	08/05/2017	15/02/2042	2.25%
PW506255	6,788,649	10/08/2017	10/04/2067	2.64%
PW506729	9,241,844	13/12/2017	10/10/2042	2.35%
PW506995	9,257,583	06/03/2018	10/10/2042	2.52%
PW506996	9,431,831	06/03/2018	10/10/2047	2.62%
PW507749	9,554,447	10/09/2018	20/07/2043	2.42%
PW508485	19,793,349	11/02/2019	20/07/2068	2.52%
PW509840	9,832,270	04/09/2019	20/07/2044	1.40%
KBC Bank N.V *	5,000,000	08/10/2004	08/10/2054	4.50%
KBC Bank N.V *	5,000,000	08/10/2004	08/10/2054	4.50%
Eurohypo Bank *	10,000,000	27/04/2005	27/04/2055	4.50%
Medium term				
Gloucestershire C.C.	5,000,000	25/11/2019	25/11/2021	1.50%
Portsmouth C.C.	5,000,000	19/12/2019	19/12/2022	1.65%
Short term				
London Borough of Bromley	15,000,000	01/04/2020	01/04/2021	1.50%
Total Borrowing	246,355,726			

*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. Should the lender use the option to change the rate, then at this point the borrower has the option to repay the loan without penalty.

APPENDIX 5

Economic and market review for April 2020 to June 2020

Economic background: The UK's exit from the European Union took a back seat during the first quarter of 2020/21 as the global economic impact from coronavirus took centre stage. Part of the measures taken to stop the spread of the pandemic included the government implementing a nationwide lockdown in late March which effectively shut down almost the entire UK economy. These measures continued throughout most of the quarter with only some easing of restrictions at the end of May and into June.

Bank Rate was maintained at 0.1% despite some speculation that the Bank of England's Monetary Policy Committee (MPC) might cut further and some MPC members also suggesting that negative rates are part of the Bank's policy tools. In June the Bank increased the asset purchase scheme by £100 billion, taking the recent round of QE to £300bn and total QE to £745 billion.

At the same time, the government also implemented a range of fiscal stimulus measures totalling over £300 billion which had been announced in March and designed to dampen the effect of the pandemic on the labour market.

GDP growth contracted by 2.2% in Q1 (Jan-Mar) 2020 pushing the annual growth rate down to -1.6%. The lockdown only came into force on 23rd March, and the markets are braced for a dire set of growth data for Q2. In April UK GDP fell 20.4% month-on-month. On the back of the 5.8% month-on-month fall in March, this means economic output fell by 25% compared to its pre-coronavirus peak in February 2020.

The headline rate of UK Consumer Price Inflation UK Consumer Price Inflation fell to 1.2% y/y in May, further below the Bank of England's 2% target.

In the three months to June, labour market data remained largely unchanged on the previous quarter. This is likely due to the government's furlough scheme as more than a quarter of the UK workforce was estimated to be supported by it. The ILO unemployment rate remained unchanged at 3.9% while the employment rate fell to 76.4%. However, employers will have to contribute towards furlough payments from August and the scheme is due to stop at the end of October; unemployment is expected to rise as a result.

The US economy contracted at an annualised rate of 5.0% in Q1 2020. The Federal Reserve maintained the Fed Funds rate at between 0% and 0.25% while the US government announced a \$2 trillion fiscal stimulus package. Relations between the US and China, which had briefly improved when Phase 1 of the trade agreement was signed in January, deteriorated over the quarter.

With little room to move on interest rates, the European Central Bank maintained interest rates at 0% and the rate on the deposit facility (which banks may use to make overnight deposits with the Eurosystem) at -0.5% and announced a further huge, open-ended commitment to buy €600bn of bonds under its Pandemic Emergency Purchase Programme (PEPP) which can be reinvested out to 2022. This lifted the ECB's total bond buying support package to €1.35trillion.

Financial markets: After selling off sharply in March, equity markets started recovering in April and while still down on their pre-crisis levels, the Dow Jones and FTSE 100 and 250

have made up around half of the losses. Measures implemented by central banks and governments continue to maintain some degree of general investor confidence, however volatility remains.

Ultra-low interest rates and the flight to quality continued to keep gilts yields low over the period with the yield on some short-dated government bonds turning negative. The 5-year UK benchmark gilt yield dropped from 0.18% at the beginning of April 2020 to -0.06% on 30th June. The 10-year benchmark gilt yield fell from 0.31% to 0.14% over the same period, and the 20-year from 0.69% to 0.52%. 1-month, 3-month and 12-month bid rates averaged 0.04%, 0.28% and 0.44% respectively over the quarter.

Over the quarter (April–June), the yield on 2-year US treasuries fell from 0.24% to 0.20% while that on 10-year treasuries fell from 0.63% to 0.61%. German bund yields remain negative.

Credit review: After rising sharply in late March, credit default swap spreads slowly eased over the quarter but remained above their pre-crisis levels.

Fitch downgraded the UK sovereign rating to AA- in March which was followed by a number of actions on UK and also non-UK banks from early April onwards. This included revising the outlook on all banks on the counterparty list to negative, with the exception of Barclays Bank, Rabobank, Handelsbanken and Nordea Bank which were placed on Rating Watch Negative, as well as downgrading Close Brothers' long-term rating to A-. Network Rail Infrastructure and LCR Finance's long-term ratings were downgraded from AA to AA-. HSBC Bank and HSBC UK Bank were the exceptions however, with Fitch upgrading their long-term ratings to AA-.

Fitch affirmed the ratings of Canadian banks but revised their outlook to negative. The agency also downgraded the long- and short-term ratings of Australia's four largest banking groups. It upgraded the long-term deposit rating of both Bayerische Landesbank and Landesbank Baden-Wuerttemberg (LBBW) but downgraded the viability ratings, and revised outlooks to negative. Fitch later placed three Singapore banks on Rating Watch Negative.

S&P also took action on a range of UK and European banks, affirming their ratings but revising their outlook downwards due to the economic consequences of COVID-19. Moody's downgraded the long-term rating of Nationwide BS from Aa3 to A1 and S&P downgraded the long- and short-term ratings of HSBC Bank PLC and HSBC UK Bank PLC to A+ and A-1 respectively

In May, Fitch and S&P downgraded TfL's long-term rating to A+ from AA- after the 95% reduction in tube and train fares which make up 47% of TfL's revenue. However, the UK government agreed to a £1.6 billion support package which will help ease some of the stress TfL faces.

As the extent of the losses that banks and building societies will suffer due to the impact from the coronavirus epidemic remains uncertain but is expected to be substantial, in early June following Arlingclose's stress testing of the institutions on the counterparty list using bail-in analysis, a number of UK banks and building societies were suspended from the counterparty list for unsecured deposits. Although much better capitalised than before the

2007-09 financial crisis, under the current economic circumstances these entities were suspended for reasons of prudence. For those remaining on the list, the duration advice remains up to 35 days.

APPENDIX 6

Interest & Capital Financing Costs – Budget Monitoring 2020/21

April 2020 to June 2020	YEAR END POSITION			ADV/FAV
	Budgeted Spend or (Income) £'000	Forecast Spend or (Income) £'000	Forecast over or (under) spend £'000	
Interest & Capital Financing				
- Debt Costs	8,789	7,789	(1,000)	FAV
- Internal Repayment of Loan Charges	(9,029)	(9,529)	(500)	FAV
- Ex Avon Debt Costs	1,060	1,060	0	
- Minimum Revenue Provision (MRP)	7,296	6,796	(500)	FAV
- Interest on Balances	(466)	(466)	0	
Total	7,650	5,650	(2,000)	FAV

APPENDIX 7

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 - indicates an issuer that has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure, or which has otherwise ceased business.

APPENDIX 8

Extract from Treasury Management Risk Register – Top 5 Market Risks

			Current Risk Score										
	Risk Nr	Description	Likelihood					Impact					Management Action
			1	2	3	4	5	1	2	3	4	5	
			L	M	H		L	M	H				
1	R01	Liquidity Risk - The risk that cash will not be available when it is needed, that ineffective management of liquidity creates additional unbudgeted costs, and that the organisation's business/service objectives will be thereby compromised.		2					3			Obtain approval of annual Treasury Management Strategy by February Council. Carry out weekly reviews of investment portfolio and planned actions. Carry out monthly 'dashboard' meeting with DD Finance. Consider short and medium term cash balances and cashflows following recent debt repayment to inform any short - medium term borrowing requirement.	
2	R02	Interest Rate Risk - The risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately		2				2				Monitor interest rates on a monthly basis and compare with budget to determine impact on Council finances and report through Monthly Finance Dashboard. Report implication of interest rate changes to Cabinet Member for Resources as part of quarterly Treasury Management Performance Report. Explore alternative potential investment products following new freedoms - including corporate bonds, gilts, Certificate of Deposits etc.	
3	R03	Exchange Rate Risk - The risk that fluctuations in foreign exchange rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately.	1					2				Treasury Management Policies clearly record the need to eliminate currency exchange rate risks .	
4	R04	Inflation Risk - The risk that prevailing levels of inflation cause an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately.		2				2				Liaise with S151 Officer to ensure Inflation both current and projected forms part of the medium term financial planning framework.	
5	R05	Credit and Counterparty Risk - The risk of failure by a third party to meet its contractual obligations to the organisation under an investment, borrowing, capital, project or partnership financing, particularly as a result of the third party's diminished creditworthiness, and the resulting detrimental effect on the organisation's capital or current (revenue) resources.			3					4		Complete annual review of Counterparty List with external advisors to feed into Treasury Management Strategy. Regular review of counterparty financial standing through use of credit ratings, credit default swap rates and national press coverage and liaison with S151 Officer and external advisors to consider any issues / change in circumstances of counterparties.	

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