

Cabinet

Date: Thursday 12th February 2026

Time: 6.30 pm

Venue: Council Chamber - Guildhall, Bath

Agenda

To: All Members of the Cabinet

Councillor Kevin Guy (Leader of the Council, LD Group Leader, Member Advocate for Armed Forces and Veterans), Councillor Alison Born (Cabinet Member for Adult Services), Councillor Mark Elliott (Deputy Council Leader (non-statutory) and Cabinet Member for Resources), Councillor Joel Hirst (Cabinet Member for Sustainable Transport Strategy), Councillor Lucy Hodge (Cabinet Member for Sustainable Transport Delivery), Councillor Paul May (Cabinet Member for Children's Services), Councillor Matt McCabe (Cabinet Member for Built Environment, Housing and Sustainable Development), Councillor Manda Rigby (Cabinet Member for Communications and Community), Councillor Paul Roper (Cabinet Member for Economic and Cultural Sustainable Development) and Councillor Sarah Warren (Deputy Council Leader (statutory) and Cabinet Member for Sustainable Bath and North East Somerset)

Chief Executive and other appropriate officers
Press and Public

The agenda is set out overleaf.



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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 Openness of Local Government Bodies Regulations 2014 now allows filming and recording by anyone attending a meeting. This is not within the Council's control. Some of our meetings are webcast. At the start of the meeting, the Chair will confirm if all or part of the meeting is to be filmed. If you would prefer not to be filmed for the webcast, please make yourself known to the camera operators. We request that those filming/recording meetings avoid filming public seating areas, children, vulnerable people etc; however, the Council cannot guarantee this will happen.

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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 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. Emergency Evacuation Procedure

When the continuous alarm sounds, you must evacuate the building by one of the designated exits and proceed to the named assembly point. The designated exits are signposted. Arrangements are in place for the safe evacuation of disabled people.

6. Supplementary information for meetings

Additional information and Protocols and procedures relating to meetings

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Cabinet - Thursday 12th February 2026

in the Council Chamber - Guildhall, Bath

A G E N D A

1. WELCOME AND INTRODUCTIONS

2. EMERGENCY EVACUATION PROCEDURE

The Democratic Services Officer will read out the emergency evacuation procedure as set out in the notes.

3. APOLOGIES FOR ABSENCE

4. DECLARATIONS OF INTEREST

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

- (a) The agenda item number in which they have an interest to declare.
- (b) The nature of their interest.
- (c) Whether their interest is **a disclosable pecuniary interest** or an **other interest**,
(as defined in Part 4.4 Appendix B of the Code of Conduct and Rules for Registration of Interests)

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

5. TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR

6. QUESTIONS FROM PUBLIC AND COUNCILLORS

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

7. STATEMENTS OR PETITIONS FROM PUBLIC OR COUNCILLORS

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

8. MINUTES OF PREVIOUS CABINET MEETING - 13TH NOVEMBER 2025 (Pages 7 - 18)

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

9. CONSIDERATION OF SINGLE MEMBER ITEMS REQUISITIONED TO CABINET

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

10. MATTERS REFERRED BY POLICY DEVELOPMENT AND SCRUTINY BODIES

This is a standing agenda item (Constitution rule 3.3.14) for matters referred by Policy Development and Scrutiny bodies. The Chair of the relevant Policy Development and Scrutiny Panel will have the right to attend and to introduce the Panel's recommendations to Cabinet.

11. SINGLE MEMBER CABINET DECISIONS TAKEN SINCE PREVIOUS CABINET MEETING (Pages 19 - 26)

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

12. RECOMMISSIONING LDAN, CARE HOMES AND HOME CARE SERVICES TO IMPROVE OUTCOMES FOR ADULTS AND ENSURE SUSTAINABLE, HIGH-QUALITY PROVISION (Pages 27 - 86)

To consider the recommissioning of Learning Disability, Autism and Neurodiversity (LDAN), Care Home, and Home Care services in Bath and North East Somerset.

13. HOUSING ADAPTATIONS FOR FOSTER CARERS (Pages 87 - 132)

To consider the Housing Alterations Policy for Bath and North East Somerset Foster Carers.

14. SOMER VALLEY ENTERPRISE ZONE INVESTMENT (Pages 133 - 156)

The purpose of the report is to secure continued support for promoting the Somer Valley Enterprise Zone scheme and progressing the Compulsory Purchase Order, including pursuing various measures to secure additional funding and/or other means to ensure the delivery of the project.

15. QUARTER 3 CORPORATE STRATEGY PERFORMANCE REPORT (Pages 157 - 160)

To consider the findings of the performance report and to recommend any follow-up actions or information requirements.

16. REVENUE & CAPITAL BUDGET MONITORING, CASH LIMITS AND VIREMENTS – APRIL TO DECEMBER 2025 (Pages 161 - 204)

The report presents the financial monitoring information for the Council for the 2025/26 financial year, using information available up to the end of December 2025.

17. BUDGET AND COUNCIL TAX 2026/27 AND FINANCIAL OUTLOOK (Pages 205 - 458)

To consider the Council's proposed revenue and capital budgets together with proposals for increases in Council Tax and the Adult Social Care Precept for 2026/27.

18. TREASURY MANAGEMENT PERFORMANCE REPORT TO 31ST DECEMBER 2025 (QUARTER 3) (Pages 459 - 480)

The report gives details of performance against the Council's Treasury Management Strategy for the period April to December 2025.

19. TREASURY MANAGEMENT STRATEGY STATEMENT 2026/27 (Pages 481 - 510)

To consider the Treasury Management Strategy Statement for 2026/27.

The Democratic Services Officer for this meeting is Marie Todd who can be contacted on 01225 394414.

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BATH AND NORTH EAST SOMERSET

CABINET

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

Thursday 13th November 2025

Present:

Councillor Kevin Guy	Leader of the Council, LD Group Leader, Member Advocate for Armed Forces and Veterans
Councillor Alison Born	Cabinet Member for Adult Services
Councillor Mark Elliott	Deputy Council Leader (non-statutory) and Cabinet Member for Resources
Councillor Joel Hirst	Cabinet Member for Sustainable Transport Strategy
Councillor Lucy Hodge	Cabinet Member for Sustainable Transport Delivery
Councillor Paul May	Cabinet Member for Children's Services
Councillor Matt McCabe	Cabinet Member for Built Environment, Housing and Sustainable Development
Councillor Manda Rigby	Cabinet Member for Communications and Community
Councillor Paul Roper	Cabinet Member for Economic and Cultural Sustainable Development
Councillor Sarah Warren	Deputy Council Leader (statutory) and Cabinet Member for Sustainable Bath and North East Somerset

40 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting.

41 EMERGENCY EVACUATION PROCEDURE

The Senior Democratic Services Officer read out the emergency evacuation procedure.

42 APOLOGIES FOR ABSENCE

There were no apologies for absence.

43 DECLARATIONS OF INTEREST

There were no declarations of interest.

44 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR

There was no urgent business.

45 QUESTIONS FROM PUBLIC AND COUNCILLORS

There were 22 questions from Councillors and 17 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.]

46 STATEMENTS OR PETITIONS FROM PUBLIC OR COUNCILLORS

Members of the public and Councillors made statements as follows:

- Cllr Dine Romero – Adoption West (*a copy of the statement is attached as an appendix to these minutes*).

47 MINUTES OF PREVIOUS CABINET MEETINGS

RESOLVED that the minutes of the meeting held on Thursday 11th September 2025 and of the Special Meeting held on 25th September 2025 be confirmed as a correct record and signed by the Chair.

48 CONSIDERATION OF SINGLE MEMBER ITEMS REQUISITIONED TO CABINET

No single member items were requisitioned to Cabinet.

49 SINGLE MEMBER CABINET DECISIONS TAKEN SINCE PREVIOUS CABINET MEETING

The Cabinet agreed to note the report.

50 MATTERS REFERRED BY POLICY DEVELOPMENT AND SCRUTINY BODIES

No matters were referred by Policy Development and Scrutiny Panels.

51 GREENER PLACES PLAN FOR BATH AND NORTH EAST SOMERSET 2025-2035

Cllr Sarah Warren, Cabinet Member for Sustainable Bath and North East Somerset, introduced the report, moved the amended officer recommendation and made the following points:

- The Greener Places Plan aligns with Natural England's green infrastructure standards.
- It updates the 2015 Green Space Strategy.
- The Plan aims for 30% of land in Bath and North East Somerset to be positively managed for nature by 2030.
- It seeks to embed nature-conscious practices across all council operations.
- This moves beyond isolated green spaces to interconnected, larger ecosystems and emphasises nature's role as humanity's life support system.
- This will enhance quality of life, mental health, and urban cooling and supports active lifestyles and healthier environments.

- The Council works with landscape-scale partnerships (e.g., Bathscape, Chew Valley Reconnected) and engages with the West of England Nature Partnership.
- The Council also collaborates with developers and social housing providers.
- The Local Plan consultation could yield 200 hectares of accessible green space alongside 27,000 new homes.
- The Greener Places Plan will have statutory influence on development standards as it will be linked to the Local Plan.
- It will provide an evidence base to prioritise funding, especially in deprived areas which have less green space.
- Cllr Warren thanked partners and officers for their contributions to biodiversity and policy development.

Cllr Matt McCabe seconded the motion and made the following points:

- The document sets out the kind of environments we should be building in terms of the natural world and biodiversity. It is an important piece of evidence for the emerging Local Plan.
- When we look at biodiversity net gain the document can give some evidence in relation to place shaping within the area.

RESOLVED (unanimously):

- (1) To approve the Greener Places Plan for Bath and North East Somerset and the accompanying five-year Investment and Delivery Plan 2025-2030.
- (2) To delegate authority to the Executive Director for Sustainable Communities, in consultation with the Cabinet Member for Sustainable Bath and North East Somerset, to make textual changes to the Greener Places Plan prior to its publication.

52 ANNUAL CLIMATE AND NATURE PROGRESS REPORT 2025

Cllr Sarah Warren, Cabinet Member for Sustainable Bath and North East Somerset, introduced the item, moved the officer recommendation and made the following points:

- 2024 saw record rises in atmospheric CO₂ and methane, intensifying global heating.
- The UK experienced four heatwaves this year during its hottest summer on record.
- The COP30 in Belem, Brazil highlights insufficient global commitments, risking 2.5°C warming.
- The International Court of Justice suggests that climate reparations may be due from non-compliant nations.
- Renewables are accelerating globally, but climate denial from major emitters like the US poses challenges.
Bath & North East Somerset Council continues to lead among similar local authorities on climate and ecological action.
- Carbon emissions in B&NES have halved per person over 20 years.
- B&NES Council is ranked top among small provincial unitary authorities in the UK's climate action scorecard.

- The Council has added 15 electric vehicles to the council fleet; £10M has been budgeted for electric waste/recycling HGVs.
- We have secured funding for the first new national forest in 30 years with Forest of Avon partners.
- Rooftop solar panels have been installed on Bath Sports and Leisure Centre.
- There are planned upgrades for Carrswood Adult Day Centre and Keynsham Civic Centre with solar/heat pumps.
- Decarbonising buildings and transport remains a major challenge.
- We are collaborating with the West of England Combined Authority to promote walking, cycling, and public transport.
- We are supporting retrofitting of listed buildings via the Green Heritage Homes project.
- £4M has been budgeted for further building decarbonisation.
- We are exploring hydroelectricity at Pulteney Gate to power heat pumps in historic buildings.
- There is a proposed increase in the Biodiversity Net Gain requirement from 10% to 20% in the new Local Plan.

Cllr Joel Hirst seconded the motion and made the following points:

- The Council has developed strong partnerships and is taking action on the council-owned estate and vehicle fleet.
- Across the authority emissions are down by 46% since 2005.
- In B&NES we continue to have lower emissions per capita compared to the rest of the South West and England averages.
- Decarbonising of transport remains one of our biggest challenges – we are slightly ahead in B&NES in Ultra Low Emission vehicles – but we need to do much more on EV chargers and more on supporting our bus network to get passenger numbers back to pre-Covid levels, with WECA support.
- We need to deliver the new railway station at Saltford.
- We are seeing high demand for cycle hangers, which are very popular across the authority.
- In terms of the ecological emergency there is much to celebrate including:
 - The delivery in green infrastructure projects.
 - Tree planting in places like Rush Hill open spaces, Pennyquick.
 - The Bath River Line project.
 - The Somer Valley Rediscovered greenspaces.

Cllr Paul May welcomed the progress that has been made and the engagement of local communities in this work.

Cllr Matt McCabe highlighted the adaptations unit work and the installation of charging units so that the fleet can switch to electric vehicles.

Cllr Kevin Guy acknowledged the progress made and was pleased to note that the Council is a forerunner in this work.

RESOLVED (unanimously):

- (1) To note the progress made in tackling the Climate and Ecological Emergencies during 2024-25, as set out in the attachments to the report.

- (2) To approve the Annual Climate & Nature Progress Report before presentation of the report to Council on 20th November 2025.

53 ESTABLISH A LIMITED LIABILITY PARTNERSHIP (LLP) FOR THE REGENERATION OF THE BATH QUAYS RESIDENTIAL DEVELOPMENT PLOTS

Cllr Matt McCabe, Cabinet Member for Built Environment, Housing and Sustainable Development, introduced the item, moved the officer recommendation and made the following points:

- There is an affordable housing crisis across B&NES, we have 6,000 people on the waiting list, 500 of whom, at any one time, are in crisis.
- The market is unable to deliver affordable and social housing in the quantum we need.
- Given this situation, we signed up to the Housing Mission Delivery Board's cross-party Housing Accord. In doing so, we committed the Council to take an innovative and collaborative approach to delivering more affordable housing. The aim is to find greater efficiencies in delivery that allow us far more opportunities to invest in, particularly, Social Homes.
- Advice provided from Bishop Fleming concluded that the most efficient model for the Council and Aequus Group is to incorporate a Limited Liability Partnership (LLP) for the development of the Bath Quays North site.
- The primary purpose in forming the proposed LLP is to:
 - regenerate the Site which has stalled following the demise of its development agreement with Legal & General;
 - increase housing supply; and
 - to promote the development of energy efficient homes.
- Any profit created by the regeneration of the site, which is subsequently received by the Council should be used to either further regeneration activity in the Council area and/or provide additional subsidy for social housing on future sites.

Cllr Lucy Hodge seconded the motion and made the following points:

- The Council is again stepping in to address a market failure and build new homes where possible on brownfield sites. Through use of our own building company, Aequus Construction Limited, the Council is focusing on developing two sites north and south of Bath Quays Links to deliver around 160 new homes – all EPC A rated.
- An LLP is a business structure which in this case will create a separate legal entity around the development. This then sits outside the Council to mitigate risk and associated costs. The sort of risks we are thinking about are typical to any city construction site, for example increasing construction costs (due to delay or materials inflation), archaeological discoveries, and occasionally unexploded munitions. There is a cost implication to setting up an LLP which is justified here by the scale of the development.
- The LLP will allow these two developments to be brought forward to deliver about 160 new energy efficient homes in the city centre, helping to regenerate the area whilst mitigating any risk to the Council. It also reduces the Council's

tax liability which will enable continued investment in the provision of social housing on future sites.

Cllr Joel Hirst stated that there has been a market failure to provide affordable housing, especially for young people. The Council has a responsibility to innovate to provide new homes.

RESOLVED (unanimously):

- (1) To agree to the establishment of a Limited Liability Partnership (LLP) between the Council and the Group.
- (2) To approve the proposed membership agreement of the LLP set out in Attachment 1 of the report.
- (3) To delegate to the Director of Capital & Housing Delivery the authority to take all steps necessary to form the Limited Liability Partnership for the regeneration of the Bath Quays North plots 6 & 7 and Bath Quays south (collectively referred subsequently as the Site) in the proportions provided for in attachment 1 of the report.
- (4) To agree to loan the LLP the Site development costs.
- (5) To agree in principle to the use of the existing Aequus Development Loan Facility and the Aequus Working Capital Facility by the LLP.
- (6) To delegate to the Director of Capital & Housing Delivery in consultation with the Leader, Cabinet Member for Resources and S151 Officer authority to transfer the Site to the LLP.
- (7) To delegate to the Director of Finance (S.151 Officer) in consultation with the Executive Director of Sustainable Communities, the power to approve the Full Business Case to develop the Site and enter into a loan agreement with and take security for the loan from the LLP.

54 CARE QUALITY COMMISSION (CQC) LOCAL AUTHORITY ASSESSMENT - ADULT SOCIAL CARE IMPROVEMENT PLAN PROGRESS UPDATE

Councillor Alison Born, Cabinet Member for Adult Services, introduced the item, moved the officer recommendation and made the following points:

- We took our Adult Social Care (ASC) services back in house in April last year and the CQC inspection process started two weeks later. The inspection report was published in January with a rating of “requires improvement.”
- Authorities whose services are assessed by the CQC as inadequate or requiring improvement are assigned a Care and Health Improvement Adviser to help support the development of an Improvement Plan to address areas of concern. As we are committed to ensuring that we provide a good service for our residents, the ASC team has engaged actively with our Improvement Advisor, to develop a programme of transformation for our services.

- The Plan has nine priorities delivered by 15 projects, with progress overseen by a monthly Programme Board that include representation from across the Council, ensuring broad ownership of and support for the Plan.
- Work is ongoing with residents and staff to shape services delivery, a new operational structure has come into place and there is significant improvement in access and reductions in waiting times, better use of data and technology to drive efficiency and improvement, and investment in the workforce.
- A further update will be provided in six months' time.

Cllr Paul May seconded the motion.

RESOLVED (unanimously):

- (1) To note the summary of progress towards the Adult Social Care Improvement Plan which highlights the main themes and action for achieving a Good CQC rating.
- (2) To agree that a further update report on the progress against the ASC Improvement Plan is submitted to Cabinet in May 2026.

55 ADOPTION WEST CONTRACT

Cllr Paul May, Cabinet Member for Children's Services, introduced the item, moved the officer recommendation and made the following points:

- Adoption West is a Teckal Company which is jointly owned by six Local Authorities (the four former Avon authorities (B&NES, Bristol, South Gloucestershire, North Somerset) plus Gloucestershire and Wiltshire councils).
- Current arrangements are due to expire at the end of February 2027. There are three possible delivery models. These are: continuing with Adoption West; a local authority-hosted service; or working with a voluntary adoption agency.
- The clear recommendation is to continue with Adoption West as our preferred model. This is regarded as the optimal and only practicable solution, based on:
 - Adoption West's record of effectiveness, including governance, oversight and partnership working
 - the opportunity to consolidate and build on progress to date
 - the opportunity to innovate and weather challenges from a secure base
 - minimising disruption and distress for children, families and staff
 - lack of evidence to support moving to an alternative delivery model and clear risks of change
- Adoption West has been a very successful organisation. It has a Good Ofsted rating, "overwhelmingly positive" service user feedback, and performance indicators which match or exceed national averages.
- Since 2019, Adoption West has delivered over 500 adoptions and is providing ongoing support to about 2000 families.

Cllr Alison Born seconded the proposal and noted that Adoption West is providing a good service and value for money.

RESOLVED (unanimously):

- (1) To agree, in principle, to continue with Adoption West as the council's preferred option for their regional adoption agency (RAA), beyond February 2027.
- (2) To delegate to the Director of Children's Services, in consultation with the Cabinet Member for Children's Services, to work with key stakeholders and partners (including adoptive family representatives) to further develop Adoption West, taking account of the matters set out in paragraph 11.1 of the report.
- (3) To bring a further report to a future Cabinet meeting once this work is completed setting out revised proposals for Adoption West beyond February 2027.

56 LOCAL GOVERNMENT ASSOCIATION (LGA) CORPORATE PEER CHALLENGE ACTION PLAN

Cllr Sarah Warren, Cabinet Member for Sustainable Bath and North East Somerset, introduced the item, moved the officer recommendation and made the following points:

- The Council went through a thorough peer review by the Local Government Association in July this year. This was its first review since 2019.
- The Council was assessed against five criteria:
 - Local priorities and outcomes
 - Organisational and place leadership
 - Governance and culture
 - Financial planning and management
 - Capacity for improvement
- The results of the Peer Review highlighted our strong leadership, outward-looking approach, and commitment to making a genuine difference. We can all be proud that B&NES Council has been recognised for excellence across a wide range of services following the review.
- It also identifies areas where we can go further—particularly in tackling local inequalities and strengthening strategic planning. These are important challenges, and we welcome the opportunity to improve.
- The draft action plan recommends eight actions to undertake within a specific timeframe and some of these actions are already underway.

Cllr Manda Rigby seconded the proposal and made the following points:

- The Council should be proud of the outcome of the peer review. However, there is no room for complacency, and we can always strive to do things better.
- A key theme that came through was the need to address more publicly some of the inequalities in the district. There are many ways in which we seek to

address inequalities, but they haven't been consolidated into an overall plan which we have been able to communicate.

- As a mature administration we should not be fearful of outside scrutiny from a critical friend team or of embracing their recommendations.

Cllr Kevin Guy thanked the peer review team for their comprehensive report and stated that they would be welcomed back next year for the follow up visit.

RESOLVED (unanimously):

- (1) To approve the draft action plan.
- (2) To agree to a follow up visit in Summer 2026 to help the council assess the impact of the peer challenge and demonstrate the progress made in response to the review's recommendations.

57 QUARTER 2 CORPORATE STRATEGY PERFORMANCE REPORT

Cllr Mark Elliott, Cabinet Member for Resources, introduced the report, moved the officer recommendation and made the following points:

- The report provides an update on a selection of performance indicators which have shown movement over the first half of the year.
- There has been good performance in waste and recycling, as well as compliance with air quality goals and positive trends in social care.
- However, there have been challenges, particularly in areas where the council has less direct influence or where there is influence of national trends, such as the district-wide greenhouse gas emissions or households in temporary accommodation.

Cllr Manda Rigby seconded the proposal and made the following points:

- The Cabinet should review what is being measured and what plans are in place for the areas where we are not hitting our targets.
- For example, as set out in the peer challenge document, some further work is needed around inequalities and how we promote this work.
- The Key Performance Indicators need to continually evolve in the light of challenges such as the peer review.

RESOLVED (unanimously):

To note the findings of the performance report and to consider any follow-up actions or information requirements.

58 2026/27 MEDIUM TERM FINANCIAL STRATEGY

Cllr Mark Elliott, Cabinet Member for Resources, introduced the report, moved the officer recommendation and made the following points:

- There are many challenges over the next five years, in particular the unprecedented level of uncertainty due to the government's ongoing "fair funding" review.

- Due to this uncertainty, we must base our entire Medium Term Financial Strategy (MTFS) on assumptions and modelling rather than on confirmed figures.
- The MTFS models the following:
 - A projected budget gap of £8.9 million for 2026/27 - and further gaps of over £10 million in each of the following two years.
 - A cumulative funding gap of £38.6 million over the next five years (2026/27 to 2030/31), even after accounting for planned savings and income generation.
 - Estimated reductions in central government funding of £13 million over the next three years - broken down as £4 million in 2026/27, £4 million in 2027/28, and £5 million in 2028/29 - and that is purely because of the anticipated impact of the “fair funding” review.
- The modelling suggests that Bath and North East Somerset will be a net loser from the new system.
- This uncertainty comes on top of sustained inflation, rising demand for social care and continued pressure in Children’s Services.
- We are taking a prudent and proactive approach by maintaining unearmarked reserves of £12.6 million to manage in-year pressures and unforeseen risks.
- We are also reviewing all capital spending to ensure affordability and alignment with our strategic priorities.
- We are also investing in transformation and prevention – including digital transformation, new ways of working and early intervention in social care.

Cllr Lucy Hodge seconded the motion and made the following points:

- The Council is operating in an environment across the board of increasing pressures, leading to difficult decisions.
- Local funding per resident remains, on average, 19% below 2010 levels.
- We are aiming for a balanced budget but there is a gap which needs to be addressed by trying to find new sources of income, growth and difficult decisions about savings to the extras we want to deliver.
- The administration will continue to demonstrate sound financial leadership and to steer our way carefully through these challenges.

RESOLVED (unanimously):

To approve the Medium Term Financial Strategy attached as Appendix 1 to the report.

59 REVENUE & CAPITAL BUDGET MONITORING, CASH LIMITS AND VIREMENTS – APRIL TO SEPTEMBER 2025

Cllr Mark Elliott, Cabinet Member for Resources, introduced the report, moved the officer recommendations and made the following points:

- The report provides a detailed overview of our financial position at the mid-year point and is a vital part of our commitment to transparency and sound financial management.
- The current position of the 2025/26 Capital Programme is a forecast spend of £106.2 million against a budget of £146.4 million, giving a variance of £40.2 million.

- Of this variance, £39.6 million (the vast majority) is anticipated to be rephased into future years, reflecting the reality of project delivery timescales and the need to align spend with actual progress on the ground.
- At the end of September, the Council is forecasting a £2.4 million overspend against the revised revenue budget. That is after the use of £9.8 million in budgeted contingencies and £1.5 million from the pay and grading reserve.
- This position reflects the continued challenges facing local government nationally, including rising demand for statutory services, inflationary pressures and the ongoing impact of pay and grading reviews.
- Children's Services has a forecast overspend of £6m. This continues to be driven by high-cost residential placements for vulnerable and complex young people, increased demand and continued reliance on agency staff to cover vacancies.
- Adult Social Care is forecasting a net overspend of £1m. The main drivers are increased demand for residential care, and home care, as well as pressures in learning disabilities services.
- Heritage Services are facing a £2.3m shortfall, primarily due to lower than projected visitor numbers at the Roman Baths and associated retails and catering income.
- There are also pressures in the Corporate and Commercial Estate as well as in Waste and Fleet Services.
- While the capital programme remains on track overall, the revenue budget continues to be under significant pressure. Directors are actively developing mitigation plans to bring the budget back into balance by year-end.

Cllr Paul Roper seconded the motion and made the following points:

- It is very difficult to manage demand-led services such as Children's Services.
- Heritage Services have not yet seen the return of the Asian and USA market and visitors are not spending as much as they have in the past.
- We are seeing some signs of improvement in our High Streets with regeneration.
- There is still room for optimism as Bath is a great city, and various projects have been undertaken or are underway such as:
 - Somer Valley Enterprise Zone
 - Midsomer Norton High Street renewal
 - Radstock Regeneration Programme
 - Milsom Quarter Masterplan
 - Bath Quays North
 - Fashion Museum

RESOLVED (unanimously):

- (1) To note the 2025/26 revenue budget position detailed within the report (as at the end of September 2025).
- (2) To note and approve where required the revenue virements listed in Appendix 3(i) of the report.

- (3) To note the capital year-end forecast detailed in paragraph 3.32 of the report.
- (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) of the report.

60 TREASURY MANAGEMENT PERFORMANCE REPORT TO 30TH SEPTEMBER 2025

Cllr Mark Elliott, Cabinet Member for Resources, introduced the item, moved the officer recommendation and made the following points:

- **Borrowing Position:** At 30 September our borrowing stands at £278 million, which is well within the authorised limit and operational boundary approved by the Council. We have not undertaken any new long-term borrowing in the first half of the year, reflecting our strategy to minimise costs and maintain flexibility.
- **Investment Performance:** Our liquid balances were at £41.8m primarily invested in highly secure counterparties. The average return achieved was 4.19%, which is above the benchmark and reflects the continued high-interest rate environment.
- **Compliance:** All treasury activity is carried out in full compliance with the CIPFA Code of Practice and the Council's own Treasury Management Strategy. All the prudential indicators remain within approved limits.
- **The Council's treasury management remains prudent, compliant and aligned with strategy.** There are strong investment returns while maintaining flexibility and managing risk.

Cllr Paul Roper seconded the motion.

RESOLVED (unanimously):

- (1) To note the Treasury Management Report to 30th September 2025, prepared in accordance with the CIPFA Treasury Code of Practice
- (2) To note the Treasury Management Indicators to 30th September 2025.

The meeting ended at 7.50 am

Chair _____

Date Confirmed and Signed _____

Prepared by Democratic Services

Bath & North East Somerset Council

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

published from 4th November 2025 until 3rd February 2026

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>

Scholars Way - Acceptance of Grant for Construction

Following WECA approval of the business case for Scholars Way, this Single Member Decision seeks approval to accept the funding for construction of the scheme.

<https://westofengland-ca.moderngov.co.uk/ieDecisionDetails.aspx?ID=1072>

Decision Maker: Cabinet Member for Sustainable Transport Delivery

Decision published: 26/01/2026

Effective from: 03/02/2026

Decision:

(1) To accept the funding provided by the Mayoral Combined Authority and to approve the spend of £2.984m.

(2) To delegate authority to the Executive Director of Sustainable Communities, in consultation with the S151 Officer, to accept the Grant Offer Letter from the West of England Mayoral Combined Authority when it is received.

Wards affected: Combe Down; Widcombe & Lyncombe

Lead officer: Paul Tucker

AGHL Interim Dividend to the Shareholder

Approval of the reserved matter below to allow AGHL to progress with paying the interim dividend of £681K for 2024/2025 to the Shareholder in order to meet the total Council Returns target set of £1m for the financial year 2024/2025

- Reserved Matter 32 - Declaring or paying any end of year dividend of the Company (where applicable)

Decision Maker: Council Leader

Decision published: 20/01/2026

Effective from: 20/01/2026

Decision:

To approve the reserved matter below to allow AGHL to progress with paying the interim dividend of £681K for 2024/2025 to the Shareholder in order to meet the total Council Returns target set of £1m for the financial year 2024/2025.

- Reserved Matter 32 - Declaring or paying any end of year dividend of the company (where applicable).

Wards affected: All Wards

Lead officer: Susan Hayter

Schools Funding Formula 2026-27

To set out the methodology of creating the schools funding formula for 2026-27.

Decision Maker: Cabinet Member for Children's Services

Decision published: 07/01/2026

Effective from: 15/01/2026

Decision:

(1) To follow the formula set out in the report, continuing to follow the National Funding Formula (NFF) and to utilise the factor values provided by the DFE, providing the resources are available.

(2) Should resources not allow the funding of the formula factors in full, to agree that a proportionate reduction of all allowable factors is made to reduce the allocations to fit the resources available.

(3) To set the Minimum Funding Guarantee (MFG) at 0% per pupil.

Wards affected: All Wards

Lead officer: Richard Morgan

Parish and Town Council Election and By-Elections Recharges

Cabinet is asked to charge Parish Councils for their election and by-election costs with effect from 1 April 2026 and to approve the methodology for calculating the charges as set out in the report.

Decision Maker: Cabinet Member for Resources

Decision published: 06/01/2026

Effective from: 14/01/2026

Decision:

To introduce recharges to Town and Parish Councils for all their election and by-election costs with effect from 1 April 2026.

Wards affected: Bathavon North; Bathavon South; Chew Valley; Clutton & Farmborough; High Littleton; Keynsham East; Keynsham North; Keynsham South; Mendip; Midsomer Norton North; Midsomer Norton Redfield; Paulton; Peasedown; Publow with Whitchurch; Radstock; Saltford; Timsbury; Westfield
Lead officer: Aurora Loi

Fashion Museum Bath Collection Policies Renewal

It is a requirement of the Arts Council England's Accreditation Standard that Fashion Museum Bath must have a Collections Development Policy, Documentation Policy and Collections Care and Conservation Policy. These must be reviewed and renewed every 5 years. The Fashion Museum Bath's policies are now due for renewal.

Decision Maker: Cabinet Member for Economic and Cultural Sustainable Development

Decision published: 06/01/2026

Effective from: 14/01/2026

Decision:

To approve the following policies:

- Fashion Museum Bath Collections Development Policy
- Fashion Museum Bath Documentation Policy
- Fashion Museum Bath Collections Care and Conservation Policy

Wards affected: All Wards

Lead officer: Elisabeth Murray

RULE 3.5.15 - New Special School with Co-located Children's Homes

The original Single Member Decision in September 2024 (E3562), achieved cabinet agreement that Charlton House, Keynsham, could be re-purposed into a small residential and day school for young people aged 11-17 with complex special education needs with a fully approved budget of £6.1 million from High Needs Capital Allocation. However, following an aborted tender process and discussions with Ofsted it became clear that a 'residential school' for 12 pupils would not best meet the needs of our most complex children. This would be instead provided by two, co-located children's homes. Each offering residential care for up to four children/young people. The proposal for a 30-place special school remains the same, with the school and children's homes being operated separately.

Request for the Cabinet Member to approve the amended proposal that Charlton House, Keynsham should continue to be re-purposed into a special school for 30 day-pupils with highly complex needs, but with a 52-week residential offer for eight children and young people in total being provided by two, co-located children's homes.

Decision Maker: Cabinet Member for Children's Services

Decision published: 18/12/2025
Effective from: 18/12/2025

Decision:

(1) To agree that Charlton House, Keynsham should continue to be re-purposed into a special school for 30 day-pupils with highly complex needs, but with a 52-week residential offer for eight children/young people in total being provided by two colocated children's homes.

(2) To agree the increase of the budget by £660k to £6.760m funded by borrowing.

Wards affected: Keynsham South
Lead officer: Olwyn Donnelly

Public Spaces Protection Orders - for dogs to be kept on leads within our Council owned cemeteries

To create Public Space Protection Orders requiring dog owners to keep their dogs on leads within our Council owned cemeteries.

Decision Maker: Cabinet Member for Communications and Community

Decision published: 16/12/2025

Effective from: 24/12/2025

Decision:

To approve the recommendation to go to full Consultation.

Wards affected: All Wards
Lead officer: Vincent Young

Imagine Midsomer Norton Town Centre Masterplan

Blueprint for future aspirations for development and improvement in Midsomer Norton Town Centre (joint project with Midsomer Norton Town Council).

Decision Maker: Cabinet Member for Economic and Cultural Sustainable Development

Decision published: 15/12/2025

Effective from: 23/12/2025

Decision:

To endorse the Imagine Midsomer Norton Town Centre Masterplan (Appendix A of the report) as a basis for decision making and funding bids in order to seek to deliver the priority projects, working with Midsomer Norton Town Council.

Wards affected: Midsomer Norton North; Midsomer Norton Redfield
Lead officer: Cleo Newcombe-Jones

Establishment of a Limited Liability Partnership for the Regeneration of the Bath Quays Residential Development Plots

Approval to form an Aequus B&NES Limited Liability Partnership for delivery of housing regeneration projects.

Decision Maker: Council Leader

Decision published: 02/12/2025

Effective from: 02/12/2025

Decision:

To agree to the incorporation of the Aequus Regeneration Bath Quays Limited Liability Partnership (LLP) with a 1% share for Aequus Construction Ltd.

Wards affected: All Wards

Lead officer: Susan Hayter

Clapton Road and Redfield Road Pedestrian Improvements

Provide improved pedestrian facilities between residential areas and three schools (Longvernal primary School, St John's C of E Primary School and Somervale Secondary School).

The proposed works include two zebra crossings, widened footways, mobility crossings, continuous footways and a section of new footway.

Decision Maker: Cabinet Member for Sustainable Transport Delivery

Decision published: 19/11/2025

Effective from: 27/11/2025

Decision:

To approve the £500,000 capital allocation for the Clapton Road and Redfield Road proposed pedestrian improvements project.

Wards affected: Midsomer Norton Redfield

Lead officer: Alison Sherwin

School Streets Programme

To proceed with school streets in certain areas.

Decision Maker: Council Leader

Decision published: 14/11/2025

Effective from: 22/11/2025

Decision:

(1) Subject to the full Traffic Regulation (TRO), to approve in principle schemes at St Phillips Primary School, Widcombe Infant and Primary School and St Stephens Primary School.

(2) To approve delegated authority for the Director of Place Management to accept future grant funding for these schools or any future grant funding for any other School Streets projects.

(3) To note that with respect to the school street scheme for the Lyme Road and Charmouth Road LN area and with reference to previous SMD E3494, there are some changes because of further technical work and consultation.

The Council is proposing:

- A school street at the top of Charmouth Road (north of the Lyme Road junction) with timed restrictions at drop-off and pick-up for most vehicles
- A one-way route (eastwards) requiring all motorists and cyclists to enter via Lyme Gardens and exit via Charmouth Road. This is a change from the previous proposal which proposed the one-way route to be westwards i.e. motorists to enter from Charmouth Road and exit Lyme Gardens
- Three continuous crossings, including two over the junctions with the A4 Newbridge Road and one at the junction of Lyme Road with Charmouth Road. To improve visibility, up to 4 parking spaces would be removed.
- Cyclists would be required to follow the one-way route.

These improvements will mean:

- Safer, calmer and less congested environment at school pick-up and drop-off
- Slower traffic and safer crossing facilities
- Improved traffic flow and reduced conflict between road users
- Priority for those walking, wheeling or cycling

It is proposed that the school street scheme will be introduced via a traffic regulation order (TRO) which will be consulted upon in December 2025.

Wards affected: All Wards

Lead officer: Alison Sherwin

Removal of vehicles parked on the public highway or in council car parks

A review of the current policy to ensure that the full scope of existing statutory powers is available to enable proportionate action to be taken against vehicles parked in contravention that may additionally represent either:

- a security risk
- a danger to other road users, or
- prevent the free movement of vehicles.

Decision Maker: Cabinet Member for Sustainable Transport Strategy

Decision published: 12/11/2025

Effective from: 20/11/2025

Decision:

(1) To support the broad use of statutory vehicle removal powers for vehicles parked in contravention on the highway or on other land where the vehicle remains a risk to public safety or the movement of traffic.

(2) To note a minor revision to para 6.3 of the published report, which is amended to the following:

6.3 Vehicles will only be removed from the secure area upon an assessment of risk, and a decision made by the Local Authority if it is deemed safe to do so.

Consultation with the police can be sought in identifying relevant risk to inform a decision to remove a vehicle, however, the final decision for vehicle removal under this policy will remain with the Local Authority.

Wards affected: All Wards

Lead officer: Andrew Dunn

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Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Cabinet	
MEETING/ DECISION DATE:	12 th February 2026	EXECUTIVE FORWARD PLAN REFERENCE:
		E3680
TITLE:	Recommissioning LDAN, Care Homes and Home Care Services to Improve Outcomes for Adults and Ensure Sustainable, High-Quality Provision	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1 – LDAN Equality Impact Assessment		
Appendix 2 – Care Homes Equality Impact Assessment		
Appendix 3 – Home Care Equality Impact Assessment		

1 THE ISSUE

- 1.1 Cabinet approval is sought to recommission Learning Disability, Autism and Neurodiversity (LDAN), Care Home, and Home Care services in Bath and North East Somerset (B&NES). Recommissioning is necessary due to current contracts expiring, responding to the changing needs of B&NES growing and ageing population, and the need to re-design how services are commissioned to avoid reliance on outdated frameworks and spot purchasing, which create instability and risks service disruption. Going out to the market in the Spring of 2026 will allow sufficient time for procurement and mobilisation, ensure compliance with statutory duties, and seize the opportunity to embed innovation and best practice for improved outcomes and value for money.

2 RECOMMENDATION

The Cabinet is asked to;

- 2.1 Agree that the Strategic Commissioning Hub will go out to the market to reprocure Learning Disability, Autism and Neurodiversity Services
- 2.2 Agree that the Strategic Commissioning Hub will go out to the market to reprocure Care Home Services
- 2.3 Agree that the Strategic Commissioning Hub will go out to the market to reprocure Home Care Services
- 2.4 Grant delegated authority to the Director of Adult Social Care to approve contract awards in respect of the procurement activity cited above.

3 THE REPORT

3.1 Service Provision and Market Overview

3.1.1 Learning Disability, Autism and Neurodiversity:

LDAN services in B&NES offer a comprehensive range of support for adults with learning disabilities and/or autism, including:

- Community-based day opportunities: Structured activities promoting skills, social inclusion, and wellbeing.
- Supported living (accommodation-based and outreach): Tailored support for individuals in their own or shared accommodation to promote independence.
- Supported housing: Short-term housing with on-site or visiting support for those transitioning to independent living.
- Care homes: 24/7 personal care, support, and respite.

Currently, over 500 adults are supported by LDAN services, delivered by 28 specialist and 58 non-specialist providers within B&NES, plus 36 services out of area. Most service users are aged 18–64, with a smaller proportion aged 65 and over. The majority have learning disabilities, with a significant number also having autism.

These services are designed to help people live independently, participate in their communities, and achieve personal goals. High demand and effective use of care and support demonstrate the positive impact on individuals' wellbeing and community involvement.

3.1.2 Care Homes:

Care homes are a vital part of the local care system, providing safe, high-quality residential support for those unable to live independently due to age, illness, or disability. B&NES has 33 in-area care homes, supporting 239 people in residential care and 248 in nursing care settings. Market sufficiency and performance is monitored and analysed looking at placements by type (residential, nursing, dementia), Care Quality Commission (CQC) ratings, occupancy, distance from home, self-funder mix, fee ranges, sector dynamics, supply gaps, and affordability pressures.

3.1.3 Home Care:

Currently, approximately 600 people are supported by 36 providers, delivering 8,000 hours of care per week commissioned by the Council. There are 54 providers on the framework in total. Market sufficiency and performance is monitored and analysed looking at number of people supported, weekly hours delivered, CQC ratings, average hourly rates by locality, waiting list position, provider coverage, supply gaps, workforce vacancy and turnover rates, and hospital discharge pathways flows.

Both care homes and home care are integral to meeting the needs of an ageing population and supporting system-wide objectives, such as reducing hospital

admissions, enabling timely discharge, and improving overall health outcomes. The market also supports residents who self-fund their care, though the figures in this report refer to those funded by the Council.

3.2 Current position and why we need to recommission

Current Position	Why we need to recommission	2025/26 Budgets
LDAN		
Services are commissioned through a range of spot purchased, block and short-term bridging contracts. These contracts are expiring in September 2026.	High reliance on spot purchases causes unpredictability and extra administrative work. A long-term, sustainable commissioning approach is needed to improve accessibility, safety, and adaptability for a diverse population with growing health needs. Recommissioning services will foster innovative care models and responsive support, address market gaps and evolving needs.	£22 million
Care Homes		
Services are commissioned through a framework contract since December 2019. This framework ends in November 2026.	No further options to extend the current framework. The framework is no longer fit for purpose due to demographic changes, market pressures, and the need for greater integration with health services.	£39.6million (social care budget only)
Home Care		
Services are commissioned through a framework contract since February 2020. This contract ends in February 2027.	The scope of care delivery has expanded beyond the capacity of the current framework, for example with the addition of intermediate care. Existing framework also lacks support for co-production and partnership working due diligence and clear terms.	£9 million (social care budget only)

3.3 Strategic Context

- Demographic pressures: [Strategic Evidence Base \(SEB\) population and demography](#) projects a population increase to over 212,000 by 2032, an 8.4% increase. By 2032, 20% of the population is projected to be over 65, whilst the proportion aged under 18 will decrease. Over the same period, B&NES is set to see a larger proportion of its population become dependent, putting strain on social care and the economy.
- [B&NES Ageing Well Market Position Statement 2024-27](#) sets out vision and objectives for Adult Social Care for older people in the district, including an overview of the local population and their needs for care and support and analysis of the current supply and demand of care and support services. Based on population projections evidencing the need for more residential

and nursing beds, in B&NES we need to source 739 more residential beds and 458 more nursing beds by 2030. This analysis recognises that most people who require support prefer to remain at home rather than move to receive support. As a result, commissioning needs to take a 'home first' approach.

- Local and national strategies and best practice for health and wellbeing.
- Bath and North East Somerset, Swindon and Wiltshire (BSW) Integrated Care System (ICS) priorities: Alignment with system-wide goals for integrated care available closer to people's homes, reducing hospital admissions, and improving outcomes.
- **Workforce sustainability:** Recruitment and retention challenges are prevalent in the care sector.
- **Financial pressures:** Rising costs and funding constraints impact commissioning landscape and plans.
- **Innovation and technology:** Alignment with the progress of digital solutions and assistive technology in enabling independence and efficiency.
- **Market shaping:** Partnership approach with providers to ensure resilience and diversity of supply.
- **Equality and inclusion:** Address needs of people with learning disabilities and complex conditions within broader ageing strategy.

3.4 Challenges and Opportunities

Challenges	Opportunities
Learning Disability, Autism and Neurodiversity Services	
- Heavy reliance on spot purchase arrangements and expiring block contracts in 2026 require clear timelines to avoid disruption. - Rising operational costs and workforce shortages threaten provider viability and service continuity. - Ageing population and increasing health needs require adaptable, accessible service models and infrastructure. - Some existing buildings and service models are unsuitable for people's needs. - Insufficient diversity of services in B&NES leads to out-of-area, non-specialist placements.	- Co-production of new models of support, care, and housing. - Embed personalisation, choice and control, and co-production into service delivery (e.g., by using Individual Service Funds) - Increase number of people supported by community-based support and living in mainstream housing. - Increase in area / local supported living options enhanced by enablement and assistive technology. - Increase the number of people supported in extra-care housing at the right time for them (instead of residential care). - Move away from spot purchasing arrangements to long-term commissioning frameworks which deliver best value.
Home Care Services	
- Outdated specification that does not put emphasis or priority on co-production and partnership working. - Outdated quality assurance that is inflexible and can be confusing or	- Embed co-production and greater collaboration with the third sector, the Community Wellbeing Hub, and any other organisations who can support an individual to maximise

excessive. - Missing or outdated terms and conditions that cause contractual disputes, particularly with regards to invoicing. - The scope and remit of the framework have changed significantly, and this is not reflected in the contract, framework agreement, or specification. - Insufficient due diligence for new applicants, creating significant variations in quality and financial sustainability.	their independence. - Refresh quality assurance policy to ensure flexibility and simplicity that keeps approach swift and efficient. - Amend the contractual documentation to ensure clarity and reflect the full remit of the framework with future proofing potential changes. - Increase due diligence to maximise provider quality and competence and tighten the acceptance criteria to ensure local providers are prioritised.
Care Home Services	
- Outdated service specifications and contract terms. - Limited flexibility to respond to changing needs and innovation. - Variable quality and performance across providers. - Limited placements for under 65's with a dementia. - Insufficient market diversity and resilience.	- Improve quality through clearer standards and performance monitoring. - Encourage innovation, digital enablement and use of technology. - Strengthen market sustainability and workforce development. - Encourage providers to engage with communities to enhance resident wellbeing, foster intergenerational connections, and strengthen local support. - Improve services for residents both <65 and over 65 who require care home support. - Enhance integration with health services and community support. - Provide value for money.

3.5 Proposed Approach to Recommissioning

- Market engagement: Co-design future services with service users, families, providers and other stakeholders.
- Updated specifications: Reflecting best practice, regulatory changes, and local priorities.
- Performance framework: Focused on outcomes, quality, and user experience.
- Procurement strategy: Open, transparent, and inclusive of smaller and specialist providers.
- Flexible contracting: Allowing for innovation and responsiveness.

3.6 Benefits

Benefit	Description
Improved outcomes	Better quality of life, reduced hospital admissions, enhanced wellbeing
System Flow	Improved flow for discharge from hospital. Minimised deterioration and maximised intervention post-discharge

Financial sustainability	More efficient use of resources, better value for money
Market resilience	Diverse, skilled, and responsive provider base
Strategic alignment	Supports ICS, Ageing Well, and Better Care Fund priorities
Regulatory compliance	Updated contracts aligned with CQC and safeguarding standards
Collaboration	Opportunity to co-produce and co-design new models of support, care, and housing
Innovation	Further embed technology enabled care
Personalisation	Choice and control to be embedded in service delivery

4 STATUTORY CONSIDERATIONS

4.1 The Care Act 2014

Under the Care Act 2014, local authorities have a legal duty to ensure that adults with eligible care needs receive appropriate support. Commissioning LDAN, Care Homes and Home Care services comes under the legal duties defined by the Care Act, including promoting wellbeing, preventing needs escalating, safeguarding adults at risk of abuse or neglect and ensuring the availability of a diverse and sustainable local market to meet people's needs. These duties inform the strategic commissioning of LDAN, Care Homes and Home Care services to meet current and future demand, uphold quality standards, and ensure equitable access to services.

4.2 The Procurement Act 2023

Procurement will be undertaken in accordance with the Procurement Act 2023, with advice and guidance being sought from the Council's Procurement team to ensure compliance.

4.3 Joint Health and Wellbeing Strategy

The recommissioning aligns with the Bath and North East Somerset, Swindon and Wiltshire Joint Health and Wellbeing Strategy, which aims to address inequalities and improve population health so that people can live well and age well in caring, compassionate communities.

4.4 B&NES Corporate Strategy (2023-27)

The B&NES Corporate Strategy needs to be reflected by commissioning services that demonstrably improve people's lives, support vulnerable adults, and focus on prevention and long-term sustainability. This includes designing services that give people a stronger voice and greater choice, contribute to tackling the climate and ecological emergency, deliver locally responsive support, and align with the council's values of being bold, transparent, supportive and empowering.

4.5 B&NES Adult Social Care Strategy (2024-27)

Recommissioning of adult services needs to be clearly aligned to the Adult Social Care Strategy by ensuring services are designed and delivered to be safe, effective, caring, responsive and well led. This means commissioning services that reduce risk, improve outcomes, support a skilled workforce, work collaboratively with partners, and place people's independence, wellbeing and meaningful lives at the centre of decision-making. This also directly aligns with the objectives in the policy paper 'Adult Social Care priorities for Local Authorities (2026-27)'

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 Financial Implications

- These services are funded by Adult Social Care budgets set out in the Council's Medium Term Financial Strategy.
- Recommissioning presents the potential for increased efficiency and effectiveness in service delivery and optimisation of contracts leading to better value for money.
- Commissioners will retain significant control over cost of care through onboarding enough providers to create a competitive market.
- Investment is required for procurement, market engagement, and transition support.
- Long-term financial sustainability will be achieved through outcome-based commissioning and long-term contractual arrangements.
- Recommissioning offers the potential to leverage technology and innovative solutions to enable independence, improve quality of life and provide value for money.

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 The current and future services are and will be accessible and responsive to the needs of all LDAN service users, Care Home residents and users of Home Care services in B&NES, irrespective of all the protected characteristics recognised by B&NES Council.
- 7.2 The service will ensure that fair access, diversity and inclusion is embedded within the culture of the service and is monitored through the Quality Assurance Framework for commissioned services. Equality Impact Assessments have been carried out to inform the re-commissioning process.

Risk	Mitigation
Provider resistance	Early engagement and co-design with providers and stakeholders
Market instability	Phased implementation, ongoing market monitoring, and support for providers
Procurement delays	Clear timeline, dedicated project management, and escalation to Corporate Risk Register
Service disruption	Robust transition planning and continuity arrangements
Provider readiness	Tailored support and training, especially for those with limited commissioning/procurement experience
Commissioning mobilisation risks	Advance planning for procurement timelines, TUPE processes, and mobilisation; regular progress reviews
Workforce shortages	Workforce development strategies, training programmes, and partnership with local education providers
Quality assurance and compliance	Regular audits, feedback mechanisms, and alignment with CQC and NICE guidance
Financial pressures	Scenario planning, cost control measures, and regular budget reviews
Safeguarding and continuity of care	Enhanced safeguarding protocols and regular review of continuity arrangements
Innovation adoption	Piloting new technologies and providing training/support for digital solutions
Equality and inclusion	Monitoring access and outcomes for all groups, and embedding Equality Impact Assessments throughout commissioning
Stakeholder engagement	Ongoing communication and feedback loops with service users, families, and providers

These assessments will be reviewed and updated at key stages of the programme of activity.

- 7.3 Equality Impact Assessments relating to all 3 recommissions are attached as appendices to this report.

8 CLIMATE CHANGE

- 8.1 All three commissions will fully adhere to the National Procurement Policy Note (PPN) 05/21, which emphasises Social and Environmental Benefits within award criteria. The B&NES Procurement and Commissioning Strategy also requires consideration of carbon footprint and sustainability impacts for all products and services and encourages the use of local suppliers to further reduce environmental impact.

- 8.2 No negative climate impacts are expected where service delivery remains comparable to existing arrangements.

9 OTHER OPTIONS CONSIDERED

- 9.1 None.

10 CONSULTATION

10.1 Consultation Process:

The intention to go out to procure LDAN services, Care Homes and Home Care services has been considered by:

- B&NES Corporate Management Team (consisting of: Chief Executive Officer, Executive Directors of Operations, Sustainable Communities and Resources, Directors of Adult Social Care, Public Health & Prevention, People & Change, Place Management, Education & Safeguarding, Children & Young People, One West & Avon Pension Fund, Capital & Housing Delivery)
- Cabinet Member for Adult Services and Public Health
- S151 Officer
- Monitoring Officer
- Assistant Director of Commissioning
- Head of Procurement

10.2 Community Engagement:

- 10.3 Commissioners have actively collaborated with key stakeholders to date, including professionals from the Commercial and Quality Team, Adult Social Care Teams, Finance Team, and Safeguarding, Bath and North East Somerset, Swindon and Wiltshire (BSW) Integrated Care Board (ICB) commissioners and B&NES Housing commissioners. This engagement has focused on sharing information, gathering insights, and ensuring alignment across service plans and opportunities for development.

10.4 Planned engagement and consultation activities include:

- Hosting engagement events with providers to share updates and gather feedback.
- Incorporating feedback from residents and families to inform decision-making and plans.
- Co-design future services reflecting areas of focus for service users and families
- Conducting further engagement once draft specifications are prepared, ensuring input from professionals and the wider workforce.

- 10.5 Engagement and co-production are central to the commissioning approach. Services will be developed collaboratively with providers, people who use services, their families, and carers through workshops, focus groups, and ongoing feedback mechanisms. This approach ensures that the design is person-centred and grounded in the principle that those who use services are best placed to shape them.

Contact person	Natalia Lachkou – Head of Commissioning Natalia_lachkou@bathnes.gov.uk Tel: 07811 062303
Background papers	None
Please contact the report author if you need to access this report in an alternative format	

Equality Impact Assessment / Equality Analysis

(Version 4)

Item name	Details
Title of Commissioned service	Learning Disabilities, Autism and Neurodiversity Services Recommissioning
Name of directorate and service	Adult Social Care, Strategic Commissioning Hub
Name and role of officers completing the EqIA	Katie Smith, Live Well Commissioning and Projects Manager
Date of assessment	01/12/2025

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 people and different groups within our community. The main aim is to identify any adverse impacts (i.e., discriminatory or negative consequences for a particular group or sector of the community, and to identify areas where equality can be better promoted). Equality impact Assessments (EqIAs) can be carried out in relation to services provided to customers and residents as well as employment policies/strategies that relate to staffing matters.

This toolkit has been developed to use as a framework when carrying out an Equality Impact Assessment (EqIA) or Equality Analysis. **Not all sections will be relevant – so mark N/A any that are not applicable.** It is intended that this is used as a working document throughout the process, and a final version will be published on the Council’s website following relevant service lead approval.

1.1 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. • How the service/policy is delivered and by whom • If responsibility for its implementation is shared with other departments or organisations • Intended outcomes	This EQIA is related to the recommissioning of services to support adults with care and support needs who have learning disabilities and/or autism and neurodiversity (LDAN) in Bath & North East Somerset (B&NES). These services include: • Community-based day opportunities: Structured activities promoting skills, social inclusion, and wellbeing. • Supported living (accommodation-based and outreach): Tailored support for individuals in their own or shared accommodation to promote independence. • Supported housing: Short-term housing with on-site or visiting support for those transitioning to independent living. • Care homes: 24/7 personal care, support, and respite. The recommissioning of LDAN services, by the Strategic Commissioning Hub, will establish a long-term, sustainable commissioning model designed to enhance accessibility, safety, and flexibility for a diverse population with evolving health and social care needs.

	The intended outcomes are: • Co-production of new models of support, care, and housing. • Embed personalisation, choice and control, and co-production into service delivery (e.g., by using Individual Service Funds) • An increase in the number of people supported by community-based support and living in mainstream housing. • An increase in in-area/local supported living options enhanced by enablement and assistive technology. • An increase in the number of people supported in extra-care housing at the right time for them (instead of residential care). • A move away from spot purchasing arrangements to long-term commissioning frameworks which deliver best value.
1.2 Provide brief details of the scope of the policy or service being reviewed, for example: • 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 recommissioning of the existing LDAN services will give the opportunity to identify what matters most to people using services and address gaps in current provision. The aim is to promote innovative care models and responsive support, while addressing market gaps and adapting to changing requirements. The services are and will continue to be governed by a range of national statutory frameworks, including: • Care Act 2014 • Mental Capacity Act 2005 • Equality Act 2010 • Health and Social Care Act 2008 • Human Rights Act 1998 • Modern Slavery Act 2015 • Counter-Terrorism and Security Act 2015 • Data Protection Act 2018 and GDPR

	These legal obligations ensure the services promote equality, safeguards vulnerable individuals, and meets national standards for care and support. The LDAN services will be recommissioned, creating a strategic window to evaluate performance, integrate lessons learned, and align future design with stakeholder priorities and emerging best practice. Once services are operational, services specifications and contractual obligations will allow for ongoing performance monitoring, annual reviews, and co-production with stakeholders, enabling iterative improvements and responsiveness to local needs.
1.3 Do the aims of this policy link to or conflict with any other policies of the Council?	There will be no conflict with any other policies within the Council. The LDAN recommissioning will be informed by national frameworks including The Good Lives Framework: Building Change Together (Learning Disabilities England) and Commissioning Services for People with a Learning Disability (Skills for Care), and align with other Council and B&NES, Swindon and Wiltshire (BSW) Integrated Care Board (ICB) strategies, including: • B&NES Joint Health and Wellbeing Strategy • B&NES Adult Social Care Strategy • BSW Mental Health Strategy • BSW Dementia Delivery Plan • B&NES Digital Strategy (in development) • B&NES Autism Strategy (in development) • B&NES Dementia Strategy (in development)

2. Consideration of available data, research and information

Key questions	Data, research and information that you can refer to
2.1 What equality focussed training have staff received to enable them to understand the needs of our diverse community?	All council employees are required to have mandatory Equalities training. It will be a contractual requirement for providers to ensure all staff within the commissioned services have Equalities and Diversity training.
2.2 What is the equality profile of service users?	The services which support adults with LDAN in B&NES are designed to support a diverse population, including individuals with complex needs and those from vulnerable or marginalised groups. Services are designed to help people live independently, participate in their communities, and reach personal goals. Supported living and outreach enable individuals to stay in their own homes with tailored support. Day opportunities build skills and social inclusion. Care homes and respite services provide essential support for those with higher needs. High demand and effective use of support show the positive impact of these services on wellbeing and community involvement. There is a strong commitment to equality, diversity, and inclusion, ensuring services are accessible to all eligible adults, culturally sensitive and responsive to the needs of those with learning disabilities and/or autism and neurodiversity. • B&NES has an estimated 5572 residents with learning disabilities and/or autism. This represents 3% of the B&NES population¹. • National research highlights the health inequalities people with learning disabilities and autism face. The median age of death was 62.9 years for people with a learning disability and 55 years for autistic people with a learning disability². In the general population in B&NES, life expectancy is 84.8 years for females and 80.3 years for males³. • There is also a higher prevalence of certain health conditions, including epilepsy, mental health disorders, and cardiovascular disease. • In B&NES, just over 500 adults with learning disabilities and/or autism receive long term social care and support. • The majority who are supported are aged between 18-64. The average age of those receiving a service who have a learning disability is 41 years old. The average age of those receiving a service with autism is 32 years old.

	- Approximately 90% of individuals accessing learning disabilities and/or autism services identify as White. - Services predominantly support men, with 58% of individuals with a learning disability being male, 72% of those with autism being male, and 73% of those with both a learning disability and autism being male. - The numbers of adults with learning disabilities and autism in B&NES are predicted to increase by 5% in the next 10 years and 11% in next 20 years.¹ ¹ Projected Adult Needs Service, Institute of Public Care ² King's College London, LeDeR Annual Report Learning from Lives and Deaths: People with a Learning Disability and Autistic People 2022, November 2023 ³ B&NES Council Strategic Evidence Base, Demography and Life Expectancy
2.3 Are there any recent customer satisfaction surveys to refer to? What were the results? Are there any gaps? Or differences in experience/outcomes?	Commissioners seek customer feedback during planned quality assurance and contract monitoring activity. Providers are expected to undertake customer surveys yearly (at a minimum), with mechanisms in place to record the outcome, lessons learned, and changes in practice because of feedback received.
2.4 What engagement or consultation has been undertaken as part of this EIA and with whom? What were the results?	Co-production will be an integral part of the recommissioning LDAN services.
2.5 If you are planning to undertake any consultation in the future regarding this service or policy, how will you include equality considerations within this?	As part of the LDAN services recommissioning, services will be developed collaboratively with providers, people who use services, their families, and carers through workshops, focus groups, and ongoing feedback mechanisms. The co-production, engagement and consultation approach will be multi-faceted, inclusive, accessible and equitable. This approach will ensure that the services designed are person-centred, address equality consideration and grounded in the principle that those who use services are best placed to shape them. In addition, consultation and engagement will take place with: B&NES internal colleagues such as Finance, Legal, and Procurement

- Practitioners and other care professionals such as social workers, reablement workers, BSW ICB and health colleagues
- Other Local authorities, to identify best practice, local benchmarking, and innovative working that might be replicated in B&NES.

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:

- Meets any particular needs of equalities groups or could help promote equality in some way.
- Could have a negative or adverse impact for any of the equality groups

Key questions	Examples of what the service will do 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 Issues relating to all groups and protected characteristics	The recommissioning of LDAN services will be co-produced with people with lived experience and their carers. The aim is to create a process that actively engages a diverse range of voices, ensuring representation from varied backgrounds and communities. To achieve this, we will offer multiple, accessible ways for people to contribute, making participation as inclusive and meaningful as possible. New services will be designed to meet the needs of everyone while addressing any disparities in outcomes.	• Difficulties engaging individuals using service or who will need services in the future. • Expectation that individuals with complex needs can actively engage. • Mitigation: Commissioning of independent organisations to facilitate co-production.

	Regular data monitoring ensures that any differences in access or outcomes are identified and addressed.	
3.2 Sex – identify the impact/potential impact of the policy on women and men.	LDAN services will continue to be available to both men and women, ensuring equitable access for all individuals and actively addressing disparities in outcomes. See 2.2 for B&NES data in reference to men and women.	• Prevalence of learning disability and/or autism is greater in males. • Mitigation: Personalised care planning will reflect gender preferences, and gender-specific needs (e.g., bathing, dressing) will be respected.
3.3 Pregnancy and maternity	LDAN service delivery will support, and signpost to relevant health services, individuals' people who are pregnant or parenting who have support needs eligible for support under the Care Act. The ability to carry out caring responsibilities for a child is a statutory outcome and will be taken into consideration in determining support needs. LDAN services will liaise with Children's Services to ensure that pregnant or new parents are offered person centred support. LDAN services will consider the additional impact of pregnancy and maternity and addition care that the individual requires.	• Lack of tailored support for pregnant individuals in complex care situations. • Mitigation: Work alongside providers to ensure services address support needs for these individuals.

3.4 Gender reassignment – identify the impact/potential impact of the policy on transgender people	LDAN service delivery will ensure a person-centred approach will be respectful of individuals gender identities and their pronouns will be used appropriately. Research has shown that autistic individuals are more likely to identify as transgender or gender-diverse compared to the general population (Transgender and gender-diverse individuals are more likely to be autistic and report higher autistic traits University of Cambridge)	• Risk of misgendering or lack of understanding from professionals. • Mitigation: LGBTQ+ awareness training and inclusive language policies.
3.5 Disability – identify the impact/potential impact of the policy on disabled people (ensure consideration of physical, sensory and mental health needs/differences)	The recommissioning of LDAN services will identify and address any issues relating to disabilities with individuals raise during the co-production and engagement. A person-centred approach will aim to enable individual needs to be identified and a plan created to promote inclusion and empowerment.	• Inaccessible environments or communication. • Bias or assumptions may disadvantage some disabled people. • Mitigation: Co-produced services, and accessible communication formats.
3.6 Age – identify the impact/potential impact of the policy on different age groups	The LDAN services will be available for adults of all ages including working age adults, older adults and young adults transitioning from children's services.	• Service gaps where provision isn't available. • Mitigation - Part of the recommissioning will be the development of a long-term plan to develop the LDAN provider market in B&NES to ensure there is sufficient provision to accommodate people of all ages.

3.7 Race – identify the impact/potential impact on across different ethnic groups	The recommissioning of LDAN services will promote equality by ensuring services are culturally sensitive and address the specific needs of people from all racial and ethnic backgrounds. Translation and Interpretation services will be used on request or whenever a need is known. This will support inclusion for non-English speaking people and people with sensory impairment.	• Cultural insensitivity. • Underrepresentation in workforce. • Mitigation: Inclusive service delivery, policies and training.
3.8 Sexual orientation – identify the impact/potential impact of the policy on lesbian, gay, bisexual, heterosexual, questioning people	LDAN service delivery will respect individuals' sexual orientation and be inclusive of LGBTQ+ individuals. Services are designed to address challenges such as discrimination, stigma, or mental health concerns in relation to maximising their health and wellbeing outcomes.	• Fear of discrimination or lack of understanding. • Mitigation: LGBTQ+ inclusive service delivery, policies and training.
3.9 Marriage and civil partnership – does the policy/strategy treat married and civil partnered people equally?	The recommissioning of LDAN services will address any issues relating to marriage and civil partnerships raised during the co-production and engagement. It will be ensured that commissioned services do not discriminate based on marital or partnership status and that all families are treated equitably.	• No negative or differential impact currently identified.
3.10 Religion/belief – identify the impact/potential impact of the policy on	LDAN service delivery will respect individuals' religion/beliefs.	• Lack of awareness of religious practices.

people of different religious/faith groups and also upon those with no religion.		• Mitigation: Cultural competency training and culturally sensitive service delivery.
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 (this is not a legal requirement but is a local priority).	The recommissioning of LDAN services will address any issues relating to socio-economically disadvantage people, raised during the co-production and engagement. Access to services is not impacted by economic status and individuals assessed under the Care Act are means-tested for a financial contribution.	• B&NES includes areas of deprivation, which may impact experiences of health and social care. In particular, life expectancy in Twerton and Southdown wards is lower than England. • Individuals living in areas of deprivation may also find it harder to access services and may experience intersectionality, where various social identities intersect to create overlapping and unique experiences of discrimination and privilege.
3.12 Rural communities* identify the impact / potential impact on people living in rural communities	The recommissioning or LDAN services will promote the development and access to services needed by people living in rural areas. This includes addressing issues such as geographical isolation, limited local resources, and travel barriers to accessing services. Monitoring and addressing the impact of rural isolation on well-being and service access is key to maximising health and wellbeing.	• Service gaps - Support services are currently concentrated in towns and cities. • Travel barriers can impact access to day opportunities and outreach services. • Mitigation - Part of the recommissioning will be the development of a long-term plan to develop the LDAN provider market in B&NES to address service gaps and increase spread of services across B&NES.
3.13 Armed Forces Community ** serving members; reservists; veterans and their families, including the	The recommissioning of LDAN services will address any issues relating to armed	No negative or differential impact currently identified.

bereaved. Public services are required by law to pay due regard to the Armed Forces Community when developing policy, procedures and making decisions, particularly in the areas of public housing, education and healthcare (to remove disadvantage and consider special provision).	forces communities raised during the co-production and engagement.	
3.14 Care Experienced *** This working definition is currently under review and therefore subject to change: In B&NES, you are ‘care-experienced’ if you spent any time in your childhood in Local Authority care, living away from your parent(s) for example, you were adopted, lived in residential, foster care, kinship care, or a special guardianship arrangement.	The recommissioning of LDAN services will identify and address any issues relating to care experience individuals raised during the co-production and engagement.	Care leavers with LD&A transitioning from children’s service to adult social care will have their eligible care and support needs identified through Care Act Assessments and person-centred transition planning.

*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 and have therefore been included here.

** The Equality Act does not cover armed forces community. However, the Armed Forces Bill (which came in on 22 Nov 2022) introduces a requirement to pay ‘due regard’ to make sure the Armed Forces Community are not disadvantaged when accessing public services.

***The Equality Act does not cover care experienced people. adopted this group as a protected characteristic in March 2024 alongside over 80 other Local Authorities. Although we have data for care leavers and children/young people who are currently in the care of we do not have wider data on disadvantage experienced through being in care.

4. Bath and North East Somerset Council 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
Ensuring that services are co-produced in collaboration with individuals who have lived experience and their families or advocates, engaging as many people as possible in the process.	- Commissioning specialist providers to facilitate a focused period of engagement and co-production with people who use services, their families and advocates. This will inform the design of the services. - Ongoing co-production and engagement throughout the recommissioning. - Offer different ways in which individuals can contribute and make it as accessible as possible.	- Develop and resource co-production plan - Start co-production engagement - Update plan following feedback	Kate Smith and Claire Hannan	Focused engagement by April 2026 Ongoing co-production and engagement during 2026

Gaps in existing service provision, including location of services, services suitable for all ages.	• Development of long-term recommissioning plan to develop a provider market with services that address gaps identified.	• Continue market engagement and benchmarking • Update LDAN market position statement in response • Design commissioning framework and long-term commissioning plan	Claire Hannan	During 2026

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 website. Keep a copy for your own records.

Signed off by: Natalia Lachkou, Assistant Director of Commissioning
(Divisional Director or nominated senior officer)

Date: 30th January 2026

Equality Impact Assessment / Equality Analysis

(Version 4)

Item name	Details
Title of service or policy	Recommissioning of Care Home Framework
Name of directorate and service	Adult Social Care- Strategic Commissioning Hub
Name and role of officers completing the EQIA	Karen Green, Commissioning and Project Manager, Age Well
Date of assessment	Started 24/9/25

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 people and different groups within our community. The main aim is to identify any adverse impacts (i.e. discriminatory or negative consequences for a particular group or sector of the community, and to identify areas where equality can be better promoted). Equality impact Assessments (EqIAs) can be carried out in relation to services provided to customers and residents as well as employment policies/strategies that relate to staffing matters.

This toolkit has been developed to use as a framework when carrying out an Equality Impact Assessment (EqIA) or Equality Analysis. **Not all sections will be relevant – so mark N/A any that are not applicable.** It is intended that this is used as a working document throughout the process, and a final version will be published on the Council's website following relevant service lead approval.

1.1 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. • How the service/policy is delivered and by whom • If responsibility for its implementation is shared with other departments or organisations • Intended outcomes	The current Care Home Framework Contract requires recommissioning and has an end date of November 2026. Recommissioning the care home framework is a contractual requirement, alongside strategic objectives of improving outcomes for older adults and ensuring value for money. The care home framework contract is a structured agreement between the commissioning authority B&NES Council and B&NES approved care home providers. It sets out the terms under which care home services will be purchased over a defined period. Purpose of the Framework To pre-approve a list of care home providers who meet quality, financial, and regulatory standards. To streamline the procurement process for placements, ensuring consistency and compliance. To enable flexibility in choosing providers while maintaining control over costs and quality.
1.2 Provide brief details of the scope of the policy or service being reviewed, for example:	The council needs to recommission the current Care Home Framework because it has run for 5 years with a 2 year extension.

- Is it a new service/policy or review of an existing one?
- Is it a national requirement?).
- How much room for review is there?

Local authorities in the UK do not have a legal obligation to use a framework contract for care home services—but many choose to do so because it offers significant operational and strategic benefits. Under the Care Act 2014, local authorities have a statutory duty to meet the eligible care needs of adults in their area. However, the Act does not prescribe how authorities must procure care home services—whether through spot purchasing, block contracts, or framework agreements.

The rationale for the recommissioning is:

- **Changing Needs of the Population**

Demographic shifts: The ageing population may have different care needs than when the framework was first commissioned.

Complexity of care: Increasing numbers of residents with dementia, frailty, or multiple long-term conditions may require updated service specifications.

- **Quality and Standards**

Improving outcomes: Recommissioning allows you to embed updated quality standards, person-centred care models, and outcome-based commissioning.

CQC ratings and performance: If current providers are underperforming, a new framework can raise the bar.

- **Market Shaping and Sustainability**

Encouraging innovation: A refreshed framework can attract new providers with innovative approaches to care.

Financial sustainability: It allows for renegotiation of pricing structures to ensure affordability and fair pay for care staff.

- **Strategic Alignment**

Integration with health services: Aligning care home services with local NHS priorities (e.g., reducing hospital admissions, improving discharge pathways).

Policy alignment: Reflecting national and local strategies such as the Ageing Well programme and will align with other Council and B&NES, Swindon and Wiltshire Integrated Care Board (BSW ICB) strategies, including:

- B&NES Joint Health and Wellbeing Strategy
 - B&NES Adult Social Care Strategy
- B&NES Carers Strategy
- BSW Mental Health Strategy
- BSW Dementia Delivery Plan

	• B&NES Digital Strategy (in development) • B&NES Frailty Strategy (in development) • B&NES Dementia Strategy (in development) • Contractual and Legal Considerations Expiry of current contracts: If the existing framework is nearing its end, recommissioning ensures continuity. Compliance and governance: Updating terms to reflect current legal, safeguarding, and data protection standards. • Co-production and Engagement Involving residents and families: Recommissioning provides an opportunity to co-design services with those who use them. Provider engagement: It can help reset relationships and expectations with care home providers.
1.3 Do the aims of this policy link to or conflict with any other policies of the Council?	The Care Home Framework for B&NES will be informed by national frameworks, such as • Care Act 2014 • Better Care Fund (BCF) • Social Care Reform Agenda (2025) • Nice Guidelines for Adult Social Care. • Procurement Act 2023 & Light Touch Regime. And will align with other Council and BSW ICB strategies, including: • B&NES Joint Health and Wellbeing Strategy • B&NES Adult Social Care Strategy • B&NES Ageing Well Market Position Statement 2024–2027 • BSW Mental Health Strategy • BSW Dementia Delivery Plan • B&NES Digital Strategy (in development) • B&NES Frailty Strategy (in development) • B&NES Dementia Strategy (in development)

2. Consideration of available data, research and information

Key questions	Data, research and information that you can refer to
2.1 What equality focussed training have staff received to enable them to understand the needs of our diverse community?	B&NES Equality, Diversity and Inclusion training
2.2 What is the equality profile of service users?	The Care Home Framework in B&NES is for everyone who requires 24 hour care in a care home situation and their families and carers. The population and demography section of the B&NES Strategic Evidence Base SEB population and demography identifies the equalities profile of the B&NES population. Of particular notes are the following in relation to population groups that may be supported by this framework: • The population of B&NES is projected to increase by 8% from 2018 to 2028, from 192,106 to 207,919. • The 65+ population is projected to increase by 15% over the same period. Within the 65+ group, the largest increase is projected to be in the 75-84 age range (33%), followed by the 85+ age group (20%). National Forecasts identify https://www.caremanagementmatters.co.uk/feature/darting-through-the-decades-future-demand-for-older-peoples-care-homes/ By 2035, the UK is expected to face a shortfall of 58,000 care home beds. By 2050, an additional 350,000 older people may require a care bed, nearly doubling current demand The Age UK Improving Later Life. Services for Older People- What Works report examines the rapid growth of older populations in rural areas. The availability of, and access to, key local services and amenities all affect older people's ability to remain active participants in rural community life. Lack of access to transport can be a particular barrier to older people's social inclusion in many rural areas. The Mayhew Review highlights that with the current Care Home developments https://ilcuk.org.uk/mayhew-review/ despite growth, delivery remains far below need—only

	around 8,000 new seniors housing units are expected to be completed in 2025, far short of the 50,000 units/year recommended by the Mayhew Review.
2.3 Are there any recent customer satisfaction surveys to refer to? What were the results? Are there any gaps? Or differences in experience/outcomes?	Care homes are responsible for conducting their own customer satisfaction surveys. During contract review meetings, Commercial and Quality Officers evaluate the survey outcomes as part of the quality monitoring process. Individuals funded by B&NES receive regular reviews. If concerns arise, these can be raised through the individual's allocated social worker. The social worker will escalate the issue to the provider either as a formal complaint or as a safeguarding concern, which will then be addressed in accordance with established procedures.
2.4 What engagement or consultation has been undertaken as part of this EIA and with whom? What were the results?	This is a recommission of the Care Home Framework contract, through the original commission commissioners ran engagement events with care home providers. The recommission has been discussed with providers at the Care Home Forum and in individual provider contract meetings.
2.5 If you are planning to undertake any consultation in the future regarding this service or policy, how will you include equality considerations within this?	Commissioners will work together with professionals from Commercial and Quality Team, Adult Social Care, Community Mental Health Teams, Finance Team, and Safeguarding, and BSW ICB commissioners. In addition, the following engagement is planned: - Engagement events with providers in area and those within 3 miles of the B&NES boarder. - Engagement with current care home residents and families. There will be a 6-week consultation once the commissioning framework is in draft form with workforce, service users, members of the community - Options will be given to people about how they can engage with the consultation (e.g. online, face to face, over the telephone, through a support worker) - We will engage providers of services in supporting individuals to access the consultation We will use existing groups and networks (e.g. Village Agents, Bath Ethnic Minority Senior Citizens Association (BEMSCA), Older People's Voice forum and Ageing Well network) to maximise reach to different groups

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:

- Meets any particular needs of equalities groups or could help promote equality in some way.
- Could have a negative or adverse impact for any of the equality groups

Key questions	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 Issues relating to all groups and protected characteristics	The plan for recommissioning of the framework includes co-production with individuals with lived experience and carers. We are aiming to speak to and engage as many people as possible, from a variety of backgrounds and groups. This includes offering different ways in which individuals can contribute, to make engagement as accessible as possible.	
3.2 Sex – identify the impact/potential impact of the policy on women and men.	Equality statements around sex and gender in care home framework contracts are designed to ensure that services are delivered fairly, respectfully, and without discrimination. These statements are typically embedded in both the contractual obligations of providers and the policy frameworks that guide care delivery. • Legal Foundations	No negative or differential impact currently identified.

	Framework contracts must comply with: Equality Act 2010 Human Rights Act 1998 Care Act 2014 - Equality Statements in Practice Care homes often include equality statements in their policies - Staff and Employment Fair and inclusive hiring practices Regular equality and diversity training Mechanisms for reporting and addressing sex-based discrimination or harassment. - Personalised care plans: Must reflect gender preferences, including same-sex carers if requested. - Privacy and dignity: Sex and gender-specific needs (e.g., bathing, dressing) are respected.	
3.3 Pregnancy and maternity	Ensure the commissioning framework addresses any issues around pregnancy and maternity raised by older people, or their carers	No negative or differential impact currently identified.
3.4 Gender reassignment – identify the impact/potential impact of the policy on transgender people	Ensure the commissioning framework addresses gender reassignment.	Older transgender and non-binary people may face challenges residing in care homes. Consideration needs to be given to the services and support that individuals receive. Care Home provide inclusive environments: Support for transgender and non-binary residents, including use of preferred names and pronouns.

		• Gain residents informed consent before providing treatment and involve them in decision-making • support access to appropriate care and offer continuity of care. • Training for staff
3.5 Disability – identify the impact/potential impact of the policy on disabled people (ensure consideration of physical, sensory and mental health needs/differences)	Ensure engagement with disabled people during the framework development. Consider the unique difficulties experienced by younger people with learning disabilities who receive a dementia diagnosis. There is a 1 in 3 chance that a person with Downs Syndrome in their 50s will have dementia. The Care home framework will be an overarching agreement that sets standards and expectations for care providers. Their impact includes: • Consistency in care quality: Only providers meeting specific criteria can join the framework. • Access to services. • Monitoring and accountability: Providers are subject to contractual monitoring, which can help safeguard the rights of disabled residents.	No negative or differential impact currently identified.
3.6 Age – identify the impact/potential impact of the policy on different age groups	Ensure engagement with older people, carers and people will explore the impact of care home framework contracts on	Some care homes accommodate both 18 – 64 and 65+ age groups. While this can

	different age groups—particularly older adults (65+) and younger disabled adults (18–64)—varies significantly due to differences in needs, expectations, and service models. Care providers are expected to ensure that equality, diversity, and inclusion principles are embedded in all aspects of care delivery. This includes: Respecting Individual Needs: Providing person-centred care that acknowledges and values the unique preferences, cultural backgrounds, and life experiences of residents across different age groups. Fair Access to Services: Ensuring that all residents, regardless of age, have equal access to activities, resources, and opportunities for social engagement and wellbeing. Non-Discriminatory Practices: Maintaining an environment free from age-related bias or discrimination, where dignity and respect are upheld at all times.	promote intergenerational interaction, it also raises concerns: • All staff are required to complete mandatory training in accordance with organizational and regulatory standards. In addition, staff must undertake supplementary training relevant to their Care Quality Commission (CQC) regulatory categories. This includes, but is not limited to, specialist areas such as dementia care, supporting individuals with sight loss, and the Oliver McGowan Mandatory Training on Learning Disability and Autism. • Continuous Monitoring: Regularly reviewing policies, practices, and resident feedback to identify and address any barriers to equality.
3.7 Race – identify the impact/potential impact on across different ethnic groups	Ensure engagement with BEMSCA during the Care Home Framework contract development. Translation and interpretation services will be provided where a need is identified or upon request, to ensure that language is not a barrier to accessing engagement opportunities.	Current Impact on Ethnic Minority Older Adults have found concerns with • Access and Equity Barriers to access include language, cultural misunderstandings, and lack of culturally appropriate services. • Lower uptake of services: Some ethnic minority groups are less

		likely to use formal care homes due to mistrust, stigma, or preference for family-based care • Discrimination in care settings: Older adults from Black and Asian backgrounds report feeling dismissed or not taken seriously by health professionals. • Offer meals that respect cultural and religious dietary requirements. • Provide spaces for prayer or cultural practices. • Access to interpreters or bilingual staff. • Translate key documents and signage into commonly spoken languages. • Mandatory equality, diversity, and inclusion training. • Cultural competence training to understand and respect different traditions and beliefs
3.8 Sexual orientation – identify the impact/potential impact of the policy on lesbian, gay, bisexual, heterosexual, questioning people	Care homes operating under this framework should ensure all residents are treated with dignity and respect. Care providers must ensure that policies, practices, and staff behaviours are free from bias or discrimination based on sexual orientation or any other characteristic. Services and support should be sensitive to an individual's sexual orientation.	No negative or differential impact currently identified.

	The Care Quality Commission (CQC) guidance encourages care homes to support residents' rights to intimacy and sexual expression, regardless of gender or sexual orientation. This includes creating safe spaces for LGBT+ residents. Same-sex couples must be afforded the same rights and opportunities as opposite-sex couples. Providers must deliver regular training to staff on equality, diversity, and inclusion, with specific emphasis on LGBTQ+ awareness and sensitivity.	
3.9 Marriage and civil partnership – does the policy/strategy treat married and civil partnered people equally?	Ensure Care Home Framework addresses any issues around marriage and civil partnership. Several care home providers offer double rooms.	No negative or differential impact currently identified.
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.	Ensure Care Home Framework addresses the impact of religion and belief these factors shape how individuals experience care, feel respected, and maintain their identity. Framework contract providers have • Person-Centred Care Planning documenting religious and spiritual needs. • This includes dietary requirements, gender-specific care	No negative or differential impact currently identified.

	preferences, and observance of religious festivals. • Culturally Appropriate Care Standards • Inclusive Environments, including multi-faith spaces, access to chaplains or faith leaders, and celebration of diverse traditions. The Care Quality Commission (CQC) expects services to be responsive to religious and cultural needs.	
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 (this is not a legal requirement, but is a local priority).	Ensure engagement with individuals with lived experience who are living in deprived areas, as part of the Care Home Framework Contract development.	B&NES includes areas of deprivation, which may impact experiences of health and social care. In particular, life expectancy in Twerton and Southdown wards is lower than England. Individuals living in areas of deprivation may also find it harder to access services and may experience intersectionality, where various social identities intersect to create overlapping and unique experiences of discrimination and privilege.
3.12 Rural communities* identify the impact / potential impact on people living in rural communities	Ensure engagement with village agents to reach individuals living in rural areas as part of the development of the framework	People living in rural communities often find it harder to access support. Loneliness is linked to the onset of dementia and is associated with depression. It increases as people become less able to undertake routine activities.

		Rural neighbourhoods may have fewer high-quality care homes or limited transport access. There is rapid growth of older populations in rural areas. The availability of, and access to, key local services and amenities all affect older people's ability to remain active participants in rural community life. Lack of access to transport can be a particular barrier to older people's social inclusion in many rural areas.
3.13 Armed Forces Community ** serving members; reservists; veterans and their families, including the bereaved. Public services are required by law to pay due regard to the Armed Forces Community when developing policy, procedures and making decisions, particularly in the areas of public housing, education and healthcare (to remove disadvantage and consider special provision).	Ensure the Care Home Framework addresses any issues around armed forces communities raised by individuals with lived experience, or their carers.	No negative or differential impact currently identified. Emerging evidence suggests a potential link between post-traumatic stress disorder (PTSD) and an increased risk of developing dementia. Alzheimer's Society-funded research has also analysed the literature related to the link between PTSD and dementia They found that people with PTSD have up to twice the risk of developing dementia. Additional funding will be explored from charities supported by armed forces communities.
3.14 Care Experienced *** This working definition is currently under review and therefore subject to change: In B&NES, you are 'care-experienced' if you spent any time in your childhood in	Ensure framework addresses any issues around being care experienced raised by people living in the care homes or their carers.	No negative or differential impact currently identified.

Local Authority care, living away from your parent(s) for example, you were adopted, lived in residential, foster care, kinship care, or a special guardianship arrangement.	The lived experience should be reviewed during the contract management process and evidence that the care home is embedding the voices, insights, and feedback of people who use or have used care services—especially older adults, disabled people, and their families—into the monitoring, evaluation, and improvement of care home services. This is by • Resident and Family Feedback • Mystery Shopper or Peer Review Model • Governance and Oversight • Escalation Pathways	

*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.

** The Equality Act does not cover armed forces community. However, the Armed Forces Bill (which came in on 22 Nov 2022) introduces a requirement to pay ‘due regard’ to make sure the Armed Forces Community are not disadvantaged when accessing public services.

***The Equality Act does not cover care experienced people. B&NES adopted this group as a protected characteristic in March 2024 alongside over 80 other Local Authorities. Although we have data for care leavers and children/young people who are currently in the care of B&NES we do not have wider data on disadvantage experienced through being in care.

4. Bath and North East Somerset Council

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
Risk of not ensuring feedback and lessons learnt are not identified and actioned	Engage with providers offering multiple, accessible ways for people to contribute.	Engage with providers at the Care Home Forum Distribution of survey to gain providers views and feedback on current Care Home Framework. Invitation to Provider Engagement events.	Karen Green	February 2026
Risk of under representation of residents' views if engagement is not broad and accessible.	Engage with individuals with lived experience and their carers and families. Offer multiple, accessible ways for people to contribute.	Engage with individuals with lived experience and their carers and families during coffee mornings and residents' meetings.	Karen Green	February 2026
Risk that in the next 5 years B&NES will not have enough care home beds for the population of B&NES	Extend the Care Home Framework to 3 miles outside of the B&NES Council boundary	Hold and invite providers to Provider Engagement events	Karen Green	February 2026

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 website. Keep a copy for your own records.

Signed off by: Natalia Lachkou, Assistant Director of Commissioning
(Divisional Director or nominated senior officer)

Date: 30th January 2026

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Equality Impact Assessment / Equality Analysis

(Version 4)

Item name	Details
Title of service or policy	Homecare Framework Recommission
Name of directorate and service	Adult Social Care – Strategic Commissioning Hub
Name and role of officers completing the EqlA	Tom Jarvis, Commissioning and Projects Manager, Age Well
Date of assessment	12/09/2025

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 people and different groups within our community. The main aim is to identify any adverse impacts (i.e. discriminatory or negative consequences for a particular group or sector of the community, and to identify areas where equality can be better promoted). Equality impact Assessments (EqIAs) can be carried out in relation to services provided to customers and residents as well as employment policies/strategies that relate to staffing matters.

This toolkit has been developed to use as a framework when carrying out an Equality Impact Assessment (EqIA) or Equality Analysis. **Not all sections will be relevant – so mark N/A any that are not applicable.** It is intended that this is used as a working document throughout the process, and a final version will be published on the Council’s website following relevant service lead approval.

1.1 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. - How the service/policy is delivered and by whom - If responsibility for its implementation is shared with other departments or organisations - Intended outcomes	This framework facilitates the delivery of council funded care to those over 65 with eligible social care needs (identified in a Care Act Assessment) in their own home to help them to maintain living as independently as possible. This usually takes the shape of 1-4 visits per day, anywhere from once per week up to daily. More significant needs may be met through live-in care (a carer “living” in a person’s home supporting them through the “waking hours”) and waking night care (9 hours of care throughout the “sleeping hours”). All homecare is currently commissioned via the Independence at Home Framework. This is due to end in February 2027, with the aim to commission a new framework.
1.2 Provide brief details of the scope of the policy or service being reviewed, for example: - Is it a new service/policy or review of an existing one? - Is it a national requirement?). - How much room for review is there?	This is a re-commissioning of an existing service that meets a statutory duty for the Council. Approximately 18 months will be taken to re-commission the framework, providing time to review and amend according to lessons learned from the existing framework and consultation with stakeholders.

1.3 Do the aims of this policy link to or conflict with any other policies of the Council?	There will be no conflict with any other policies within the Council. The Framework will be informed by national frameworks, such as • Care Act 2014 • Better Care Fund (BCF) • Social Care Reform Agenda (2025) • Nice Guidelines for Adult Social Care. • Procurement Act 2023 & Light Touch Regime. And will align with other Council and BSW ICB strategies, including: • B&NES Joint Health and Wellbeing Strategy • B&NES Adult Social Care Strategy • B&NES Ageing Well Market Position Statement 2024–2027 • BSW Mental Health Strategy • BSW Dementia Delivery Plan • B&NES Digital Strategy (in development) • B&NES Frailty Strategy (in development) • B&NES Dementia Strategy (in development)

2. Consideration of available data, research and information

Key questions	Data, research and information that you can refer to
2.1 What equality focussed training have staff received to enable them to understand the needs of our diverse community?	Commissioners designing the framework have undertaken B&NES Equality, Diversity and Inclusion training Providers of home care are required by the Care Quality Commission to ensure their staff complete relevant equality and diversity training. It will be an expectation in the T&Cs of the new framework that providers undertake comprehensive dementia and end of life training to ensure service users with more bespoke needs can be cared for equally. Equality and diversity training, that covers all relevant demographics and protected groups and characteristics will be required too. Equality and diversity will be one of the domains against which providers on the framework are assessed in their yearly contract review.

2.2 What is the equality profile of service users?

Strategic Evidence Base can be found at https://www.bathnes.gov.uk/sites/default/files/Strategic%20Evidence%20Base%20-%20Main%20Document%2024%20July%202024_1.pdf.

The below statistics have all come from the 2021 census unless stated otherwise.

Population

- B&NES population was 195,618. This is estimated to be around 200,000 now. The B&NES population is heavily influenced by student populations.
- 85.6% of residents in B&NES defined their ethnicity as White British in the 2021 census. If this figure is still true in 2025, that would suggest there are 28,800 individuals from an ethnic minority.
- Nationwide, 93.6% of those over 65 identified as White British. This is down in 2011, suggesting that the age group is becoming more diverse.

Living Situation

- Nationwide, 3.3 million people aged 65+ were living alone. 36.3% of older women and 22.7% of older men live alone.
- According to one source's analysis of the 2021 census, 11,197 B&NES residents aged over 65 live alone – around 30.6% of the age group.

Faith

- 42.2% of residents identified as Christian
- The next two most subscribed faiths were Islam (1909, 0.98%) and Buddhism (0.51%).
- Approximately 82.5% of those over 65 declared that they subscribed to a faith, although the number of irreligious people over 65 has doubled since 2011.

Disability and Caring Role

- 6.1% of residents identified as significantly limited by disability, while 10.4% identified as slightly limited by disability. 83.6% identified as not disabled. (Rounding means figures do not add exactly to 100%)
- 8.1% of residents reported providing some level of unpaid care. 4.6% were delivering a level of care that is equal to, or greater than, the average social care package commissioned by the Council.

Gender and Sexual Identity

- 3.9% of residents identified with a non-heterosexual sexual orientation. 7.7% of residents did not answer this question on the census.

	• 0.47% of residents identified with a gender other than the gender with which they were registered at birth. 5.8% of residents did not answer this question on the census. • Nationwide, 0.3% of legal partnerships for those aged over 65 were between same-sex couples. <u>Age</u> • The 65+ population is estimated to be around 40,000 in 2025. This is expected to rise to around 42,000 in 2028. • While B&NES ranks very low for overall deprivation (224th out of 317 according to the Indices of Deprivation Report of 2019), there are 36 LSOAs (small areas used for data capture and reporting by the ONS, comprising between 1000 and 3000 residents) out of 115 in B&NES that score 5 or lower for Income Deprivation Affecting Older People (60+). Data can be found here: https://www.bathnes.gov.uk/strategic-evidence/document-library/inequalities <u>Geography</u> • The 2019 Indices of Deprivation Report measures relative deprivation as a result of geographical barriers. This domain measures the physical accessibility of essential local services such as post offices, shops/supermarkets, and GP surgeries. • The report states that 12 of 115 LSOAs are within the top 10% of most deprived in the country due to geographical barriers, and 24 are within the top 20%. • More than half of B&NES LSOAs (63 out of 115) rank above average for deprivation due to geographical barriers. However, B&NES overall average deprivation due to geographical barriers is below the average across the country, ranking 173rd out of 317. • This suggests that while some LSOAs in B&NES are severely affected by geographical barriers, there are several areas where the severity is much lower, bringing the average deprivation down.
2.3 Are there any recent customer satisfaction surveys to refer to? What were the results? Are there any gaps? Or differences in experience/outcomes?	Commissioners seek customer feedback during quality assurance activity under the existing framework. Providers are expected to undertake customer surveys yearly (at a minimum), with mechanisms in place to record the outcome, lessons learned, and changes in practice because of feedback received.
2.4 What engagement or consultation has been undertaken	Initial engagement has been with providers during planned quality assurance and contract monitoring activity.

as part of this EIA and with whom? What were the results?	
2.5 If you are planning to undertake any consultation in the future regarding this service or policy, how will you include equality considerations within this?	As part of the homecare framework re-commission, engagement and consultation will be with: • Individuals receiving homecare services arranged by B&NES Council. This could be extended to friends, family, and others involved in their support network. • Care providers • B&NES internal colleagues such as Finance, Legal, and Procurement • Practitioners and other care professionals such as social workers, reablement workers, and health colleagues • Third sector colleagues and the Community Wellbeing Hub partnership • Neighbouring authorities, to identify best practice, local benchmarking, and innovative working that might be emulated in B&NES. Any actions identified because of undertaking this EQIA will be built into the planned engagement, which will be provided in multiple formats so as to be accessible to as many as possible. Any engagement held online will utilise accessibility functions such as captions, screen-reading, and high-contrast. Phone-in options will be available for those without internet, and guidance can be provided on how to use virtual forums such as Zoom and Microsoft Teams for those who might need additional support. Any engagement held in-person will utilise venues that are wheelchair-accessible, with hearing loop availability. Signage can be utilised to direct people to the venue, using large and high-contrast text where necessary. This can also be used for any printed materials. Any paper-based engagement such as surveys and questionnaires will be provided in accessible formats (as above), using plain English and avoiding specialised terminology and jargon.

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:

- Meets any particular needs of equalities groups or could help promote equality in some way.
- Could have a negative or adverse impact for any of the equality groups

Key questions	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 Issues relating to all groups and protected characteristics	• Embed person-centred care planning as a core practice within the framework specification. • Embed mandatory training on inclusivity and dignity/respect. • Include equality standards within KPIs	
3.2 Sex – identify the impact/potential impact of the policy on women and men.	Equality statements around sex in Independence at Home framework contract are designed to ensure that services are delivered fairly, respectfully, and without discrimination. These statements are typically embedded in both the contractual obligations of providers and the policy frameworks that guide care delivery.	• Legal Foundations Framework contracts must comply with: Equality Act 2010 Human Rights Act 1998 Care Act 2014 • Equality Statements in Practice Care homes often include statements in their policies such as: “We are committed to eliminating discrimination and promoting equality of opportunity regardless of sex, gender identity, or sexual orientation.” “All residents will be treated with dignity and respect, and their sex and gender specific needs will be considered in care planning.”

		• Staff and Employment Recruitment: Fair and inclusive hiring practices, avoiding sex and gender bias. Training: Regular equality and diversity training, including gender sensitivity. Support: Mechanisms for reporting and addressing sex-based discrimination or harassment. This should also include recognising the symptoms of sex-specific health issues and how to escalate these appropriately. • Personalised care plans: Must reflect gender preferences, including same-sex carers if requested. • Privacy and dignity: Sex and gender-specific needs (e.g., bathing, dressing) are respected. Negative impacts could include: - Distress and embarrassment if care is delivered by an individual of the opposite sex despite requests against this eventuality. - There may also be psychological distress due to reduced engagement, if individuals are not able to engage with others of the same sex as them. This can be especially harmful if the carers are the only source of social interaction, or for those who have recently lost a partner or other major source of interaction.

		- Unmet health needs that are specific to the sex, such as those relating to menopause for women, or the prostate for men. - Assumption of traditional gender roles when preparing care plans.
3.3 Pregnancy and maternity Please note: While generally not applicable to this service area, due to the fact that most of our service users will be over the age of 65, there are occasionally service users who are under the age of 65 but whose care requirements are more appropriate for the Older People's Framework – for example, they do not have any mental health conditions or learning disabilities. These younger adults have a much higher likelihood of pregnancy.	Little action has been taken to specifically support those who are pregnant, due to the cohort of individuals who are supported, most of whom exceed child-bearing age.	Despite the low likelihood of pregnancy, the following issues could arise: - Increased risk of falls or injury due to reduced mobility and fatigue, as well as reduced ability to maintain good hygiene, nutritional intake, and a safe living environment. - Lack of reasonable amendments made to care packages as a result of providers not recognising pregnancy as a factor requiring adjustment. - Reduced access to maternity care if transport needs are not considered. - Greater vulnerability and potential distress or discomfort around personal care. Actions that can be taken in future include: - Adjustments to homecare tasks that could cause strain – anything physically exerting. Visits could be extended if reduced mobility means tasks take longer.

		- Increased care package to meet additional needs such as domestic support, transport support, and flexible scheduling of care visits to accommodate medical appointments - Gender-specific carers if requested to support particularly with personal care. - Referral to Community Wellbeing hub to see if additional support options are available.
3.4 Gender reassignment – identify the impact/potential impact of the policy on transgender people	The framework requires mandatory training as part of its quality assessment. Care plans should detail the assigned gender, preferred names and pronouns.	• Misgendering or lacking respect for identity. • Assumption of mental stability • Consideration needs to be given to the services and support that individuals receive. • Homecare providers will provide: Support for transgender and non-binary residents, including use of preferred names and pronouns. • Access to health services based on their individual needs including • facilitate access to appropriate care and offer continuity of care. • Become knowledgeable about the possible health care needs of transgender and non-binary people in general. • exhibit respect for people with non-conforming gender identities

		• seek people's informed consent before providing treatment and involve them in decision-making.
3.5 Disability – identify the impact/potential impact of the policy on disabled people (ensure consideration of physical, sensory and mental health needs/differences)	Providers who are supporting individuals with mental health related support needs or learning disabilities are required to have the requisite registration with CQC and training in order to effectively support them. Reasonable adjustments can be made to visit length to account for additional mobility requirements.	• Inaccessible environments or communication. • Poor coordination with health services. • Discrimination in care planning. Assumption of physical/mental capacity. The Independence at Home framework will be an overarching agreement that set standards and expectations for care providers. Their impact includes: • Consistency in care quality: Only providers meeting specific criteria can join the framework. • Access to services. • Monitoring and accountability: Providers are subject to contractual monitoring, which can help safeguard the rights of disabled residents.
3.6 Age – identify the impact/potential impact of the policy on different age groups	Providers are required to ensure that all communication and correspondence is available in accessible formats. This can include communication via face-to-face or via a landline phone if online options are not available, or large print options for those with poor eyesight.	• Assumptions of mental capacity and competency with digital tools. • Ageist care planning – assumption of frailty, impairment, rigid routines, etc. Anti-ageism training and guidance can be implemented for staff.

3.7 Race – identify the impact/potential impact on across different ethnic groups	This applies both to service users and to staff. Expectations are made to service users to ensure they know to treat staff with respect and dignity. Providers can request for care arrangements to change without penalty if staff are experiencing irreconcilable prejudice. Equality and Diversity training is required for all carers.	• Cultural insensitivity. • Underrepresentation in workforce. Current Impact on Ethnic Minority Older Adults has found concerns with access and equity barriers to access including language, cultural misunderstandings, and lack of culturally appropriate services. • Ensure resources for translation or interpretation are available • Ensure a diverse workforce is recruited across the framework.
3.8 Sexual orientation – identify the impact/potential impact of the policy on lesbian, gay, bisexual, heterosexual, questioning people	Mandatory training on LGBTQ+ awareness. Partner recognition in care planning where consent is gained.	• Fear of discrimination or invisibility. • Assumptions about relationships or identity. Services and support should be sensitive to an individual's sexual orientation. The Care Quality Commission guidance encourages care providers to support individuals' rights to intimacy and sexual expression, regardless of gender or sexual orientation. This includes: • Creating safe spaces for LGBT+ residents.
3.9 Marriage and civil partnership – does the policy/strategy treat married and civil partnered people equally?	Relationships recorded in care plans where consented. Legal relationship status recorded accurately.	• Informal carers being overlooked. • Relationship dynamics being ignored. Ensure carer assessments are available for those who would like it.

	Flexibility and person-centred planning are expected, to consider and support relationship dynamics.	
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.	Reasonable adjustments are made to care arrangements where required, such as providing same-sex carers, or ensuring care visit times are tailored according to times of prayer, fasting, or meditation, etc. End of life practices are tailored according to the wishes of the individual and their next of kind. Support is provided to help individuals access local faith groups.	• Religious needs not respected or adhered to. • Scheduling conflicts with religious observances. Framework contract providers have • Person-Centred Care Planning Contracts can require providers to assess and document religious and spiritual needs. This includes dietary requirements, gender-specific care preferences, and observance of religious festivals. • Culturally Appropriate Care Standards The Care Quality Commission expects services to be responsive to religious and cultural needs. • Inclusive Environments Contracts can support the creation of multi-faith spaces, access to chaplains or faith leaders, and celebration of diverse traditions.
3.11 Socio-economically disadvantaged* – identify the impact on people who are disadvantaged due to factors like family background, educational attainment, neighbourhood,	Individuals can be signposted to advice, grants and benefits that might be available through the Citizens Advice Bureau, Care Finance Team and other sources.	B&NES includes areas of deprivation, which may impact experiences of health and social care. Life expectancy in Twerton and Southdown wards is lower than England.

employment status can influence life chances (this is not a legal requirement but is a local priority).	Correspondence and communication are available in various formats including non-digital options so as to avoid digital exclusion.	Individuals living in areas of deprivation may also find it harder to access services and may experience intersectionality, where various social identities intersect to create overlapping and unique experiences of discrimination and privilege.
3.12 Rural communities* identify the impact / potential impact on people living in rural communities	Providers have been encouraged to extend their area of provision to include the more rural areas. The option for exchanging care arrangements between providers to make care delivery more efficient has been extended to providers. Providers that operate in the more rural areas are actively encouraged to join the framework to increase provision in these areas.	Lower relative capacity for care creates less choice around care provider. Continued work to improve care capacity and availability being undertaken to increase availability and therefore choice. Review of community transport options in B&NES underway, with the intention of increasing our voluntary transport provision, reducing rural poverty isolation. • Consider incentives for providers to provide care in rural areas. • Ensure any digital tools or Technology Enabled Care are supplemented with offline options.
3.13 Armed Forces Community ** serving members; reservists; veterans and their families, including the bereaved. Public services are required by law to pay due regard to the Armed Forces Community when developing policy, procedures and making decisions, particularly in the areas of public housing,	Veteran status is included in care plans, and reasonable adjustments to care are considered. For example, organising care visits for specific times to build a sense of routine and consistency for veterans suffering from PTSD.	Unique health needs may not be recognised. There may be a reluctance to seek help. Trauma history may not be recognised or considered. • Include mandatory training on trauma-informed care.

education, and healthcare (to remove disadvantage and consider special provision).		• Link with armed forces charities and support networks.
3.14 Care Experienced *** This working definition is currently under review and therefore subject to change: In B&NES, you are 'care-experienced' if you spent any time in your childhood in Local Authority care, living away from your parent(s) for example, you were adopted, lived in residential, foster care, kinship care, or a special guardianship arrangement.	As this is a relatively new addition to the list of protected groups, there is no action currently in place specifically relating to this group.	Lack of family support networks Trauma history may not be recognised or considered. • Include mandatory training on trauma-informed care. • Include care history in holistic assessments.

*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.

** The Equality Act does not cover armed forces community. However, the Armed Forces Bill (which came in on 22 Nov 2022) introduces a requirement to pay 'due regard' to make sure the Armed Forces Community are not disadvantaged when accessing public services.

***The Equality Act does not cover care experienced people. B&NES adopted this group as a protected characteristic in March 2024 alongside over 80 other Local Authorities. Although we have data for care leavers and children/young people who are currently in the care of B&NES we do not have wider data on disadvantage experienced through being in care.

4. Bath and North East Somerset Council 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
Gaps in provider staff training and competence that could lead to discrimination (directly or indirectly).	Review training requirements and capabilities to better reflect B&NES population. This may exceed the minimum standard required by the CQC. Ensure that all providers have completed the necessary training to the standard expected by B&NES. This should include Equality and Diversity training that covers all protected characteristics – though this may not include the characteristics that have been added by B&NES Council. Work with Quality and Commercial Team to identify potential penalties for providers who do not remain satisfactorily up to date with their Equality and Diversity Training.	New Quality Assurance Policy being developed by Quality and Commercial Team which includes the expected training level of providers, and penalties for non-compliance.	Tom Jarvis Nicole Gibson and Ian Stenner	September 2026
Potential lack of funding and resources for providers to ensure the above training is completed to the standard required by B&NES.	Support to be given to providers to access the Learning and Development Support Scheme to pay for additional training required.	Multiple fora held with providers and Skills for Care Colleagues to outline the processes for joining the ASC Workforce Data Set and the LDSS.	Tom Jarvis	September 2026

Potential for lack of homecare options for more rural service users, due to lack of capacity	Identify existing providers who already operate, or would be willing to operate, in these areas and discuss how we can work together to increase their offering. Identify providers who are not yet working with B&NES but operate in these areas and encourage them to join the framework.	Discussions held with a new provider who works in the Chew Valley – the most rural area of B&NES. They are in the process of applying to join our framework to increase our rural offering.	Tom Jarvis	February 2027
Potential for underrepresentation from service user engagement as part of homecare re-commission	Where individuals are engaged via surveys, feedback forms, and other informal feedback to providers or professionals, ensure that individuals who have a protected characteristic are among those whom we contact and engage with, where appropriate and where consent has been gained, so that their voice can be heard as part of the engagement process.		Tom Jarvis Nicole Gibson	September 2026

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 website. Keep a copy for your own records.

Signed off by: Natalia Lachkou, Assistant Director of Commissioning
(Divisional Director or nominated senior officer)

Date: 2nd February 2026

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Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Cabinet	
MEETING/ DECISION DATE:	12 February 2026	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3682
TITLE:	Housing Adaptations for Foster Carers	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1 – DRAFT Policy for Funding Extensions and Alterations to the Homes of Local Authority Foster Carers.		
Appendix 2 – Survey results		
Appendix 3 – Short business cases		
Appendix 4 – Equalities Impact Assessment		

1 THE ISSUE

- 1.1 Bath & North East Somerset Council (B&NES) has a shortage of foster carers, which is placing considerable pressure on children's services and social care. Currently, at least 11 children remain in residential care despite their care plan being foster care. To address this, the Council is developing a policy to fund home extensions or alterations for existing foster carers whose housing limitations prevent them from accommodating more children.

2 RECOMMENDATION

The Cabinet is asked to;

- 2.1 Agree the proposal to offer housing alterations for foster carers, and note the draft policy Housing Alterations Policy for Bath & North East Somerset Foster Carers.
- 2.2 Agree the delegation of final approval for the policy and associated processes to the Director of Children's Services in consultation with the Cabinet Member for Children's Services.
- 2.3 Note the allocation of £500,000 of capital funding for the works which is included in the proposed capital programme as provisionally approved, delegating responsibility for the full approval of the funding to the Director of Children's

Services in consultation with the Director of Finance (S151 Officer), and to delegate decisions on each individual case to the Director of Children's Services.

3 THE REPORT

- 3.1 A programme has been initiated within Children's Services, which is looking at sufficiency of accommodation for children in care. Part of this programme is a workstream looking specifically at foster care.
- 3.2 The foster care workstream has a number of activities within it, one of which is to develop a policy to support foster carers to adapt their homes by having an extension / loft conversion / other alteration. This will enable them to care for more children in care.
- 3.3 This is an option which is widely offered in many authorities in England¹, and is likely to be a recommendation within the reforms being overseen by Minister MacAlister².
- 3.4 To gauge interest locally, a survey was conducted between November 2025 and January 2026 asking all foster carers registered with the Council (in-house foster carers) whether they would be interested in the possibility of having a home alteration in order to care for more children. An overwhelming majority responded positively to this.
- 3.5 The survey results are at Appendix 2. Personally identifiable information has been redacted.
- 3.6 Two foster carers have already been in discussion with the local authority for some time about the possibility of having their homes altered in order to continue to care for children they are currently supporting and we want to support this to progress as part of this scheme.
- 3.7 These have been turned into short business cases, which have been anonymised and are attached at Appendix 3. They are included in this report as examples of the type of request the council may receive, and the benefits the policy can bring to children and young people, the community, and the council.

4 STATUTORY CONSIDERATIONS

- 4.1 The proposed project to provide financial support for home adaptations and extensions for foster carers must be underpinned by a robust statutory framework and take into account a range of legal and policy considerations.

4.2 Legal Power or Duty

- (1) The Local Authority's power to fund adaptations and extensions for foster carers is primarily derived from:
 - a) **Children Act 1989**, particularly Section 22G, which places a duty on local authorities to ensure sufficient accommodation for looked-after children within their area.

¹ <https://www.local.gov.uk/case-studies/increasing-fostering-capacity-through-housing-solutions>

² <https://www.gov.uk/government/news/government-pledges-to-reverse-decline-in-foster-carer-numbers>

- b) **Children and Families Act 2014**, which reinforces the importance of supporting foster carers to provide stable and appropriate placements.
- c) **Local Government Act 1972** and **Localism Act 2011**, which provide general powers of competence to support community wellbeing, including housing-related interventions.
- d) **Care Planning, Placement and Case Review (England) Regulations 2010**, which require local authorities to ensure placements meet the needs of children, including physical space and safety.

4.3 Planning Considerations

- (1) Any proposed extensions or structural adaptations must comply with **Town and Country Planning Act 1990** and local planning policies.
- (2) Planning permission may be required depending on the scale of the work, and carers should be supported through this process.
- (3) Building regulations under the **Building Act 1984** must be adhered to, ensuring safety, accessibility, and energy efficiency.

4.4 Crime and Disorder

- (1) Under the **Crime and Disorder Act 1998**, local authorities must consider the impact of their decisions on crime and antisocial behaviour.
- (2) Expanding fostering capacity can contribute positively by reducing placement breakdowns and improving outcomes for vulnerable children, which in turn may reduce future involvement with the criminal justice system.

4.5 Sustainability and Natural Environment

- (1) Adaptations should align with **sustainable development principles** under the **Environment Act 2021**, promoting energy efficiency and low-carbon materials.
- (2) Consideration should be given to the impact on the natural environment, including biodiversity and green space, especially in rural or conservation areas.

4.6 Human Rights

- (1) The project must comply with the **Human Rights Act 1998**, particularly:
 - a) Article 8: Right to respect for private and family life.
 - b) Article 14: Protection from discrimination.
- (2) Ensuring children have access to suitable family-based care supports their right to a nurturing home environment.

4.7 Children

- (1) The welfare of the child is paramount under **Section 1 of the Children Act 1989**.

- (2) Providing suitable housing for foster carers directly supports the stability, safety, and emotional wellbeing of children in care.
- (3) The project should also reflect the principles of the **United Nations Convention on the Rights of the Child (UNCRC)**, particularly the right to family life and protection.

4.8 Public Health and Inequalities

- (1) The project aligns with duties under the **Health and Social Care Act 2012** to reduce health inequalities and promote public health.
- (2) Stable foster placements can improve mental and physical health outcomes for children, reducing long-term public health burdens.
- (3) Funding adaptations may also address housing inequalities among foster carers, many of whom may be limited by socioeconomic constraints.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 The project is requesting £500,000 in capital funding (£250,000 in 2026/27 and 2027/28). This has been built into the proposed capital programme within the budget and council tax 2026/27 and financial outlook report (included elsewhere on this cabinet agenda) that cabinet is asked to recommend for council to approve. Contributions to alterations for foster carers will be capped at £50,000 per fostering household.

5.2 The attached draft policy describes the scope and eligibility for the funds.

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 An equalities impact assessment has been complete for the policy and is at Appendix 4.

7.2 The main areas for further work identified were to increase the voice and influence of children and young people in care within the work, and to carry out a broader EqIA for the sufficiency programme overall.

8 CLIMATE CHANGE

8.1 This policy aligns with B&NES Council's commitment to environmental sustainability and climate resilience by embedding green principles into the delivery of social care infrastructure. By funding home adaptations and extensions for foster carers, the Council has a unique opportunity to promote low-carbon construction practices, improve energy efficiency in residential buildings, and reduce the environmental footprint of care provision.

8.2 Adaptations will be designed to meet or exceed current building regulations for energy performance, with a preference for sustainable materials where feasible.

This not only supports the Council's climate emergency declaration and net-zero targets but also reduces long-term utility costs for foster families, contributing to financial resilience and housing stability.

- 8.3 Moreover, enabling more children to live in family-based settings rather than residential care reduces the demand on larger institutional facilities, which typically have higher energy consumption and carbon emissions.
- 8.4 Supporting more children and young people in local homes, means that travel times to school and other settings is reduced, and social workers and other have shorter travel times. This delivers a more sustainable model of social support that is both environmentally responsible and community focused.
- 8.5 The policy also encourages adaptive reuse of existing housing stock, minimising the need for new developments and preserving greenfield sites. Where planning permission is required, environmental impact will be a key consideration, ensuring that extensions harmonise with local biodiversity and landscape character.

9 OTHER OPTIONS CONSIDERED

- 9.1 This project is part of the wide-ranging Children's Transformation programme underway in Children's Services.
- 9.2 No other options related to this project have been specifically reviewed.

10 CONSULTATION

- 10.1 The draft policy and approach has been discussed with Cllrs May and Elliot, with the S151 officer and is supported by the Director of Children's Services and Education.

Contact person	Paula Sumner, Assistant Director Children's Transformation
Background papers	None
Please contact the report author if you need to access this report in an alternative format	

DRAFT Policy for Funding Extensions and Alterations to the Homes of Local Authority Foster Carers.

January 2026

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DRAFT

1. Scheme Description and Purpose

- 1.1 Bath & North East Somerset Council wants all children to be able to thrive, in homes built on love.
- 1.2 For our most vulnerable children, who are in care, we have made funds available to enable foster carers to extend or adapt their homes in specific circumstances. This funding is to enable foster carers to:
- keep children with them, who may otherwise have to move due to lack of suitable space,
 - be able to care for more children, or
 - to make it easier for a foster carer to care for a disabled child.
- 1.3 The funding is available to foster carers registered with Bath & North East Somerset Council (in-house foster carers) and will support children in care to have suitable accommodation.
- 1.4 Funding will be in the form of an interest-free grant, repayable (if required) as set out below.
- 1.5 This policy sets out the circumstances in which funding would be considered.

2. Policy principles

2.1 A grant must demonstrate that it will increase placement sufficiency and that without a grant a placement arrangement will be untenable.

2.2 Grants are available for:

- Home extensions or alterations to houses that increase placement sufficiency (e.g., conversion of internal spaces, extensions, garden rooms specifically for returning adult children to keep space within the home for children in care.).
- Where siblings are placed in a foster placement and the best plan for them, as endorsed via a statutory child in care review, is to remain placed together in that placement, and where such a permanence plan cannot be implemented without the provision of an extension or alteration due to an inadequate number of bedrooms.
- Where the best plan for a child, as endorsed via a statutory child in care review, is to be fostered permanently by the foster carer of a sibling of his or hers, but where this plan cannot be implemented without the provision of an extension or alternative home due to inadequate bedroom space
- Where an existing foster carer has opted to continue to offer a home to a previously fostered child under the Staying Put arrangements but in doing so no longer has bedroom space to take a foster placement and the carer would be enabled by the provision of additional bedroom space to offer further foster placements to adolescents who might otherwise be placed in independent accommodation or private sector provision. That the foster carer's circumstances match these here should be evidenced in the most recent foster care review.

- Other circumstances will be reviewed on a case-by-case basis in discussion with the Head of Service, and then by Care and Resource Panel as part of the process for approval.
- To provide/continue to provide a placement to a child in care or to provide adequate accommodation for children in an existing placement or to enable existing carers to offer an increased number of placements in line with Fostering Regulations and Minimum Standards and in line with the appropriate terms of approval as established by assessment and/or foster carer review (for the purposes of decision making, the Council will consider the cost-benefit to the Council of supporting the Applicant).
- Where it would enable a foster carer to have the capacity and approval to offer care for a child stepping across from residential, to enable them to return to the local area in a family environment.

2.3 Whilst the welfare of the child(ren) is of the highest importance, there is a finite amount of capital funding available, and the grant must demonstrate that it is financially justified in terms of a high benefit/cost ratio and low risk assessment to ensure that capital funding is used effectively to increase placement sufficiency.

3. Eligibility criteria

3.1 Foster carers

- Approved in-house foster carers who own their own home.
- In the majority of cases, funding would not be released until the foster carers had been an approved foster carer for over 6 months. This is at the discretion of the AD or DCS.
- This policy does not cover, Independent Fostering Agency (IFA) or (in most cases) Permanence carers, or supported lodgings hosts.

3.2 Properties

- Grants are available for those that want to adapt a property they own.
- The policy does not apply to foster carers who are in rented accommodation or social housing.

4 Definitions

3.1 Looked After Children/Children in Care – looked after children are all those children who are cared for by the local authority, either as a result of a Court Order authorising the Local Authority to care for a child or by voluntary agreement of the child's birth parents. They are known as children in care in B&NES.

3.2 Permanence – this refers to the plan for a child to remain with a carer for the remainder of their childhood and into adulthood.

3.3 Staying Put – Staying Put refers to circumstances where a child in care in a foster placement who turns 18 remains living with the same foster carer, no longer as a child in care, but as an adult, as occurs in many birth families.

3.4 Statutory Looked after Children Review, known as the Children in Care Review in B&NES – this refers to the independent review of for each child in care, to ensure their needs are being met and the Local Authority is providing everything that they need. There is a legal requirement for these reviews to be held regularly and for the reviews to challenge and endorse plans being made for children in care.

3.5 Home alterations – conversion of internal spaces, extensions, garden rooms specifically for returning adult children to keep space within the home for children in care.

4. Legal Framework

4.1 The Local Authority has a duty to provide sufficient accommodation for children in care as set out in the Children Act 1989. Section 22G of the 1989 Act requires local authorities to take strategic action in respect of those children they look after and for whom it would be consistent with their welfare for them to be provided with accommodation within their local authority area. In those circumstances, section 22G requires local authorities, so far as is reasonably practicable, to ensure that there is sufficient accommodation for those children that meets their needs and is within their local authority area.

4.2 The power to provide funding for home extensions in this case is to be found in The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

4.3 The Local Authority has a duty to provide sufficient accommodation for children in care. There is also a requirement for the Local Authority to make reasonable efforts to ensure that children in care are placed in foster homes with their siblings, unless there is a child welfare reason not to do so.

5 Conditions of the grant

Legal charge for property owners

4.1 Carers would need to enter into a contract with Bath & North East Somerset Council for the grant. The grant is secured against the property with a legal charge. The legal charge must be signed and registered before any money is paid out. This charge will be removed after 5 years.

4.2 A grant will only be awarded if it can be proven that the property is in sufficiently positive equity to be able to recover the grant in its entirety, at the point the grant would be awarded.

4.3 Carers must confirm with their mortgage lender whether or not they need to obtain consent to the legal charge being lodged against the property.

4.4 The property must be insured to its full value, including the capital works once completed.

4.5 All foster carers will be required to access independent legal advice before signing the legal agreement and before funds can be released. The Local Authority will fund this one-off legal expense for any foster carers up to the cost for 2 hours' legal advice at pre-approved rates and to a maximum cost of £240.

Provision of Funding

4.6 Any building works must be compliant with current planning law and Building Regulations, the responsibility for ensuring this is with the foster carer. As the home

owner, the foster carer is responsible for identifying an architect and for submitting the relevant planning and building regs applications. The council will not become involved in these arrangements. The foster carer will provide copies of the planning and building regs approval as required.

- 4.7** The grant amount can include costs for planning applications and technical drawings.
- 4.8** Funding will be provided on the condition that the works are carried out only by Council approved building contractors following a competitive process. Quotes from a minimum of three different contractors will be required to be shared with the Local Authority before agreeing any works or payments.
- 4.9** Funding will only be provided to cover the costs of the most cost-effective way to achieve the required additional living space.
- 4.10** Where the foster carer is able to partially fund, then this must be the preferred course of action and the Council will then partially fund the remainder, subject to the relevant approvals.
- 4.11** The Council will be required to validate the foster carers ability to fund the remainder of the works via a due diligence process.
- 4.12** If the property needs to be vacated during the renovations, it is the responsibility of the homeowner (foster carer) to source suitable accommodation, and to ensure it is suitable for any children already placed with them, and compliant with fostering regulations.

Repayment

- 4.13** Any funding agreed will be subject to legally binding contracts between the foster carers and B&NES with a sliding scale of payback should the increased capacity not be delivered or in the event of placement breakdown or carers terminating their registration.
- 4.14** In the event that the foster carers have children placed with them and then, at their initiative, cease to offer the child placement/s for which the funding had been provided within a period of 5 years following the provision of funds the monies will be repayable to the Council on the following basis:

1st year -	100% repayable
2nd Year -	80% repayable
3rd Year -	60% repayable
4th Year -	40% repayable
5th Year -	20% repayable
6th Year -	0% repayable

5. Approval

- 5.1** All applications for funding via this scheme will require consideration by the Head of Service for Care Outcomes and with their agreement, a business case presented for discussion at Care & Resource panel outlining the following:

- How the carer meets the eligibility criteria
- The impact of not offering the funding
- Benefit/cost evaluation

- Risks

5.2 Applications are then required to be presented to the Director of Children's Services (DCS) for final approval, if recommended by Care and Resource Panel.

5.3 A maximum contribution of £50,000 will be provided.

5.4 Where funding is agreed it will be provided directly to the foster carer. Payments may be released in parts.

DRAFT

Housing alterations for foster carers survey results and analysis

Introduction

The survey was sent to all in-house foster carers via direct email and also promoted through the regular newsletter sent by the fostering service. It was designed to gauge the interest and feasibility of housing alterations. These alterations would aim to optimize homes for fostering by increasing the number or size of bedrooms, therefore increasing the number of children that could be cared for.

The survey was live between 17th November 2025 and 9th January 2026.

Summary

- 21 x foster carers have responded (they didn't all answer each question)
- The majority of foster carers live in either BA2 or BA3 postcode areas.
- The majority of respondents (72%) have fostered for over 2 years, 43% have fostered for more than 5 years
- **Foster carers are not clear about what needs they have been approved for**, but most respondents have been approved for 0 – 18 and have children over the age of 12 with them
- 3 didn't have foster children with them
- Majority of respondents own their home either with or without mortgage (81%) and 85% have 3 or more bedrooms
- **43% of respondents thought they could convert spaces inside their homes, and 84% said they had external space suitable for an extension**
- 43% said they would consider moving house to increase the space for children in care
- 90% of respondents said 'yes', or 'would like more info', to the question "*If the council was to partially fund any extension/conversion, would you be interested in doing this to take additional children into your care?*"
- **53% of respondents said they would commit to an extra 10 years of fostering, should B&NES fund an adaptation.**

Analysis

General responses

21 foster carers responded to the survey. B&NES has 49 mainstream fostering households, so assuming there is just one registered foster carer at each address (which won't be the case), this represents a minimum 43% response rate.

Many of the foster carers responding have been fostering for more than 2 years, which shows a level of commitment to both young people and to being an in-house foster carer. This could be used to advantage when devising recruitment strategies.

The geographical spread of foster carers should be compared to the general population, and also the areas of highest need for foster carers. Can targeted recruitment campaigns in certain areas be considered? Does the wider community in those areas have particular

needs which could be targeted by commissioned services which may prevent children from coming into care?

The responses to the question around training seemed to indicate a lack of awareness of what training levels carers had received. This could be reviewed and training provided to match the needs of the young people coming in to care, for example cultural training in relation to unaccompanied asylum-seeking children and young people (UASC), and training in supporting emotional and mental wellbeing.

In terms of the specific questions around the ages of children that foster carers have been approved for, most seem to have been approved for a wide range of ages, which provides flexibility, but there could also be an opportunity for specific training in the older age groups, in particular UASC and older teenagers.

There are also 3 x foster carers who do not currently have a child or young person placed with them which should be investigated.

Housing alterations specific responses

Responses indicated a high degree of owner occupiers, with a majority already having 3 or more bedrooms. There were more responses indicating an external extension would be feasible, rather than internal changes to create an additional bedroom.

There was an interest in moving house to support more children and young people, this would be outside the scope of the policy currently being developed, but a response to this should be considered.

A significant majority of respondents indicated they would be interested in extending their homes to look after more children, or to learn more about it. This should be investigated with some urgency, as the majority of respondents indicated they would be willing to commit to an additional 10 years of fostering if supported to extend their home.

Recommended actions

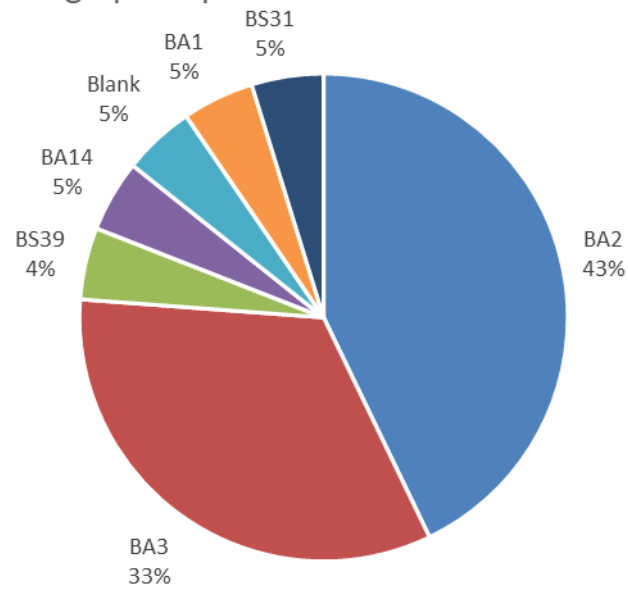
- Review geographical locations of children in care and compare to foster carers.
- Review the training provided, what specific training is provided around SEMH and UASC needs and experiences, how this is recorded, and how it is communicated to foster carers.
- Understand why the 3 x foster carers do not have a child with them at the moment, and whether they could be matched with someone in a residential placement.
- Follow up with urgency all foster carers who indicated they were interested in alterations to understand in more detail what could be feasible, taking into account the current occupants of the home and matching requirements.
- Develop thinking around supporting foster carers to move house in order to support more young people – what would the SWOT analysis of this look like? Should an options appraisal be developed for this?

Responses

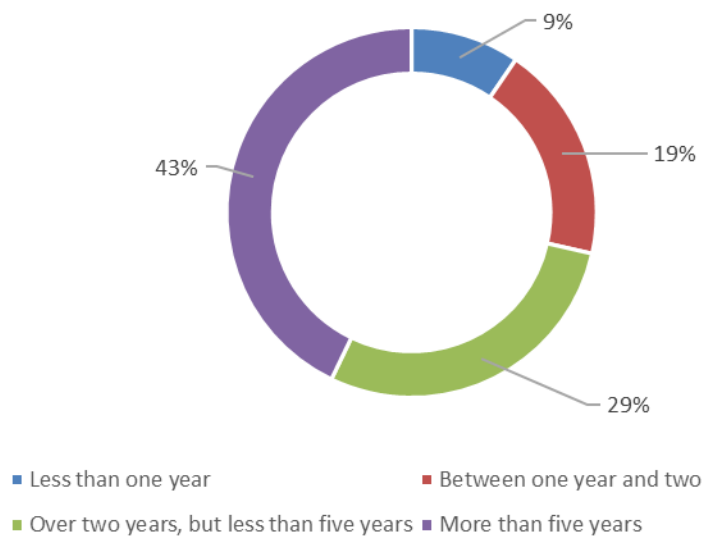
Detail from some of the responses are as follows³:

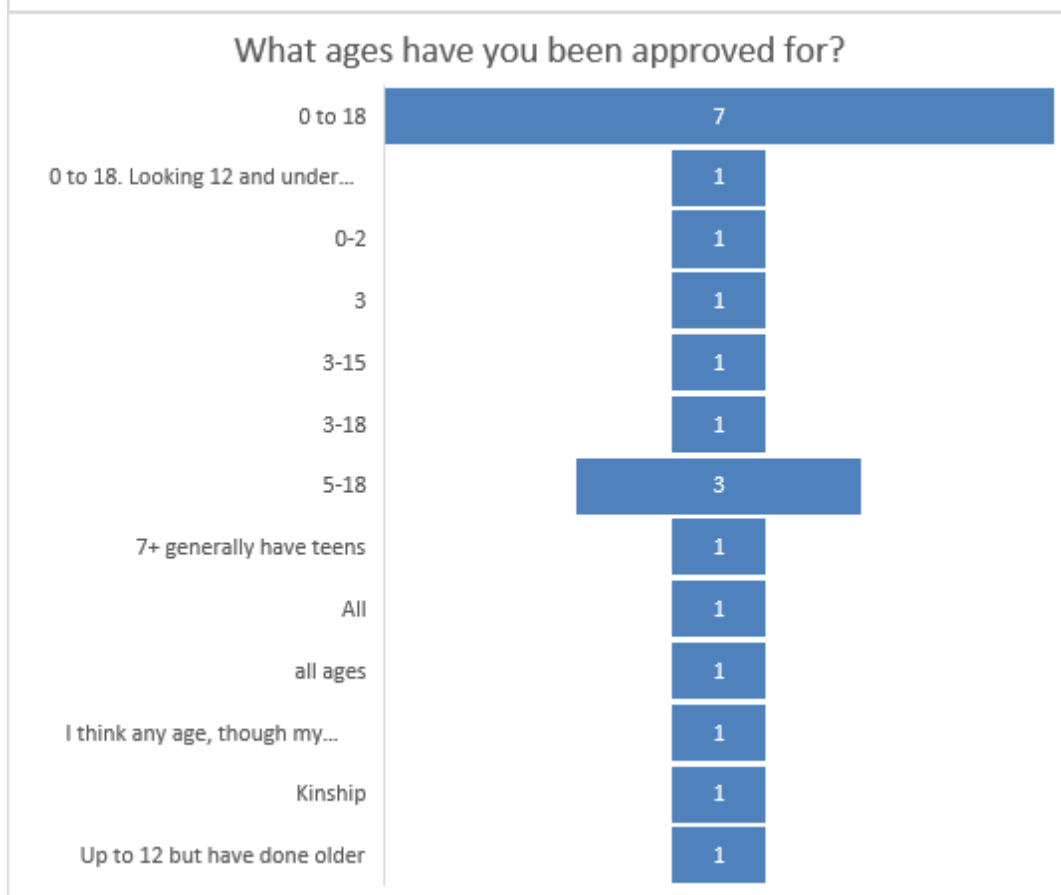
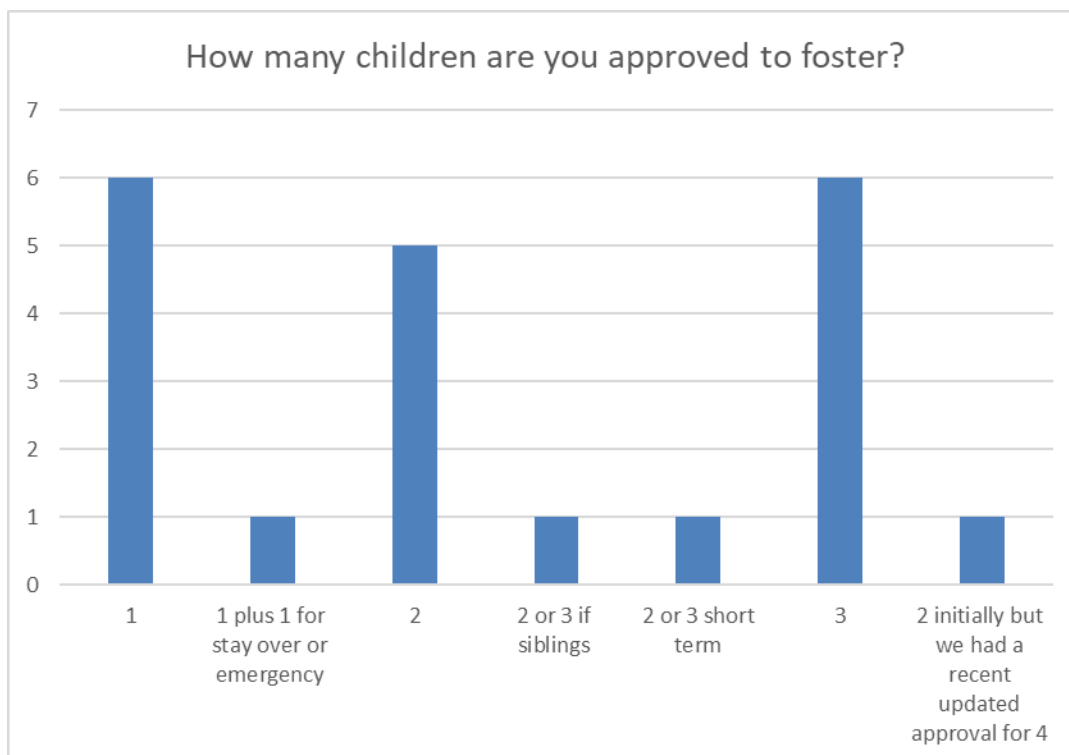
³ The full table of responses is in the Appendix.
Printed on recycled paper

Geographic spread of foster carers



How long have you been fostering in B&NES?





What needs have you been approved for? (Have you had any specialist training?)

Fostering plus

Attended all required training

Additional training on line covering, drug and alcohol addiction, gambling addiction, understanding autism

No

Tier 3 carer

BSL

What needs have you been approved for? (Have you had any specialist training?)

Not yet

Not sure. I only provide respite care. The first child I had for a year and he had SEND. The other two also had special needs, but not as severe and they only stayed one weekend.

No specific needs and no specialist training

Up to but not including severe special needs

Epilepsy Training

Autism Training

makaton

ADHD

Sensory difficulties

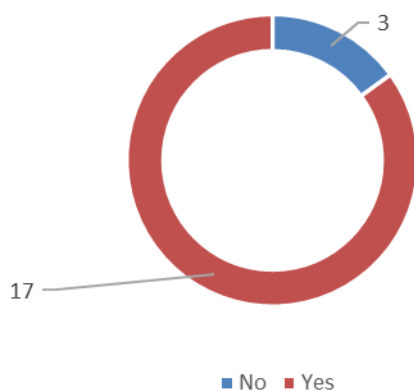
Therapeutic parenting

N/A

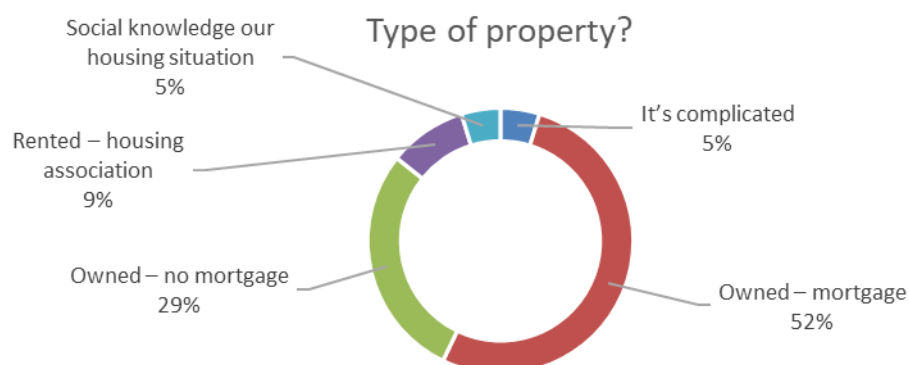
All

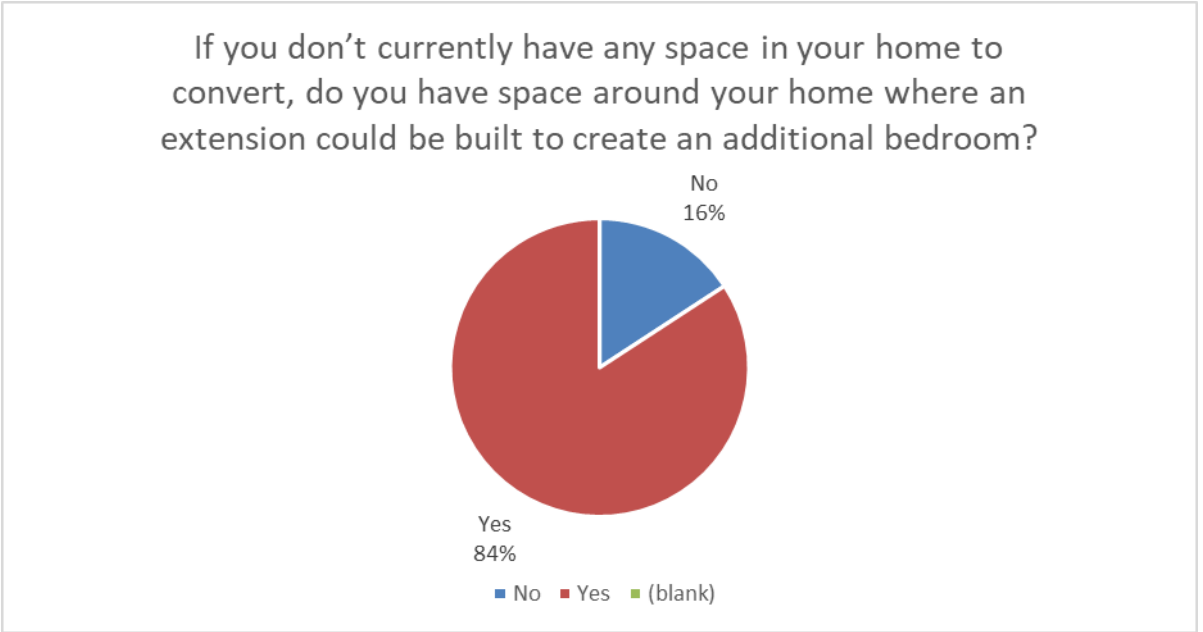
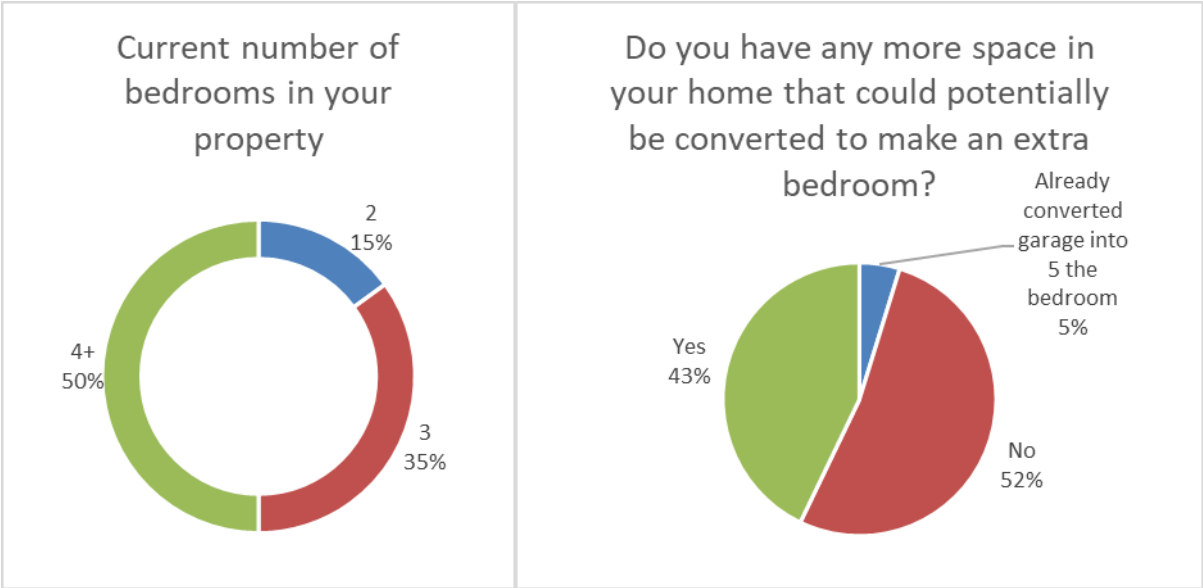
Special needs is not my forte. I like siblings, new into care, through the court process, into long term homes. I have done extensive attachment training in the past.

Do you currently have a foster child / children living with you?

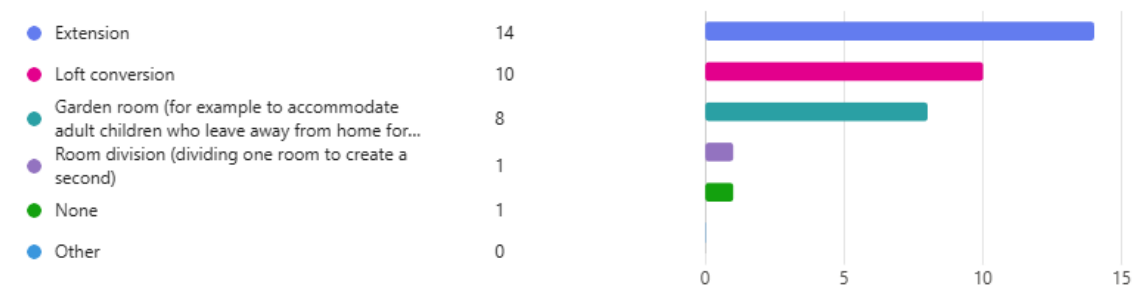


Type of property?



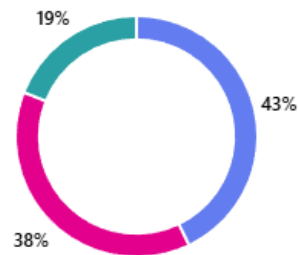


15. Which of the following space adaptations, if any, could your property potentially accommodate? Please remember we are just s coping potential at this stage, and no budgets have been agreed. Please select all that apply:



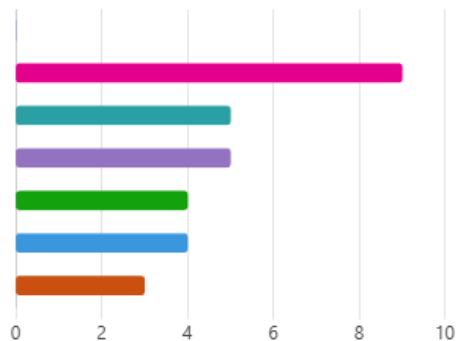
16. Would you consider moving house to increase the space that you had for children in care?

- Yes 9
- No 8
- Maybe 4

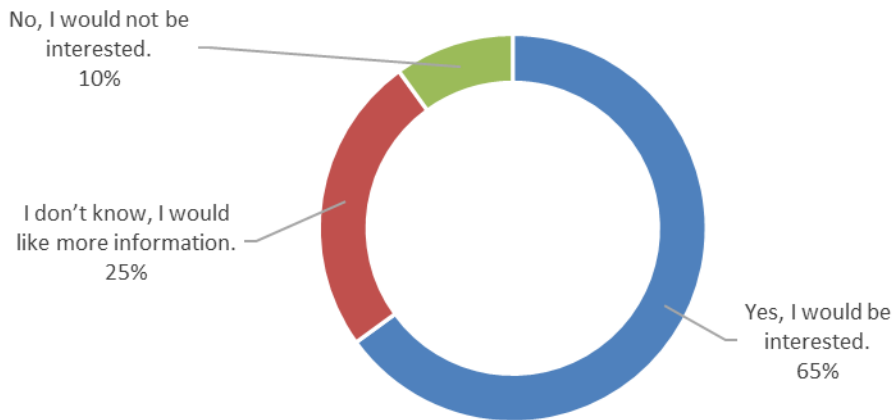


17. If yes, what would you need a new house to provide?

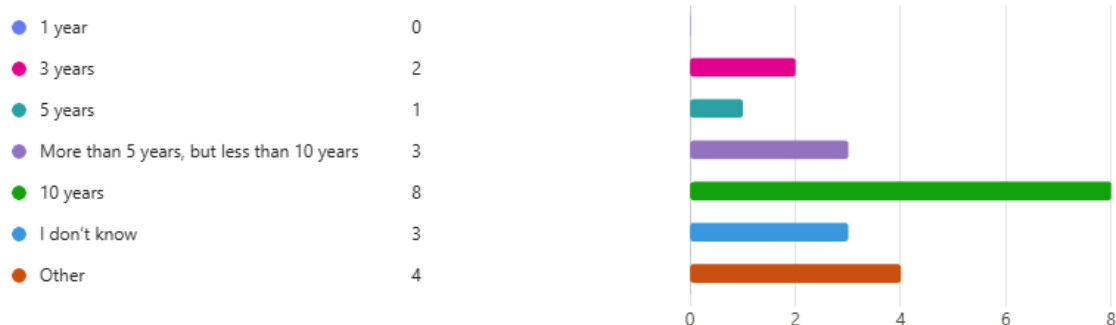
- Step free 0
- Enclosed garden 9
- Downstairs bathroom 5
- Bigger lounge space 5
- Close proximity to schools, GP surgery/hospital etc. 4
- School transport 4
- Other 3



If the council was to partially fund any extension/conversion, would you be interested in doing this to take additional children into your care?



20. How many additional years of fostering do you feel you could commit to if you agreed to house adaptations funded by B&NE S?



If the necessary changes to your home were approved, are there any other reasons that would prevent you from fostering more children? Please explain briefly.

None

Had this been a option when we started fostering 17 years ago , we would have definitely extended the house , especially as it would have allowed us to keep a sibling group of 3 together

Boundaries around caring for a child need to be addressed more than their housing needs!

We are kinship carers that will continue into mainstream foster care when the children move on in later life! Space is of a premium at the moment and we have considered and discussed several times ways to make more space most recently talking about an out building for the eldest but he is to young apparently

None

No

no as we just need more space to foster more children.

If I have a 8 week gap between placements I loose my Universal Credit which means I would need to immediately get a full time job.

Dipping in and out of a full time job that is secure enough to provide a sustainable income is not possible and an eight week gap in placement would be the end to me fostering. I want to say I'm in it for the long hall but the insecurity of not having a placement immediately effects my ability to continue.

Just need 2 rooms in attic and bathroom happy to work towards everyone having their own space

No

Increasing age :)

Our age

I would of loved to stay in previous home but had no way of making an extra bedroom so I had to double on my

As long as the child fit into our schedules I don't see any issues - we both work so schooling would be important

This would be about being able to continue to foster 2 children as birth children got older and needed their own rooms

Appendix – full survey results table

(redacted as contains personal information)

Appendix 3 – Short business cases

Business Case: Capital Funding for AA Foster Home Adaptations

Background & Need

The local authority is experiencing a shortage of foster placements, particularly for sibling groups and children with complex needs. Without adaptations, the carer cannot increase capacity, which may result in:

- Children being placed outside the local area.
- Increased costs for independent fostering agencies.
- Children placed in a residential setting where their plan is foster care.
- Disruption of sibling relationships.

This business case seeks approval for capital funding of £30,000 to enable foster carer AA to adapt their home. FURTHER DETAIL REDACTED AS PERSONALLY IDENTIFIABLE.

Objectives

- Increase placement capacity within the local authority.
- Maintain stability for children and keep siblings together.
- Reduce reliance on costly external placements.

Proposed Adaptations

- Current proposed building work is for approximately £125,000, but not yet finalised until planning permission is confirmed. The works would result in an extension, with an additional bedroom for fostering and a second bathroom. The additional room capacity would be for non-fostering (hence asking for not all of the money).
- AA is not asking the LA for all of this. We previously discussed £30K.
- Modifications to meet safety and space requirements. All works will comply with building regulations and fostering standards.

Benefits

- Quantitative:
 - +1 additional fostering places. It will be for short term / reunification, including children at risk of residential placement.
 - An adaptation which supports a child to be placed in an in-house foster placement (£510p/w) rather than a placement with an independent fostering agency (IFA) (£958 p/w) would avoid an increase of £448 in weekly costs per child. Based on an average utilisation of 75%, this equates to £17,519 p/a.
 - The additional bedroom would create capacity for an additional short-term placement suitable for teenagers that would alternatively go to residential or are stepping down from residential. Cost avoidance at 75% usage would be £292,700, payback in 1.5 months.

- Qualitative:
 - Improved outcomes for children through local, stable placements.
 - Supports family and community connections.

Financial Summary

- Cost to the Local Authority of adaptations: £30,000
- Alternative cost:
 - External IFA placements mode average £958 per child per week (compared to £510pw in-house foster care).
 - External placements average £7,995 per child per week.
- Value for money:
 - Adaptations pay back within 33.6 months of placement (2.8 years).
 - Adaptations pay back within 1.5 months of placement.

Risks & Mitigation

Risk description	Proposed mitigations
Foster carers may cease fostering once approved funding.	A payback sliding scale will be agreed which foster carers will have to sign. A charge will be placed on their property for the duration of the payback period.
Costs exceeding quote	• Fixed-Price Contract: Secure a fixed-price agreement with the builder to prevent cost escalation. • Contingency Budget: Include a contingency allowance (10–15%) in the approved funding to cover unforeseen costs. • Detailed Scope: Ensure the quote is based on a comprehensive specification to minimize ambiguity and reduce variation risk. • Variation Approval Process: Require any additional costs or changes to be formally approved by the local authority before work proceeds. • Progress Monitoring: Implement regular cost and progress reviews with the builder and local authority to identify overruns early. • Builder Vetting: Use a contractor with a proven track record for accurate quoting and timely delivery, ideally vetted by the local authority.
Business case not	Works scheduled during school term to minimize

approved	disruption, approvals take place ASAP.

Timeline

- **Approval:** tbc
- **Works start:** Once planning approval received
- **Completion:** tbc post planning approval

Recommendation

- Approve £30,000 capital funding to enable adaptations, ensuring compliance with statutory duties and delivering long-term savings.

Business Case: Capital Funding for BB Foster Home Adaptations

Background & Need

The local authority is experiencing a shortage of foster placements, particularly for sibling groups and children with complex needs. Without adaptations, the carer cannot increase capacity, which may result in:

- Children being placed outside the local area.
- Increased costs for independent fostering agencies.
- Children placed in a residential setting where their plan is foster care.
- Disruption of sibling relationships.

This business case seeks approval for capital funding of £30,000 to enable foster carers BB to adapt their home. FURTHER DETAIL REDACTED AS PERSONALLY IDENTIFIABLE.

Objectives

- Increase placement capacity within the local authority.
- Maintain stability for children and keep siblings together.
- Reduce reliance on costly external placements.

Proposed Adaptations

- Loft conversion.
- BB was quoted £60-70K in 2024.
- Modifications to meet safety and space requirements. All works will comply with building regulations and fostering standards.

Benefits

- **Quantitative:**
 - Prevention of residential placement.
 - Supporting a child to be placed with an in-house foster placement rather than a residential placement would avoid an increase of c. £7,485 per week (based on the current mode average cost of a residential placement £7,995.). Based on 75% utilisation, this equates to £292,700 p/a.
- **Qualitative:**
 - Improved outcomes for children through local, stable placements.
 - Supports family and community connections.

Financial Summary

- **Cost of adaptations:** £30,000
- **Alternative cost:** External placements average £7,995 per child per week.
- **Value for money:** Adaptations pay back within 1.5 months of placement.

Risks & Mitigation

Risk description	Proposed mitigations
Foster carers may cease fostering once approved funding.	A payback sliding scale will be agreed which foster carers will have to sign. A charge will be placed on their property for the duration of the payback period.
Costs exceeding quote	• Fixed-Price Contract: Secure a fixed-price agreement with the builder to prevent cost escalation. • Contingency Budget: Include a contingency allowance (10–15%) in the approved funding to cover unforeseen costs. • Detailed Scope: Ensure the quote is based on a comprehensive specification to minimize ambiguity and reduce variation risk. • Variation Approval Process: Require any additional costs or changes to be formally approved by the local authority before work proceeds. • Progress Monitoring: Implement regular cost and progress reviews with the builder and local authority to identify overruns early. • Builder Vetting: Use a contractor with a proven track record for accurate quoting and timely delivery, ideally vetted by the local authority.
Business case not approved	Works scheduled during school term to minimize disruption, approvals take place ASAP.

Timeline

- **Approval:** December 2025
- **Works start:** Once planning approval received
- **Completion:** tbc post planning approval (to be confirmed)

Recommendation

Approve **£30,000 capital funding** to enable adaptations, ensuring compliance with statutory duties and delivering long-term savings.

Appendix 4

Equality Impact Assessment / Equality Analysis
(Version 4)

Page 113

Item name	Details
Title of service or policy	Housing Extensions and Modifications for Foster Carers
Name of directorate and service	Children's Services and Education
Name and role of officers completing the EqlA	Paula Sumner, Wendy Gyde

1st December 2025

Date of assessment

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 people and different groups within our community. The main aim is to identify any adverse impacts (i.e. discriminatory or negative consequences for a particular group or sector of the community, and to identify areas where equality can be better promoted). Equality impact Assessments (EqIAs) can be carried out in relation to services provided to customers and residents as well as employment policies/strategies that relate to staffing matters.

This toolkit has been developed to use as a framework when carrying out an Equality Impact Assessment (EqIA) or Equality Analysis. **Not all sections will be relevant – so mark N/A any that are not applicable.** It is intended that this is used as a working document throughout the process, and a final version will be published on the Council’s website following relevant service lead approval.

1.1 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. - How the service/policy is delivered and by whom - If responsibility for its implementation is shared with other departments or organisations - Intended outcomes	The project aims to review the existing cohort of children and young people in foster care to understand their needs and their reasons for being in foster care. It will also review our existing foster care provision, including geographical location, costs, accessibility, needs it can meet, capacity and available free beds. Finally, it will look at our current offer to foster carers, how this offers across our neighbouring authorities and how this could be maximised to improve recruitment and retention.

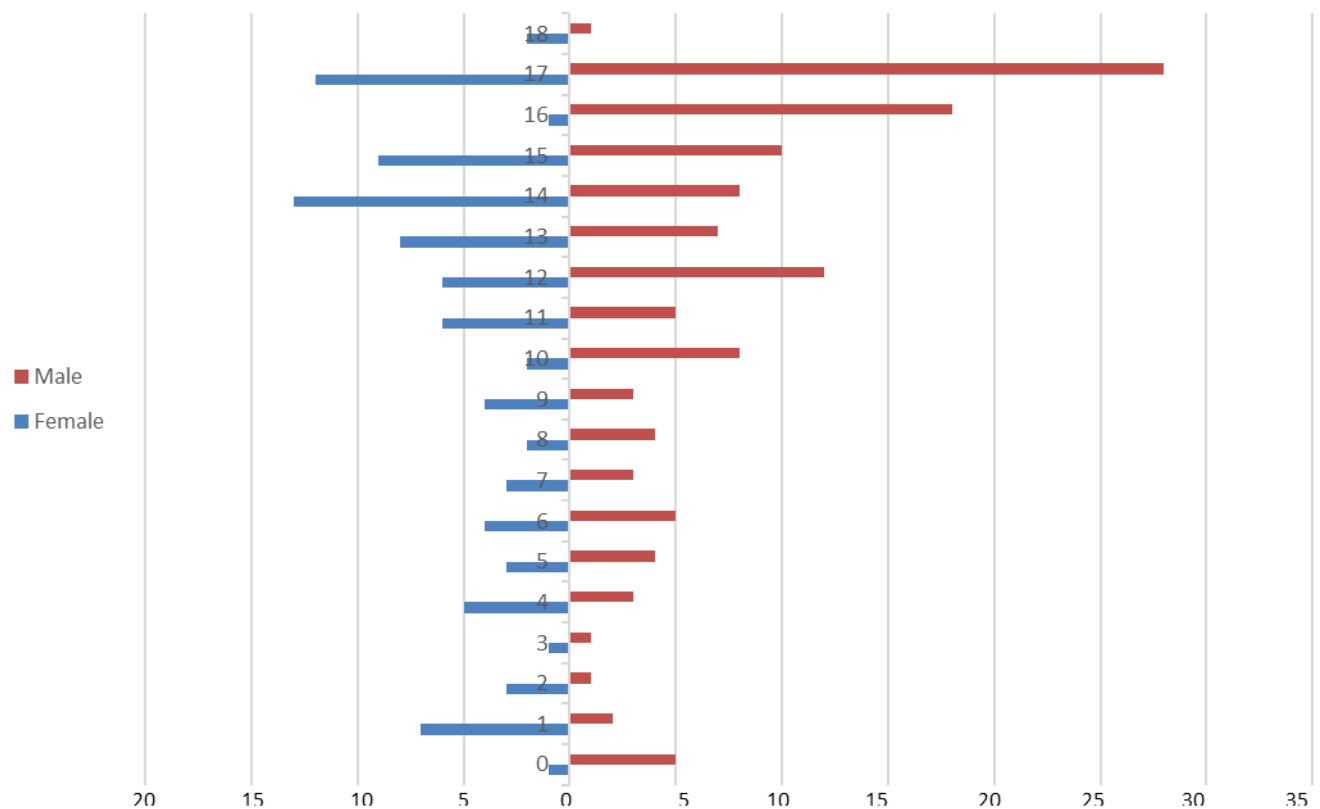
	The project will use this analysis to forecast projected needs for foster care, and will support, if indicated, the delivery of a business case to further support the recruitment of in-house foster carers for looked after children in B&NES. It will also develop a policy, process and business case for housing adaptations for foster carers, to increase the number of children and young people they can support.
1.2 Provide brief details of the scope of the policy or service being reviewed, for example: ● Is it a new service/policy or review of an existing one? ● Is it a national requirement?). ● How much room for review is there?	In scope ● Looked after children and young people aged 0 – 18 who have a care plan of foster care ● Care experienced young people aged up to 21 (or 25 with SEND) ● Unaccompanied children who are seeking asylum who are without settled status ● Foster carers ● Kinship carers who are supporting children and young people who have a care order or permanence order ● Supported lodgings carers Out of scope ● Children with disabilities who are not Looked After or care leavers ● Children and young people who are living with family members under a private family arrangement, without a care order or permanence order
1.3 Do the aims of this policy link to or conflict with any other policies of the Council?	The aims of this policy should complement and not conflict with other council and partner policies.

2. Consideration of available data, research and information

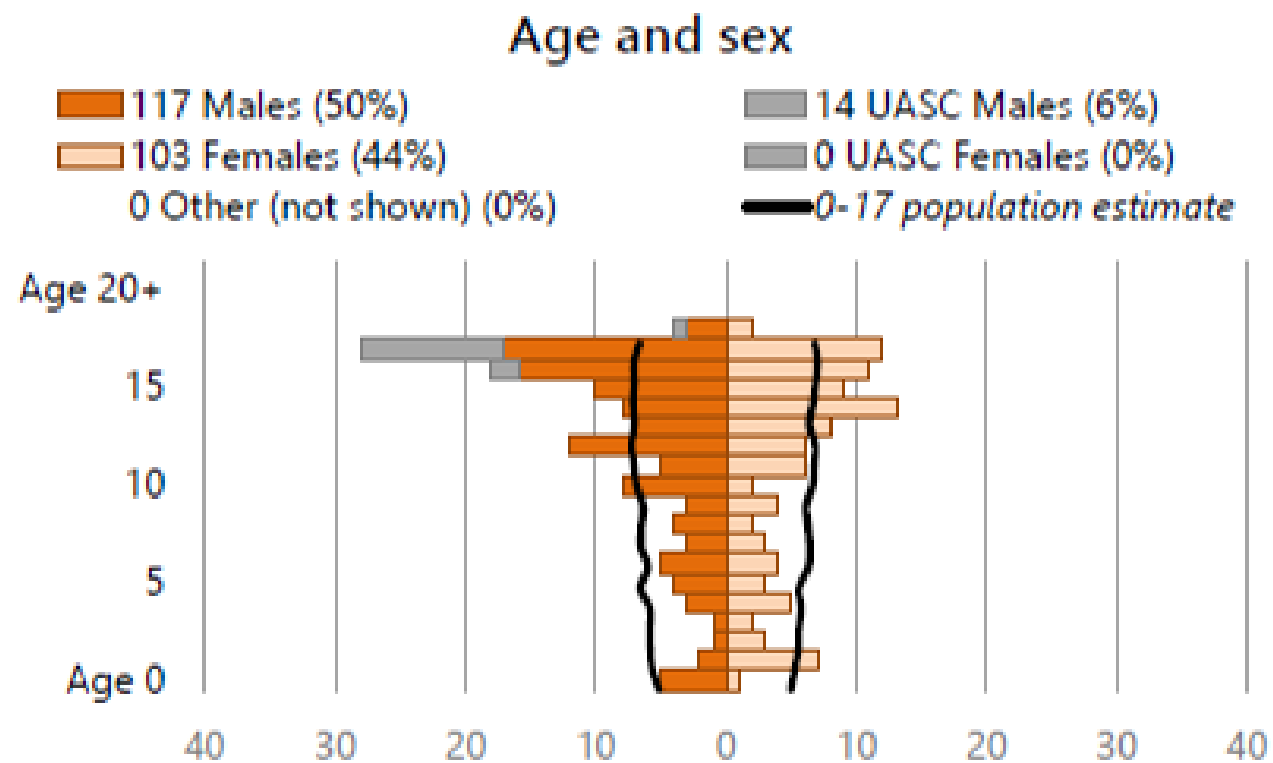
Key questions	Data, research and information that you can refer to
2.1 What equality focussed training have staff received to enable them to understand the needs of our diverse	Annual Equalities training is completed by all staff as part of their requirement of employment with the council.

community?	
2.2 What is the equality profile of service users?	The total number of Looked After Children (LAC) by age and sex as of 30 th September 2025 was as follows:

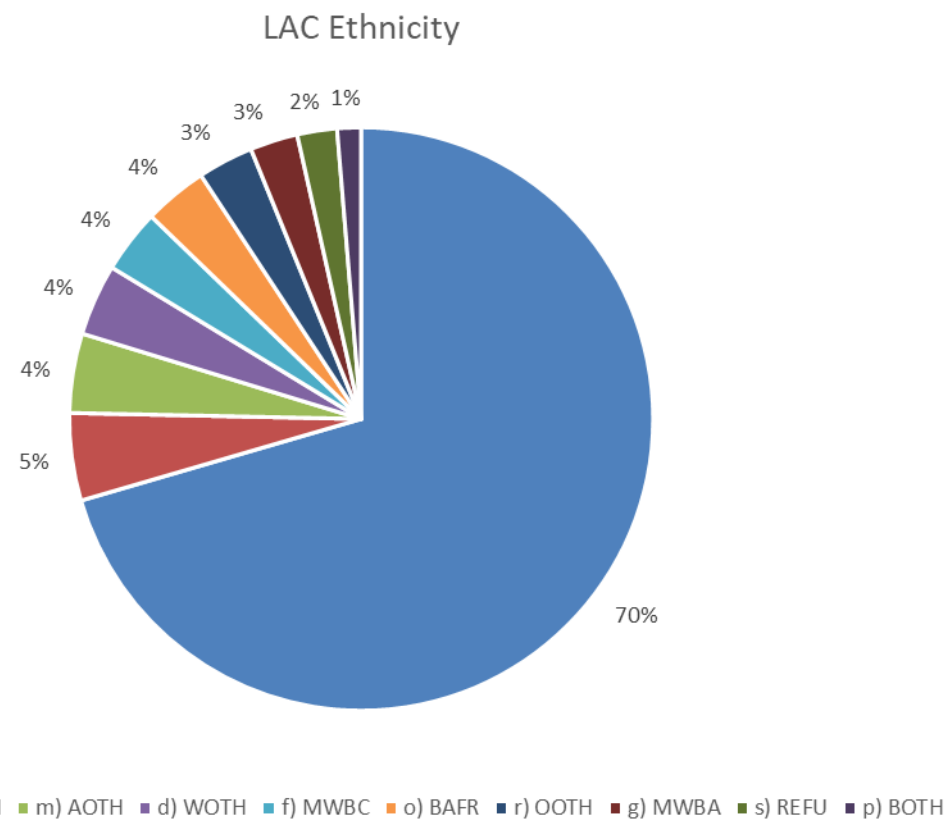
Number of Looked After Children by Age on 30th Sept 2025

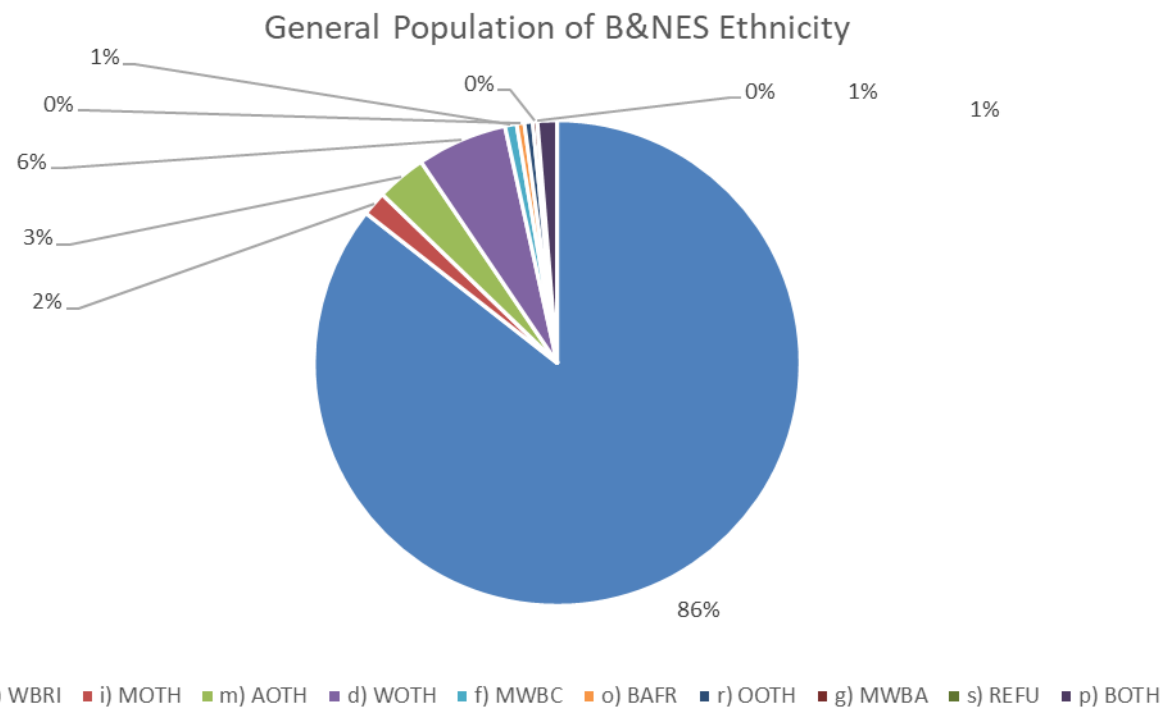


The steep increase in males aged 16 and over can be attributed to the number of unaccompanied asylum seeking young people arriving in B&NES:

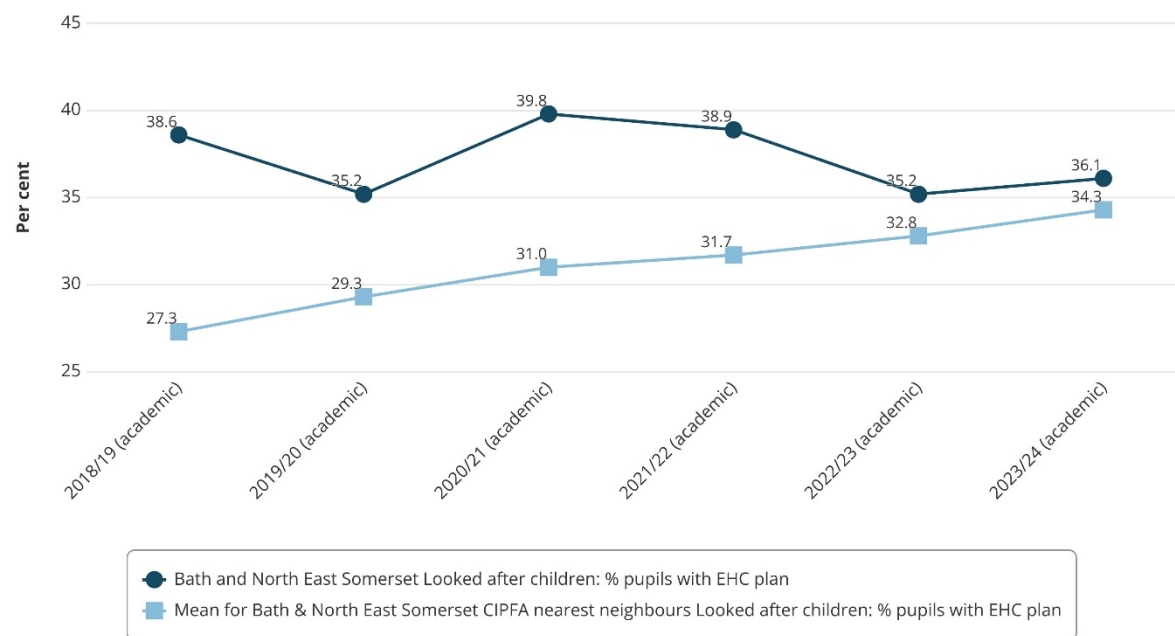


The ethnicity of LAC is much more diverse than the general B&NES population:





Percentage of looked after children with Health and Care (EHC) plans (from 2018/19 (academic) to 2023/24 (academic)) for Bath and North East Somerset

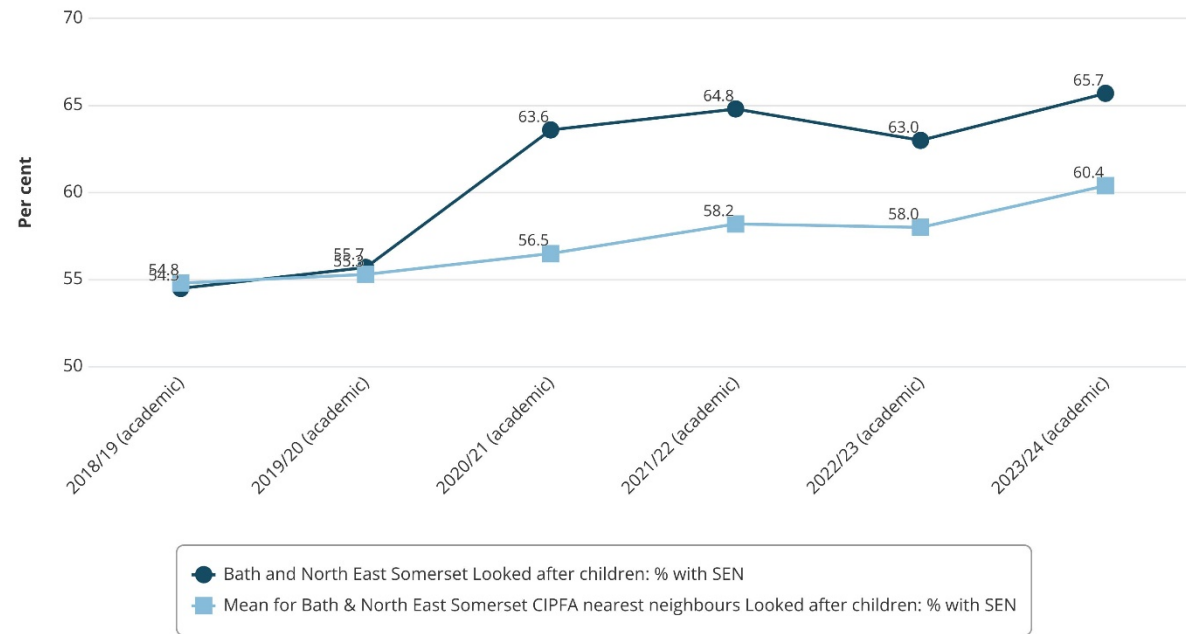


Powered by LG Inform

Source:

Metric ID: 2133, [Looked after children with statements of SEN](#)

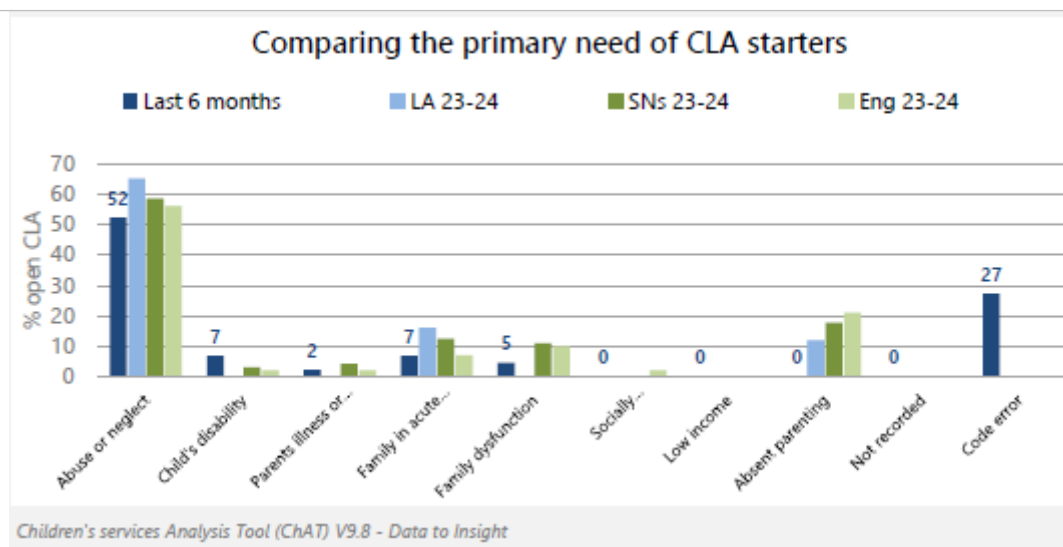
Percentage of looked after children with Special Educational Needs (SEN) (from 2018/19 (academic) to 2023/24 (academic)) for Bath and North East Somerset



Powered by LG Inform

Source:

Metric ID: 2132, [Looked after children with special educational needs](#)



2.3 Are there any recent customer satisfaction surveys to refer to? What were the results? Are there any gaps? Or differences in experience/outcomes?

There are no satisfaction surveys that have been sent to Looked After Children. A stronger focus on this will form part of the plan for this project.

2.4 What engagement or consultation has been undertaken as part of this EIA and with whom? What were the results?

Engagement has taken place with the ICB via the Children's Transformation Steering Group, and with foster carers through a survey.

The survey was sent to all in-house foster carers via direct email and also promoted through the regular newsletter sent by the fostering service. It was designed to gauge the interest and feasibility of housing alterations.

The survey was live between 17th November 2025 and 9th January 2026. Summary findings are:

- 21 x foster carers responded (they didn't all answer each question)
- The majority of foster carers live in either BA2 or BA3 postcode areas.

	• The majority of respondents (72%) have fostered for over 2 years, 43% have fostered for more than 5 years • Foster carers are not clear about what needs they have been approved for, but most respondents have been approved for 0 – 18 and have children over the age of 12 with them • 3 didn't have foster children with them • Majority of respondents own their home either with or without mortgage (81%) and 85% have 3 or more bedrooms • 43% of respondents thought they could convert spaces inside their homes, and 84% said they had external space suitable for an extension • 43% said they would consider moving house to increase the space for children in care • 90% of respondents said 'yes', or 'would like more info', to the question "<i>If the council was to partially fund any extension/conversion, would you be interested in doing this to take additional children into your care?</i>" • 53% of respondents said they would commit to an extra 10 years of fostering, should B&NES fund an adaptation.
2.5 If you are planning to undertake any consultation in the future regarding this service or policy, how will you include equality considerations within this?	No further direct consultation is planned currently.

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:

- Meets any particular needs of equalities groups or could help promote equality in some way.
- Could have a negative or adverse impact for any of the equality groups

Key questions	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 Issues relating to all groups and protected characteristics	"Care Experienced" is now considered as a protected characteristic by B&NES, and as such, this policy is designed to reduce negative impacts on this protected characteristic. Currently, some sibling groups who have been assessed as being able to be placed together, are being split up because foster carers do not have enough space. This policy will also increase local provision for foster care, meaning children and young people will be able to remain in their local schools, with their friends.	Being separated from siblings can add to the trauma and attachment difficulties children and young people face. Being able to increase foster carer capacity in existing fostering households would reduce the number of sibling groups split up where it is not assessed that this is in their best interest. There are currently (Nov 2025) 11 children and young people who are in residential care who have a plan of foster care. They are all in residential care because there is a lack of capacity within local fostering homes. This policy will increase local capacity, and will enable more children and young people to remain within their schools and networks.
3.2 Sex – identify the impact/potential impact of the policy on women and men.	Foster carers are carefully matched to children and young people wherever possible. This ensures the safety and wellbeing of both the child / young person and the foster carer, and should support	The new capacity that this policy should create may need to discriminate between female and male looked after children for reasons such as the safety and needs of the young person, or other children and

Key questions	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
	the success of the placement.	young people the foster carer is currently supporting.
3.3 Pregnancy and maternity	If the young person is pregnant, then it is more likely that the placement being sort would be a parent and baby unit which would support their parenting. If a foster carer is pregnant or on maternity leave, their request for an extension / adaptation would be considered in the same way as a foster carer who is not pregnant or on maternity leave. Matching requirements would still apply.	When matching, some young people are not able to be placed in a home with a baby due to risks to babies and young children.
3.4 Gender reassignment – identify the impact/potential impact of the policy on transgender people	The service would not discriminate on the basis of gender reassignment, when considering a request for an adaptation / extension. Matching requirements would still apply.	
3.5 Disability – identify the impact/potential impact of the policy on disabled people (ensure consideration of physical, sensory and mental health needs/differences)	The disability of the child / young person or foster carer would not affect the application or decision making process for an adaptation / modification, as they will already be approved carers.	Foster carers who have a disability would need to be carefully matched to a child or young person, and vice versa. This would not impact any decisions on any adaptations that may be made.
3.6 Age – identify the impact/potential impact of the policy on different age groups	Foster carers can be approved for a grant without having been matched to a child, so the age of the child will not be a factor in the decision making process. Matching	There may be discrimination based on age, due to the requirement to pay back the grant. This may be mitigated by the charge that will be placed on the

Key questions	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
	requirements would still apply.	property.
3.7 Race – identify the impact/potential impact on across different ethnic groups	The race of the child / young person or foster carer would not affect the application or decision making process for an adaptation / modification, as they will already be approved carers. Foster carers can be approved for a grant without having been matched to a child, so the race of the child will not be a factor in the decision making process. Matching requirements would still apply.	
3.8 Sexual orientation – identify the impact/potential impact of the policy on lesbian, gay, bisexual, heterosexual, questioning people	The sexual orientation of the child / young person or foster carer would not affect the application or decision making process for an adaptation / modification, as they will already be approved carers. Foster carers can be approved for a grant without having been matched to a child, so the sexual orientation of the child will not be a factor in the decision making process. Matching requirements would still apply.	
3.9 Marriage and civil partnership – does the policy/strategy treat married and civil partnered people equally?	Foster carers will already be registered as carers, either as single, married co-habiting etc. So decisions on adaptations / modifications would not be impacted by their marital status.	

Key questions	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
3.10 Religion/belief – identify the impact/potential impact of the policy on people of different religious/faith groups and also upon those with no religion.	The religion / belief of the child / young person or foster carer would not affect the application or decision making process for an adaptation / modification, as they will already be approved carers. Foster carers can be approved for a grant without having been matched to a child, so the religion / belief of the child will not be a factor in the decision making process. Matching requirements would still apply.	
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 (this is not a legal requirement, but is a local priority).	This policy could support foster carers who are socio-economically disadvantaged, as value would be added to their homes and the additional income from fostering additional children could be beneficial.	
3.12 Rural communities* identify the impact / potential impact on people living in rural communities	This option could support looked after children from rural / remote communities to stay more locally, by adapting local homes.	There could be difficulties in adapting certain homes within B&NES due to the high number of listed buildings.
3.13 Armed Forces Community ** serving members; reservists; veterans and their families, including the	Foster carers who are from the armed forces community would already have been approved as foster carers. This	

Key questions	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
bereaved. Public services are required by law to pay due regard to the Armed Forces Community when developing policy, procedures and making decisions, particularly in the areas of public housing, education and healthcare (to remove disadvantage and consider special provision).	status would not impact any decisions around home adaptations / modifications.	
3.14 Care Experienced *** This working definition is currently under review and therefore subject to change: In B&NES, you are ‘care-experienced’ if you spent any time in your childhood in Local Authority care, living away from your parent(s) for example, you were adopted, lived in residential, foster care, kinship care, or a special guardianship arrangement.	“Care Experienced” is now considered as a protected characteristic by B&NES, and as such, this policy is designed to reduce negative impacts on this protected characteristic. Currently, some sibling groups who have been assessed as being able to be placed together, are being split up because foster carers do not have enough space. This policy will also increase local provision for foster care, meaning children and young people will be able to remain in their local schools, with their friends.	Being separated from siblings can add to the trauma and attachment difficulties children and young people face. Being able to increase foster carer capacity in existing fostering households would reduce the number of sibling groups split up where it is not assessed that this is in their best interest. There are currently (Nov 2025) 11 children and young people who are in residential care who have a plan of foster care. They are all in residential care because there is a lack of capacity within local fostering homes. This policy will increase local capacity, and will enable more children and young people to remain within their schools and networks.

*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.

** The Equality Act does not cover armed forces community. However, the Armed Forces Bill (which came in on 22 Nov 2022) introduces a requirement to pay 'due regard' to make sure the Armed Forces Community are not disadvantaged when accessing public services.

***The Equality Act does not cover care experienced people. B&NES adopted this group as a protected characteristic in March 2024 alongside over 80 other Local Authorities. Although we have data for care leavers and children/young people who are currently in the care of B&NES we do not have wider data on disadvantage experienced through being in care.

4. Bath and North East Somerset Council 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
A requirement to bring the voices of Looked After Children into the development of plans and policies which affect them	Action to be added to the Sufficiency Board, for agreement on how best to take this forward alongside other engagement activities, in the context of the Children's Transformation and the Families First Programmes.	TBC	Paula Sumner	TBC
A requirement for an EqIA reviewing sufficiency overall.	Action to be added to the Sufficiency Board, for agreement on how best to take this forward alongside other engagement activities, in the context of the	TBC	Paula Sumner	TBC

	Children's Transformation and the Families First Programmes.			

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 website. Keep a copy for your own records.

Signed off by:

(Divisional Director or nominated senior officer)

Date:

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Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Cabinet	
MEETING/ DECISION DATE:	12 February 2026	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3686
TITLE:	Somer Valley Enterprise Zone Investment	
WARD:	Paulton	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1 – Equality Impact Assessment (EqIA)		

1 THE ISSUE

- 1.1 The Somer Valley Enterprise Zone (SVEZ) is a 13.5-hectare greenfield site which has been allocated for employment uses in the B&NES Local Plan since 2007.
- 1.2 The Council is intending to promote a Compulsory Purchase Order (CPO) to acquire the land and rights that are required to deliver the SVEZ scheme.
- 1.3 The purpose of this report is to secure continued support for promoting the SVEZ scheme and progressing the CPO, including pursuing various measures to secure additional funding and/or other means to ensure the delivery of the project.

2 RECOMMENDATION

The Cabinet is asked to;

- 2.1 Reaffirm its commitment to promoting the SVEZ scheme, notwithstanding the Council's recognition of potential viability concerns with the project.
- 2.2 If the SVEZ scheme proceeds, acknowledge that up to £53 million may need to be secured from various means to ensure the delivery of the project, including potential further investment from the Council, other public funding sources, public loans and developer partnership.

3 THE REPORT

3.1 Background

- (1) The SVEZ is an allocated site (Policy SSV9) within the Local Plan which seeks to deliver a mixed-use commercial development in the Somer Valley. The SVEZ is located on 13.5 hectares of land at Old Mills, which is situated to the north-west of Midsomer Norton.
- (2) The delivery of the SVEZ is identified as a corporate priority in the B&NES Economic Strategy (2014-2030).
- (3) The SVEZ will provide economic, environmental and social benefits including:
 - a) Supporting the Somer Valley to become self-reliant by enabling economic growth through the creation of up to 1,300 jobs for local people, increasing prosperity in the area.
 - b) Diversifying the type of employment available in the area, offering flexible space to accommodate new and expanding local businesses and creating up to circa 35,800 sqm of commercial floorspace.
 - c) Delivering new sustainable and attractive commercial space, addressing business and employment land losses experienced in the Somer Valley.
- (4) The SVEZ has been allocated as an employment site since 2007. However, the market has failed to deliver the development due to significant barriers to private sector led intervention. These include:
 - a) Viability – The Development has not been delivered by the private sector due to the high enabling and infrastructure costs.
 - b) Land ownership – The land is held in multiple ownerships. This makes the land assembly very complex and requires a comprehensive approach to delivery.
 - c) Planning consent – Planning permission requires time, cost and risk. The adopted Local Development Order (LDO) reduces the planning risk and cost to future developers and/or occupiers.

3.2 Governance

- (1) A Local Development Order (LDO) was approved by Cabinet in February 2024 under Decision E3486. The Cabinet approval granted planning permission on the site for the development of plots and buildings within the Use Classes B2, B8, C1, E and sui generis, and related enabling works, subject to conditions and limitations.
- (2) The adoption of the LDO addresses a market failure and partially de-risks the delivery of the site through a flexible planning framework. Compliance Applications will allow plots to be delivered in a swifter timeframe than the conventional planning route.

- (3) An amendment to the LDO was approved by Cabinet under Decision E3645 in September 2025. An amendment to Condition 5 of the LDO enabled the adoption of revised plans for the Thicket Mead roundabout and A362 works adjacent to Sunnyside. Furthermore, the wording of Condition 12 was amended to remove its status as a 'fixed compliance' condition. This enables approval by the Local Planning Authority (LPA) of any subsequent changes to the submitted highways general arrangement plans that arise during the technical design and approval process.
- (4) An Ambitions Paper, which sets out the development ambitions, was approved by Cabinet under Decision E3510 in February 2024.
- (5) The Council has committed to progressing land assembly and delivering enabling and infrastructure works (Decisions E3487 (February 2024), E3557 (July 2024), E3583 (November 2024)).
- (6) £9.3m of the West of England Combined Authority (WECA) Investment Fund grant was accepted under Decision E3606 to progress land assembly and technical design.

3.3 Viability concerns and the need to address them

- (1) In preparing to make the CPO, the Council's technical advisers have undertaken further analysis of the viability of the SVEZ scheme. In summary, the draft further viability assessment work (which is still being developed) indicates that even with the proposed interventions by the Council to assemble the land for the scheme, deliver the highway, enabling and site preparation works, the scheme is not currently viable to be delivered by the private sector and may need additional public sector support.
- (2) The requested reaffirmation of the Council's commitment to deliver the scheme is necessary due to current evolving advice on the viability deficit, which is revisiting the viability scenarios and assumptions underpinning the scheme.
- (3) As a result of that identified deficit, the Council must now consider the various means available to it to address any shortfall up to the £53 million currently identified. This will involve exploring a package of measures, and the Council anticipates implementing a combination of them in order to address the viability issue. The measures in contemplation include the following, although additional measures may be identified:
 - a) Potential further investment by the Council, including capital expenditure and/or utilisation of capital from land receipts. For the avoidance of doubt, this Cabinet decision does not include any obligation to allocate budget or pay a specified amount. The need for potential further investment from the Council, and the amount of that investment, could only be determined at a later date and would be subject to further approvals. However, Cabinet is asked to acknowledge that further investment from the Council may be required if the CPO is progressed and the decision is taken to deliver the project. If further Council investment is needed, it is likely to be staged over a number of years as the project is developed.

- b) Securing additional public sector grant funding, from regional or national sources. The Council is actively exploring additional funding opportunities and is also reviewing the appointment of expert consultants specialising in securing public funding for this type of scheme.
 - c) Securing an in-principle loan from the Public Works Loan Board (or equivalent) which could be utilised if a viability deficit continues to be a concern during the delivery of the project. Again, entering into any such loan would need to be subject to further approvals.
 - d) Procuring a developer partner to deliver the scheme. The Council has started taking advice from specialists on commencing a procurement process following a successful soft market testing exercise in which significant developer interest in the scheme was identified. If agreement is reached with a developer partner, it is expected that the costs of delivering the scheme will reduce through efficiencies as developers have access to beneficial supplier relationships and experience in delivering complex schemes. A developer may also be able to better adapt to differing occupier demand and secure higher rents. In any event, securing a development partner is likely to reduce the Council's risk as a negotiated contractual arrangement will be entered into for the delivery of the project.
- (4) As explained further in section 5 (Resource Implications) below, the Council has already secured, or expects to secure, sufficient funding to allow the CPO and related side roads order (SRO) to be promoted, the land to be assembled and the enabling works (highways, utilities and other infrastructure) to be delivered. That investment unlocks significant obstacles to the delivery of the SVEZ scheme. The identified potential viability gap relates to the delivery of the development plots on the site. Based on current assumptions relating to anticipated build costs, rental values, yields and the proposed uses under the LDO, there are concerns that construction of the development plots may not be sufficiently viable for the private sector to develop without additional public sector support.
- (5) The currently identified viability concerns with the construction of the development plots must be understood in context. There are various reasons why the viability issue may reduce. The reasons include:
- a) The scheme is due to be delivered over a long period of time, and there is scope for rental values and build costs to change over the lifetime of the scheme. Officers anticipate that in practice, rental values are expected to grow and build cost inflation is forecast to slow when compared to the assumptions used to assess viability in the draft advice.
 - b) Viability assessments are based on assumptions, and the viability work by the Council's advisors is still being progressed. The viability position may change.
 - c) If a developer partner is procured, for the reasons given above this may lead to different analysis of the costs profile for developing the plots and a different view on achievable rents.
- (6) In light of the above, the purpose of this Cabinet decision is to demonstrate that, to the extent that viability concerns remain as the Council progresses the

scheme, there can be confidence that the Council is taking steps, including those listed at paragraph [3] above, to address the viability issue.

- (7) Cabinet approval is required to demonstrate the Council's commitment to delivering the scheme, subject to all previous Cabinet resolutions and final approval to proceed with the scheme. This commitment is necessary to support the proposed CPO required to facilitate the scheme. The Council must be able to satisfy the necessary tests and guidance, particularly as contained in the Ministry of Housing, Communities & Local Government's 'Guidance on the Compulsory Purchase Process' (the CPO Guidance). In summary, the CPO Guidance requires that all necessary resources are likely to be available to deliver the scheme within a reasonable timescale to justify the CPO in the public interest. This includes providing substantive information as to sources of funding for acquiring land and delivering the scheme, and an indication of how potential shortfalls will be met, which require (in outline) that there is at least a reasonable prospect that the development which is the subject of the CPO will be fully delivered.
- (8) One option to address any viability shortfall may be to make available additional funding (including potential further investment from the Council or other grant funding) to address specific viability concerns relating to the delivery of particular development plots. Whilst it is premature to provide detailed proposals for how the funds would be injected into the scheme if needed, the Council is taking subsidy control advice and is currently comfortable that appropriate mechanisms can be implemented. This may also allow the Council to influence the uses of the development plots (within the parameters permitted by the LDO) to ensure that the employment uses delivered reflect strategic priorities and not just the most viable uses for development.
- (9) The Council is aware of other schemes involving compulsory acquisition which have been consented where there have been a number of potential sources of funding available, but the exact funding source was yet to be determined. The CPO Guidance makes it clear that the general indication of funding intentions, and of any commitment from third parties, will usually suffice to reassure the confirming authority that there is a reasonable prospect that the scheme will proceed. Those potential sources have been outlined in this report, including funding from the Council.
- (10) However, the need for further investment or funding from other sources may be reduced or may not be required for the following reasons:
 - a) An estimated £6.4m of capital from land receipts.
 - b) Commercial rents within the current draft viability model reflect a conservative position. A higher rent range could be justified contributing circa. £2m in capital value.
 - c) Commercial property returns are currently depressed and a 1% shift in yields could contribute a further £6m in capital value.
 - d) The Council could secure funding to develop the plots (or some of them). Direct delivery by the Council would reduce or remove developer profit up

to circa. £30m. This option could be explored through the WECA Future Place Fund (or other national grant funding opportunities).

- e) As mentioned above, the Council are taking steps to procure a development partner. This would ensure additional scrutiny of build costs per plot, occupier demand, potential rental values and ultimately demonstrate that the scheme will be delivered.
 - f) The SVEZ scheme is intended to be delivered over a period of 10-15 years and in multiple phases. Significant market changes will occur over a 10–15-year period.
 - g) A projected increase in housing delivery in the Somer Valley is being sought in the emerging Local Plan, alongside the regeneration of Midsomer Norton high street, is likely to enhance the area's overall attractiveness to employers.
 - h) Build cost inflation is likely to decelerate over the medium-term, reducing any viability gap.
 - i) Bristol and Bath are heavily constrained land markets, with limited options for development of this scale in the south.
 - j) Over time, market dynamics may alter necessitating a change to some of the uses delivered in later phases of development. This may have a positive impact on returns.
- (11) The Council will reassess the funding position before affirming that it will proceed with implementing the CPO and the delivery of the scheme, if the CPO is confirmed. In particular, the Council can only fully commit to making capital investment available when the amount and timing is known. However, this decision is intended to demonstrate that the Council is aware of the potential need for additional funding (including potential further investment from the Council), is taking all reasonable steps to address viability concerns and remains in support of the delivery of the scheme.
- (12) Should the funding assessment determine that there is an additional borrowing requirement on the Council then the associated revenue costs of capital financing would also need to be considered in terms of the impact on the Council's revenue budget position.

4 STATUTORY CONSIDERATIONS

- 4.1 The statutory considerations relating to the Council's decision to promote the CPO are set out in Decisions E3487, E3557, E3583.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1 An Outline Business Case '+' (OBC+) requesting grant funding of £9.3m from the WECA Investment Fund has been approved. The funding was accepted under Decision E3606 to progress land assembly and technical design.
- 5.2 In 2026, it is intended that a Full Business Case (FBC) will be submitted to secure project implementation totalling £20.6m. The funding will be used to

complete enabling and infrastructure works including the completion of highway infrastructure, a new roundabout, and perimeter landscaping. It is proposed that a request to WECA will be made to grant £19.5m of these costs.

5.3 B&NES match funding of £1.1m will contribute towards FBC project implementation funding.

5.4 The total estimated cost for completing the next stage of the scheme, encompassing both OBC+ and FBC activities, is £29.9m. This funding will allow the CPO and related SRO to be promoted, land to be assembled and the enabling works (including highways and utilities) to be delivered. It is proposed that this is funded through a combination of £1.1m match funding from B&NES, alongside requests for £28.8m in grant funding from WECA.

5.5 It is not considered necessary for potential further investment to be allocated in the Council's budgets at this stage. As explained above, the further investment may not be required or may only be required in part. Furthermore, the timescales in which the funding may be required are uncertain. The development may take up to 20 years to be completed, and further investment may not be required until later in the development processes. If required, Council investment is likely to be needed on a phased basis as the development plots are brought forward.

5.6 As explained above, additional funding could be secured from a range of sources, such as regional or national grants, the Public Works Loan Board and capital from land receipts. Further Council approvals will be required before the Council commits to any additional funding or other measures.

5.7 Should the funding assessment determine that there is an additional borrowing requirement on the Council then the associated revenue costs of capital financing would also need to be considered in terms of the impact on the Council's revenue budget position.

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 A risk register is maintained for the SVEZ scheme.

7 EQUALITIES

7.1 The Council must pay due regard to its Public Sector Equality Duty (PSED) pursuant to s149 of the Equality Act 2010. The Council must have due regard to the need to:

- a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited under this Act.
- b) Advance equality of opportunity between persons who share a relevant protected characteristic (as defined in the Act) and the persons who do not share it.

- c) Foster good relations between persons who share a relevant protected characteristics and persons who do not share it.

7.2 Officers have had due regard to the Council's PSED progressing the SVEZ scheme to date.

7.3 An Equality Impact Assessment (EqIA) has been completed for the SVEZ (Appendix 1). This decision is not considered to affect the conclusions of that EqIA.

8 CLIMATE CHANGE

8.1 The Council declared a Climate Emergency in March 2019, committing it to providing the leadership necessary to enable Bath and North East Somerset to achieve carbon neutrality by 2030.

8.2 The SVEZ represents an opportunity to address several related issues which will help to address the climate emergency. It will help to reduce out-commuting in the Somer Valley through the provision of new jobs, and it will also provide a range of active and sustainable travel improvements including a new cycle link to the Norton Radstock Greenway and a new bus stop.

8.3 The development will achieve 100% regulated operational carbon emission reduction from Building Regulations Part L 2021 (or future equivalent legislation), in line with the hierarchy set out in Policy SCR7 and the B&NES Sustainable Construction Checklist SPD (2023). The SVEZ will help to reduce vehicle-related CO2 emissions through the provision of EV charging on site, in line with the Council's local transport policies and climate emergency declaration.

9 OTHER OPTIONS CONSIDERED

9.1 The Council has considered the other options available to it:

- 1) Do nothing – without continued support for further investment and based on the viability position as currently assessed, there is a considerable risk to securing the CPO. If the CPO is not secured, the scheme will not come forward. Support for further investment is therefore critical to the delivery of the scheme, in parallel with exploring other options for resolving potential viability concerns.
- 2) Delay – the Council could delay promoting the CPO until there is more certainty as to the viability position and other options being available for resolving viability concerns (for example, appointing a developer partner). However, the scheme has been in contemplation for many years and is needed to address existing issues in the area. Further delay adversely affects landowners affected by the scheme due to prolonged uncertainty. It could also risk funding sources which are already committed or expected to be committed. The Council considers that the scheme should come forward now and has already committed to progressing the scheme as soon as practically possible, subject to future approvals prior to implementation, and with other options pursued in parallel.

10 CONSULTATION

10.1 This report has been prepared in consultation with the Cabinet Member for Economic and Cultural Sustainable Development, the Leader, Section 151 Officer, Monitoring Officer and the Director Capital & Housing Delivery.

Contact person	Jonathan Seaman - Development Lead, Regeneration
Background papers	
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

(Version 4)

Item name	Details
Title of service or policy	Somer Valley Enterprise Zone
Name of directorate and service	Corporate Estate & Development, Sustainable Communities
Name and role of officers completing the EqlA	Angharad Jones – Development Officer
Date of assessment	25/03/25

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 people and different groups within our community. The main aim is to identify any adverse impacts (i.e. discriminatory or negative consequences for a particular group or sector of the community, and to identify areas where equality can be better promoted). Equality impact Assessments (EqIAs) can be carried out in relation to services provided to customers and residents as well as employment policies/strategies that relate to staffing matters.

This toolkit has been developed to use as a framework when carrying out an Equality Impact Assessment (EqIA) or Equality Analysis. **Not all sections will be relevant – so mark N/A any that are not applicable.** It is intended that this is used as a working document throughout the process, and a final version will be published on the Council’s website following relevant service lead approval.

1.1 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. • How the service/policy is delivered and by whom • If responsibility for its implementation is shared with other departments or organisations • Intended outcomes	The overall objective of the Somer Valley Enterprise Zone (SVEZ) project is to provide a highly sustainable and attractive new location for businesses, drawing in new employers and skills, and reducing the need for commuting by local people. The SVEZ will provide circa 38,500 square meters of commercial floorspace, along with the provision of 1,300 new jobs. The project is currently seeking to acquire the land required for the SVEZ and the associated infrastructure works, either via negotiations or a Compulsory Purchase Order (CPO).
1.2 Provide brief details of the scope of the policy or service being reviewed, for example: • 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 site has been allocated for employment uses via the B&NES Development Plan since 2007, and the SVEZ project seeks to bring forward the delivery of the site. A Local Development Order (LDO) has been adopted as the planning mechanism for the site. The LDO will set the framework for how development on the site should come forward. An informal public engagement on the proposed masterplan took place in May and June

	2022, and the comments raised have been considered in the proposed designs of the site. An initial statutory consultation on the proposed LDO took place in January 2023, and a revised statutory consultation took place in September and October 2023, providing a further opportunity for the public to comment on the proposals. The Council has adopted compulsory purchase powers for the acquisition of the land required for the SVEZ and associated infrastructure works, although at the date of this assessment, the CPO is not yet published. The Council is also progressing a Side Roads Order (SRO), which will grant statutory permissions to carry out the required alterations to the highway network to support the delivery of the project in accordance with the LDO. The SRO does not itself consent to any additional works which are not permitted pursuant to the LDO. This assessment provides an update to the previous EqIA undertaken for the scheme.
1.3 Do the aims of this policy link to or conflict with any other policies of the Council?	This is not a policy; however it does support the Council's core ambitions and priorities including more travel choices, delivering for our children and young people, healthy lives and places, good jobs and skills to thrive.

2. Consideration of available data, research and information

Key questions	Data, research and information that you can refer to
2.1 What equality focussed training have staff received to enable them to understand the needs of our diverse community?	Staff have completed online training on diversity, inclusion and inclusive environments. General equalities awareness training is regularly undertaken by the Development team via the B&NES Corporate courses.

2.2 What is the equality profile of service users?	A 2021 profile of the Paulton Ward, in which the project area sits, provides a summary of demographic data. Whilst this gives an indication of the equality profiles of the project area, it should be noted that the project is a small area in the wider ward. The profile indicates that it has a higher proportion of economically active residents than B&NES as a whole, however, the proportion of those in senior positions such as managers and senior officials is lower than in the wider B&NES area. The proportion of those with Level 4 qualifications and above is lower than the wider B&NES area and the England and Wales average. Together, these factors suggest that the ward has a higher percentage of socio-economic disadvantage compared to B&NES as a whole. The proportion of residents that are retired is slightly higher than the B&NES average and there are fewer female residents than the rest of the authority area.
2.3 Are there any recent customer satisfaction surveys to refer to? What were the results? Are there any gaps? Or differences in experience/outcomes?	There are no known customer satisfaction surveys associated with the project.
2.4 What engagement or consultation has been undertaken as part of this EIA and with whom? What were the results?	The equalities team have been notified of an update to this document. In terms of public engagement on the project itself, an informal public engagement was conducted in May and June 2022. The engagement consisted of in-person and online events and information sources, designed to facilitate access by all residents. For example, access for those considered in digital poverty was considered and advertisements were placed in the local newspaper, hard-copy information was available in local libraries, and a public meeting was held in a local village hall. However, as it is not always easy for residents to access these public spaces, particularly in rural areas such as the Somer Valley, information about the project was also disseminated via a radio interview. An initial statutory consultation was held for 28 days in January 2023, hosted by the Local Planning Authority. This gave opportunity for the public and statutory consultees to comment on the LDO.

	The project team attended Farrington Gurney Parish Council on the 18th of September 2023 and the Somer Valley Forum on the 20th of September 2023. A revised statutory consultation was held from 22nd of September 2023 to 28th October 2023. The project team also engages in regular meeting with a local Key Stakeholder Group, consisting of local Ward, Parish and Town Councillors.
2.5 If you are planning to undertake any consultation in the future regarding this service or policy, how will you include equality considerations within this?	The Council will be engaging with all persons directly affected by the CPO and if any matters come to light which may affect engagement with the CPO process due to any person's specific characteristics, then the Council will engage with them sensitively and assist their participation as needed.

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:

- Meets any particular needs of equalities groups or could help promote equality in some way.
- Could have a negative or adverse impact for any of the equality groups

Key questions	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 Issues relating to all groups and protected characteristics	The SVEZ will deliver economic, environmental and transport benefits and aims to: • Support the Somer Valley to thrive and become more self-reliant by	The SVEZ scheme is considered unlikely to have adverse impact on people with protected characteristics.

	enabling economic growth through the creation of 1,300 new jobs for local people increasing prosperity for the area. • Reduce the need for local people to out-commute for work. • Diversify the type of employment available in the area, offering flexible space to accommodate new and expanding local businesses and creating circa 35,888sqm of new commercial space. • Deliver sustainable commercial and industrial space, helping to address business demand and employment land losses experienced in the Somer Valley. • Promote active and sustainable transport links through the development, including the provision of new and improved bus infrastructure and the construction of a new	

	walking and cycling link to the Norton Radstock Greenway.	
3.2 Sex – identify the impact/potential impact of the policy on women and men.	There are no known examples.	The SVEZ is considered non-gender specific as the proposed development is based on providing new commercial floor space and employment opportunities.
3.3 Pregnancy and maternity	There are no known examples.	The SVEZ is considered non-pregnancy or maternity specific as the proposed development is based on providing new commercial floor space and employment opportunities. The project is not yet in the delivery phase and the form and nature of the buildings to be constructed on the site will be determined by the developers of individual plots, in compliance with the requirements and conditions of the LDO. It is expected that ongoing due diligence will be given to this protected characteristic.
3.4 Gender reassignment – identify the impact/potential impact of the policy on transgender people	There are no known examples.	The SVEZ is considered non-gender specific as the proposed development is based on providing new commercial floor space and employment opportunities. The project is not yet in the delivery phase and the form and nature of the buildings to be constructed on the site will be determined by the developers of individual plots, in compliance with the

		requirements and conditions of the LDO. It is expected that ongoing due diligence will be given to this protected characteristic.
3.5 Disability – identify the impact/potential impact of the policy on disabled people (ensure consideration of physical, sensory and mental health needs/differences)	The design guide forms part of the LDO adoption status and states how development should take place on the site. The design guide will consider site and building access for disabled people.	Provision for disabled people is a paramount consideration of the scheme. All documents published as part of the CPO process will be subject to the public sector accessibility requirements. During the development of the scheme, any changes to the physical environment will be designed to improve access to disabled people. The Design and Access Statement for the LDO meets the statutory guidance. The technical design for the associated highways work which includes pedestrian crossings will comply with design standards and accessibility.
3.6 Age – identify the impact/potential impact of the policy on different age groups	The Key Stakeholder Group represents a range of age groups. The SVEZ aims to improve access to the site for all age groups. Potential positive impacts include provision of level, hard surfacing to allow better access for pedestrians with pushchairs and/or leading young children and elderly citizens.	Both formal and informal public consultation engaged a range of age groups. During informal public consultation, hard copies of all consultation material were made available in public libraries for those who did not have access to the internet. During the CPO process, age has the potential to be relevant to landowners

		whose interests are proposed to be acquired. Any potential impact will be considered where identified. All documents that are posted online will comply with accessibility requirements. CPO and SRO documents will also be available in hard copy at the local library.
3.7 Race – identify the impact/potential impact on across different ethnic groups	There are no known examples.	The SVEZ is considered non-race specific as the proposed development is based on providing new commercial floor space and employment opportunities.
3.8 Sexual orientation – identify the impact/potential impact of the policy on lesbian, gay, bisexual, heterosexual, questioning people	There are no known examples.	The SVEZ is considered non-sexual orientation specific as the proposed development is based on providing new commercial floor space and employment opportunities.
3.9 Marriage and civil partnership – does the policy/strategy treat married and civil partnered people equally?	There are no known examples.	The SVEZ is considered non-marriage and civil partnership specific as the proposed development is based on providing new commercial floor space and employment opportunities.
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.	There are no known examples.	The SVEZ is considered non-religion specific as the proposed development is based on providing new commercial floor space and employment opportunities. The consultation events related to the SVEZ were not held in religious buildings

		and were therefore inclusive for people of all religion or belief.
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 (this is not a legal requirement, but is a local priority).	The informal engagement included events designed to engage socio-economically disadvantaged populations. For instance, consultation information was available via the local newspaper, local library, and the local radio station to reach those in digital poverty. Improved infrastructure for walking, wheeling and cycling in the Somer Valley area will support local people, who are socio-economically disadvantaged, to access employment opportunities, with low or no travel costs.	The SVEZ aims to provide new employment opportunities in the Somer Valley. The site will accommodate a wide range of uses and business types. It is anticipated that a broad range of employment with differing skill levels will be provided.
3.12 Rural communities* identify the impact / potential impact on people living in rural communities	The Key Stakeholder Group includes representatives/business owners who live in the Somer Valley,	The SVEZ is in a rural area and will therefore directly affect rural communities. The land concerned will be transformed from arable fields to mixed-use commercial development, providing 1,300 new jobs. The SVEZ is promoting active and sustainable transport links through the development, including the provision of new and improved bus infrastructure and the construction of a new walking and cycling link to the Norton Radstock Greenway.

3.13 Armed Forces Community ** serving members; reservists; veterans and their families, including the bereaved. Public services are required by law to pay due regard to the Armed Forces Community when developing policy, procedures and making decisions, particularly in the areas of public housing, education and healthcare (to remove disadvantage and consider special provision).	There are no known examples.	The SVEZ is not specific to the Armed Forces Community, however reservists, veterans and their family may wish to benefit from the new employment opportunities provided on site.
3.14 Care Experienced *** This working definition is currently under review and therefore subject to change: In B&NES, you are 'care-experienced' if you spent any time in your childhood in Local Authority care, living away from your parent(s) for example, you were adopted, lived in residential, foster care, kinship care, or a special guardianship arrangement.	Improved infrastructure for walking, wheeling and cycling in the Somer Valley area will support local care experienced people to access employment opportunities, with low or no travel costs.	The SVEZ is considered non-care experienced specific as the proposed development is based on providing new commercial floor space and employment opportunities, however, care experienced individuals may wish to benefit from the new employment opportunities provided on site.

*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.

** The Equality Act does not cover armed forces community. However, the Armed Forces Bill (which came in on 22 Nov 2022) introduces a requirement to pay 'due regard' to make sure the Armed Forces Community are not disadvantaged when accessing public services.

***The Equality Act does not cover care experienced people. B&NES adopted this group as a protected characteristic in March 2024 alongside over 80 other Local Authorities. Although we have data for care leavers and children/young people who are currently in the care of B&NES we do not have wider data on disadvantage experienced through being in care.

4. Bath and North East Somerset Council 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
Equalities training from members of the Development team.	Ensure that members of the SVEZ project team and the wider Development team have the opportunity to develop their awareness and responsibilities of issues relating to equalities by attending a B&NES corporate course and/or by inviting the B&NES Equalities Officer to brief the team at a future team meeting.	Dates diarised with the Equalities Team Training	Ella Thomas	01/02/2025
Review of EqIA	Review of the EqIA within a maximum 12 months and when relevant changes or updates are identified.	Revised EqIA available.	Angharad Jones	01/04/26

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 website. Keep a copy for your own records.

Signed off by:



Simon Martin - Director Capital & Housing
(Divisional Director or nominated senior officer)

Date: 07/04/2025

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Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Cabinet	
MEETING/ DECISION DATE:	12 February 2026	EXECUTIVE FORWARD PLAN REFERENCE:
		E3687
TITLE:	Q3 Corporate Strategy Performance Report	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
None		

1 THE ISSUE

- 1.1** This report contains information and background on performance metrics collected as part of the Council's monitoring of Corporate Strategy priorities. In-year reports examine only indicators which have changed during the period in question.

2 RECOMMENDATION

The Cabinet is asked to:

- 2.1** Consider the findings of the performance report and recommend any follow-up actions or information requirements.

3 THE REPORT

3.1 Indicators on target

- **% of household waste disposed in landfill (last complete rolling 12 months): 3.27%** disposed at landfill during the last 12-month rolling period (Nov 24 - Dec 25), meeting the target of **15%**. The trend is stable and aligns with ongoing efforts to minimise landfill waste.
- **% of household waste reused, recycled, composted or recovered: 96.7%** for Q3, based on the last 12-month rolling period (Nov 24 - Dec 25), on target with a positive trend in recycling and recovery.
- **Residual waste per household (kg): 352.2kg** per household for Q3, within the target of **400kg**, demonstrating effective waste reduction strategies.

- **% of household waste recycled/composted: 60.66%** for Q3, exceeding the target of **60%**, continuing the consistent achievement of the target.
- **% of repeat referrals in 12 months (children & young people):** the current rate (**20%**) remains below both national and statistical neighbour averages, with fluctuations linked to school holidays. High quality decision making in Triage Service is being maintained.
- **Adult Social Care: Care Home admissions per 100k: 110.02** (as of Dec 2025), well below the target of **163.90**, reflecting improved performance. Counting rules have been amended to reflect newly published national methodology.
- **Key Stage 4 Average Attainment for all pupils:** Attainment dropped slightly from the previous year to 47.8 but remains above regional and national averages.

3.2 Indicators off target and outside accepted tolerances

- **Total installed renewable energy capacity on B&NES Council's estate (MW): 1.76MW** against a target of **12MW**. While **0.09MW** was added at Bath Sports and Leisure Centre in Q4 24/25, progress is incremental.
- **% of B&NES Council owned commercial estate with an Energy Performance Certificate (EPC) rating of A-C: 59%** against a target of **100%**. The emerging corporate estate strategy will include mitigations to improve building efficiency.

3.3 Indicators off target but within accepted tolerances

- **% of B&NES Council owned residential properties with an EPC rated A-C: 59%** against a target of **62%**. Performance is slightly below target but within tolerance. There have been no additional certificates issued since the last reporting period, so the rate remains unchanged.
- **Proportion of people with an up-to-date Adult Social Care review: 71%** against a target of **80%**. The waiting list is managed amid high demand, with additional resources aligned to each team as part of the Adult Social Care improvement plan.
- **Households in temporary accommodation: 84** against a target of **79**. Despite being above target, the recent trend is downward, and performance remains positive given national and local demand challenges. Counting rules and historic data have been updated as a review of performance information indicated that previous results included cases that did not lead to a stay in temporary accommodation.
- **Average estimated CO₂ emissions per residential property:** Gradual and steady progress down to **3.3** tonnes per year, but not in line with decarbonising housing stock by 2030. Residents can access Retrofit West's services, and the Council is preparing to work with private landlords to meet new legislative requirements.

- **Overall satisfaction of people who use services with their care and support:** The rate (**65%**) remains above the national average despite a reduction of 4% compared to the previous year.

3.4 All other indicators

- **Estimated % of land managed for nature in the B&NES Council estate:** Slight increase due to more land managed as cut and collect, and funded management plans being developed for Foxhill and Colliers Way in Radstock.
- **% of B&NES district residential properties with an EPC rating of A-C:** the rate continues to increase, with 38% of properties rated A – C.
- **Children on Education Health & Care Plans (EHCP):** The number continues to increase (to 2,682 in December 2025), in line with the Safety Valve Plan. Reduction in EHCP assessment requests is attributed to the Special Educational Needs & Disability (SEND) Advice and Inclusion Service, which supports early intervention.
- **Median wage for B&NES residents: £40,448** in 2025, higher than the UK average of **£39,039**.
- **Median wage for people who work in B&NES: £38,040**, up 5% in the period, but still lower than the English average. Workplace wages are consistently lower than resident wages; economic strategy aims to increase the number, and resilience, of businesses in B&NES.
- **Road traffic collisions resulting in personal injury:** down 11% to 233 in 2025. The council aims to support a reduction in these through engineering, education, and infrastructure improvements.
- **Traffic volumes at key sites:** B&NES saw a **0.7%** increase in traffic volumes, which is lower than the national 0.9% rise. While rising, it remains below pre-pandemic levels.
- **Child in Need Plan closures (step-downs):** Rate of **75%** in Q3. Regular reviews ensure step-downs are implemented as need and risk reduce. Children who have been subject to a plan for over 2 years are being reviewed, with this cohort usually (but not exclusively) includes children living with ongoing neglect. We continue to monitor our practice, impact and outcomes for this group of children.
- **Child Protection Plans stepped down or closed:** Q3 rate is higher than Q2 by 5%, with trends in line with previous data, evidencing decision making based on reduced risk.
- **Children looked after per 10k:** Rate of **60.5** remains below national and statistical neighbour averages, with overall numbers fluctuating due to entries and exits from care plus the small numbers in the cohort.
- **Children on Child Protection plan per 10k:** Increase in Q3 to 42.5 (+37%), linked to more families with 3+ children and unborn babies being considered at Child Protection Conference.

- **Early Years Foundation Stage Achievement Gap:** although 2023/24 saw the largest increase in performance (39%) for the EY Disadvantage cohort in 10 years, 24/25 results returned to previous levels at **40%**. Data analysis is ongoing to understand the decline.
- **% of mothers known to be smokers at the time of delivery:** apparent increase to 10% (+3%) is due to data submission errors by acute trusts, not a real increase. Data was calculated at Integrated Care Board (ICB) level, giving each Local Authority the same prevalence figure.

4 STATUTORY CONSIDERATIONS

4.1 N/A

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 N/A

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 Inequalities measures are included as part of the performance framework.

8 CLIMATE CHANGE

8.1 Climate change measures are included as part of the performance framework.

9 OTHER OPTIONS CONSIDERED

9.1 None

10 CONSULTATION

10.1 S151 & Monitoring Officer

Contact person	Jon Poole – Business Intelligence Manager
Background papers	None
Please contact the report author if you need to access this report in an alternative format	

Bath & North East Somerset Council

MEETING:	Cabinet	
MEETING DATE:	12 th February 2026	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3652
TITLE:	Revenue and Capital Budget Monitoring, Cash Limits and Virements – April 2025 to December 2025	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1 – Revenue Monitoring Commentary Appendix 2 – Key Scheme Capital Monitoring Commentary Appendix 3 (i) & 3 (ii) – Proposed Revenue Virements & Revised Revenue Cash Limits Appendix 4 (i) & 4 (ii) – Capital Virements & Capital Programme by Portfolio Appendix 5 – Revenue Savings Monitor		

EXECUTIVE SUMMARY

a) Revenue Budget

The Revenue budget outturn is currently forecast to be £1.659m over budget, which is an improvement of £0.764m from the position reported at Quarter 2 (the Quarter 3 forecasts and movements in variance from Quarter 2 are set out by Portfolio in Appendix 1). Managers across the Council continue to prioritise cost control measures to bring the budget back to a balanced position before year-end.

Children's Services are forecasting the largest cost pressure, £7.400m in total, which is primarily due to high-cost packages required to support the most vulnerable and complex young people in the area. Adult Services and Corporate Estate are also forecasting significant expenditure pressures, while staffing costs across the organisation have increased because of the pay and grading review associated with the Being Our Best programme.

Income is lower than budgeted for both the Roman Baths and the Commercial Estate, however Parking Services are seeing income exceed expectations. Lower borrowing costs and strong treasury management performance are also helping offset the adverse financial position.

The £1.659m forecast over budget position includes the use of £9.830m budgeted contingencies and £1.721m use of the Job Evaluation and Pay Structure Reserve.

It should be noted that circa £1m worth of invoices that were raised in 2024/25 and currently remain unpaid are being reviewed in advance of year end and there is a risk that some may need to be written off. A decision will be made at year-end but this adds a further risk to the financial outturn position.

Savings of £14.012m were included in the 2025/26 budget. At present £9.149m (65%) savings are forecast as delivered, with the remainder either being mitigated through alternative measures, or flagged as delayed or undeliverable. On-going budget pressures are being considered through the Council's budget setting process to ensure they do not continue to create financial pressures in 2026/27.

In the event the above budget position cannot be fully mitigated a combination of specific service reserves (such as the Adult Social Care Reserve) and the Council's Revenue Budget Contingency Reserve will need to be utilised, subject to approval. Should this be required there would be a requirement to replenish these reserves in future years, putting further pressure on meeting the medium-term budget gaps.

b) Capital Budget

The current position of the 2025/26 Capital Programme is a forecast of £94.321m against the revised budget of £149.537m. Of the variance of £55.216m, £55.046m is anticipated will be rephased into future years. A summary by Portfolio is provided in Table 4 and by Scheme in Appendix 4(ii).

c) Council Tax and Business Rates

The current forecast on Council Tax is an in-year collection fund surplus of £0.37m. The Council's share of the surplus is £0.31m and this represents a positive variance of 0.2% against the 2025/26 budgeted income.

The current in year forecast for the Business Rate element of the collection fund is a deficit of £0.81m, of which the council's share is £0.77m and this represents a negative variance of 1.2% against the 2025/26 budgeted net rates.

d) Council Reserves

The Council holds general unearmarked reserves of £12.6m, this is held corporately to manage in year financial pressures that cannot be mitigated within existing budget levels.

1 THE ISSUE

- 1.1 This report presents the financial monitoring information for the Council for the 2025/26 financial year, using information available up to the end of December 2025.

2 RECOMMENDATION

The Cabinet is asked:

- 2.1 To note the 2025/26 revenue budget position detailed within the report (as at the end of December 2025).
- 2.2 To note and approve where required the revenue virements listed in Appendix 3(i).
- 2.3 To note the capital year-end forecast detailed in paragraph 3.32 (Table 4) 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).

3 THE REPORT

- 3.1 The Budget Management Scheme requires that the Cabinet consider the revenue and capital monitoring position four times per year.

REVENUE BUDGET

- 3.2 The financial landscape for Local Government continues to be challenging. The 2025/26 Budget was agreed by Council in February 2025, which outlined the significant budget risks the organisation was facing.
- 3.3 Service Directors have been asked to outline the actual expected outturn for the year and the reasons to date for over / under budget forecasts. For revenue budgets which are forecast to be over budget, the Directors are expected to seek compensating savings to try and bring budgets back to balance.
- 3.4 A summary by Portfolio of the revenue position as at the end of the third quarter is shown in the table below:

Table 1. Revenue Budget Quarter 3 Forecast by Portfolio

Portfolio	Revised Budget £'m	Year End Forecast £'m	Variance Over / (Under) £'m
Leader of Council	(1.000)	(1.000)	0.000
Sustainable Bath and North East Somerset	3.439	3.18	(0.021)
Resources – Services	32.907	33.818	0.911
Resources – Corporate	4.797	2.164	(2.633)
Resources – Corporate Contingencies	9.830	0.00	(9.830)
Resources – Being Our Best Programme	(4.200)	0.00	4.200
Economic And Cultural Sustainable Development	(9.203)	(6.068)	3.136
Adult Services	64.157	64.708	0.551
Children's Services	31.219	38.619	7.400
Communications and Community	5.210	5.614	0.403
Sustainable Transport Strategy	(8.781)	(9.189)	(0.408)
Sustainable Transport Delivery	19.647	19.715	0.068
Built Environment and Sustainable Development	4.079	3.683	(0.396)
Total	152.101	155.481	3.380
<i>Job Evaluation and Pay Structure Reserve</i>	0.000	(1.721)	(1.721)
Quarter 3 Forecast Outturn Variance	152.101	153.760	1.659

- 3.5 The current year-end forecast is a £1.659m over budget position, after the use of £9.830m contingency and £1.721m pay reserve.
- 3.6 It should be noted that circa £1m worth of invoices that were raised in 2024/25 and currently remain unpaid are being reviewed in advance of year end and there is a risk that some may need to be written off. A decision will be made at year-end but this adds a further risk to the financial outturn position.

Portfolio Commentary

- 3.7 Key forecast variances and associated planned mitigating actions by Portfolio are as follows (a more detailed breakdown can be found in Appendix 1):

Leader of the Council (*breakeven*)

This portfolio only contains the Housing Delivery Vehicle (Aequus), of which a breakeven position is forecast.

Sustainable Bath and North East Somerset (£0.021m favourable variance)

Parks and Open Spaces have a small income shortfall, which is more than offset by over-recovery of staff time to projects with the Environmental Monitoring team.

Resources – Services (£0.911m adverse variance)

Rental income shortfall within the Commercial Estate is one of two key areas of pressure within the portfolio, although increased service supported borrowing costs and the cost of legal representation are also forecast to be contributing to increased costs within the service, totalling £0.390m.

The second material forecast adverse variance is a pressure of £0.379m within Housing Benefit Subsidy where housing benefit claims for residents in temporary

accommodation are up 53% compared to the same period last year. The pending Renters Rights Bill has partially driven the increase with a rise in non-fault evictions before the law is implemented in May. Increases in council temporary accommodation has offset this pressure, which is a big positive for the organisation.

Staffing pressures exist across Waste and Fleet Services, Legal Services and Project Delivery team, while HR and Procurement services staffing underspends help partially mitigate these pressures

Resources – Corporate (£2.633m favourable variance)

Interest rates have been favourable when compared to what was expected at budget setting on both borrowing and cash balances, resulting in an estimated £1.4m benefit to the council.

Some of the council's capital programme needs to be reprofiled into future years, resulting in less borrowing requirement in year (£1.2m). This was also the case last financial year, resulting in a lower Minimum Revenue Provision (MRP) charge in this year's accounts (£0.2m).

Corporate contingencies and Being Our Best programme financial implications follow in the next section of the report.

Economic And Cultural Sustainable Development (£3.136m adverse variance)

A total of 993k visitors came to the Roman Baths in 2024/25, with an increase to 1.1m visitors budgeted for 2025/26. Based on current demand data, visitor numbers are expected to fall short of budget, a trend that reflects what's happening across the sector, particularly in sites with high international visitor numbers. Visitor numbers are estimated at 972k for 2025/26.

Lower retail sales linked to lower visitor numbers and cost pressures linked to the vacation of the Culverhay site are adding to the financial challenge this year, which is estimated at a £2.172m overspend. A variety of cost mitigations are being pursued, as well as extra focus on wider income generating products.

The Corporate Estate service also ended last year with a financial pressure which continues into 2025/26. The key reason is undelivered budgeted savings linked to rationalising the estate, which has not progressed as quickly as anticipated. Staffing and maintenance costs are being actively managed to help offset the pressure. The net forecast overspend is £0.506m for the service.

The Regeneration service currently holds the budget for Bath Quays South (BQS), which at present is not fully let and as such is leading to a shortfall in budgeted income to the value of £0.481m.

Adult Services (£0.551m adverse variance)

Increased activity was seen in 2024/25 with demand for package placements increasing on average by 16%. The cost of care also continued to increase during the year due to the economic and market factors experienced through 2024/25 and the increasing complexity in care needs.

The overbudget positions seen in the Older Peoples and Learning Disabilities services in 2024/25, have continued into 2025/26. The current forecast for the

Older Peoples services is £1.310m over budget and in line with the reported position at the last quarterly reporting period. Residential Care and Home care are the areas of pressure within the older people's service, the number of residential placements stood at 153 as at the end of December 2025, compared to 154 at September 2025 and 137 at December 2024. This rapid rise of over 10% year on year, continues to create budget pressure. Homecare hours stood at 4,581 as at December 2025, compared to 4,701 hours in September 2025 and 4,113 hours in December 2024. Whilst the increased use of homecare is in line with the services strategy, the continued increase in residential placements is impacting on overall costs.

The review of the pooled arrangements within the learning disabilities service was concluded in 2024/25, and new agreed joint funding arrangements are now in place. These arrangements now replace the previous long standing pooled funding arrangements with Bath & North East Somerset, Swindon & Wiltshire Integrated Care Board (BSW ICB). However, budget pressure in residential and Supported living services has continued into 2025/26, with the service currently forecasting a £0.979m overspend.

Both services continue to work to reduce the budget pressures and be assured of costs. Arrangements for hospital discharges have continued into the current year enabling close working with BSW ICB to ensure effective and efficient discharge of clients. We continue to work closely with BSW ICB on both these areas to ensure appropriate funding is agreed.

The other areas within the service are forecasting to be balanced or under budget by a total of £1.738m, which will leave the net service forecast at an over budget position of £0.551m.

Children's Services (£7.400m adverse variance)

Children's Services closed the 2024/25 financial year with a £4.78m overspend, largely driven by rising demand and Residential placement costs. At quarter 1 a risk range of £4m to £8m was projected. The Quarter 3 forecast position is an over budget position of £7.400m. This is split as £7.011m across Children's Social Care and £0.389m from Education pressures.

Despite increased budget provision for 2025/26, a late-year increase of eight additional Residential placements (Q4 2024/2025) resulted in a £2.7m pressure rolling forward. These pressures increased further during Q1 of 2025/26 following a further 4 additional placements required to safeguard vulnerable young people, increasing the pressure in Residential placements by a further £1.4m. Q3 has seen 3 further additional placements increasing the Residential pressure by £0.5m, with extensions to existing placements leading to a total Residential pressure now of £5.4m. Most of the additional Residential placements have been a result of stepping across from lower levels of support as identified needs have increased, rather than being completely new to B&NES.

Residential placements are increasingly expensive due to upward cost pressure from the market fuelled by lack of sufficiency, combined with higher cost packages required to support the most vulnerable and complex young people.

Ongoing pressures also stem from the supporting young people being cared for at home, a total of £0.5m pressure and £1m salary pressure from agency usage to cover vacancies and respond to demand.

In Education, Teachers' pension costs, and historical reduced income pressures continue from 2024/25 totalling £0.2m, along with agency staffing pressures from the Education Psychology Team £0.2m.

To mitigate these pressures Children's Services are delivering a targeted response through an enhanced Transformation Programme and detailed scrutiny of all areas of activity and spend, including but not limited to children's residential placements. This has included a focused placements taskforce responsible for cost assurance and ensuring that young people's needs are met through the most effective and sustainable means possible. This process will lead to reductions in cost for the financial year 2026/27. Other workstreams major on placement sufficiency and amending the market structure. These workstreams will deliver reduced costs over the medium term.

Schools (Dedicated Schools Grant)

The Dedicated Schools Grant (DSG) overspent for 2024/25 by £10.53m taking the cumulative to deficit at the end of 2024/25 to £32.795m.

Additional overspend for 2025/26 is anticipated circa £13.8m. This overspend is due to the costs associated with supporting pupils with SEND needs (High Needs) and is £2m above the Safety Valve plan in place currently. The Safety Valve plan seeks to address the built-up deficit of overspend of the DSG and bring spend in line with the grant allocation by the end of the Safety Valve term in 2030/31. The Department for Education's anticipated White Paper is expected to set out changes to the funding of High Needs and establish the framework for future years budgeting. It is hoped that the paper will also set out clarity over funding of the cumulative deficit.

Communications and Community (£0.403m adverse variance)

Income is lower than expected in Bereavement Services (£0.095m), and Licensing and Pest Control services (£0.223m), whilst undelivered savings and staffing pressures are generating an adverse position in Customer Services too (£0.158m).

Sustainable Transport Strategy (£0.408m favourable variance)

Parking income is exceeding budgeted levels (£0.506m), while a shortfall in staffing time recharged to projects within the Transport Strategy service is partially offsetting this (£0.098m).

Sustainable Transport Delivery (£0.068m adverse variance)

Staffing underspends and increased income across Network and Traffic Management have resulted in a £0.240m favourable variance, partially offset by a small £0.034m cost pressure within the Highways Maintenance service.

Home to School Transport has a forecast pressure of £0.274m as demand levels continue to rise across a higher volume of schools. This has led to increased routes and increased costs. This position is the net pressure post implementation of planned savings initiatives, which have been a success.

Built Environment, Housing & Sustainable Development (£0.396m favourable variance)

The majority of the favourable variance is as a result of increased income across the Development Management service area, with underspends across Building Control and Housing also contributing.

Budgeted Contingencies

3.8 When setting the 2025/26 budget, in recognition of the significant budget risks associated with national insurance changes, demand on statutory services rising above modelled levels, alongside savings delivery risk, the following contingencies and provisions were included in the budget:

- Corporate Contingency (£3.0m) for savings delivery risk and slippage
- Contract Inflation Provision (£2.6m) for the impacts of Employer National Insurance on supplies and services and contract spend across services.
- High Risk Service Demand and Cost Increase Provision (£4.2m)

All £9.830m of budgeted contingency has been released within the Quarter 3 forecast position to partially offset pressures as outlined across council services in section 3.7 and savings shortfalls outlined in section 3.9.

Savings Performance

3.9 The 2025/26 revenue budget approved savings of £14.01m. Delivery of these savings will be monitored throughout the year, with £9.15m forecast as achieved at the end of September, representing 65% delivery. Of the £4.86m not currently achieved, £2.04m are being mitigated through savings, contingency or income elsewhere in the respective service, while £0.68m of savings are currently delayed until 2026/27 and £2.15m are forecast as unachievable, resulting in material forecast pressures.

Being Our Best Programme

3.10 Included within the approved savings target is £2m of additional cost reductions relating to the organisation's Being Our Best programme. The programme was budgeted to deliver a £4.5m reduction in organisation staffing costs by 2025/26. As at the end of 2024/25, £0.5m had been delivered. Currently it is forecast that a further £1m will be delivered in year, resulting in a shortfall against the budgeted target of £2.5m.

3.11 The pay and grading review across the organisation has resulted in a net increase in salary costs. The increase has exceeded the budget by £1.721m and as such is creating both an in-year and on-going pressure. A Job Evaluation and Pay Structure reserve was created last financial year to cover any one-off impacts from the programme. It is recommended that this reserve is used to cover the in-year pressure (on top of estimated pay protection costs of £0.12m) and has been included as a direct mitigation in the quarter 3 summary table.

Budgetary Control and Management Action Plans

- 3.12 The Council has a positive record of strong financial management. Directors are actively developing mitigation plans for the service areas which are in an over budget position to manage the financial position in year and bring the Council back into a balanced position.
- 3.13 In the event the above budget position cannot be fully mitigated a combination of specific service reserves (such as the Adult Social Care Reserve) and the Council's Revenue Budget Contingency Reserve will need to be utilised, subject to approval. Should this be required there would be a requirement to replenish these reserves in future years, putting further pressure on meeting the medium-term budget gaps.

REVENUE BALANCES AND RESERVES

Key Reserves

- 3.14 The following table shows the balances of key reserves at the beginning of the year, planned use, and expected balance at the year-end based on current forecast:

Table 2. Key Reserves

Reserve Title	Balance as at 01/04/2025 £'m	Projected Use / Commitments £'m	Estimated Balance 31/03/2026 £'m
Revenue Budget Contingency	2.97	(0.59)	2.38
Financial Planning and Smoothing	6.67	(3.02)	3.65
Transformation Investment	4.53	(1.34)	3.19
Restructuring & Severance	4.83	(1.00)	3.83
Job Evaluation and Pay Structure	3.00	(1.85)	1.15

Flexible Capital Receipts

- 3.15 Flexible Capital Receipts are being utilised for revenue spend that results in ongoing revenue savings. The February 2025 Budget Report – Efficiency Strategy confirmed a continued £11.500m allocation of capital receipts for this purpose. This has now been updated to reflect the re-profiled requirement and re-phasing into 2026/27 as follows:

Table 3. Flexible Capital Receipts

	Actual Usage 2017/18 to 2024/25 £'m	Forecast Usage 2025/26 £'m	Forecast Usage 2026/27 £'m	Forecast Total Usage £'m
Flexible Capital Receipts	11.115	0.035	0.350	11.500

- 3.16 Unapplied capital receipts of £3.380m were carried forward from 2024/25, with £0.349m received in 2025/26 so far and further forecast if £1.3m against £3.8m budgeted, with the sale of Lewis House now expected in 2026/27. This reprofiling is partly offset by other new identified sales.

General Fund Un-Earmarked Reserve

- 3.17 The General Fund Un-Earmarked Reserve is retained to meet the Council's key financial risks. The risk assessment has set a range of between £11.8m and £13.0m to meet those risks in the 2025/26 financial year. The reserve has a current uncommitted balance of £12.6m in line with the level reported in the 2025/26 Budget Report.

Revenue Budget Virements

- 3.18 Any revenue budget virements which require Cabinet approval are listed in Appendix 3(i). Technical budget adjustments are also shown in Appendix 3(i) for information purposes, as required by the Budget Management Scheme.

COUNCIL TAX, COUNCIL TAX SUPPORT AND BUSINESS RATES

Council Tax & Council Tax Support

- 3.19 The 2025/26 Council Tax Base allowed for the same number of Local Council Tax Support (LCTS) recipients as at the end of November 2024 to continue into 2025/26. The budget estimate of costs of LCTS were set at £11.0m. The current cost estimate is £0.6m under budget at £10.4m with 6,232 working age claimants and 3,317 Pensioner claimants.
- 3.20 The actual outturn position on LCTS and the impact on the Council Tax collection fund will depend on a number of variables, including the change in number of claimants and the period claimants remain eligible for support whilst seeking employment and this will continue to be monitored closely during the year.
- 3.21 The current overall forecast on Council Tax is an in-year collection fund surplus of £0.37m. This is mainly due to the favourable trend against budget in LCTS costs and single person discount, partly offset by less than budgeted second homes and long-term empty properties where a premium is charged, and an increase in students occupied properties. The Council's share of the surplus is £0.31m and this represents a positive variance of 0.2% against the 2025/26 forecast income.
- 3.22 Combining the in-year projection with the Council's share of the decreased 2024/25 Council Tax Collection Fund final outturn position of £0.34m, as reported to Cabinet in July, gives an overall forecast deficit position of £0.39m.

Business Rates

- 3.23 The Government announced, as part of the Chancellor's Autumn Statement in November 2023, that the retail, hospitality, and leisure business rate relief scheme would be extended for a sixth year into 2025/26, but with a reduction in the level of relief from 75% to 40% whilst maintaining the cap on the relief at £110,000 per business.
- 3.24 The Council continues to be recompensed for the reduction in business rate income arising from this relief via a s31 compensation grant. The current level of retail business rate relief granted is £5.1m which is £0.8m above the £4.3m originally estimated for 2025/26.

- 3.25 Gross rates after reliefs is currently £1.3m adverse mainly due to the £0.8m adverse retail relief, £0.3m adverse small business relief and £0.1m adverse improvement relief against budget.
- 3.26 These adverse impacts on the collection fund are partially offset by a favourable forecast in relation to the provision for appeals, which is currently forecast to be £0.5m lower than budget. This is mainly due to some releases in respect of the 2017 rating list provision.
- 3.27 The current overall in year forecast for the Business Rate element of the collection fund is a deficit of £0.81m, of which the council's share is £0.77m.
- 3.28 The overall forecast position for the Council's share on the Collection Fund for Business rates, including the reduced surplus carried forward from the 2024/25 outturn position reported to Cabinet in July 2025 of £1.12m, is for a projected deficit of £1.88m. This has been factored into the 2026/27 Budget Report.
- 3.29 The forecast overall impact on the business rates collection fund position including reliefs and appeals will continue to be reviewed during the remainder of the year.
- 3.30 Section 31 grant income from Business rate compensation grants is currently forecast to be £0.69m above budget, this relates to increased relief granted in respect of Retail Relief, Small Business Rate Relief and Improvement Relief. This is currently planned to be transferred to the Business Rate Reserve.

CAPITAL BUDGET

- 3.31 The current position of the 2025/26 Capital Programme is a forecast of £94.321m against the revised budget of £149.537m. Of the variance of £55.216m, £55.046m is anticipated will be rephased into future years.
- 3.32 The following table shows a summary of the current position by Cabinet Portfolio. The full breakdown of the Capital Programme by Portfolio can be found in Appendix 2(ii) with key scheme commentary in Appendix 2. Appendix 4(i) sets out budget changes actioned since the February Budget setting report.

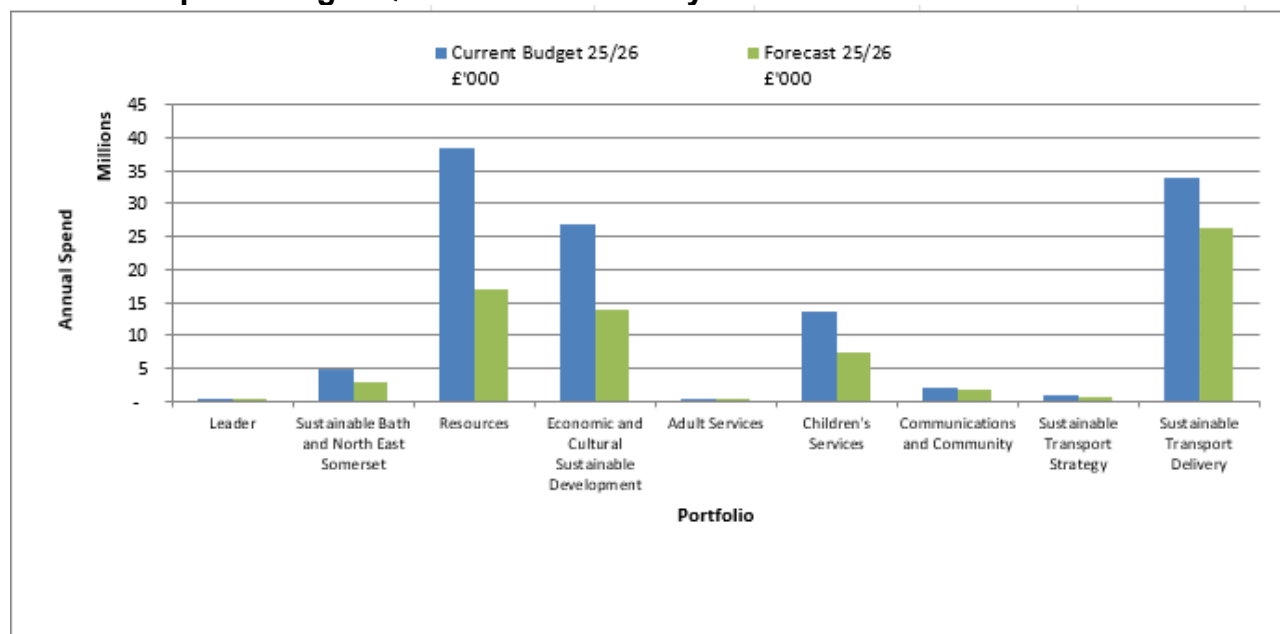
Table 4. Capital Budget Quarter 3 Forecast by Portfolio

Portfolio Summary Monitor	Annual Current Budget 2025/26	Forecast 2025/26	In-Year Variance 2025/26	Forecast Re-phasing to Future Years
	£'000	£'000	£'000	£'000
Leader	60	60	0	0
Sustainable Bath and North East Somerset	4,978	3,020	1,959	1,959
Resources	38,413	17,074	21,339	21,282
Economic and Cultural Sustainable Development	26,907	13,875	13,031	12,996
Adult Services	293	247	46	46
Children's Services	13,509	7,332	6,177	6,177
Communications and Community	2,023	1,904	119	95
Sustainable Transport Strategy	886	591	295	295
Sustainable Transport Delivery	33,826	26,324	7,502	7,447
Built Environment, Housing and Sustainable Development	28,643	23,894	4,749	4,749
Grand Total	149,537	94,321	55,216	55,046

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

The graph below illustrates the forecast against budget for all in year capital budgets by Cabinet Portfolio:

Chart 1. Capital Budget Quarter 3 Forecast by Portfolio



Capital Commentary

3.33 The key in-year programme variances are as follows:

Resources: £21.339m favourable variance, with £21.282m rephasing to future years

- Commercial Estate Programmes - Refurbishment £2.663m, Fire Safety £1.792m, Re-Investment /Jollies £2.302m - arising from resource constraints.
- Orange Grove £0.806m – paused to review repair options.
- Neighbourhood Services Vehicles £6.038m – including 6 electric Refuse Collection Vehicles (RCVs) on order for delivery in June 2026.
- Waste Infrastructure Modernisation £4.254m – re-phased in line with signed contracts. On track for completion in September 2026.
- Property Company Investment £2.816m – lower forecast Aequus loan drawdowns.

The £0.057m favourable variance that is not proposed to be rephased relates to where St Michaels Surgery have withdrawn their bid for CIL funding.

Economic & Cultural Sustainable Development: £13.031m favourable variance, with £12.996m rephasing to future years

- Corporate Planned Maintenance £2.535m – a review undertaken on the progress of orders & historic performance has refined estimates.
- Heritage Collections Centre £0.515m – the withdrawal of Bath Spa University has stopped current project; alternative site options are being explored.
- Somer Valley Enterprise Zone £6.649m – land assembly is now expected later than previously forecast.
- Bath Quays North £0.746m and Bath City Centre Renewal £0.487m – projects continuing into future years.

Built Environment & Sustainable Development: £4.749m favourable variance, with £4.749m rephasing to future years

- Social Rent – £1.485m - Danes Lane delivery being key scheme in 2025/26.
- Bath Western Riverside 2 - £1.445m – focus is currently on £18m grant funded remediation activity with site planning permissions to be advanced in 2026.
- Disabled Facilities Grants - £0.600m no catch-up on past carry-forwards.
- Local Authority Housing Fund - £0.257m saving with all properties purchased within government grant.

Children's Services: £6.117m favourable variance, with £6.117m rephasing to future years

- Small Residential Unit (Charlton House) – £4.000m Project was paused whilst Ofsted registration was clarified but has now restarted.
- SEND (Special Education Needs & Disability) Capital Programme - £1.470m
- Capitalised Maintenance - £0.566m Programme delivery updated after summer repair programme.

Sustainable B&NES: £1.959m favourable variance, with £1.959m rephasing to future years

- Parks Improvements £0.551m – multiple S106 projects rephased.
- Bath River Line £0.500m

- Renewable Energy Development Fund £0.294m - realigned with delivery of Solar projects to increase capacity towards the 12kw target set for the corporate estate.

Sustainable Transport Delivery: £7.502m favourable variance, with £7.447m rephasing to future years

- Various City Region Sustainable Transport Settlements (CRSTS) schemes including Manvers Street £2.978m, Bath City Centre £1.416m, Liveable Neighbourhoods £0.704m and Cycling and Walking Bath Quays Links £0.604m
- Clean Air Zone £0.369m – Queen Square Wayfinding has been delayed.
- Local Active travel £0.689m – s106 funded Public Right of Way Schemes now programmed into 2026/27.

The £0.055m favourable variance that is not proposed to be rephased relates to grant funded Cycle Hangers.

RISKS

3.34 The key risks to the budget were outlined in the Council's 2025/26 Budget Report, in compliance with the Council's decision-making risk management guidance. These have been reviewed and are listed below, along with any additional emerging risks:

Table 5. Risks

Risk	Likelihood	Impact	Risk Management Update
Operational budget pressures due to rising demand	Likely	High	There is the high-risk of unplanned and unbudgeted growth in demand on Council services, particularly in Adult and Children's Social Care. Budgeted contingencies are in place to help mitigate the risk.
Contract inflationary pressure	Likely	High	With increase in wage, energy and fuel costs, and the Employers National Insurance increase, Council contracted services are at risk of above budget price increases. This is an economic risk that has been recognised in the budget with a contract inflation risk provision for potential areas that cannot be mitigated through activity management. Capital Schemes may need to be paused due to unfunded viability gaps due to increased supply chain costs.
Volatility and uncertainty around business rates	Likely	High	The impacts of the current economic challenges will increase the volatility and uncertainty around business rate income. In 2025/26 this risk has been partly offset by the extension of the business rate relief scheme for Retail, Leisure and Hospitality businesses, although the level of relief has reduced. We continue to monitor arrears, Company Voluntary Arrangements (CVAs), and liquidations with a specific reserve held to manage in-year volatility.
Changes to Government Policy	Likely	High	New government policy and funding reforms that are planned for implementation from 2026/27 are

that affects future funding			likely to have an impact on resourcing of Council services and priorities. This have been assessed against available information but will not be fully understood until December 2025 when the Local Government Finance Settlement is announced.
Viability risk on the Councils Commercial Estate assets held for income generation.	Possible	High	Current asset reviews have identified that due to the age and complexity of the Councils Commercial Estate, some assets operating costs and capital investment needs may exceed annual rental income values. This will be managed through a detailed asset review that informs a programme of prioritisation for investment in the estate.
Reinstated government restrictions in the event of a new pandemic.	Possible	High	This is certainly a material risk, whilst not one the Council has direct control over, every step would be put in place to follow government guidance following the recommendations of our Director of Public Health.
Impact on Reserves	Possible	High	Without additional government grant funding in recognition of unfunded pressures there is the risk that Council reserve levels are not enough to manage in-year and future years risk.
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.
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 Medium Term Financial Strategy. Long term borrowing rates remain elevated due to market concerns around fiscal stability both in the UK & the US.
Funding pressures through West of England Combined Authority (WECA), ICB and other partners	Possible	Medium	Ensure good communication links with partner organisations.

4 STATUTORY CONSIDERATIONS

- 4.1 The annual medium-term financial planning process allocates resources across services with alignment of these resources towards the Council's corporate priorities. This report monitors how the Council is performing against the financial targets set in February 2025 through the Budget setting process.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

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

6 RISK MANAGEMENT

- 6.1 The substance of this report is part of the Council's risk management process. The key risks in the Council's budget are assessed annually by each Director, with these risks re-assessed regularly as part of the budget monitoring process.

7 CLIMATE CHANGE

- 7.1 The Medium Term Financial Strategy and budget process aligns resources towards the corporate priorities and objectives set out in the Corporate Strategy, which includes tackling the climate emergency. This report monitors the Council's financial performance against those budgets, and therefore does not include any decisions that have a direct impact on Climate Change.

8 OTHER OPTIONS CONSIDERED

- 8.1 None.

9 CONSULTATION

- 9.1 Consultation has been carried out with the Cabinet Member for Resources, Directors, Section 151 Finance Officer, Chief Executive and Monitoring Officer.
- 9.2 Consultation was carried out at meetings and via e-mail.

Contact person	Gary Adams – Head of Financial Management Gary_Adams@bathnes.gov.uk Paul Webb – Senior Finance Manager Paul_Webb@bathnes.gov.uk Stuart Donnelly - Director of Finance (S151 Officer) Stuart_Donnelly@bathnex.gov.uk
Background papers	Budget and Council Tax 2025/26 and Financial Outlook (E3590) Revenue & Capital Budget Monitoring, Cash Limits and Virements – April to June 2025 (E3625) Revenue & Capital Budget Monitoring, Cash Limits and Virements – April to September 2025 (E3651)
Please contact the report author if you need to access this report in an alternative format	

Portfolio Number and Description		Cashlimit Number and Description		Current Budget £000	Actuals to date 31/12/2025	Forecast £000	Change from previous Quarter Forecast Variance Over / (Under) £000	Outturn Variance Over / (Under) £000	Forecast Outturn Variance Analysis	Outturn Recovery Plan
Detailed Analysis of Budgets for Leader of Council										
P04	Leader of Council	1112	Housing Delivery Vehicle	(1,000)	(182)	(1,000)	0	0	No variance reported.	Not applicable
P04	Leader of Council			(1,000)	(182)	(1,000)	0	0		
Detailed Analysis of Budgets for Sustainable Bath and North East Somerset										
P39	Sustainable Bath and North East Somerset	1127	Environmental Monitoring (Air Pollution)	228	106	171	(6)	(57)	Over recovery of staff time against projects is the key reason for the favourable variance	Not applicable
P39	Sustainable Bath and North East Somerset	1137	Green Transformation	701	917	701	0	0	No variance reported.	Not applicable
P39	Sustainable Bath and North East Somerset	1147	Parks & Open Spaces	2,510	2,006	2,545	(45)	36	Income pressures within the service, are being mitigated through vacancy management and a reduction in expenditure across the service.	Any opportunities for vacancy management or stopping discretionary spend will be actioned where possible.
P27	Sustainable Bath and North East Somerset Total			3,439	3,028	3,418	(51)	(21)		
Detailed Analysis of Budgets for Resources - Services										
P19	Resources	1032	Information Technology	8,743	8,331	8,749	(194)	6	No material variance reported	All upcoming contract renewals are being scrutinised to reduce where possible.
P19	Resources	1040	Finance	3,374	3,368	3,434	(0)	60	Staffing pressures across financial systems and financial services teams.	Vacancy management in conjunction with optimising staffing resources charged to projects will be prioritised.
P19	Resources	1041	Revenues & Benefits	2,433	3,385	2,427	(118)	(6)	No material variance reported	Not applicable
P19	Resources	1042	Risk & Assurance Services	1,792	1,264	1,792	0	0	No variance reported.	Not applicable
P19	Resources	1047	Human Resources & Organisational Development	3,079	2,770	3,007	28	(72)	Staffing underspends across the service.	Not applicable
P19	Resources	1053	Council Solicitor & Democratic Services	3,454	2,990	3,542	(40)	88	Under recovery of staff time to projects and cost pressures associated with recent by-elections are generating a forecast pressure.	Prioritising staff recharges to projects to ensure cost recovery where possible.
P19	Resources	1054	Hsg / Council Tax Benefits Subsidy	405	593	784	379	379	As of week 38, our department has experienced a significant increase of 53% in housing benefit claims for residents in temporary accommodation compared to the same period in 2024/25. One of the main factors contributing to this surge is the upcoming implementation of the Renter Rights Bill on 1st May 2026, which is leading to a rise in non-fault evictions before the new law takes effect. Additionally, there's some good news on the funding front. Due to an increase in council-owned temporary accommodation, we have received 7% more funding, which attracts 100% compared to the same period last year.	Not applicable
P19	Resources	1081	Commercial Estate	(12,025)	(9,828)	(11,636)	(500)	390	The review and streamlining of working practices and processes has resulted in the increase in the income forecast but the overall rental income shortfall is still the key area of pressure, although increased service supported borrowing costs, the cost of legal representation and external charges are also forecast to be contributing to the reported adverse position.	Two additional posts in the maintenance team are being funded to provide the required resource to expediate works to buildings to enable us to offer the letting to the open market. This may not result in a full years rental income in this financial year (due to possible rent free periods) but it will ensure there is an ongoing income stream from the property for future years.
P19	Resources	1101	Neighbourhoods & Environment - Waste & Fleet Services	18,909	14,875	19,061	(16)	152	Operational services are continuing to see pressures on staffing costs, due to covering sickness, leave and vacancies with temporary staff to avoid service failure. This is an unbudgeted cost, although there is an improvement on sickness costs from last year. This has been offset by increased income, including trade waste, garden waste, reuse shop, and additional third party income from Pixash. Savings on maintenance at Pixash depot and waste treatment and disposal costs also help mitigate the staffing pressures.	Any opportunities to increase income or stopping discretionary spend will be actioned where possible.
P19	Resources	1118	Procurement & Commissioning	406	1,127	324	37	(82)	Vacancies within the service are creating an underspend on staffing costs.	Not applicable
P19	Resources	1132	Business Change	780	754	780	0	0	No variance reported.	Not applicable
P19	Resources	1143	Corporate Office	1,817	1,126	1,677	(56)	(139)	Underspends on staffing and contract budgets.	Not applicable
P19	Resources	1145	Capital Programme and Project Delivery	(260)	94	(124)	136	136	Current analysis of staff time against projects is projecting a shortfall in recovery of costs over the year.	Work will be ongoing to encourage the team to ensure accurate recharges to projects to mitigate this adverse position.
P19	Resources - Services Total			32,907	30,849	33,818	(345)	911		

Portfolio Number and Description		Cashlimit Number and Description		Current Budget £000	Actuals to date 31/12/2025	Forecast £000	Change from previous Quarter Forecast Variance Over / (Under) £000	Outturn Variance Over / (Under) £000	Forecast Outturn Variance Analysis	Outturn Recovery Plan
Detailed Analysis of Budgets for Resources - Corporate										
P19	Resources	N/A	Being Our Best Programme - Savings	(2,479)	0	0	0	2,479	Slippage in delivery of programme savings for 2025/26	Directors and Heads of Service have been tasked with increasing the pace of delivery to ensure the financial pressure is minimised where possible.
P19	Resources	N/A	Being Our Best Programme - Pay and Grading Review	(1,721)	0	0	233	1,721	Increase in staffing budgets as a result of pay and grading review and role profile mapping	Use of reserves to cover the increased costs are recommended and will be considered at year-end.
P19	Resources	N/A	Corporate Contingency	9,830	0	0	0	(9,830)	Release of corporate contingency to offset organisational budget pressures	Not applicable
P19	Resources	1055	Capital Financing / Interest	5,476	(794)	3,939	(700)	(1,537)	The forecast under budget position is due to a combination of £1,100k from lower rates achieved on new borrowing when compared to budgeted rates, £250k from higher rates earned on investments than budgeted, and a £187k lower Minimum Revenue Provision (MRP) charge, reflecting the rephasing of capital projects reported in the 2024/25 capital outturn report.	Not applicable
P19	Resources	1056	Unfunded Pensions	1,388	1,030	1,388	0	0	No variance reported.	Not applicable
P19	Resources	1057	Corporate Budgets including Capital, Audit and Bank Charges	(8,232)	(7,909)	(9,327)	(285)	(1,095)	Lower corporately supported borrowing (CSB) costs of £1.2m associated with capital schemes with spend to be reprofiled into future years in line with current delivery forecasts. The Apprenticeship Levy charge is forecast to be £55k over budget, based on the latest Payroll. There is also a £50k over budget position due to the under-recovery of Pension Deficit costs from services.	Not applicable
P19	Resources	1058	Magistrates	12	0	12	0	0	No variance reported.	Not applicable
P19	Resources	1059	Coroners	575	284	575	0	0	No variance reported.	Not applicable
P19	Resources	1060	Environment Agency	268	268	268	0	0	No variance reported.	Not applicable
P19	Resources	1061	West of England Combined Authority Levy	5,309	5,309	5,309	0	0	No variance reported.	Not applicable
P19	Resources - Corporate Total			10,427	(1,812)	2,164	(752)	(8,263)		
Detailed Analysis of Budgets for Economic And Cultural Sustainable Development										
P33	Economic And Cultural Sustainable Development	1018	Heritage Services	(14,192)	(11,484)	(12,020)	(170)	2,172	The revised forecast is based on an extrapolation of trends observed between September and December. This reduction in visitors would have resulted in a £272k shortfall had the Service not implemented mitigating actions	Price Increases (£70k). A more aggressive approach to pricing for the travel trade than assumed in the Q2 forecast. Service-wide Savings (£75k). A series of savings across the Service in response to reduced visitor numbers. Note: These are in addition to significant savings identified earlier in the year. Marketing (£35k) The Service has not cancelled planned marketing activity, this would be commercially unwise given the visitor shortfall. The forecast reflects greater certainty over Q4 spend.
P33	Economic And Cultural Sustainable Development	1038	Corporate Estate Including R&M	4,964	3,579	5,469	(187)	506	Budgeted savings have not yet been achieved due to slippage in rationalising the estate through disposal or redeployment, and the delay in the adoption of the Corporate Landlord model. Property costs are high due to assets being held void. We have increased the mitigation available through recharging staff time to projects and holding posts vacant whilst smarter structures are implemented. There is also a balance to be struck in managing this year's financial position and further impacting future years' costs. Overall, the forecast overspend has been reduced to £505k	Ongoing prioritisation of revenue spend across the estate, recharging of time to projects, alongside vacancy savings from mid-year recruitment are being adopted to mitigate the estimated overspend.
P33	Economic And Cultural Sustainable Development	1052	Regeneration	(518)	928	(37)	40	481	Unlet floor space at No.1 Bath Quays South is resulting in a shortfall against the budgeted income target.	Market sentiment and demand continues to be challenging given wider national and global macro-economic pressures. No.1 Bath Quays is now the only quality Grade A, EPC A, accommodation in the City and the remaining vacant accommodation sits well within general occupational needs, meaning the accommodation is well suited to tenant requirements as the market improves.
P33	Economic And Cultural Sustainable Development	1109	World Heritage	128	88	129	0	1	No material variance reported	Not applicable
P33	Economic And Cultural Sustainable Development	1128	Business & Skills	415	553	391	(10)	(24)	Income generation opportunities relating to staff recharges have produced this favourable variance.	Not applicable
P33	Economic And Cultural Sustainable Development Total			(9,203)	(6,336)	(6,068)	(327)	3,136		

Portfolio Number and Description		Cashlimit Number and Description		Current Budget £000	Actuals to date 31/12/2025	Forecast £000	Change from previous Quarter Forecast Variance Over / (Under) £000	Outturn Variance Over / (Under) £000	Forecast Outturn Variance Analysis	Outturn Recovery Plan
Detailed Analysis of Budgets for Adult Services										
P20	Adult Services	1019	Leisure	302	992	314	12	12	One off legal costs linked to deed of variation on leisure contract is higher than budget. The new contract arrangements will help to deliver savings in 2026-27 and future years.	Review of non essential expenditure
P20	Adult Services	1036	Adults Substance Misuse (DAT)	82	(1,620)	82	0	0	No variance reported.	Not applicable
P20	Adult Services	1073	Adults & Older People-Mental Health Commissioning	8,395	6,355	7,904	(267)	(491)	Forecast continues to be under budget and includes all known current demand. All reviews/requests for funding remain scrutinised at the joint forums with Health.	Not applicable
P20	Adult Services	1086	Adult Care Commissioning	6,052	4,161	5,973	(67)	(79)	Restructure of Adult and Children commissioning have delivered a mix of one off in year and recurrent savings. Forecast saving includes achievement of savings of £75K.	Not applicable
P20	Adult Services	1088	Older People & Physically Disabled Purchasing	14,307	12,446	15,617	(59)	1,310	Demand has risen for all older people services during 2025-26. The Acute and Community Hospitals have been in critical incident throughout December. Demand for both residential and home care support is more than 10% higher in December 2025 than in December 2024. 20% of people who require Adult Social Care funding had previously been funding their own care.	Strong controls have been put into place to ensure packages of care are reviewed and appropriate before sign off.
P20	Adult Services	1091	Learning Disabilities Commissioning	19,614	14,839	20,593	(196)	979	Continued Demand for services, the level of need and the number of young people transitioning into adult services is resulting in an over budget forecast.	Continued scrutiny of packages of care, applications for CHC and joint funding from the BSW ICB Health colleagues continues to be a priority as well as the review of packages of care,
P20	Adult Services	1093	Physical Disability, Hearing & Vision	3,957	2,576	3,912	305	(45)	Forecast continues to be under budget and includes known transitions of young people to adult services. All reviews/requests for funding remain scrutinised at the joint forums with Health.	Not applicable
P20	Adult Services	1094	Public Health	0	(2,640)	0	0	0	No variance reported.	Not applicable
P20	Adult Services	1110	Better Care Fund	(9,259)	(11,055)	(9,259)	0	0	No variance reported.	Not applicable
P20	Adult Services	1113	CCG B&NES CHC and FNC Payments	0	822	0	0	0	No variance reported.	Not applicable
P20	Adult Services	1114	Community Equipment	244	512	253	9	9	Demand pressures are being met from funding earmarked to support hospital discharge and maintaining independence within the Better Care Fund (BCF).	Not applicable
P20	Adult Services	1123	Safeguarding Adults	(1,912)	(2,305)	(1,908)	16	4	One off agency costs necessary to cover essential safeguarding posts.	Review of non essential expenditure
P20	Adult Services	1124	Community Resource Centres & Extra Care Income	8,792	6,238	8,340	(58)	(451)	Action has been taken in 2025 to improve occupancy and enable self-funders to stay in Council run facilities where appropriate. As a result, fee income is forecast to exceed budget by £360k. The balance of £91k is a mix of one-off savings on non-staff budgets and slippage in finding an alternative to care planning system for extra care.	Not applicable
P20	Adult Services	1141	Social Care	9,703	7,060	9,285	(109)	(418)	Staffing restructure came into effect from 1.10.25. Under budget position is due to vacancies , these are now all in progress to be recruited to. Agency staff have been used on an interim basis to cover some of the posts.	Not applicable
P20	Adult Services	1146	Provider Services	3,880	2,604	3,602	(26)	(278)	Salary savings due to staff turnover.	Not applicable
P20	Adult Services Total			64,157	40,984	64,708	(440)	551		

Portfolio Number and Description		Cashlimit Number and Description		Current Budget £000	Actuals to date 31/12/2025	Forecast £000	Change from previous Quarter Forecast Variance Over / (Under) £000	Outturn Variance Over / (Under) £000	Forecast Outturn Variance Analysis	Outturn Recovery Plan
Detailed Analysis of Budgets for Children's Services										
P21	Children's Services	1076	Children, Young People & Families	22,265	22,849	29,354	1,363	7,089	The main driver of pressure is £6m Demand Budgets, with Residential placements being the main area of overspend at £5.4m. Additional placements and step across placements from other areas of support have been required to safeguard young people, these additional placements have often been at increased cost due to the increasing complexity of need that young people are presenting with, and the continued lack of sufficiency in the placement sector. The other main pressure is salary at £1m which is due to agency staffing usage to both cover vacancies that are difficult to recruit to and to respond to the demand within the service. This position includes full delivery of the budgeted £2.3m savings targets for 25/26.	In addition to the established review panels for new and existing placements and packages of care, a detailed review of all placements and packages of care is near completion, allowing for detailed service actions plans and responsive financial modelling. Agency usage reduction will be targeted where possible with urgency. A service redesign is underway to align with the Government's Families First initiative and is part of transformation activity overseen by the Children's Transformation Board. Other workstreams target placement sufficiency and market structure. Transformational outcomes will be delivered over the medium term.
P21	Children's Services	1077	Inclusion & Prevention	3,304	2,184	3,203	(20)	(100)	Improved savings position is a result of a staff vacancy which will not be filled this financial year and additional one-off income from desk rentals that was not anticipated.	Not applicable
P21	Children's Services	1078	Education Transformation	5,577	3,248	5,966	73	389	£0.15m pressure from Teacher Pension costs. £0.1m pressure due to historical income pressures. Balance of overspend due to staffing pressures as a result of agency use in the Education Psychology Team due to service demands. This pressure was £0.3m but has been significantly mitigated by holding vacancies elsewhere.	Plan to hold vacancies where possible until the new financial year, and stop any discretionary spend that is possible.
P21	Children's Services	1079	Schools Budgets	(1,506)	2,208	(1,506)	0	0	Although no variance reported there is an underlying overspend of the Dedicated School Grant (DSG) this year forecast of circa £13.8m. This is £2m higher than the planned overspend position held within the Safety Valve plan. The Safety Valve plan seeks to address the built-up deficit of overspend of the DSG and bring spend in line with the grant allocation by the end of the Safety Valve term in 2030-31.	The historical deficit and in-year overspends are being addressed via the Safety Valve plan in conjunction with the Department for Education (DfE) over a 6 year period. The DfE's anticipated White Paper is expected to set out changes to the funding of High Needs and establish the framework for future years budgeting. It is hoped that the paper will also set out clarity over funding of the cumulative deficit.
P21	Children's Services	1116	Integrated Commissioning CYP	1,580	848	1,602	2	22	Over budget position is as a result of spend on Children's and Young People's equipment.	This spend is primarily contracted, however any opportunity for spend reduction in non contracted areas will be pursued.
P21 Children's Services Total				31,219	31,338	38,619	1,418	7,400		
Detailed Analysis of Budgets for Communications and Community										
P36	Communications and Community	1089	Community Safety	402	539	408	18	6	No material variance reported	Not applicable
P36	Communications and Community	1044	Communications and Marketing	320	209	319	0	(1)	No material variance reported	Not applicable
P36	Communications and Community	1115	Registrars Service	(73)	(228)	(118)	(45)	(45)	Over-achievement of income target has generated a favourable forecast position	Not applicable
P36	Communications and Community	1119	Emergency Planning	770	528	742	(2)	(27)	An underspend on contract expenditure due to being in the early stages of the CCTV maintenance contract are more than offsetting pressures on staffing.	Not applicable
P36	Communications and Community	1121	Events and Active Lifestyles	432	(174)	428	(11)	(4)	No material variance reported	Not applicable
P36	Communications and Community	1122	Customer Services (Including Libraries)	3,144	2,316	3,302	(63)	158	A 2024/25 savings target around reducing customer related costs across the organisation is still unachieved. Staffing and materials pressures are also contributing to the projected overspend.	Investment in digital solutions across customer interactions and postage costs will bring down the costs of running the service in the medium term.
P36	Communications and Community	1139	Public Protection	1,389	1,203	1,612	9	223	Pressures on licensing income is the main contributor to the adverse forecast variance, along with smaller income pressures in other areas, pressures on staffing and water monitoring costs. These pressures have been reduced by vacancy management and expenditure savings across the service.	Limited scope to find savings within the service to offset income shortfall. Expenditure being closely monitored and any savings opportunities will be realised.
P36	Communications and Community	1144	Park and Ride	(546)	1,895	(546)	0	0	No variance reported.	Not applicable
P36	Communications and Community	1148	Bereavement Services	(629)	(347)	(534)	(30)	95	Pressures on cremation income at Haycombe Crematorium, have reduced slightly. These pressures have also been offset by some small savings in expenditure.	Any opportunities for vacancy management or stopping discretionary spend will be actioned where possible.
P34	Communications and Community Total			5,210	5,941	5,614	(124)	403		

Portfolio Number and Description		Cashlimit Number and Description		Current Budget £000	Actuals to date 31/12/2025	Forecast £000	Change from previous Quarter Forecast Variance Over / (Under) £000	Outturn Variance Over / (Under) £000	Forecast Outturn Variance Analysis	Outturn Recovery Plan
Detailed Analysis of Budgets for Sustainable Transport Strategy										
P37	Sustainable Transport Strategy	1103	Transport & Parking Services - Parking	(9,099)	(7,908)	(9,606)	(0)	(506)	Parking income is continuing to remain above budgeted levels, but we are seeing some pressures on permit income. The overall position has been reduced by £210k due repayment of borrowing for a resident parking zone (RPZ) implementation.	Not applicable
P37	Sustainable Transport Strategy	1129	Clean Air Zone	0	(512)	0	0	0	No variance reported.	Not applicable
P37	Sustainable Transport Strategy	1135	Transport Strategy	319	1,552	416	(36)	98	Income targets for Transport Strategy have proved not to be fully achievable based on activity delivered. This will be addressed through an adjustment to base budget from 26/27. A shortfall in staff recharges to projects alongside a shortfall in transport monitoring recharges result in this adverse position, which has been mitigated in year through reductions to programme spend.	Staff are being encouraged to complete timesheets in a timely fashion and more accurately. This could result in an increase in recharges to projects. Due to structural changes, budgets have been moved out of Transport Strategy which limits our opportunities to mitigate some of these adverse situations.
P05	Sustainable Transport Strategy Total			(8,781)	(6,868)	(9,189)	(36)	(408)		
Detailed Analysis of Budgets for Sustainable Transport Delivery										
P38	Sustainable Transport Delivery	1133	Network & Traffic Management	1,055	650	815	(65)	(240)	Income is over and above budgeted levels, this combined with staffing underspends are generating the favourable variance.	Not applicable
P38	Sustainable Transport Delivery	1134	Highway Maintenance	7,157	4,353	7,192	5	34	Pressure on gulley emptying due to an increase in costs since the introduction of the third tanker. Pressures on the staffing due to recruitment issues in the structures team and team manager post. This overspend is reduced due to a reduction in the annual electricity price for street lighting.	Any opportunities for vacancy management or stopping discretionary spend will be actioned where possible.
P2100	Children's Services	1142	Home to School Transport	11,435	7,672	11,709	253	274	The service are continuing to see increases in cost largely relating to demand for the service which is creating a financial pressure in delivering the statutory home to school transport service. However, the savings implemented by the service have reduced this position significantly. The forecast is based on April to November data but modelled on the increase in demand that the service are currently predicting.	Any opportunities for vacancy management or implementing further route savings will be actioned where possible.
P05	Sustainable Transport Delivery Total			19,647	12,676	19,715	194	68		
Detailed Analysis of Budgets for Built Environment and Sustainable Development										
P35	Built Environment and Sustainable Development	1029	Housing	2,453	722	2,349	(83)	(104)	Domestic abuse service expenditure has been maintained within the grant allocation and therefore hasn't relied on budgeted contingency, whilst there are small staffing underspends across the service, which combined are more than mitigating a shortfall in income on Homesearch implementation fees.	Not applicable
P35	Built Environment and Sustainable Development	1106	Development Management	1,542	1,201	1,292	34	(251)	Planning income over and above budgeted levels, combined with staffing underspends are generating the favourable variance.	Not applicable
P35	Built Environment and Sustainable Development	1138	Building Control	84	(78)	42	(19)	(42)	Staffing vacancies alongside increased income generation are driving the favourable variance	Not applicable
P35	Built Environment and Sustainable Development Total			4,079	1,846	3,683	(68)	(396)		
Council Total				152,101	111,466	155,481	(531)	3,380		
	Use of Job Evaluation and Pay Structure Reserve			0	0	(1,721)	(233)	(1,721)	Recommended use of reserve to mitigate costs of implementing new organisational pay and grading structure.	Not applicable
Revised Council Total				152,101	111,466	153,760	(764)	1,659		

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FINANCE BUDGET MONITORING QUARTERLY DASHBOARD - April to December 2025

CAPITAL APPENDIX 2 - KEY SCHEME VARIANCE ANALYSIS

		Sum of 25/26 Forecast £'000	Sum of 25/26 Total Current Budget £'000	Sum of 25/26 Variance £'000	Re-phasing to Future Years £'000
Children's Services					
Basic Needs - School Improvement / Expansion	Programme Highlights: St Keyna Primary: An expansion by one form entry to enable a 420-place school, with a new 6-classroom block built to Passivhaus standard: Due to complete by end of February 2026 within budget. Oldfield School Technical Block - Now occupied from June 2025 with costs currently being finalised . Keynsham East, Two Rivers playing field - The timing of delivery is controlled by external parties, therefore details are currently to be confirmed. Newbridge: Masterplanning Feasibility & Development is underway. A feasibility & development budget is held, also for delegated approval, when new projects arise.	3,129	3,229	100	100
Schools Capital Maintenance Schemes	Schools Condition Grant provides for a programme of repair and maintenance works to Council's Maintained Schools. The Current programme of works includes: Newbridge Primary: Various ongoing maintenance works with some due to complete by Q4. Completed works include: Rewire and LED lighting & removal of Music block. Twerton Infants: Rewire & LED lighting completed. Roof works being completed across 4 phases, with phase 1 now complete and phase 2 started, all progressing well. St Keyna Primary: LED lighting upgrades to be carried out on completion of the expansion project. Paulton Juniors: Wall repairs now complete, pending final payments. Other: We also hold a budget for emergency works, minor works and radon work for ad hoc issues as they arise.	1,435	2,002	566	566
SEND (Special Education Needs & Disability) Capital Programme	Projects to provide Resource Bases and SEND adaptations at schools and colleges across B&NES. Current projects are: 1) Autism Spectrum Disorder (ASD) 20-place Resource Base (RB) new build at Ralph Allen is now occupied. £50k underspend will be returned to provisional budget for reallocation. 2) ASD 20-place RB remodelling at St Mark's - project completed and occupied. 3) Abbott Alphege separation works, adaptations and remodelling for Alternative Provision (AP) relocation from the Culverhay site. Nearing completion with some IT works outstanding. 4) Social, Emotional and Mental Health (SEMH), 10-place RB new build standalone building at Mulberry Park Primary. Planning submitted and contractor tender specification published. Completion due for September 2026 occupation. 5) IKB Feasibility & development is complete pending approval. 6) General Feasibility and Development (F&D) budget has pending approval for Roundhill. 7) Margaret Coates Centre 48 place Resource Centre - Scheme completed. 8) The St Gregory RB to be realigned to 2026-27 and with the Culverhay plans.	1,792	3,262	1,470	1,470
New Residential & Day School (Charlton House)	Charlton House provision of two separate children's homes, each for 4 children to be co-located with a separate 30-place SEND school. A budget increase of £660k was now been approved from Council contingency, to be repaid in future from expected placement savings. Consultation is on-going and design and construction tenders received and being evaluated. Lease agreements with three operating bodies are also progressing.	668	4,668	4,000	4,000

FINANCE BUDGET MONITORING QUARTERLY DASHBOARD - April to December 2025

CAPITAL APPENDIX 2 - KEY SCHEME VARIANCE ANALYSIS

		Sum of 25/26 Forecast £'000	Sum of 25/26 Total Current Budget £'000	Sum of 25/26 Variance £'000	Re-phasing to Future Years £'000
Economic and Cultural Sustainable Development					
Bath Quays North	Project spend reflects current negotiations with the University of Bath (UoB) and expected to continue for 6 to 9 months more. A route map is agreed with UoB that sets clear objectives and timelines for progress and informs the forecast budget.	612	1,358	746	746
Corporate Estate Planned Maintenance	Due to long-term staffing constraints, the focus has been on essential maintenance and commercial estate work to maintain income-generation. At the time of writing orders have £1.1m, with and £724k out to tender. Completed works include Care Home repairs to a retaining wall and new hydraulic lift controls, works to various closed burial grounds, resurfacing and non-highway bridge remedials and new LED lighting at the Civic Centre.	3,033	5,567	2,535	2,535
Somer Valley Enterprise Zone - Infrastructure	The Somer Valley Enterprise Zone (SVEZ) project requires land acquisition to enable the delivery of the scheme. Land negotiations and preparations for a potential Compulsory Purchase Order (CPO) are ongoing. Due to the time required to acquire the land, expenditure has been reprofiled into 2026/27.	2,248	8,897	6,649	6,649
Milsom Norton High Street Renewal Programme	Final evaluation and project wrap-up are underway, with spend to budget and project completed in March 2026.	200	357	157	157
Bath City Centre Renewal Programme	WEMCA have approved reprofiling of the project into 2026-27.	641	1,128	487	487
Milsom Quarter Masterplan Delivery	Full Business Case for £11m submitted in November 2025 to WEMCA, with decision pending. Fashion Museum and Public Realm schemes are fully designed to RIBA 3 standards using funding from National Lottery Heritage Fund (NLHF) grant; Broad St Yards scheme completed to feasibility stage (RIBA 2) and the Council is now seeking a Joint Venture partner. Due Diligence on Walcot Gateway proposals complete.	337	613	276	276
Radstock Regeneration	Funding awarded to Radstock Town Council via a Service Level Agreement with scheme now on site. Phase 1 is due for completion in March 2026.	423	423	-	-
Fashion Museum Renovation	The project is currently on budget and schedule. RIBA 3 design is complete, and has passed with National Lottery Heritage Fund (NLHF) Development Review and the second round application to NLHF is due at the end of February 2026. An application for funding has been submitted to WEMCA for joint funding with the Public Realm scheme. The applications for Planning and Listed Building Consent on the scheme have been submitted. £223k slippage into 2026/27 reflects committed costs to June 2026.	1,700	1,923	223	223
High Street Recovery	Construction has commenced with completion due by end of March 2026.	1,126	1,126	-	-
Corporate Estate Decarbonisation Programme	Work is in progress to deliver decarbonisation & solar schemes and improve data and Building Management System. Feasibility for a possible Pulteney Wier hydro-electric power scheme is in progress. Installation of ground source heat pumps at Carrswood Day Centre and Keynsham Civic Centre is in progress, with government grant support.	255	346	91	91
Guildhall Roof Refurbishment	Major £4m refurbishment with completion of design and specification in Q3, along with working towards Listed Building consents.	50	190	140	140

FINANCE BUDGET MONITORING QUARTERLY DASHBOARD - April to December 2025

CAPITAL APPENDIX 2 - KEY SCHEME VARIANCE ANALYSIS

		Sum of 25/26 Forecast £'000	Sum of 25/26 Total Current Budget £'000	Sum of 25/26 Variance £'000	Re-phasing to Future Years £'000
Resources					
Commercial Estate Refurbishment Programme	A programme is underway to repair and improve vacated commercial properties for new lettings. Resource challenges impacted progress in Q1 and Q2, but additional specialist support now engaged.	3,285	5,948	2,663	2,663
Property Company Investment - Council (Loan): Developments	The Aequus loan requirements arise from Business Cases to develop homes for rent. The variance reflects an updated forecast of loans re-aligned to the new January 2026 Business Plan.	1,000	3,816	2,816	2,816
Orange Grove	The repair project is currently paused as the asset has been recommended for disposal. Current spend is minimal.	113	919	806	806
Pixash Site Redevelopment	Whilst the main project is now complete, there are still final works to be carried out including snagging, operational equipment (a new belt and optical sorting) & highways works. Overage and retention expected to be determined by March 2026.	332	332	-	-
Waste Infrastructure Modernisation	Recycling Centre (RC) in Locksbrook Road (South) will replace the existing site at Midland Rd, which will close in 2026 for redevelopment. Cleansing Services will also co-locate with the Transport Depot at Locksbrook Road (North). The contractor now appointed. and started on site on 1st December 2025. Works completed to date include demolition of Unit 1 Locksbrook Road North and award of Flood Risk Activity Permit. Rephasing reflects refinement of the programme.	1,794	6,048	4,254	4,254
Commercial Asset Re-Investment	Structural defects and back propping issues have delayed Phase 1 by 6 weeks, with a drag on cashflow of £450K. Contingency spend moved forward to 2026-2027. Initial store opening has been rescheduled to the end of August 2026 and remaining phases are in line with original contract dates.	4,025	6,327	2,302	2,302
Commercial Estate Fire Safety Works	Works completed to date have indicated a greater complexity than envisaged which will extend the timescales into future years .	660	2,452	1,792	1,792

FINANCE BUDGET MONITORING QUARTERLY DASHBOARD - April to December 2025

CAPITAL APPENDIX 2 - KEY SCHEME VARIANCE ANALYSIS

		Sum of 25/26 Forecast £'000	Sum of 25/26 Total Current Budget £'000	Sum of 25/26 Variance £'000	Re-phasing to Future Years £'000
Sustainable Transport Delivery					
CAZ - Clean Air Zone	The CAZ-Public Realm residual budget is being spent on the Queen Square Wayfinding project.	458	827	369	369
Highways Maintenance Block	Progression on most projects is on track and updates have been captured by the latest forecast. Projects which will be carried forward into are 2026/27: Ford Fuel Spill (TC1093) and A37 Temple Cloud-S (TC1098) after delays to construction; and East Harptree highway drain improvement (TC1027) and Grosvenor Footbridge (TC1476).	10,096	10,379	283	283
CRSTS Liveable Neighbourhoods	A Full Business Case fully identifying proposed interventions for 11 Liveable Neighbourhood (LN) areas was approved by WEMCA in September 2024, releasing the remaining CRSTS grant to deliver these schemes before 31 March 2027. Under the programme, 5 trials of through-traffic restrictions have been conducted using Experimental Traffic Regulation Orders (ETROs). The schemes in Southlands, Weston, Queen Charlton Lane, Whitchurch and Church Street, Widcombe were made permanent in 2024. More recently, the trial in Sydney Road was made permanent following Public Consultation in October 2025. A decision on the remaining trial in Lower Lansdown is pending. 8 LN schemes are now in the delivery phase, and the first, a modal filter at Southlands, Bath has been completed in December 2025. Two schemes have been paused at this time Pulteney Estates Area (including London Road and Snow Hill) and the scheme in Lower Lansdown will await the outcome of the decision on the trial schemes before proceeding.	2,513	3,217	704	704
CRSTS Manvers Street Remediation	This is a WEMCA funded budget released for Manvers Street Remediation. The Preliminary design is complete, confirming full refurbishment of the road section. Project is now at detailed design stage with contractor agreement in progress and works forecast rephased for completion by December 2026.	1,282	4,260	2,978	2,978
CRSTS Somer Valley Links (SVL)	This project aims to improve travel between Midsomer Norton, Radstock, Westfield and Bath via the A367, the A37 and the A362 link road between them. The project seeks to provide better bus infrastructure and enable more walking and cycling through a variety of interventions such as quiet routes, travel hubs and segregated cycle tracks. Following the public consultation which was undertaken in Spring 2025, the project has now been split into 3 overall phases, each of which will be supported by a Business Case. The first of these will be submitted to WEMCA by March 2026 with construction to begin during 2026/27.	2,278	2,278	-	-
Local Active Travel Safety Programme (LATS)	The budget of 18 projects among 87 is to be rephased to 2026/27, although most schemes are in detailed design stage. Completed schemes are: Crossing at Monkedale Road/Sandpits Park, Widcombe Hill, Bathampton plus Church Hill/North Road Junction Safety Improvements.	2,769	3,457	689	689
CRSTS - Scholars Way Delivery	The scheme is funded through £2m CAZ funding, £3m CRSTS funding, awarded in Summer 2025, along with £370k Local Active TRacel Scheme (LATS) funding for the Oakley & Copseland crossings. Construction has begun on the Western Section, Combe Down to Odd Down. Scholars Way East scope is due to commence in April 26 with works at Rainbow Woods followed by Oakley and Copseland in summer/autumn 2026.	2,205	2,205	-	-

FINANCE BUDGET MONITORING QUARTERLY DASHBOARD - April to December 2025

CAPITAL APPENDIX 2 - KEY SCHEME VARIANCE ANALYSIS

		Sum of 25/26 Forecast £'000	Sum of 25/26 Total Current Budget £'000	Sum of 25/26 Variance £'000	Re-phasing to Future Years £'000
School Streets	The aim of School Streets is to improve the environment directly outside schools at the start and end of the school day by restricting access for most motorised vehicle traffic. The selected schools are St Phillips Primary School, Widcombe Infant and Primary Schools and St Stephen Primary School. Utilising funding of £250k CAZ reinvestment reserve, one-off revenue funding of £87k, with potential to attract grant funding opportunities, progress to date has mainly been Revenue works developing proposals with schools and assessing feasibility. Planned delivery is due early in 2026/27.	110	250	140	140
Built Environment, Housing and Sustainable Development					
BWR Phase 2	The Homes England funded budget will be fully spent this financial year, which includes staff charges. The remaining underspend will be carried forward to continue resourcing the team and to fund planning activities up to the point of submitting a full planning application. Additionally, some of these funds will be allocated to support land investigation surveys at Midland Road.	17,115	18,560	1,445	1,445
Disabled Facilities Grant	Forecast spend to be broadly in line with the level of 2025-26 Government Grant allocation, with carry-forward of previously unused grant also reflected in this budget, explaining underspend.	1,684	2,284	600	600
Englishcombe Lane Supported Housing	Scheme to provide 16 homes for neurodivergent clients with Learning Difficulties and Autism. Business Case was for £10.9m approved by Single Member Decision E3633 on 11th September, with delegated decision on 19th December to approve funding drawdown and to appoint contractor.	275	371	96	96
Local Authority Housing Fund (Ukrainian/Afghan homes)	The Local Authority Housing Fund Round 3 programme is completing in Q4 and the final property purchase is proceeding. A LAHF 4 bid has been submitted.	924	1,181	257	257
Social Rent Programme (Phase 1 of BANES Homes)	Works continues on site to deliver ten affordable, energy efficient, apartments in Dane's Lane, Keynsham. Feasibility work being undertaken for proposals at Redfield Road and land adjacent to Sainsbury's car park in Midsomer Norton.	3,176	4,661	1,485	1,485

FINANCE BUDGET MONITORING QUARTERLY DASHBOARD - April to December 2025

CAPITAL APPENDIX 2 - KEY SCHEME VARIANCE ANALYSIS

		Sum of 25/26 Forecast £'000	Sum of 25/26 Total Current Budget £'000	Sum of 25/26 Variance £'000	Re-phasing to Future Years £'000
Sustainable Bath and North East Somerset					
Bath River Line	Bath River Line aims to create a linear park following the River Avon. Phase 1A is largely complete: including, implementation of Wayfinding, Sustainable Urban Drainage System & Seating at Midland Bridge North. Interpretation signage is due to complete Q4. Phase 1B is about to commence with rephasing into 2026-27 of £500k.	1,221	1,721	500	500
Parks Improvements Programme	Projects highlights : 1) Weston: Plan to deliver picnic benches, social seating, path and entrance works. The access audit and designs have been commissioned and consultation with Active Weston is imminent. 2) Hedgmead: This project has been moved to 2026-27. 3) Sullis Meadows: Plans to deliver S106 agreement are emerging 4) Linear Park: Completed planned works. There is some residual budget funded Third contribution (Your Parks). There are no plans for further works in 2025-26, so will rephase. 5) Foxhill: The design works at Hawthornes for allotments have been completed. RIBA stage 4 works are ready to go to tender. Grove, Backstones and Springfields are progressing to RIBA stage 3. £250K will be rephased 6) Manor Rd: Completed bridge to cover a ditch at one of the entrances. Further works are planned for next season when the ground is drier/firmer with possible vegetation clearance, rephasing £45k. 7) Abbots Wood: Completed Ground investigation and design works, with delivery moved now in 2026-27. Rephase £150k. 8) Teviot Park : Grant made to Keynsham Town Council for improvements from S106 funding. 9) Allotments: New allotments at the Hawthorne site will now 2026-27, rephase of budget £156K . 10) Paulton : Grant made to Paulton Parish Council from S106 for Paulton Infants's Forest School, a school garden project, and a community orchard to be planted in the Miners Welfare Recreational ground.	472	1,022	551	551

2025/26 Revenue Virements for INFORMATION

Appendix 3 (i)

REF NO	REASON / EXPLANATION	CABINET PORTFOLIO	TRANSFER FROM	Income	Expenditure	CABINET MEMBER	TRANSFER TO	Income	Expenditure	DESCRIPTION	ONGOING EFFECTS
			CASHLIM	(£'s)	(£'s)		CASHLIM	(£'s)	(£'s)		
The following virements have either been previously approved, are technical in nature or are below limits within BMS that require approval, and therefore are reported for information only.											
INFO 25#22	Home to School Transport Portfolio Amendment	Children's Services	Home to School Transport		11,435,130	Sustainable Transport Delivery	Home to School Transport		11,435,130	Portfolio correction to reporting responsibility for Home to School Transport Cash Limit.	Budget virement is ongoing.
INFO 25#23	Being Our Best Programme	Resources	Corporate Budgets incl. Capital, Audit & Bank Charges	232,566	Sustainable Bath & North East Somerset	Environmental Monitoring (Air Pollution)			6,038	Adjustments to distributions from corporately held Pay & Grading Review Contingency Budget, following the appeal amendments to Being Our Best Programme role changes.	Budget virement is ongoing.
					Resources	Various			160,312		
					Economic & Cultural Sustainable Development	Corporate Estate Including R&M			11,351		
					Children's Services	Various			64,912		
		Children's Services	Commercial Estate	33,912	Communications & Community	Various			39,959		
			Education Transformation	5,828	Sustainable Transport Strategy	Transport & Parking Services - Parking			848		
			Adult Services	21,966	Built Environment, Housing & Sustainable Development	Development Management			10,852		
INFO 25#24	Corporate Supported Borrowing Saving	Resources	Corporate Budgets incl. Capital, Audit & Bank Charges		75,000	Built Environment, Housing & Sustainable Development	Housing		75,000	Correction to 2025/16 base budget allocation of one-off saving relating to borrowing costs associated with reprofiling of Housing Delivery Capital spending.	Budget virement is ongoing.
INFO 25#25	Old Post Office Rates	Economic & Cultural Sustainable Development	Regeneration		10,000	Economic & Cultural Sustainable Development	Corporate Estate Including R&M		10,000	Transfer of budget responsibility for Business Rates on the Old Post Office building, as approved by Director of Capital & Housing 31/10/25.	Budget virement is ongoing.

<u>REF NO</u>	<u>REASON / EXPLANATION</u>	<u>CABINET PORTFOLIO</u>	<u>TRANSFER FROM</u>	<u>Income</u>	<u>Expenditure</u>	<u>CABINET MEMBER</u>	<u>TRANSFER TO</u>	<u>Income</u>	<u>Expenditure</u>	<u>DESCRIPTION</u>	<u>ONGOING EFFECTS</u>
			<u>CASHLIM</u>	<u>(£'s)</u>	<u>(£'s)</u>		<u>CASHLIM</u>	<u>(£'s)</u>	<u>(£'s)</u>		
INFO 25#26	Information Technology Centralisation	Resources	Human Resources & Organisational Development		38,988	Resources	Information Technology		38,988	Adjustment to digital strategy centralisation budgets following software amendments within services.	Budget virement is ongoing.
			Information Technology		17,721		Revenues & Benefits		17,721		
INFO 25#27	ERPx System User Licences	Resources	Corporate Budgets incl. Capital, Audit & Bank Charges		160,000	Resources	Information Technology		160,000	Allocation from corporately held Revenue Contingency budget to fund the increase in licence costs associated with the implementation of the ERPx Financial System. Approved by Executive Director - Resources 12/12/24.	Budget virement is ongoing.
INFO 25#28	Being Our Best Programme Savings	Resources	Finance		68,632	Resources	Human Resources & Organisational Development		68,632	Adjustment to Being Our Best Programme savings allocation.	Budget virement is ongoing.
INFO 25#29	Communications & Community Smarter Structures	Communications & Community	Events and Active Lifestyles		20,795	Resources	Human Resources & Organisational Development		30,000	Distribution of savings targets within Communications & Community following further Smarter Structures review.	Budget virement is ongoing.
			Public Protection		20,488	Communications & Community	Emergency Planning		11,283		
INFO 25#30	Rural Areas Electric Vehicles Car Club	Sustainable Transport Strategy	Transport Strategy		50,000	Sustainable Transport Strategy	Transport & Parking Services - Parking		50,000	Transfer of responsibility, within Sustainable Transport Strategy, for one-off budget allocated toward expansion of Car Club to rural areas. Approved by Executive Director Sustainable Communities 29/10/25.	Budget virement is one- off.

<u>REF NO</u>	<u>REASON / EXPLANATION</u>	<u>CABINET PORTFOLIO</u>	<u>TRANSFER FROM</u>	<u>Income</u>	<u>Expenditure</u>	<u>CABINET MEMBER</u>	<u>TRANSFER TO</u>	<u>Income</u>	<u>Expenditure</u>	<u>DESCRIPTION</u>	<u>ONGOING EFFECTS</u>
			<u>CASHLIM</u>	<u>(£'s)</u>	<u>(£'s)</u>		<u>CASHLIM</u>	<u>(£'s)</u>	<u>(£'s)</u>		
INFO 25#31	Sustainable Transport Strategy Priority Growth Funding	Sustainable Transport Strategy	Transport Strategy		50,000	Sustainable Transport Delivery	Network & Traffic Management		50,000	One-Off priority growth funding for enhancement to the supported bus services transferred to an alternative Highways growth priority, for delivery of Speed Indicator Signage. Approved by Cabinet Member - Resources & Cabinet Member - Sustainable Transport Delivery 23/12/25.	Budget virement is one-off.
INFO 25#32	Safeguarding Centralisation	Children's Services	Safeguarding - CYP		101,843	Adult Services	Adult Services		101,843	Merging of Safeguarding Teams within Adult & Children Services, supporting a more integrated and efficient approach to safeguarding. Approved by Director of Education & Safeguarding and Director of Adult Social Care.	Budget virement is ongoing.
INFO 25#33	Student Community Partnership	Children's Services	Education Transformation		47,000	Resources	Corporate Office		47,000	This reflects the B&NES contribution to the Student Community Partnership, which was previously funded through the Bath Neighbourhood Community Infrastructure Levy. This correctly aligns the approved budget.	Budget virement is one-off.
INFO 25#34	Commercial Estate Income	Resources	Corporate Budgets incl. Capital, Audit & Bank Charges		120,000	Resources	Commercial Estate	120,000		Allocation from corporately held Revenue Budget Contingency budget to cover lost rental income due to redevelopment of Commercial Estate asset.	Budget virement is one-off.
OVERALL TOTALS				0	12,509,869			120,000	12,389,869		
					12,509,869				12,509,869		

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Portfolio Cash Limits 2025/26 - Revenue Budget

Appendix 3(ii)

CABINET PORTFOLIO	Service	Nov'25 Revised Cash Limits	Technical Adjustments, below BMS limits or already agreed - shown for information	Total Virements for Approval	Feb'26 Revised Cash Limits
		£'000	£'000	£'000	£'000
Leader	Housing Delivery Vehicle	(1,000)			(1,000)
	PORTFOLIO SUB TOTAL	(1,000)			(1,000)
Sustainable Bath & North East Somerset	Parks & Open Spaces	2,510			2,510
	Environmental Monitoring (Air Pollution)	222	6		228
	Green Transformation	701			701
	PORTFOLIO SUB TOTAL	3,433	6		3,439
Resources	Waste & Fleet Services	18,909			18,909
	Council Solicitor & Democratic Services	3,446	8		3,454
	Finance	3,434	(61)		3,374
	Revenues & Benefits	2,340	93		2,433
	Risk & Assurance Services	1,754	38		1,792
	Procurement & Commissioning	406			406
	Human Resources & Organisational Development	540	60		600
	Business Change	775	5		780
	Corporate Office	1,744	73		1,817
	Information Technology	8,562	181		8,743
	Commercial Estate	(12,111)	86		(12,025)
	Hsg / Council Tax Benefits Subsidy	405			405
	Capital Financing / Interest	5,476			5,476
	Unfunded Pensions	1,388			1,388
	Corporate Budgets incl. Capital, Audit & Bank Charges	1,379	(588)		791
	New Homes Bonus Grant	(913)			(913)
	Magistrates	12			12
	Coroners	575			575
	Environment Agency	268			268
	West of England Combined Authority Levy	5,309			5,309
	PORTFOLIO SUB TOTAL	43,698	(104)		43,594
Economic & Cultural Sustainable Development	Corporate Estate Including R&M	4,942	21		4,964
	Regeneration	(508)	(10)		(518)
	Business & Skills	415			415
	Capital Programme & Project Delivery	(260)			(260)
	Heritage Services	(14,192)			(14,192)
	World Heritage	128			128
	Visit Bath				
	PORTFOLIO SUB TOTAL	(9,475)	11		(9,463)
Adult Services	Adult Services	63,693	80		63,773
	Public Health				
	Adult Substance Misuse (Drug Action Team)	82			82
	Leisure	302			302
	PORTFOLIO SUB TOTAL	64,077	80		64,157
Children's Services	Children, Young People & Families	22,209	55		22,265
	Integrated Commissioning - CYP	1,580			1,580
	Safeguarding - CYP	102	(102)		
	Inclusion & Prevention	3,296	8		3,304
	Education Transformation	5,628	(51)		5,577
	Home to School Transport	11,435	(11,435)		
	Schools' Budget	(1,506)			(1,506)
	PORTFOLIO SUB TOTAL	42,744	(11,525)		31,219

CABINET PORTFOLIO	Service	Nov'25 Revised Cash Limits	Technical Adjustments, below BMS limits or already agreed - shown for information	Total Virements for Approval	Feb'26 Revised Cash Limits
		£'000	£'000	£'000	£'000
Communications & Community	Emergency Planning	758	11		770
	Events and Active Lifestyles	453	(21)		432
	Park and Ride	(546)			(546)
	Bereavement Services	(629)			(629)
	Customer Services (including Libraries)	3,113	31		3,144
	Public Protection	1,406	(16)		1,389
	Community Safety	402			402
	Registrars Service	(73)			(73)
	Communications & Marketing	316	4		320
	PORTFOLIO SUB TOTAL	5,200	10		5,210
Sustainable Transport Strategy	Transport Strategy	419	(100)		319
	Clean Air Zone				
	Transport & Parking Services - Parking	(9,150)	51		(9,099)
	PORTFOLIO SUB TOTAL	(8,732)	(49)		(8,781)
Sustainable Transport Delivery	Network & Traffic Management	1,005	50		1,055
	Home to School Transport		11,435		11,435
	Highway Maintenance	7,157			7,157
	PORTFOLIO SUB TOTAL	8,162	11,485		19,647
Built Environment, Housing & Sustainable Development	Building Control	84			84
	Development Management	1,531	11		1,542
	Housing	2,378	75		2,453
	PORTFOLIO SUB TOTAL	3,993	86		4,079
	NET BUDGET	152,101			152,101

Sources of Funding

Council Tax	129,390			129,390
Retained Business Rates	22,905			22,905
Collection Fund Deficit (-) or Surplus (+)	6,925			6,925
Transfers (to) / from Reserves	(7,118)			(7,118)
TOTAL FUNDING	152,101			152,101

REF NO	REASON / EXPLANATION	TRANSFER / FUNDING FROM	Income (£'s)	Expenditure (£'s)	TRANSFER TO	Income (£'s)	Expenditure (£'s)	Notes
CAP2526#055	Radstock Regeneration	Govt grant	56,863		Economic and Cultural Sustainable Development		56,863	Technical adjustment by Director of Finance to reflect grant award.
CAP2526#056	Radstock Regeneration	Govt grant	71,675		Economic and Cultural Sustainable Development		71,675	Technical adjustment by Director of Finance to reflect grant award.
CAP2526#057	Local Centres Renewal Programme	CIL	18,011		Economic and Cultural Sustainable Development		18,011	Technical adjustment Director of Finance reflect CIL allocation.
CAP2526#058	Keynsham High Street Renewal Programme	CIL	20,000		Economic and Cultural Sustainable Development		20,000	Technical adjustment Director of Finance reflect CIL allocation.
CAP2526#059	Radstock Regeneration	CIL	100,000		Economic and Cultural Sustainable Development		100,000	Technical adjustment Director of Finance reflect CIL allocation.
CAP2526#060	Local Centres Renewal Programme	CIL	50,000		Economic and Cultural Sustainable Development		50,000	Technical adjustment Director of Finance reflect CIL allocation.
CAP2526#061	Midsomer Norton High Street Renewal Programme	CIL	100,000		Economic and Cultural Sustainable Development		100,000	Technical adjustment Director of Finance reflect CIL allocation.
CAP2526#062	Somer Valley Rediscovered	CIL, WECA grant	63,068		Sustainable BANES		63,068	Technical Adjustment by Finance Manager to reflect CIL allocation.
CAP2526#063	Residential Parking Zones (RPZ)	SSB	250,000		Sustainable Transport Strategy		250,000	Officer Delegated Decision by Director of Place Management on 11/09/25 for extended RPZ's in Bath.
CAP2526#064	CRSTS Liveable Neighbourhoods	CSB	-89,000		Sustainable Transport Delivery		-89,000	Technical adjustment by Director of Finance to reflect the new project managemet delivery.
CAP2526#065	Residential Parking Zones (RPZ)	CSB	89,000		Sustainable Transport Strategy		89,000	Technical adjustment by Director of Finance to reflect the new project managemet delivery.
CAP2526#066	CCTV Camera Replacement	CSB	356,206		Communications and Civic Services		356,206	Officer Delegated Decision by the Director of Place Management on 11/09/25 for replacement of CCTV building camera's.
CAP2526#067	Basic Needs - School Improvement / Expansion	Govt grant	75,000		Children's Services		75,000	Techncial Adjustment by the Director of Education and Safeguarding on 02/11/25 to carry out a feasibility study for the replacement/rebuild of Newbridge Primary School.
CAP2526#068	Basic Needs - School Improvement / Expansion	Govt grant	-75,000		Children's Services		-75,000	Technical Adjustment by the Director of Education and Safeguarding on 02/11/25 to allocate BN Feasibility Study pot to carry out a feasibility study for the replacement/rebuild of Newbridge Primary School.
CAP2526#069	Basic Needs - School Improvement / Expansion	Govt grant	-17,457		Children's Services		-17,457	Techncial Adjustment by the Director of Education and Safeguarding to transfer underspend from completed St Nicholas Primary - Expansion back to provsional.
CAP2526#070	Highways Maintenance Block	3rd party contrib.	20,000		Sustainable Transport Delivery		20,000	Technical adjustment by Director of Finance to reflect the new funding for Resurfacing from Wessex Water.
CAP2526#071	Heritage Infrastructure Development	SSB	-63,000		Economic and Cultural Sustainable Development		-63,000	Technical adjustment by Director of Finance to return surplus budget to provisional.
CAP2526#072	ATF5:Clapton Road and Redfield Road Pedestrian Improvements	WECA grant	66,750		Sustainable Transport Delivery		66,750	Single Member Decision E3637 by Cabinet Member for Sustainable Transport Delivery on 19/11/25 to accept WECA grant.
CAP2526#073	Corporate Estate Decarbonisation Programme	CSB	10,000		Economic and Cultural Sustainable Development		10,000	Decision by Executive Director - Sustainable Communities on 1/10/25 to replace the gas heating boiler at Keynsham Civic Centre with an air source heat pump, largely funded by a Public Sector Decarbonisation Scheme (PSDS) grant over 3 years 25/26 to 27/28.
CAP2526#074	Corporate Estate Planned Maintenance	CSB	-33,396		Economic and Cultural Sustainable Development		-33,396	Decision by Executive Director - Sustainable Communities on 1/10/25 to replace the gas heating boiler at Keynsham Civic Centre with an air source heat pump, largely funded by a Public Sector Decarbonisation Scheme (PSDS) grant over 3 years 25/26 to 27/28.
CAP2526#075	Corporate Estate Decarbonisation Programme	WECA grant, CSB	86,000		Economic and Cultural Sustainable Development		86,000	Decision by Executive Director - Sustainable Communities on 1/10/25 to replace the gas boiler heating system at Carrswood Day Centre with an air source heat pump, largely funded by a Public Sector Decarbonisation Scheme (PSDS) grant.
CAP2526#076	Corporate Estate Planned Maintenance	CSB	-10,320		Economic and Cultural Sustainable Development		-10,320	Decision by Executive Director - Sustainable Communities on 1/10/25 to replace the gas boiler heating system at Carrswood Day Centre with an air source heat pump, largely funded by a Public Sector Decarbonisation Scheme (PSDS) grant.
CAP2526#077	Radstock Road Depot - Community Equipment Store	CSB	300,000		Economic and Cultural Sustainable Development		300,000	Decision by Director of Capital & Housing Delivery to fully approve £300,000 to enable the project to progress.
CAP2526#078	IT Asset Refresh	CSB	406,134		Resources		406,134	Technical adjustment by Director of Finance to reflect consolidation of IT budgets.
CAP2526#079	Preparing for the Future - New Technology	CSB	-406,134		Resources		-406,134	Technical adjustment by Director of Finance to reflect consolidation of IT budgets.

REF NO	REASON / EXPLANATION	TRANSFER / FUNDING FROM	Income (£'s)	Expenditure (£'s)	TRANSFER TO	Income (£'s)	Expenditure (£'s)	Notes
CAP2526#080	CRSTS Bath City Centre (BCC)	WECA grant	198,000		Sustainable Transport Delivery		198,000	Officer Delegated Decision by Executive Director of Sustainable Communities on 5/11/25 to accept WECA grant.
CAP2526#081	CRSTS Bath City Centre (BCC)	WECA grant	701,000		Sustainable Transport Delivery		701,000	Officer Delegated Decision by Executive Director of Sustainable Communities on 5/11/25 to accept WECA grant.
CAP2526#082	CRSTS Bath City Centre (BCC)	WECA grant	711,000		Sustainable Transport Delivery		711,000	Single Member Decision by Cabinet Member for Climate Emergency & Sustainable Travel, E3604, dated 5/04/25. Approval of funding for Bath City Centre Phase2 Business Case.
CAP2526#083	CRSTS Bath City Centre (BCC)	WECA grant	-200,000		Sustainable Transport Delivery		-200,000	Officer Delegated Decision by Executive Director of Sustainable Communities on 1/12/25 to amend Bath City Centre Phase2 funding, in line with new scope agreement
CAP2526#084	Englishcombe Lane Supported Housing	SSB	-275,000		Built Environment, Housing and Sustainable Development		-275,000	Officer Delegated Decision by Executive Director of Sustainable Communities on 19/12/25 confirming grant funding after Decision E3633. Funding swap - SSB with s106.
CAP2526#085	Englishcombe Lane Supported Housing	s106	275,000		Built Environment, Housing and Sustainable Development		275,000	Officer Delegated Decision by Executive Director of Sustainable Communities on 19/12/25 confirming grant funding after Decision E3633. Funding swap - SSB with s106.
CAP2526#086	CRSTS Bath City Centre (BCC)	WECA grant	1,250,000		Sustainable Transport Delivery		1,250,000	Officer Delegated Decision by Executive Director of Sustainable Communities on 23/12/25 for delivery of Bath City Centre Phase1 CRSTS scheme.
CAP2526#087	Capital Contingency	CSB	-660,000		Resources		-660,000	Single Member Decision E3675 by Cabinet Member for Children's Services on 18/12/25 to increase budget funded from contingency borrowing repaid from savings.
CAP2526#088	Capital Contingency		-75,000		Resources		-75,000	Technical Adjustment by Director of Finance to increase funding for Newbridge Hill Zebra crossing.
CAP2526#089	Local Active Travel Safety Programme (LATS)		75,000		Sustainable Transport Delivery		75,000	Technical Adjustment by Director of Finance to increase funding for Newbridge Hill Zebra crossing.
CAP2526#090	Capital Contingency		-312,772		Resources		-312,772	Technical Adjustment by Director of Finance to change tenants recovery assumptions.
Total			3,131,628				3,131,628	
Check (hide)			3,131,628				3,131,628	

Capital Virements - Additions & Reductions Future Years

FY CAP2526#010	Residential Parking Zones (RPZ)	SSB	450,000		Sustainable Transport Strategy		450,000	Officer Delegated Decision by Director of Place Management is made on 11/09/25 for extended RPZ's in Bath.
FY CAP2526#011	ATF5:Clapton Road and Redfield Road Pedestrian Improvements	WECA grant	433,250		Sustainable Transport Delivery		433,250	Single Member Decision E3637 by Cabinet Member for Sustainable Transport Delivery on 19/11/25 to accept WECA grant.
FY CAP2526#012	Corporate Estate Decarbonisation Programme	CSB	260,000		Economic and Cultural Sustainable Development		260,000	Decision by Executive Director - Sustainable Communities on 1/10/25 to replace the gas heating boiler at Keynsham Civic Centre with an air source heat pump, largely funded by a Public Sector Decarbonisation Scheme (PSDS) grant over 3 years 25/26 to 27/28.
FY CAP2526#013	Englishcombe Lane Supported Housing	SSB, Govt grant, s106	9,810,015		Built Environment, Housing and Sustainable Development		9,810,015	Officer Delegated Decision by Executive Director of Sustainable Communities on 19/12/25 confirming grant funding after Decision E3633 for a 16-unit specialist supported housing development over 3 years 26/27 to 28/29.
FY CAP2526#014	CRSTS Bath City Centre (BCC)	WECA grant	3,090,000		Sustainable Transport Delivery		3,090,000	Officer Delegated Decision by Executive Director of Sustainable Communities on 23/12/25 for delivery of Bath City Centre Phase1 CRSTS scheme.
FY CAP2526#015	Small Residential Unit	CSB	660,000		Children's Services		660,000	Single Member Decision E3675 by Cabinet Member for Children's Services on 18/12/25 to increase budget funded from contingency borrowing repaid from savings.
FY CAP2526#016	Capital Contingency	CSB	-607,228		Resources		-607,228	Technical Adjustment by Director of Finance to change tenants recovery assumptions.
Total			14,096,038				14,096,038	
			14,096,038				14,096,038	

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Capital Scheme	Cap Prog Number	Budget at October 2025 Cabinet	Oct - Dec 2025 virements	Budget at December 2025	Re-Phasing - Subject to Approval at February 25 Cabinet	Revised Budget After February Cabinet
Full Approval						
Communications and Civic Services						
Bath Christmas Market	Cap21122023	50	0	50	0	50
Bath City Centre Security	Cap1920027	1,035	0	1,035	0	1,035
CCTV Camera Replacement	Cap2223006	165	356	521	-95	426
CIL – Library Hublets	CAP2223009	13	0	13	0	13
Emergency Response Equipment	CAP2324001	6	0	6	0	6
Haycombe Cremator	CAP2223001	398	0	398	0	398
Subtotal Full Approval - Communications and Civic Services		1,666	356	2,023	-95	1,928
Full Approval						
Leader						
Bath Neighbourhood CIL	Cap1718068	60	0	60	0	60
Subtotal Full Approval - Leader		60	0	60	0	60
Full Approval						
Sustainable Transport Strategy						
Active Travel Prescribing Project	CAP2223032	73	0	73	-67	6
Car Park Security	Cap2223024	65	0	65	0	65
Office for Low Emission Vehicles (OLEV) Bid -GULW	Cap1617008	293	0	293	-228	65
Parking Enforcement Hand Held Computer Terminal Replacement	Cap1415026	45	0	45	0	45
Parking Radio System Replacement	Cap1415024	30	0	30	0	30
Pay & Display Machines	Cap1617014	41	0	41	0	41
Resident Parking Zone	CAP2526005	0	339	339	0	339
Subtotal Full Approval - Sustainable Transport Strategy		547	339	886	-295	591
Full Approval						
Built Environment, Housing and Sustainable Development						
Affordable Housing (Enabling)	Cap1415091	212	0	212	-67	145
BWR Phase 2	Cap1920012	18,560	0	18,560	-1,445	17,115
Disabled Facilities Grant	Cap1415089	2,284	0	2,284	-600	1,684
Englishcombe Lane Supported Housing	Cap2223027	371	0	371	-96	275
B&NES Homes/Housing Delivery F&D	Cap1516042	578	0	578	-500	78
North Keynsham SDL - External Fees	Cap1819091	199	0	199	-92	107
Local Authority Housing Fund (Ukrainian/Afghan homes)	CAP2223035	1,181	0	1,181	-257	924
Social Rent Programme (Phase 1 of BANES Homes)	CAP21122025	4,661	0	4,661	-1,485	3,176
Supported Housing Scheme	CAP21122021	598	0	598	-208	390
Subtotal Full Approval - Built Environment, Housing and Sustainable Development		28,643	0	28,643	-4,749	23,894
Full Approval						
Adult Services						
Community Resource Centre Capital Investment	Cap1718076	37	0	37	-17	20
Community Resource Centre Equipment Replacement	CAP2324007	43	0	43	-28	15
Leisure - Commercialisation of Parks	CAP2223031	59	0	59	0	59
Odd Down Sports Ground and Other Leisure Feasibility	CAP21122007	154	0	154	0	154
Subtotal Full Approval - Adult Services		293	0	293	-46	247
Full Approval						
Children's Services						
Basic Needs - School Improvement / Expansion	Cap1415135	3,246	-17	3,229	-100	3,129
Culverhay SEND project - Feasibility to clear the site.	cap2425016	171	0	171	0	171
Early Years Premises Improvements	CAP2425015	140	0	140	-40	100
Schools Capital Maintenance Schemes	Cap1415073	2,002	0	2,002	-566	1,435
Schools Devolved Capital	Cap1920028	37	0	37	0	37
SEND (Special Education Needs & Disability) Capital Programme	Cap1718071	3,262	0	3,262	-1,470	1,792
Small Residential Unit - New Residential & Day School - Charlton House	Cap2425013	4,668	0	4,668	-4,000	668
Subtotal Full Approval - Children's Services		13,526	-17	13,509	-6,177	7,332

Capital Scheme	Cap Prog Number	Budget at October 2025 Cabinet	Oct - Dec 2025 virements	Budget at December 2025	Re-Phasing - Subject to Approval at February 25 Cabinet	Revised Budget After February Cabinet
Full Approval						
Sustainable BANES						
Alice Park - Skate Park	Cap1415035	4	0	4	0	4
Bath River Line	CAP1920030	1,721	0	1,721	-500	1,221
Bathscape	Cap1819011	161	0	161	-30	131
Keynsham Memorial Park	CAP2122013	266	0	266	-246	20
Parks Improvements	Cap1718037	1,022	0	1,022	-551	472
Play Area Refurbishment / Equipment	Cap1415039	431	0	431	-40	391
Renewable Energy Development Fund	CAP2122009	336	0	336	-294	42
Somer Valley Rediscovered	CAP2223028	666	63	729	-43	687
Tree Planting	CAP2021005	188	0	188	-136	52
Waterspace Connected	Cap1920016	119	0	119	-119	0
Subtotal Full Approval - Sustainable BANES		4,915	63	4,978	-1,959	3,020
Full Approval						
Sustainable Transport Delivery						
ATFS:Clapton Road and Redfield Road Pedestrian Improvements	cap2526019	0	67	67	-37	30
CAZ - Clean Air Zone	Cap1920031	827	0	827	-369	458
CRSTS - Midsomer Norton & Westfield, Walking, Wheeling & Cycling Links	CAP2324024	156	0	156	0	156
CRSTS Bath City Centre (BCC)	CAP2324017	347	2,660	3,007	-1,416	1,591
CRSTS Bath Sustainable Walking & Cycling Links (BSWCL)	Cap2324019	697	0	697	0	697
CRSTS Cycling and Walking - Bath Quays Links	CAP2324016	2,686	0	2,686	-604	2,082
CRSTS Cycling and Walking - Scholars Way	CAP2324012	2,205	0	2,205	0	2,205
CRSTS FBC (Scholars Way + Bath Quays Links)	CAP2122012	14	0	14	0	14
CRSTS Liveable Neighbourhoods	Cap1920003	3,306	-89	3,217	-704	2,513
CRSTS Manvers Street Remediation	CAP2324005	4,260	0	4,260	-2,978	1,282
CRSTS Somer Valley Links (SVL)	CAP2324018	2,278	0	2,278	0	2,278
Cycle Hangers	Cap2324022	83	0	83	0	83
Highways Maintenance Block	Cap1415184	10,359	20	10,379	-283	10,096
Highways S106 Projects	cap2425018	193	0	193	-193	1
Local Active Travel Safety Programme (LATs)	Cap1415009	3,382	75	3,457	-689	2,769
London Road Modification	Cap1718022	51	0	51	-36	15
School Streets project	CAP2425019	250	0	250	-140	110
Subtotal Full Approval - Sustainable Transport Delivery		31,093	2,733	33,826	-7,447	26,379
TOTAL CAPITAL SCHEME BUDGET		146,405	3,132	149,537	-55,046	94,491

Sources of Funding						
Grants		71,728	3,016	74,744	-21,042	53,701
Council Support including Borrowing & Capital Receipts		61,878	-205	61,673	-29,221	32,452
S106		2,226	275	2,501	-992	1,509
CIL		2,016	338	2,354	-621	1,733
3rd Party		5,258	-293	4,966	-3,019	1,947
Revenue		3,300	0	3,300	-151	3,149
Total Sources of Funding		146,405	3,132	149,537	-55,046	94,491

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Appendix 5 - Revenue Savings Monitor

Savings Proposal Title	Description	Cash Limit	Cash Limit Description	Exp / Income	Permanent Saving Value £000	One-Off Saving Value £000	Permanent Savings Delivery Forecast	One-Off Savings Delivery Forecast	Total Savings Delivery Forecast	Total Savings Forecast Variance	Saving delayed until 2026/27	Saving mitigated by one-off underspend or income	Saving mitigated on an on-going basis	On-going budget pressure	Variance Commentary
Portfolio: Sustainable Bath and North East Somerset															
Fees and Charges	Inflationary increases in discretionary fees	1147	Parks and Open Spaces	Income	(7)	0	(7)	0	(7)	0	0	0	0	0	Forecast as fully delivered
Sustainable Bath and North East Somerset Total					(7)	0	(7)	0	(7)	0	0	0	0	0	
Portfolio: Resources															
Being Our Best Programme	Targeted staffing savings from Being Our Best Programme through the planned review and rationalisation of the council's management and operating structures.	1047	Human Resources & Organisational Development	Exp	(2,000)	0	0	0	0	2,000	0	2,000	0	0	Delays to the programme has a knock-on impact to service smarter structure proposals. The programme will partially deliver against the £2.5m built into the budget for 2024/25, but will not deliver the additional £2m in the 2025/26 budget
Household Support Fund Grant	Recover admin costs from Household Support Fund grant	1041	Revenues & Benefits	Exp	(50)	0	(50)	0	(50)	0	0	0	0	0	Forecast as fully delivered
City Region Deal Business Rates Pool - Tier 3 Income	Increased income from the City Region Deal Business Rates Pool	1057	Corporate Budgets incl. Capital, Audit & Bank Charges	Income	(1,000)	0	(1,000)	0	(1,000)	0	0	0	0	0	Forecast as fully delivered
Commercial Estate - Increased Income	Deliver additional income by refurbishing empty commercial properties more quickly so they can be let.	1081	Commercial Estate	Income	(200)	0	0	0	0	200	200	0	0	0	The commercial estate income forecast currently comprises revenue from assets within both the Commercial and Corporate Estates. As at Quarter 3 there is an expected shortfall of £153k on the rental income target and therefore it is not anticipated that the budgeted increase in income will be achieved this year.
Recycling Income	Income growth projected for 25-26 due to market prices and optical sorting at new facility.	1101	Waste & Fleet Services	Income	(450)	0	(450)	0	(450)	0	0	0	0	0	Forecasting as fully delivered, however this is subject to market fluctuations so remains a risk
Green Waste Fees and Charges Uplift	Increase garden waste fees from £57 to £70 per year to cover the increasing collection costs of running the service, so that subscribers contribute more to the cost of the service.	1101	Waste & Fleet Services	Income	(350)	0	(350)	0	(350)	0	0	0	0	0	Forecast as fully delivered
Income From New Fees and Charges For Businesses	Introduction of new chargeable services for commercial customers in our fleet workshop and charge developers for waste & recycling containers to be provided for each new build property.	1101	Waste & Fleet Services	Income	(77)	0	(37)	0	(37)	40	0	40	0	0	Pressures on achieving commercial income, mitigated by increased income across waste services
Fees and Charges	Inflationary increases in discretionary fees	1101	Waste & Fleet Services	Income	(48)	0	(48)	0	(48)	0	0	0	0	0	Forecast as fully delivered
Resources Total					(4,175)	0	(1,935)	0	(1,935)	2,240	200	2,040	0	0	
Portfolio: Economic And Cultural Sustainable Development															
Heritage Business Plan	Update to projected surplus to reflect visitor projections, updated income forecasts and service efficiencies	1018	Heritage Services	Income	(2,148)	0	0	0	0	2,148	0	0	0	2,148	As a result of a continuation of visitor numbers below the budgeted 1.1m at the Roman Baths, the Service has put forward an adjustment to the MTFs and does not anticipate delivering this savings target. At Quarter 3 there is an expected shortfall of £2.172m on the net income target of the service.
Corporate Estate & Development – Corporate Landlord	Reducing Corporate Estate size and holdings and reduce energy costs through investment in renewables and retrofit.	1038	Corporate Estate Including R&M	Exp	(275)	0	0	0	0	275	275	0	0	0	Although some properties / land have been identified for disposal, they have minimal impact on the reduction of our running costs. With more assets being identified, this saving could materialise over the next few years.
Bath Quays South Lettings	New lettings secured for Bath Quays South (BQS) offices over and above previous financial projections.	1052	Regeneration	Income	(150)	0	0	0	0	150	150	0	0	0	BQS is partially vacant so not earning rental income. All spaces are due to be filled in May 26, therefore we hope to achieve the full rental income for the 26/27 financial year.
Visit West	WECA funding has now replaced Unitary Authority contributions and no commitment is required at a Council level from 25/26 onwards.	1126	Visit Bath	Exp	(75)	0	(75)	0	(75)	0	0	0	0	0	Forecast as fully delivered
Income Generation From New Regeneration Assets	Potential income stream to Corporate Estates team from joint projects with Regeneration to unlock under used assets and support with grant funded activities.	1052	Regeneration	Income	(50)	0	0	0	0	50	50	0	0	0	Both new and historic savings targets are challenging to meet until the estate is rationalised and running costs of existing assets are reduced.
Business and Skills: Recharge Officer Time To Projects	Provide Business and Skills services to employers through external grant funded activity only and reduce additional Council support.	1128	Business & Skills	Income	(6)	0	(6)	0	(6)	0	0	0	0	0	Forecast as fully delivered
Economic And Cultural Sustainable Development Total					(2,704)	0	(81)	0	(81)	2,623	475	0	0	2,148	

Appendix 5 - Revenue Savings Monitor

Savings Proposal Title	Description	Cash Limit	Cash Limit Description	Exp / Income	Permanent Saving Value £000	One-Off Saving Value £000	Permanent Savings Delivery Forecast	One-Off Savings Delivery Forecast	Total Savings Delivery Forecast	Total Savings Forecast Variance	Saving delayed until 2026/27	Saving mitigated by one-off underspend or income	Saving mitigated on an on-going basis	On-going budget pressure	Variance Commentary
Portfolio: Adults Services															
Adult Social Care Commissioning	This proposal will be achieved through maximizing the use of the Better Care Fund and Improved Better Care Fund to protect social care expenditure.	1110	Better Care Fund	Income	(650)	0	(650)	0	(650)	0	0	0	0	0	Forecast as fully delivered
Adult Social Care Commissioning	This proposal will be achieved through efficient management of contracts for services and optimisation of commissioning resources.	1086	Adult Care Commissioning	Exp	(75)	0	(75)	0	(75)	0	0	0	0	0	Forecast as fully delivered
Review of Care Packages	The approach to social care reviews under the Care Act will ensure people's needs are being met, their outcomes are being achieved and that support when needed is provided in the most cost effective way. Savings have been identified through matching levels of care to people's needs.	1073 & 1088	Adults & older People, Adults & Older People Mental Health	Exp	(900)	0	(900)	0	(900)	0	0	0	0	0	Forecast as fully delivered
Technology Enabled Care	This proposal will be achieved by using technology enabled care to reduce social care resource requirements. Technology enabled care products such as personal alarms and pendants, bed and chair sensors, pills dispensers and door sensors support people to undertake daily living tasks and enable independence.	1091	Learning Disabilities	Exp	(50)	0	(50)	0	(50)	0	0	0	0	0	Forecast as fully delivered
Provider Services Income Opportunities	As a provider of Learning Disabilities Day Services, Community Resource Centres - Residential Care Homes and an Extra Care Service the council has always offered a service to self-funders. This proposal seeks to increase the level of income generated from self-funders, placements commissioned by other local authorities and Integrated Care Board (ICB) by charging the actual cost of delivering care.	1124 & 1146	Provider Services	Income	(250)	0	(250)	0	(250)	0	0	0	0	0	Forecast as fully delivered
Prevention and Early Intervention in Adult Social Care	Deliver savings through efficiencies from services, recommissioning services within existing budget and maximising alternative funding sources for housing related support.	1086	Adult Care Commissioning	Exp	(402)	0	(402)	0	(402)	0	0	0	0	0	Forecast as fully delivered
RVP Leisure Facilities	New contract in place for the operation of the leisure facilities in RVP including tennis courts, adventure golf, events spaces and café.	1019	Leisure	Income	(15)	0	(15)	0	(15)	0	0	0	0	0	Forecast as fully delivered
Adult Services Total					(2,342)	0	(2,342)	0	(2,342)	0	0	0	0	0	

Appendix 5 - Revenue Savings Monitor

Savings Proposal Title	Description	Cash Limit	Cash Limit Description	Exp / Income	Permanent Saving Value £000	One-Off Saving Value £000	Permanent Savings Delivery Forecast	One-Off Savings Delivery Forecast	Total Savings Delivery Forecast	Total Savings Forecast Variance	Saving delayed until 2026/27	Saving mitigated by one-off underspend or income	Saving mitigated on an on-going basis	On-going budget pressure	Variance Commentary
Portfolio: Children's Services															
Reunifications	The savings will be delivered by an increase in family reunifications and step downs from residential placements.	1076	Children, Young People & Families	Exp	(1,400)	0	(1,415)	0	(1,415)	(15)	0	0	0	0	Additional achievement is offsetting under achievement for the Early Help Saving in cashlimit 1116 Integrated Commissioning - CYP.
Specialist Commissioning Saving	These savings will reduce reliance on high-cost placements, particularly out-of-area or unregulated provisions, promoting stability and better outcomes for children. However, achieving these savings requires a careful balance to ensure cost reductions do not compromise the quality, safety, or suitability of placements, which are essential for meeting the complex needs of Children Looked After.	1076	Children, Young People & Families	Exp	(923)	0	(923)	0	(923)	0	0	0	0	0	Forecast as fully delivered
Home to School Transport Savings	Reduced costs as a result of investment in internal provision.	1142	Home to School Transport	Exp	(600)	0	(600)	0	(600)	0	0	0	0	0	Forecast as fully delivered
Early Help	Early help in B&NES aims to provide children, young people and families with the right support at the right time by the right service as soon as needs are identified to prevent them getting worse.	1116	Integrated Commissioning - CYP	Exp	(150)	0	(135)	0	(135)	15	0	0	0	0	Under achievement is offset by over achievement for the Reunifications saving in cashlimit 1076 Children, Young People & Families.
Children's Services Total					(3,073)	0	(3,073)	0	(3,073)	0	0	0	0	0	
Portfolio: Sustainable Transport Delivery															
Parking Services - Income Rebasing	Increased income rebasing across Highways and Parking Services	1103	Transport & Parking Services - Parking	Income	(560)	0	(560)	0	(560)	0	0	0	0	0	Forecast as fully delivered
Parking Charges Review	Income generated from the implementation of a parking review and emissions-based pay and display	1103	Transport & Parking Services - Parking	Income	(334)	0	(334)	0	(334)	0	0	0	0	0	Forecast as fully delivered
Parking Permit Charges Review	Income generated from a review of the baseline charge for on street parking permits, including emissions-based resident parking permits	1103	Transport & Parking Services - Parking	Income	(172)	0	(172)	0	(172)	0	0	0	0	0	Forecast as fully delivered
Parking Reinvestment Fund	Budget saving by not spending the Reinvestment Fund in Parking Services (one-off 2025/26 only).	1103	Transport & Parking Services - Parking	Exp	0	(210)	0	(210)	(210)	0	0	0	0	0	Forecast as fully delivered
Fees and Charges	Inflationary increases in discretionary fees	1134	Highway Maintenance	Income	(2)	0	(2)	0	(2)	0	0	0	0	0	Forecast as fully delivered
Fees and Charges	Inflationary increases in discretionary fees	1133	Network & Traffic Management	Income	(11)	0	(11)	0	(11)	0	0	0	0	0	Forecast as fully delivered
Sustainable Transport Delivery Total					(1,079)	(210)	(1,079)	(210)	(1,289)	0	0	0	0	0	
Portfolio: Communications and Community															
Registrars	Increased income forecast for the service	1115	Registrars Service	Income	(45)	0	(45)	0	(45)	0	0	0	0	0	Forecast as fully delivered
Park and Ride	Updated income forecast for the Park and Ride	1144	Park & Ride	Income	0	(200)	0	(200)	(200)	0	0	0	0	0	Forecast as fully delivered
Fees and Charges	Inflationary increases in discretionary fees	1148	Bereavement Services	Income	(7)	0	(7)	0	(7)	0	0	0	0	0	Forecast as fully delivered
Neighbourhood Services Total					(52)	(200)	(52)	(200)	(252)	0	0	0	0	0	
Portfolio: Built Environment, Housing and Sustainable Development															
Housing	Housing - reprofile work on Housing delivery - (25/26 one off saving)	1029	Housing	Exp	0	(75)	0	(75)	(75)	0	0	0	0	0	Forecast as fully delivered
Housing	Budget for capital delivery of housing programme to match pipeline (25/26 one-off saving)	1029	Housing	Exp	0	(75)	0	(75)	(75)	0	0	0	0	0	Forecast as fully delivered
Fees and Charges	Inflationary increases in discretionary fees	1138	Building Control	Income	(20)	0	(20)	0	(20)	0	0	0	0	0	Forecast as fully delivered
Built Environment, Housing and Sustainable Development Total					(20)	(150)	(20)	(150)	(170)	0	0	0	0	0	
Council Total					(13,452)	(560)	(8,589)	(560)	(9,149)	4,863	675	2,040	0	2,148	

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Bath & North East Somerset Council		
MEETING:	Cabinet	
MEETING DATE:	12 th February 2026	EXECUTIVE FORWARD PLAN REFERENCE:
		E3662
TITLE:	Budget and Council Tax 2026/27 and Financial Outlook	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report		
Annex 1: Revenue Budget 2026/27 – individual service cash limits		
Annex 2: (i) 2026/27 to 2028/29 Budget Savings and Income proposals & (ii) 2026/27 to 2028/29 Funding Requirements		
Annex 3: Equalities Impact Assessment of 2026/27 Budget Proposals		
Annex 3: (i) Equality Impact Introduction & Legal Background		
Annex 4: Efficiency Strategy		
Annex 5: Capital Programme 2026/27 to 2030/31		
Annex 5 (i): New and Emerging Capital Schemes		
Annex 5 (ii): Highways Maintenance Programme		
Annex 5 (iii): Local Active Travel Safety Programme		
Annex 5 (iv): Corporate Estate Planned Maintenance Programme		
Annex 5(v): Parks Play Equipment Replacement Programme		
Annex 5(vi): IT Replacement Programme		
Annex 5 (vii): Community Infrastructure Levy (CIL) Allocations		
Annex 6: Capital & Investment Strategy		
Annex 7: MRP Policy		
Annex 8: Council Pay & Reward Policy 2026/27		
Annex 9: Advice of Monitoring Officer on the Budget Setting Process		
Annex 10: Budget 2026/27 Consultation Report		
Annex 11: Fees & Charges Brochure 2026/27		
Annex 12: PDS Panel Budget Scrutiny Feedback (to follow)		

1. THE ISSUE

- 1.1 This report presents the Council's proposed revenue and capital budgets together with proposals for increases in Council Tax and the Adult Social Care Precept for 2026/27.

2. RECOMMENDATIONS

- 2.1 The Cabinet recommends Council approves:

- The General Fund net revenue budget for 2026/27 of **£193.17m** and the individual service cash limits for 2026/27 as outlined in Annex 1.

- The savings and income plans outlined in Annex 2(i), funding requirements 2(ii), in conjunction with the Equalities Impact Assessment Report in Annex 3.
- An increase in general Council Tax of 2.99% in 2026/27 (an increase of £54.51 per Band D property or £1.05 per week).
- An increase of 2.00% to Council Tax for the Adult Social Care Precept in recognition of the current demands and financial pressures on this service. This is equivalent to an increase of £36.46 on a Band D property or £0.70 per week.
- The movement in reserves outlined in Section 5.6 and the adequacy of Un-earmarked Reserves at £12.58m within a risk assessed range requirement of £12.00m - £13.20m.
- To note the Children's Services management plan update set out in paragraphs 5.2.64 to 5.2.65 of the report.
- The Efficiency Strategy attached at Annex 4.
- The Capital Programme for 2026/27 of £110.219m including new and emerging capital bids outlined in Annex 5(i), planned sources of funding in 5.8.10, and notes the programme for 2027/28 to 2030/31 and that any wholly funded projects coming forward during the year will be added to the Capital Programme in line with the Budget Management Scheme.
- The delegation of implementation, subject to consultation where appropriate, of the capital programmes set out in Annex 5(i) to Annex 5(vi) to the relevant Director in consultation with the appropriate Cabinet Portfolio Holder.
- The Community Infrastructure Levy (CIL) allocations and amendments outlined in Annex 5(vii).
- The Capital & Investment Strategy attached at Annex 6.
- The Minimum Revenue Provision (MRP) Policy attached at Annex 7.
- The Capital Prudential Indicators outlined in 5.8.17.
- The Annual Pay Policy Statement at Annex 8.
- The Community Contribution Fund extension outlined Section 5.5.
- The Council Tax Support Scheme for 2026/27 shown in the following link:
[https://www.bathnes.gov.uk/sites/default/files/2026-01/Council Tax reduction scheme April 1 2026 to March 31 2027.pdf](https://www.bathnes.gov.uk/sites/default/files/2026-01/Council%20Tax%20reduction%20scheme%20April%201%202026%20to%20March%2031%202027.pdf)
 and referred to in 5.3.10
- The Fees and Charges schedule for 2026/27 at Annex 11 and support its publication following approval of the budget, with delegation to amend individual costs within the schedule in line with market needs, to the Director of Place Management, in consultation with the appropriate Cabinet Portfolio Holder.

- 2.2 That the Council include in its Council Tax setting, the precepts set and approved by other bodies including the local precepts of Town Councils, Parish Councils, and Charter Trustees of the City of Bath, and those of the Fire and Police Authorities.
- 2.3 That the Cabinet note the S151 Officer's report on the robustness of the proposed budget and the adequacy of the Council's reserves outlined in Section 5.7.
- 2.4 That the Cabinet note the budget consultation responses in Annex 10, and the Policy Development and Scrutiny (PDS) Panel feedback in Annex 12.
- 2.5 Authorise the Council's S151 Officer, in consultation with the Portfolio Holder for Resources, to make any necessary changes to the draft budget proposal for submission to Council, including any changes arising from the final local government settlement announcement. Any changes may also require the S151 Officer's report on the robustness of the proposed budget and the adequacy of the Council's reserves outlined in Section 5.7 to be updated.

3. RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

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

4. STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSALS

- 4.1 A local authority has a statutory duty to set an annual budget and Council Tax. The advice of the Council's Monitoring Officer regarding the budget setting process is attached at Annex 9.
- 4.2 Members must have regard to the impact on specific groups in their decision making. The Equalities Team has reviewed savings plans to ensure that any impact the saving will have on diversity and equality has been assessed and to ensure that any issues are highlighted to members before a decision is made. The analysis is attached at Annex 3.

5. THE REPORT

5.1 The 2026/27 Budget Summary

- 5.1.1 The Medium-Term Financial Strategy (MTFS) for Bath & North East Somerset Council (B&NES) was approved in November 2025 and outlined how the budget would be delivered over the medium to long-term. This highlighted that operating and funding the Council in the current economic environment with constrained public finances due to continued low economic growth continues to be challenging. Alongside this, there has been considerable uncertainty around the impact of the governments new mechanism for allocating funding to local government through implementation of its Fair Funding reforms. The MTFS assumed fair funding would have a significant negative impact on the Council's financial position over the medium term. In addition, the Council continues to see demand and activity rise for essential Social Care services, which is compounded by high market costs and a reliance on out of area provision.
- 5.1.2 The Government announced three year funding allocations based on the Fair Funding reforms as part of the Provisional Local Government Finance Settlement on 17th December 2025. The overall impacts across the three year period was broadly in line with the estimated impact included in the MTFS with a reduced impact in 2026/27, due to transitional phasing of impacts, and an overall reduced impact of £0.45m over the

three year period. The changes are shown in the table below and have been factored into the proposed budget.

Negative Impact of Fair Funding Changes	2026/27 £m	2027/28 £m	2028/29 £m	3 yr Total £m
MTFS Estimate (November 2025)	4.00	4.00	5.00	13.00
Provisional Settlement (December 2025)	2.42	5.12	5.00	12.55
Change from MTFS (November 2025)	(1.58)	1.12	0.00	(0.45)

- 5.1.3 The Council needs to deliver a balanced budget over the term of the plan. A balanced budget means that Council one-off cash balances (reserves) are not being used to fund recurrent expenditure. The updated plan shows a balanced budget for 2026/27 with a future year's budget gap from 2027/28, although this is expected to reduce to a balanced position once the impacts of income growth and further efficiencies and the developing transformation programme are factored into future budget planning. The figures include all estimates for future pay awards, pension costs, Council Tax, business rates, and Government grant. Service budgets have been updated to reflect changes in service demographic, inflation and ongoing pressures highlighted through the 2025/26 budget monitoring process which are unable to be directly mitigated on an ongoing basis. These increases in growth are partly mitigated by releasing £7.22m of the corporately held contingency which formed part of the 2025/26 base budget. This leaves contingency held within the 2026/27 budget of £2.62m.
- 5.1.4 The budget has been developed considering how to operate with a higher cost base and lower income levels whilst delivering the Corporate Strategy to meet our key principles and commitments. After taking account of ongoing service cost pressures and new funding requirements, the starting point for the 2026/27 budget is a funding gap of £7.24m. The proposed budget meets this funding gap in two ways:
- 1) Income generation plans of £2.59m.
 - 2) Cost reduction plans of £4.65m.
- 5.1.5 After considering demands on services and inflationary pressures the Council's revenue budget requires £10.24m in budget growth. This is funded through increases in Council Tax, Business Rates, income, savings plans and grant adjustments. This is highlighted in more detail in section 5.2.62 of the report and supporting annexes.
- 5.1.6 The budget includes a recommendation that general Council Tax is increased by 2.99% in 2026/27 (an increase of £54.51 per Band D property) and the Adult Social Care Precept is increased by 2% (an increase of £36.46 per Band D property). This results in a total proposed Band D Council Tax for Bath & North East Somerset Council next year of £1,914.03 (£1,823.06 in 2025/26) an overall increase of 4.99% or £90.97 per Band D (£1.75 per week).
- 5.1.7 The proposed net revenue budget for Bath & North East Somerset for 2026/27 is £193.17m.

Corporate Strategy and the Councils' Priorities

- 5.1.8 Bath & North East Somerset Council has one overriding purpose – to improve people's lives. Our [Corporate Strategy](#) provides a clear and ambitious framework for delivery. It sets out our two core policies of tackling the climate and ecological emergency and giving people a bigger say as well as our three principles for how we will deliver - preparing for the future, delivering for local residents and focusing on prevention. It also sets out how shared outcomes will be delivered through key partnerships that the council works with such as our Future Ambition Board and Health and Wellbeing Board.
- 5.1.9 Our four values - bold, empowered, supportive and transparent - continue to underpin all of our work.
- 5.1.10 The report to cabinet in November 2025 on the [Medium-Term Financial Strategy](#) (MTFS) set out the financial framework for allocating resources across the Council which requires close alignment to the Corporate Strategy. Alignment to the strategy creates 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.
- 5.1.11 To address longer-term financial planning and ensure corporate priorities shape our financial planning, for the 2026/27 and future years' budgets we are developing a more strategic approach built around:
- Identification of key scenarios, particularly in the light of central government fiscal policy and approach to local government funding
 - Agreeing key priorities which will support delivery of our Corporate Strategy, in the light of the resources available to the council over the medium term
 - Establishing a longer-term approach to budget planning, including investing in prevention to address budget pressures and reduce costs
 - Introducing a new operating model which delivers the council's purpose through innovation in our ways of working
- 5.1.12 The Council will also continue to work closely with the West of England Mayoral Combined Authority (MCA) to maximise the benefits to our area and communities from our membership. We will also work closely with the MCA and with the Future Ambition Board to deliver our ambitious [Economic Strategy](#) for Bath & North East Somerset, prioritising green growth, good jobs and affordable housing, and work with our health partners through the Health and Wellbeing Board to deliver our [Joint Health and Wellbeing Strategy](#).

5.2 The Revenue Budget 2026/27

2025/26 Current Budget Position

- 5.2.1 The Council is currently forecasting an over budget position at Quarter 3 of £1.66m, which is an improvement of £0.76m from the Quarter 2 position. Managers across the

organisation continue to prioritise cost control measures to bring the budget back to a balanced position before year-end. Children's Services are forecasting the largest cost pressure, primarily due to high-cost packages required to support the most vulnerable and complex young people in the area. Adult Services and Corporate Estate are also forecasting significant expenditure pressures, while staffing costs across the organisation have increased because of the pay and grading review associated with the Being Our Best programme.

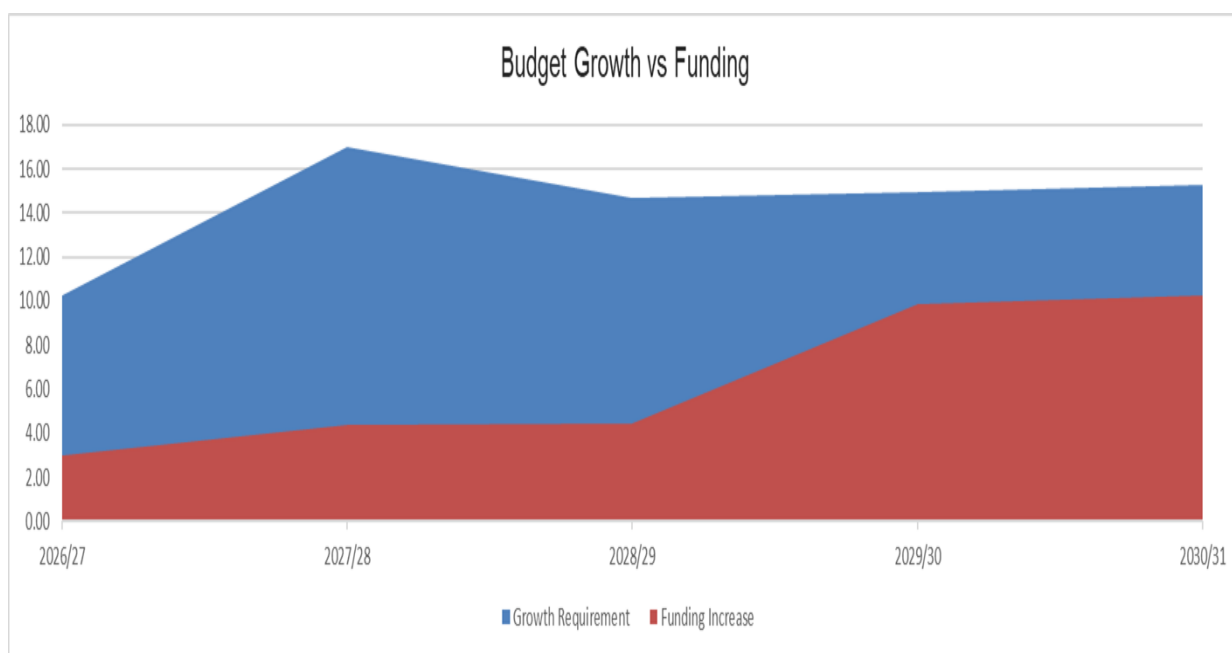
5.2.2 Income is lower than budgeted for both the Roman Baths and the Commercial Estate, however Parking Services are seeing income exceed expectations. Lower borrowing costs and strong treasury management performance are also helping offset the adverse financial position. The £1.66m forecast over budget position includes the use of £9.83m budgeted contingencies and use of the Job Evaluation and Pay Structure reserve (£1.72m).

5.2.3 Recurrent service pressures that cannot be mitigated have been incorporated into the proposed funding requirement for 2026/27.

The Budget and Medium-Term Financial Outlook

5.2.4 The budget summary is set out below showing the demand and funding changes over the next five years: The table and graph summarises the assumed movements in the Net Budget Requirement and Core Funding and also highlights the significant transfer of service and business rate grant funding of £38.46m received in 2025/26 that have moved into core funding as part of the fair funding grant simplification changes for 2026/27.

Budget Planning	Future years assumptions £m					Total
	2026/27	2027/28	2028/29	2029/30	2030/31	
Growth Requirement	10.24	16.96	14.65	14.93	15.30	72.09
Service & Business Rate Grants Transferred to Core Funding	38.46	0.00	0.00	0.00	0.00	38.46
Total Change In Net Budget Requirement	48.70	16.96	14.65	14.93	15.30	110.56
Funding Increase	3.00	4.41	4.44	9.83	10.24	31.93
Service & Business Rate Grants Transferred to Core Funding	38.46	0.00	0.00	0.00	0.00	38.46
Total Change in Core Funding	41.46	4.41	4.44	9.83	10.24	70.39
Annual Funding gap	7.24	12.55	10.21	5.10	5.06	40.17
Savings Proposals	7.24	(0.04)	(0.26)	0.15	0.15	7.24
Remaining Funding Gap	0.00	12.59	10.47	4.95	4.91	32.92



5.2.5 This illustrates a balanced budget for 2026/27 with a forecast budget gap of £32.92m from 2027/28 to 2030/31.

5.2.6 The budget detail, assumptions, and the future forecast is shown in the table below:

Budget Planning	Future years assumptions £m				
	2026/27	2027/28	2028/29	2029/30	2030/31
Budget Requirement (Previous Year)	151.71	193.17	197.58	202.02	211.86
Budget Adjustments (Reduced Corporate Contingency)	(7.22)	0.00	0.00	0.00	0.00
Pay & Pension	4.04	5.15	4.50	5.10	5.35
Demographic Growth	3.39	3.58	3.59	3.95	4.11
Contract Inflation	5.05	3.99	3.15	3.20	3.28
New Homes Bonus Grant	0.91	0.00	0.00	0.00	0.00
Capital Financing	1.22	2.42	2.27	1.28	1.17
Settlement grant funding	36.90	0.72	0.00	0.00	0.00
Budget pressure / rebasing	4.41	1.12	1.15	1.40	1.40
Funding Requirement Sub Total	48.70	16.96	14.65	14.93	15.30
Draft Budget Before Savings	200.41	210.13	212.23	216.96	227.16
Proposed Savings Plans	(7.24)	0.04	0.26	(0.15)	(0.15)
Estimated Savings Required	0.00	(12.59)	(10.47)	(4.95)	(4.91)
Savings Requirement Sub Total	(7.24)	(12.55)	(10.21)	(5.10)	(5.06)
Budget Requirement	193.17	197.58	202.02	211.86	222.10
Funding of Budget Requirement					
Council Tax	136.36	144.77	153.51	162.64	172.16
Business rates retention	55.36	52.81	48.51	49.22	49.94
Reserve transfers From	2.05	0.00	0.00	0.00	0.00
Reserve transfers (To)	(0.60)	0.00	0.00	0.00	0.00
Funding of Budget Requirement Total	193.17	197.58	202.02	211.86	222.10

5.2.7 The forecast includes the following cost pressures and assumptions:

- **Pay Inflation** – Estimated 3.00% in 2026/27 and future years.
- **Council Tax** – General assumed at 2.99% and Adult Social Care precept 2.00% in 2026/27 and future years.
- **Pension Costs** – Reduction in Employer's Pension Contributions of 3.50% with effect from 2026/27 from the triennial revaluation and the associated improvement in the funding levels of the Avon Pension Fund.
- **Demographic Growth & Increase in Service Volumes** – Additional demand from new placement and market pressures in Adult & Children Social Care.
- **Interest Rates** – Short Term Interest rate reductions to follow movement in Bank of England base rate currently 3.75% for treasury management cash investments with borrowing rates estimated at 5.00%. The Council will fix budget interest rates following the provisional settlement.
- **Inflation** – Impacts of Contract and Commissioning inflation across services.
- **Budget Pressures / Rebasing** – 2026/27 budget rebasing is informed from the 2025/26 Q2 Council monitoring position where emerging pressures cannot be directly mitigated.
- **Capital Spending** – an allowance has been made to fund previously agreed provisional schemes requiring borrowing.
- **Borrowing** – longer term borrowing costs have been factored into the Medium Term Financial Strategy (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;
- **Reserves** – The MTFS includes a £1.88m transfer from the Business Rate Reserve to fund the Business Rate Collection Fund deficit carried forward, £0.17m from the financial planning reserve to fund the carried forward Council Tax Collection Fund Deficit and a transfer of £0.60m to the Revenue Budget Contingency Reserve in line with the planned replenishment of the reserve following use to mitigates the impact of Covid in prior years.

The Government Settlement & Fair Funding

5.2.8 The MTFS report highlighted that this year's budget process has been taking place at a time of great uncertainty in respect of government funding for the period from 2026/27. The Government launched a consultation on its "Fair Funding Review" over the Summer which detailed the direction of travel for Local Government funding and its distribution.

5.2.9 The Funding Review updates the methodology for distributing a fixed amount of funding between local authorities. The underlying data used in the grant distribution system hadn't been updated since 2013 when the Business Rate Retention system was introduced.

5.2.10 The core principles of the Fair Funding Review as set out by the Government include:

- **Funding Simplification:** Last updated in 2013/14. Aim is to streamline the system by consolidating multiple grants into fewer, more predictable funding streams.
- **Needs-Based Allocation:** Using updated Relative Needs Formulas to assess local demand for services like adult social care, children's services, and fire and rescue.

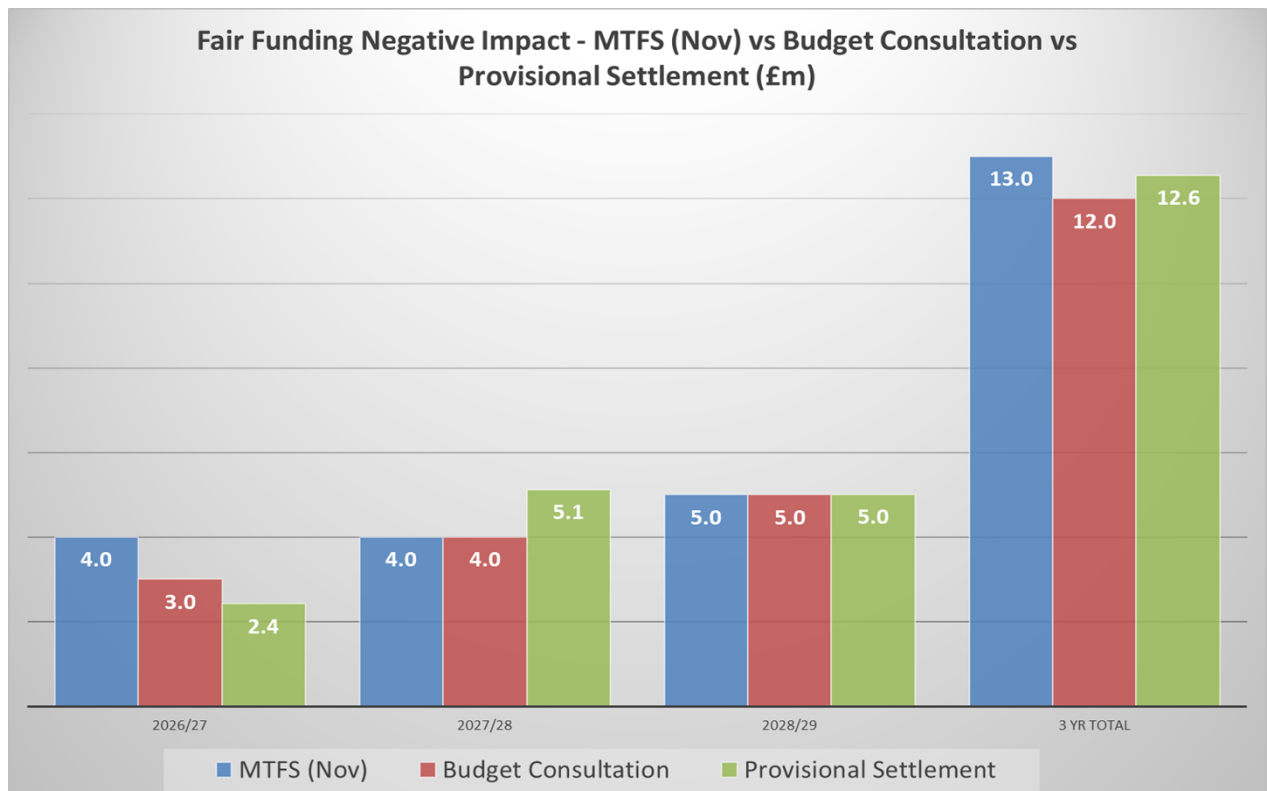
- **Area Cost Adjustment:** Recognising regional differences in the cost of delivering services, such as higher wages or transport costs in rural or urban areas.
- **Resources Adjustment:** Factoring in each authority's ability to raise revenue locally, especially through council tax.
- **Business Rates Reset:** Overhauling the Business Rates Retention Scheme to reflect current economic conditions and ensure fairer distribution.
- **Devolution and Local Empowerment:** Reducing central government micromanagement and giving councils more control over spending decisions.
- **Ending Competitive Bidding:** Phasing out short-term, competitive grant applications in favour of multi-year settlements that offer stability.
- **Transitional Protection:** Gradually implementing changes over three years (2026–2029) to avoid sudden funding shocks.

5.2.11 The Government did not provide exemplifications to show how the range of funding changes would impact on individual Councils prior to the Provisional Local Government Finance Settlement announcement on 17th December 2025. In the absence of such information, the Council used modelling undertaken by sector experts alongside our own funding information to forecast potential impacts. This uncertainty and lack of exemplifications has made financial planning extremely challenging.

5.2.12 The modelling undertaken forecasts that the Council would be a net loser from the proposed changes. The main reasons are due to the relative needs of the Council being assessed as lower than other areas who have greater levels of deprivation, the assessment that the Council has a relatively higher ability to generate resources through Council Tax (having a relatively higher Taxbase) and the redistribution of Business Rate income arising from the proposed Business Rate Reset.

5.2.13 For financial planning and updating the MTFS, which was previously based on a largely cash flat roll forward of grant funding, the estimated impact was for a reduction in funding at an overall level of £13m over the next 3 years. This was profiled with estimated reductions of £4m in 2026/27, £4m in 2027/28 and £5m in 2028/29. The 2026/27 estimate was revised prior to the Budget Consultation exercise in December, based on a forecasted improvement of £1m due to technical changes on the phasing in of impacts which were included in the policy statement announcement made by the government in late November.

5.2.14 The Government announced three year funding allocations based on the Fair Funding reforms as part of the Provisional Local Government Finance Settlement on 17th December 2025. The overall impacts across the three year period was broadly in line with the estimated impact included in the MTFS with a reduced impact in 2026/27, due to transitional phasing of impacts, and an overall reduced impact of £0.45m over the three year period compared to the original estimate made in the MTFS report. The changes are shown in the graph below and have been factored into the budget proposal.



5.2.15 The Final Settlement had not been announced at the time of finalising this report. The figures outlined in this report therefore reflect the provisional figures. The final settlement details will be updated within the report to Council if they are published before the report publication deadline.

Core Spending Power

5.2.16 The Provisional Local Government Finance Settlement sets out the Councils Core Spending Power (CSP), which is the government measure of the resources available to fund service delivery. CSP consists of:

- Core Funding – Revenue Support Grant (RSG) and Retained Business Rates
- Local Authority Better Care Grant
- Government estimate of Council Tax Income
- Ring-fenced Grants (Homelessness, Rough Sleeping & Domestic Abuse and Families First Partnership)
- Transitional Protection (B&NES = £0)
- Recovery Grant (B&NES = £0)

5.2.17 For England, CSP for local government is increasing by 15.1% across the three year period covering 2026/27 to 2028/29. For the Council, the CSP is shown to increase by 8.3%, well below the England average and reflecting the negative impact of the Fair Funding changes.

5.2.18 It should be noted that CSP includes the government's estimated council tax income for each authority and this assumes the council will implement the maximum permitted council tax increase of 4.99%, a collection rate of 100% and an increase in the council tax taxbase based on the average growth in the previous four years. This method of

calculation over estimates the council tax income available to the council, as the actual taxbase growth in 2026/27 and the future years forecast is lower than the four year average, due to it including the one-off increase to the taxbase achieved in 2025/26 through the introduction of Council Tax premiums for second homes and the increase in premiums on empty properties.

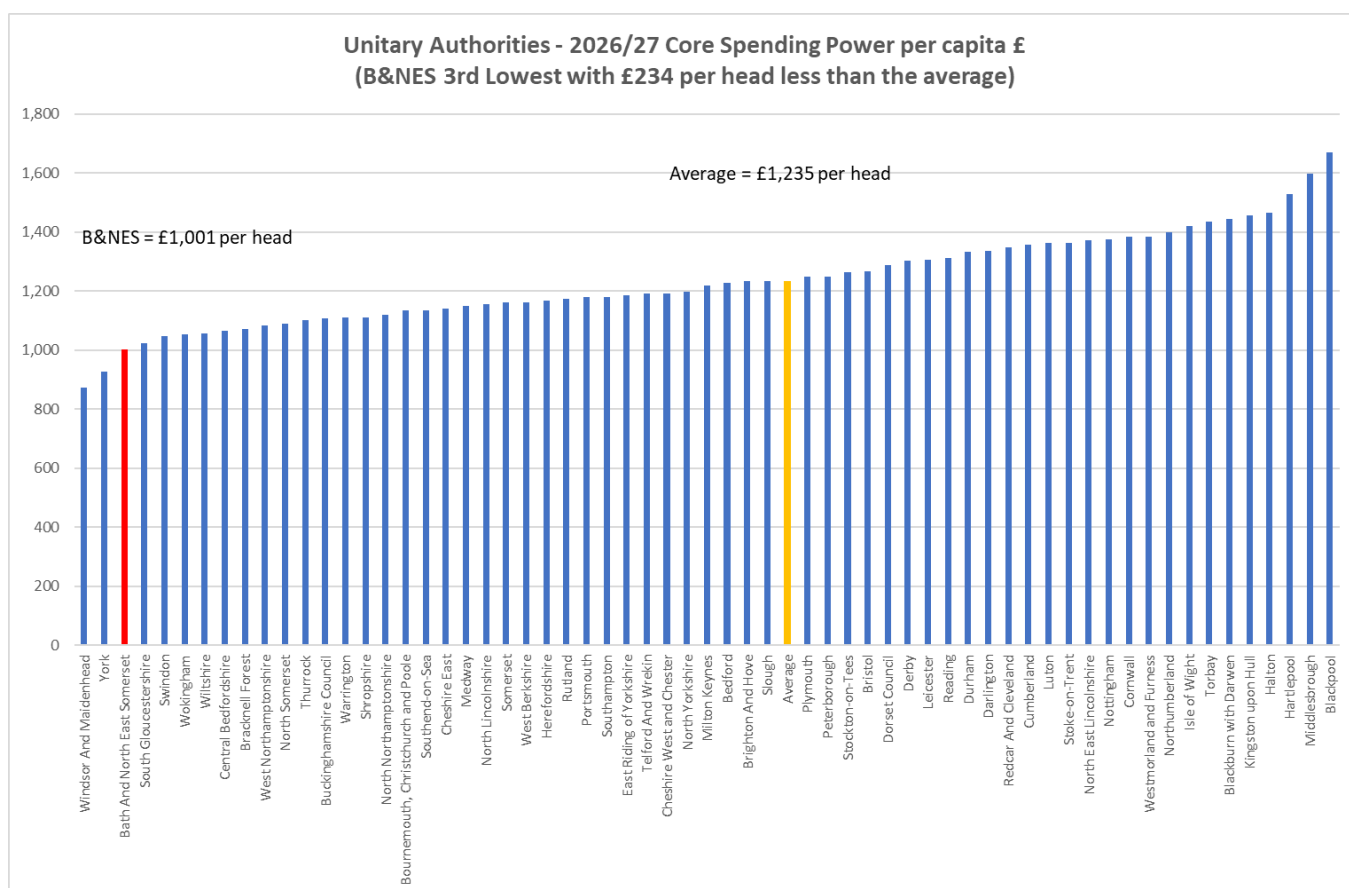
5.2.19 The table below shows the Government published figures for Bath & North East Somerset Council.

Core Spending Power - Government Published Figures	2025/26	2026/27	2027/28	2028/29
Core Spending Power (£m)	198.59	205.02	209.83	215.09
Annual Change (£m)		6.44	4.81	5.26
Annual Change %		3.2%	2.3%	2.5%
Cumulative Change since 2025/26 %		3.2%	5.7%	8.3%

5.2.20 The following tables shows the CSP figures with council tax income excluded which is more representative of the changes in government funding and highlights the negative impacts of the Fair Funding grant changes on the council, with a reduction in funding of 15.9% over the three year period to 2028/29. This continues the previous trend of increased reliance on council tax to fund rising costs and demands on local services.

Core Spending Power - Excluding Council Tax	2025/26	2026/27	2027/28	2028/29
Core Spending Power (Excluding Ctax) (£m)	69.20	67.04	62.69	58.19
Annual Change (£m)		(2.15)	(4.35)	(4.50)
Annual Change %		-3.1%	-6.5%	-7.2%
Cumulative Change since 2025/26 %		-3.1%	-9.4%	-15.9%

5.2.21 The following graph compares the overall CSP per head of population against other Unitary Authorities and shows Bath & North East Somerset Council to be the third lowest funded authority in 2026/27.



Revenue Support Grant (RSG) and Grant Simplification

5.2.22 Revenue Support Grant forms part of the updated Fair Funding allocation and as part of the grant simplification principle, a number of unringfenced service specific grants have been rolled into RSG from 2026/27. Some of the more material grants that have been rolled in are:

- Social Care Grant
- Market Sustainability & Improvement Fund
- Employers National Insurance Contributions Grant
- New Homes Bonus
- Temporary Accommodation element of the Homelessness Prevention Grant

5.2.23 The relevant service budgets have been adjusted to reflect the transfer of income and this has led to a significant increase of £22.11m in the net revenue budget due to this technical change in treatment of grant income.

5.2.24 The total Revenue Support Grant for 2026/27 is £33.00m

5.2.25 The RSG allocated to B&NES continues to be rolled into the 100% Business Rate Pilot Scheme, with the Council retaining an equivalent amount of business rates instead of receiving a RSG payment.

Recovery Grant

5.2.26 The Government has continued with the previously one-off Recovery Grant in 2026/27, worth £600m which is targeted at places the government assesses as having greater need and demand for services (using deprivation as a proxy for this) and less ability to raise income locally from Council Tax. Based on this allocation methodology the Council doesn't receive any funding through this grant.

New Homes Bonus

5.2.27 The New Homes Bonus was a grant paid by central government to local councils to reflect and incentivise housing growth in their areas. This grant scheme has ceased in 2026/27 with the funding rolled into the overall financial settlement and distributed through the Fair Funding formulae.

Local Authority Better Care Fund Grant

5.2.28 The 2026/27 Settlement includes the same amount of funding for the Local Authority Better Care Grant of £6.05m as received in 2025/26.

Better Care Fund

5.2.29 The 10-year Health Plan announced reform to the Better Care Fund to focus on integrated services. DHSC and MHCLG will set out further detail on the approach to this reform. Where this involves any change to NHS and local authority minimum contributions to pooled funding, these changes will not be introduced before 2027-28.

5.2.30 The Council and ICB's Better Care Fund has a minimum funding contribution of £18.6m in 2026/27, a 3% uplift on 2025/26 which will ensure continuity of service delivery. The Strategy currently estimates that funding will continue at current levels with inflationary uplift given annually.

Children, Families and Youth Grant

5.2.31 The Children, Families and Youth Grant is a new consolidated grant from 2026/27. The ringfenced grant is targeted at supporting children and families across England, as part of the government's national reforms under the Families First Partnership Programme. The grant also supports the Holidays, Activities and Food Programme and funds the Pupil Premium Plus for post-16 looked after children and care leavers.

5.2.32 The following table shows the grants received in 2025/26 and the consolidated funding streams for 2026/27 to 2028/29.

5.2.33 The increase in funding for 2026/27 reflects the new funding for the Families First Programme announced at the Spending Review and the Local Government Finance Policy Statement.

Children, Families and Youth Grant	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Children's Social Care Prevention Grant	0.40			
Supporting Families	0.55			
Families First Partnership Programme Funding	0.95	1.66	1.66	1.42
Holiday Activities and Food Programme	0.47	0.48	0.46	0.46
Post-16 Pupil Premium Plus Programme	0.04	0.04	0.04	0.04
Total Children, Families and Youth Grant	1.46	2.18	2.16	1.91
<i>Annual Change</i>		0.72	(0.03)	(0.24)

Public Health Grant

5.2.34 For 2026/27 and future years, funding from the following grants will be consolidated into the Public Health Grant.

- Current Public Health Grant
- Drug and Alcohol Treatment and Recovery Improvement Grant
- Local Stop Smoking Services and Support Grant

5.2.35 The following table shows the grants received in 2025/26 and the consolidated Public Health Grant for 2026/27 to 2028/29

Public Health Consolidated Grant	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Public Health Grant	10.97			
Drug and Alcohol Treatment and Recovery Improvement Grant	1.34			
Local Stop Smoking Services and Support Grant	0.22			
Consolidated Public Health Grant	12.52	12.74	13.05	13.40
<i>Annual Change</i>		0.22	0.31	0.36

5.2.36 The grant continues to be ring-fenced for use on public health activity.

Homelessness, Rough Sleeping and Domestic Abuse Grant

5.2.37 This is another new consolidated grant from 2026/27. The ringfenced grant is to support councils to deliver homelessness and rough sleeping services, as well as meeting their domestic abuse duties. It brings together the following funding streams into a single consolidated grant.

- The Prevention, Relief and Staffing element of the Homelessness Prevention Grant
- Rough Sleeping Prevention and Recovery Grant and Rough Sleeping Accommodation Programme funding
- The Domestic Abuse Safe Accommodation Grant

5.2.38 The following table shows the grants received in 2025/26 and the consolidated Homelessness, Rough Sleeping and Domestic Abuse Grant for 2026/27 to 2028/29.

Homelessness, Rough Sleeping and Domestic Abuse Grant	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Homelessness Prevention Grant	1.23			
Homelessness Prevention Grant - Top Up	0.11			
Rough Sleeping Accommodation Programme	0.08			
Rough Sleeping Prevention and Recovery Grant	0.43			
Domestic Abuse Safe Accommodation Grant	0.40			
Total HRSDA Grant	2.26	2.09	2.17	2.22
<i>Annual Change</i>		<i>(0.17)</i>	<i>0.08</i>	<i>0.04</i>

Crisis and Resilience Fund

5.2.39 The Crisis and Resilience Fund consolidated grant is ringfenced funding to provide preventative support to communities and assist people when faced with financial crisis. The grant brings together the following two funding streams into a single consolidated grant from April 2026.

- Household Support Fund
- Discretionary Housing Payments

5.2.40 The following table shows the grants received in 2025/26 and the consolidated Crisis and Resilience Fund Grant for 2026/27 to 2028/29.

Crisis and Resilience Grant	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
Household Support Fund	1.70			
Discretionary Housing Payments	0.22			
Consolidated Crisis and Resilience Grant	1.93	1.61	1.61	1.58
<i>Annual Change</i>		<i>(0.32)</i>	<i>(0.00)</i>	<i>(0.03)</i>

Extended Producer Responsibility for Packaging Funding

5.2.41 2025/26 was the first year of the Extended Producer Responsibility for Packaging (pEPR) scheme. The extra funding announced at the Autumn Budget included a guarantee that local authorities in England will receive at least £1.1 billion in total in 2025/26 from the new Extended Producer Responsibility for packaging (pEPR) scheme, with each local authority guaranteed at least the level of income indicated in provisional local payment figures for the first year. The payment for the Council in 2025/26 is £2.72m, which was incorporated into the budget reflecting the cost pressures and investment made into waste services in this and previous years budgets. 2026/27 funding will be based on data submitted by the Council to the scheme administrators, and the current projection is that this will be in line with the £2.72m. The

MTFS allows for a reduction in income of £0.72m, down to £2m, in 2027/28. This will be reviewed during the 2027/28 budget process to update the forecast income using updated scheme data.

Business Rates

5.2.42 There will be a series of changes to the Business Rate Retention System coming into effect from 2026/27. These include:

- A full reset of the Business Rate baseline, where Business Rate growth above baseline achieved since 2013 will be redistributed based on the updated needs assessments as part of the Fair Funding proposals.
- A Business Rate revaluation with the changes to properties Rateable Values implemented with effect from 1st April 2026.
- A Transitional Relief Scheme which phases in increases in business rate bills over three years (2026/27, 2027/28 and 2028/29) for those properties whose Rateable Value have increased significantly through the 2026 revaluation.
- The introduction of new lower business rate multipliers for Retail, Hospitality and Leisure properties with a Rateable Value below £500,000, funded by increasing the multipliers for businesses with Rateable Values of more than £500,000.

5.2.43 Each Local Authority has received a new Business Rate Baseline, Baseline Funding Level and a corresponding top-up or tariff based on updated needs assessments.

5.2.44 The impacts of the business rate reset have been included within the Fair Funding reductions referred to in the sections above. The existing section 31 grants received by the Council in 2025/26 in respect of government compensation for previously introduced business rate compensation for relief schemes (such as the Retail, Hospitality & Leisure reliefs) and the under-indexation of business rate multipliers have also been rolled into the Fair Funding redistribution. The relevant revenue budgets have been adjusted to reflect the transfer of income and this has also led to a significant increase of £16.35m in the net revenue budget due to the technical change in treatment of grant income in the same way as the simplification of service based grant funded highlighted in the Revenue Support Grant and grant simplification section above.

5.2.45 The 2026/27 provisional local government finance settlement announced the continuation of the West of England 100% Business Rate Retention Pilot Scheme.

5.2.46 As part of the proposed Budget, reasonable assumptions have been made for the estimated levels of future Business Rate income, together with making specific provisions for appeals, changes in reliefs and growth and deletions. Due to the significant system changes and the resetting of the Business Rate Retention Scheme in 2026/27, the government has increased the level at which a safety net payment is triggered to 100% of each Council's Baseline Funding Level for 2026/27.

5.2.47 The Council's projected retained business rate income for 2026/27 is £56.95m, which is forecast to be slightly below the Baseline Funding Level with a safety net payment of £0.29m bringing income back to the Baseline Funding Level of £57.24m in line with the 100% protection.

5.2.48 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.

2025/26 Business Rate Collection Fund Deficit

5.2.49 The forecast for the Business Rate element of the collection fund in 2025/26 is for a deficit of £2.00m. The Council's share of the estimated deficit, after allowing for amounts due to the Avon Fire Authority and the West of England Mayoral Combined Authority, is £1.88m. This includes £1.12m from the final 2024/25 business rates collection fund outturn position. The deficit will be funded by a transfer from the Business Rate Reserve which is earmarked to smooth Business Rate income over the medium term.

Schools Funding

5.2.50 Schools are funded by 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 Council's main revenue funding and included as part of the proposed budget.

5.2.51 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. It is estimated that 95% of B&NES schools will have converted to academies by April 2026 and at least one other plans to convert in the coming year. This would leave only four primary schools maintained by the Local Authority.

5.2.52 With the introduction of the National Funding Formula for schools the DSG for schools (the Schools Block) was ring-fenced for schools from 2018/19 leaving it unclear as to which body was responsible for the demographic pressures being observed in the other Blocks, in particular the Special Educational Needs and Disabilities (SEND) / High Needs element of the DSG. The Government has confirmed in legislation that local authorities cannot support High Needs costs through their General Funds unless they obtain Secretary of State approval. In addition, it states that the local authority must carry forward the whole of the overspend to the schools budget in future years. This legislation is time limited and it is anticipated that further legislation will be included in DFE and Treasury guidance due to be published soon. The DFE white paper anticipated in February 2026 is anticipated to provide clarity on the plans of the DFE in transferring the responsibility of High Needs Funding from Local Authorities to the DFE.

5.2.53 The DFE invited B&NES to participate in the national DSG Safety Valve programme where the DFE require the LA to produce a recovery plan and if agreed the DFE will support the eradication of the ongoing cumulative deficit. An agreement was signed with the DFE in February 2023 but due to difficulties with the overall position of the plan a new plan was submitted in May 2024. In August 25 officers submitted a renewed plan

which has yet to be formally agreed by the DFE and we now expect the outcome of the plans to be incorporated in the White paper proposals.

5.2.54 The deficit recovery plan shows our proposals to review our processes to encourage schools to develop early support for pupils with SEND thus limiting the need for Education, Health and Care Plans (EHCPs). We are also creating more localised provision to limit expenditure on expensive non maintained special school places. The Education Capital Programme has been utilised to direct resources to provide additional SEND places in mainstream schools and extend special school provision.

5.2.55 We have also successfully bid for a new Special School, to be built under the free school programme. We have also bid for a new Alternative Provision school under the same programme which has also been successful. However, we are still waiting for the DFE to confirm when construction will commence.

5.2.56 As part of this agreement the DFE have agreed to make payments to the Council of £19.2m over a six-year period. To date payments of £8.1m have been received but further payments will be reliant on approval of the revised plan and the details of the white paper.

5.2.57 The underlying overspend on the DSG including the High Needs Block (having taken account of the additional payments) was £32.795m in 2024/25 and that balance was carried forward to 2025/26. The estimated forecast in 2025/26 (including the carry forward from 2024/25) is £46.574m.

5.2.58 The DFE have suspended the National Funding Formula for High Needs for 2026/27 until the publication of the White Paper. The Increase in funding to support inflation etc is therefore set at zero at present until the white papers explains how funding will be allocated.

5.2.59 Schools, through the Schools Forum, agreed to support the High Needs pressures to the full extent of their delegated powers with a contribution of 0.5% of the Schools' budget amounting to £0.8m.

Savings and Income Generation

5.2.60 To deliver a balanced budget in 2026/27 savings and income generation plans total £7.24m. The Council has a good track record in savings delivery, in 2025/26 the budget had a savings requirement of £14.01m, of which 65% (£9.15m) are forecast to be delivered in full, 15% (£2.04m) forecast to be mitigated through savings, contingency or income elsewhere in the respective service, with the remaining 20% (£2.82m) delayed until 2026/27 or addressed through the budget setting proposals.

5.2.61 The proposals for savings and income generation are outlined in Annex 2(i).

Budget Funding Requirements

5.2.62 Budget growth and additional pressures across portfolios of £10.24m have been added to ensure that the budget remains robust and to add additional budget funding to areas that require rebasing. This does not mean that savings cannot be found from these areas in future once savings opportunities are identified, but this ensures that spend and budget are aligned especially in high demand areas. Growth and pressures are outlined in Annex 2(ii).

5.2.63 The material items requiring additional funding are listed below, this illustrates some of the economic and financial challenges the Council is facing.

- Adult Services budget growth £5.51m
- Children's Services budget growth £4.07m
- Heritage Services income rebasing £1.33m

Children's Services Management Plan

5.2.64 Children's services were inspected by Ofsted in 2025. The quality-of-service provision remains high, with inspectors highlighting elements of outstanding practice. However, pressures on children's social care continue to pose challenges. The service has a strong track record of delivering savings, with senior managers and practitioners balancing the best interests of the child with the need to reduce costs. Over the past 12 months, costs have been driven by:

- Complexity of needs
- Increasing cost in the numbers of children in care
- Unfavourable external market conditions in residential care and more children (than budgeted) in residential care
- Support costs for children and families with disabled children
- The use of agency staff to fulfil safeguarding duties, with costs being higher than budgeted vacant posts

5.2.65 The Council has focused on the following areas to reduce costs and deliver the best outcomes for children, young people, and their family networks. This work will continue into 2026/27 and includes:

- An enhanced Transformation programme and detailed scrutiny of all areas of activity and spend.
- Focused placements taskforce responsible for cost assurance and ensuring young people's needs are met through the most effective and sustainable means possible.
- Support for children and young people (CYP) and families on the edge of care/early help
- Reunification of CYP with family and the use of kinship arrangements
- Regular practice reviews of high-cost placements, ensuring health costs are funded
- Provision of local residential accommodation and education arrangements

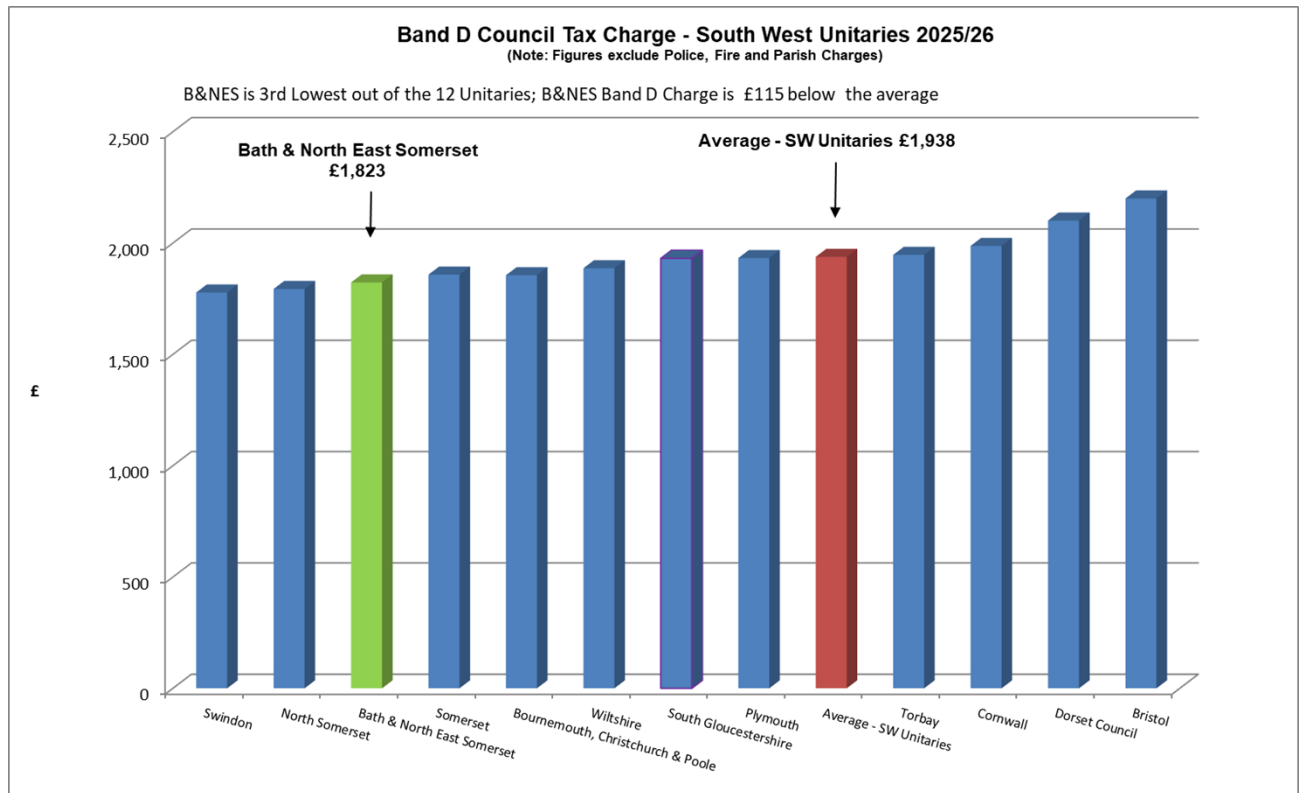
- Transitions team across adult social care, children's social care, and SEND, to support young people as they move from children's to adult services

5.3 Council Tax

Band D Equivalent Council Tax

5.3.1 The Government has announced the same referendum cap of 3.00% will be in place for 2026/27. The proposal therefore within this report is to increase general Council Tax by 2.99% in 2026/27. This will increase a Band D by £54.51 for 2026/27 to £1,590.57. The overall proposed Band D Council Tax for Bath & North East Somerset Council next year, including the Adult Social Care Precept increase of 2.00%, is £1,914.03 (£1,823.06 in 2025/26) an increase of 4.99% and £90.97 per Band D (£1.75 per week). The Council Tax Base for 2026/27 is 71,327.90 Band D Equivalents, an increase of 354.04 (+0.50%) from 2025/26.

5.3.2 The diagram below shows that B&NES had the third lowest Council Tax of the South West Unitary Authorities in 2025/26:



5.3.3 As billing authority, B&NES calculates a basic level of tax based on its own spending plans, to which is added the precepts from, Adult Social Care, Avon Fire Authority, Avon and Somerset Police Authority, and any town/parish Council. The actual total of Council Tax for Bath & North East Somerset residents will be calculated once all precepting authorities have notified B&NES of their proposals to be approved at Full Council on 24th February 2026.

Adult Social Care Precept

- 5.3.4 The Government, in recognising the continued pressures facing Adult Social Care (ASC) authorities, has allowed for a further 2.00% increase for 2026/27. The Council's plans include this for 2026/27 (this would increase the Adult Social Care Precept to £23.07m an increase of £2.70m from 2025/26) and future years.
- 5.3.5 The funding requirement for Adult Social Care before savings and grant funding is £5.5m (Annex 2ii) which will be part funded from the Adult Social Care Precept increase.

2025/26 Council Tax Collection Fund Surplus

- 5.3.6 The forecast for the Council Tax element of the collection fund in 2025/26 is for a deficit of £0.200m. The Council's share of the estimated deficit, after allowing for amounts due from Avon Fire Authority and Avon & Somerset Police, is £0.166m. The Council's share of the deficit consists of the Collection Fund position carried forward from 2024/25 of £0.344m and the forecast in year surplus of £0.178m. The £0.166m one-off deficit is funded by a drawdown from the Financial Planning Reserve.

Estimates for Future Years Band D Council Tax

- 5.3.7 The current Medium Term Financial Plan has factored in an annual increase of 2.99% for 2027/28 and future years for general Council Tax together with 2.00% Adult Social Care precept increases. Projections will be adjusted accordingly in line with any future referendum limits set by the new Government after the next spending review.

Local Council Tax Support

- 5.3.8 The base Local Council Tax Support Scheme was approved in November 2019 and has been updated to reflect annual changes to statutory legislation and benefit rates from April 2026.
- 5.3.9 The Government have announced that from April 2026, most elements of Universal Credit will be increased by 6.2%. We are proposing to set the lowest income band in line with the standard allowance for Universal Credit for 2026 and for subsequent years. This will allow the poorest households to keep more of their benefit income and receive more support towards their council tax.
- 5.3.10 The 2026/27 Scheme is available at the following link:

https://www.bathnes.gov.uk/sites/default/files/2026-01/Council_Tax_reduction_scheme_April_1_2026_to_March_31_2027.pdf

5.4 West of England Mayoral Combined Authority (WECA)

- 5.4.1 The West of England Mayoral Combined Authority (MCA) works in partnership with its constituent councils to plan and deliver strategic priorities across the region, including transport, skills, housing and economic growth.

5.4.2 In 2025, the MCA approved a new 10-year Growth Strategy, which sets the long-term direction for the region. The MCA's 2026/27 budget has been developed to support the delivery of this Strategy, focusing on translating agreed priorities into delivery while maintaining financial sustainability.

5.4.3 The MCA's Revenue and Capital Budget will be approved by the West of England Combined Authority Committee on 31 January 2026. Based on current budget proposals, the following elements have been incorporated into budget assumptions.

Revenue Transport Levy

5.4.4 An annual revenue transport levy reflecting the cost of core regional Integrated Transport services, including:

- Concessionary travel
- Supported bus services (delivered jointly with constituent councils)
- Real Time Information and bus service information
- Community transport
- TravelWest and Metrobus operations

5.4.5 The levy for 2026/27 is £5.724m. Levy contributions are pooled and managed regionally by the MCA. Increasing costs and demand for transport services will continue to be monitored to ensure services remain affordable within available funding.

Highways Maintenance Funding

5.4.6 Through the City Region Sustainable Transport Settlement, the MCA allocates capital funding to Unitary Authorities for highways maintenance. Indicative allocation for 2026/27 is £6.997m and additional £1.968m of funding announced in December 2025. This funding supports the Council's Highways Maintenance and Local Active Travel Safety Programmes.

Projects and Programmes

5.4.7 The MCA budget continues to support a range of projects and initiatives with approved budgets for 2026/27 summarised in the table below.

Project	Approved £000s
B&NES Liveable Neighbourhoods	2,772
Bath City Centre Sustainable Corridor - Phase Two	571
Bath City Centre Sustainable Corridor Phase 1	4,032
Bath Sustainable Walking & Cycling Links	4,757
CRSTS AC - Midsomer Norton & Westfield Walking, Wheeling and Cycling Links	2,297
FEAS BT - Strategic Master Planning - North Keynsham	100
FEAS CS - Bath Quays Bridge Cycle/Pedestrian Links	475
FEAS GB - Scholars Way Walking and Cycling Route	2,349
IF DI - Bath City Centre High Streets Renewal Project	146
IF EM - Somer Valley Links	5,900
IF GE ISTART Phase 0	200
Maintenance Challenge Fund - Manvers Street Cleveland Bridge	2,679
Total	26,278

5.4.8 Further bids for funding may be brought forward in line with the MCA's Investment Strategy and Local Growth Assurance Framework.

5.4.9 The MCA does not have the power to raise Council Tax and therefore no precept will be requested.

5.4.10 Full details of the West of England Mayoral Combined Authority Budget proposals are available at www.westofengland-ca.gov.uk

5.5 Community Contribution Fund

5.5.1 The Community Contribution Fund was launched in March 2021, initially as a pilot to offer residents the chance to contribute to good causes that help local charity, community and voluntary groups to reduce health inequalities. The total amount donated since that time reached £51,413.12 as of 20th January 2026. Over 500 donations have been received, and over the last financial year, these have ranged from £5 to £150. The largest donation to date has been £5,000.

5.5.2 The scheme has been promoted through local press and on the Council's social media and website. Whilst there were more donations given in the first year, donations have continued, with a number of individuals donating more than once.

5.5.3 To date, £48,735 from the fund has been allocated to local causes.

5.5.4 In 2022, grants of up to £2,000 were awarded to 15 community organisations. A total of £25,235 was distributed. Projects included those that supported people's mental

health; provided emergency medical supplies; invested in refurbishment of community facilities; mentoring; support for families; training; group therapy and youth provision.

5.5.5 In 2023, a further 24 grants were awarded to community-run Warm Spaces that were registered with the Council. Organisations were awarded £250 to support these activities with a total of £6,000 distributed.

5.5.6 In 2024, 20 grants of £500 were awarded in support of low cost/free food projects, including those at registered Warm Spaces, with a total of £10,000 distributed.

5.5.7 In 2025, 8 local organisations received grants of either £500 or £1,000 for projects that both reduce inequality and primarily benefit people over the age of 55 with a total of £7,500. A broad range of projects have been funded – from entertainment in care homes to research relating to those living with cancer and seed funding for the new, B&NES Older People’s Voice group.

5.5.8 Full details of the recipients is available on the [Council’s website](#).

5.5.9 Subject to sufficient donations being received, it is recommended that the scheme continues into 2026/27.

5.6 Revenue Balances, Contingency & Reserves

5.6.1 Reserves are amounts that have been set aside from annual revenue budgets to meet specific known events that will happen in the future. An estimate of the key reserves has been made for 2026/27 and future years.

	Estimated Balance 1/4/26 £’m	Estimated Balance 31/3/27 £’m	Estimated Balance 31/3/28 £’m	Estimated Balance 31/3/29 £’m
Revenue Budget Contingency	3.0	3.0	3.0	3.0
Financial Planning and Smoothing Reserve	3.6	2.8	2.6	2.4
Transformation Investment Reserve	3.2	2.6	2.5	2.5
Job Evaluation & Pay Structure Reserve	1.2	0.9	0.7	0.5
Restructuring & Severance Reserve	3.8	2.8	1.8	1.8
Commercial Income Risk Reserve	5.2	5.2	5.2	5.2

Revenue Budget Contingency £3.0m

- 5.6.2 The primary purpose of this reserve is to fund in year unforeseen events, overspends, and to meet the risks of non-delivery of budget savings. Budget monitoring for the period April to December 2025 forecast a £1.66m over budget position, further recovery actions during the remaining period are expected to mitigate this pressure. If the year-end position results in an over-budget position, after considering use of relevant service specific reserves, the revenue budget contingency will be utilised. The Budget proposal includes a planned transfer of £0.6m to replenish the reserve balance following its use in previous years to mitigate the Covid impact on the Council's income levels.

Financial Planning and Smoothing Reserve £3.6m

- 5.6.3 The Financial Planning Reserve will be used to smooth the delivery of organisational change.

Transformation Investment Reserve £3.2m

- 5.6.4 The reserve facilitates delivery of future service efficiencies and savings through service redesign including the one-off costs of providing additional short-term capacity, specialist advice and systems improvements.

Job Evaluation & Pay Structure Reserve £1.2m

- 5.6.5 The reserve is to cover the one-off costs of implementing the "Being Our Best Programme" with a revised pay offer and new structures.

Restructuring and Severance Reserve £3.8m

- 5.6.6 The reserve is to cover potential costs following the implementation of the Being our Best Programme, this will result in changes to structures across the Council contributing to the recurrent savings requirement carried forward to 2026/27.

Commercial Income Risk Reserve £5.2m

- 5.6.7 A new Commercial Income Risk Reserve is being established in 2026/27 to recognise the risks in relation to fluctuations in the Council's key commercial income streams, for example, Commercial Estate, Heritage and the Council's housing company. The reserve will be created from repurposing the existing Commercial Estate Reinvestment Reserve (current balance £1.67m) and transferring £3.5m from the Business Rate Reserve, following a review of the level of that reserve and the current risks in respect of business rate income.

Flexible Capital Receipts

- 5.6.8 Flexible Capital Receipts can be used for revenue spend which results in ongoing revenue savings. Estimated usage for 2025/26 is expected to be up to £0.03m with the remaining £0.35m carried forward for use in 2026/27 as outlined in the Efficiency Strategy attached at Annex 4.

	Actual Usage 2017/18 – 2024/25 £'m	Estimated Usage 2025/26 £'m	Available Balance 2026/27 £'m	Est. Total Usage £'m
Flexible Capital Receipts	11.12	0.03	0.35	11.50

General Fund Un-Earmarked Reserve

5.6.9 The General Fund Un-earmarked reserve is retained to meet the Council's key financial risks. Budget Monitoring for the period April to September 2025 estimated that Un-earmarked reserves would total £12.58m by 31st March 2026.

5.6.10 The budget risk assessment has set a range of between £12.0m and £13.2m to meet those risks. The available balance is £12.58m which is within the budget risk assessment range.

5.6.11 As set out in the Council's Financial Regulations the specific arrangements for the governance and release of reserves are delegated to the Council's Section 151 Officer in consultation with the Cabinet Member for Resources and the Chief Executive.

5.7 Chief Finance Officer's Report on the Robustness of the 2026/27 Budget

Introduction

5.7.1 Under Section 25 of the Local Government Act 2003 there is a requirement for the Council's Chief Finance Officer, which for Bath & North East Somerset Council is the Director of Finance (S151 Officer), to report to Council on:

- (a) the robustness of the estimates made for the purposes of the calculations of the Budget; and
- (b) the adequacy of the proposed financial reserves.

5.7.2 Council in considering its Budget should have regard to this advice.

5.7.3 In expressing this opinion, the S151 Officer has considered the financial management arrangements that are in place, budget assumptions, levels of reserves and the financial risks facing the Council within this budget. Also, it identifies the Council's approach to budget risk management and assesses the particular risks associated with the 2026/27 budget to inform the advice.

Robustness of Estimates

5.7.4 The Council's Medium Term Financial Strategy, presented to Cabinet on 13th November 2025, considered the national economic outlook that has informed the 2026/27 budget assumptions that are in section 5.2.8. of the report.

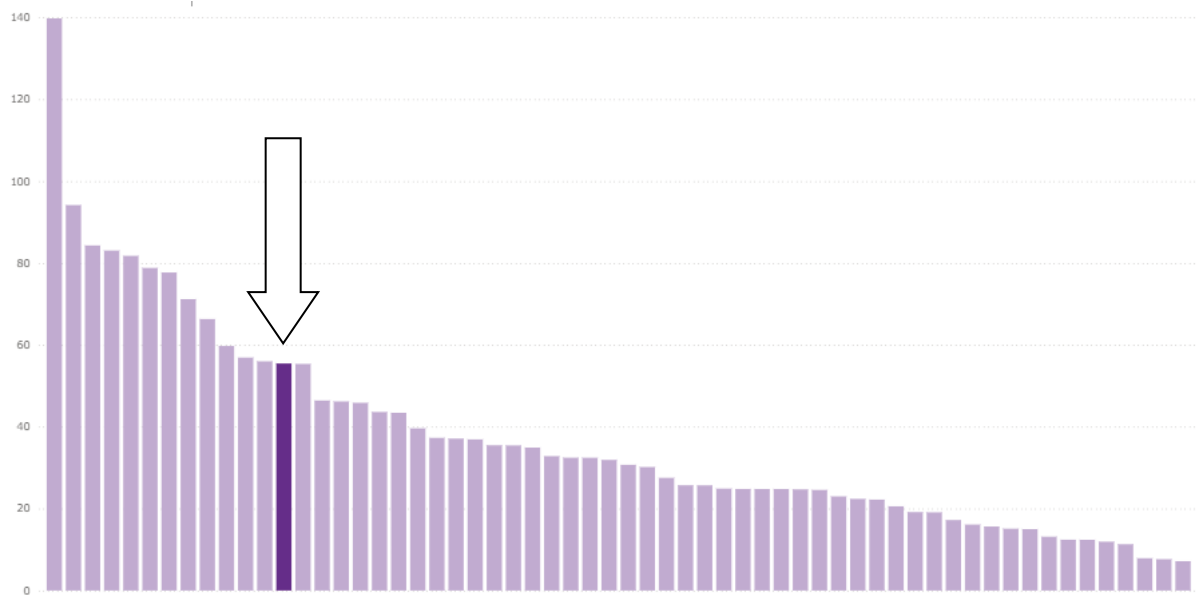
- 5.7.5 Cost and income estimates have been informed by 2025/26 Budget Monitoring and have taken into account current activity levels alongside future years projections to ensure the budget proposals are aligned to operating costs.
- 5.7.6 Budget sensitivity analysis in the Medium Term Financial Strategy was modelled taking into account best and worst case scenario's using budget estimates covering the fair funding and government settlement changes, service demographic and demand cost risk, and key service income budget risks, totalling with the worst case estimate a budget gap at that time of c£14.37m.
- 5.7.7 The budget savings requirement for 2026/27 is £7.24m, these have been through an internal review process and budget challenge session led by the Cabinet Member for Resources to ensure the robustness of the proposals that are set out in Annex 2(i).
- 5.7.8 In recognition of the budget risks from demand on statutory services rising above modelled levels, alongside savings delivery risk, a corporate contingency of £2.62m has been included in the budget.

CIPFA Financial Resilience Index

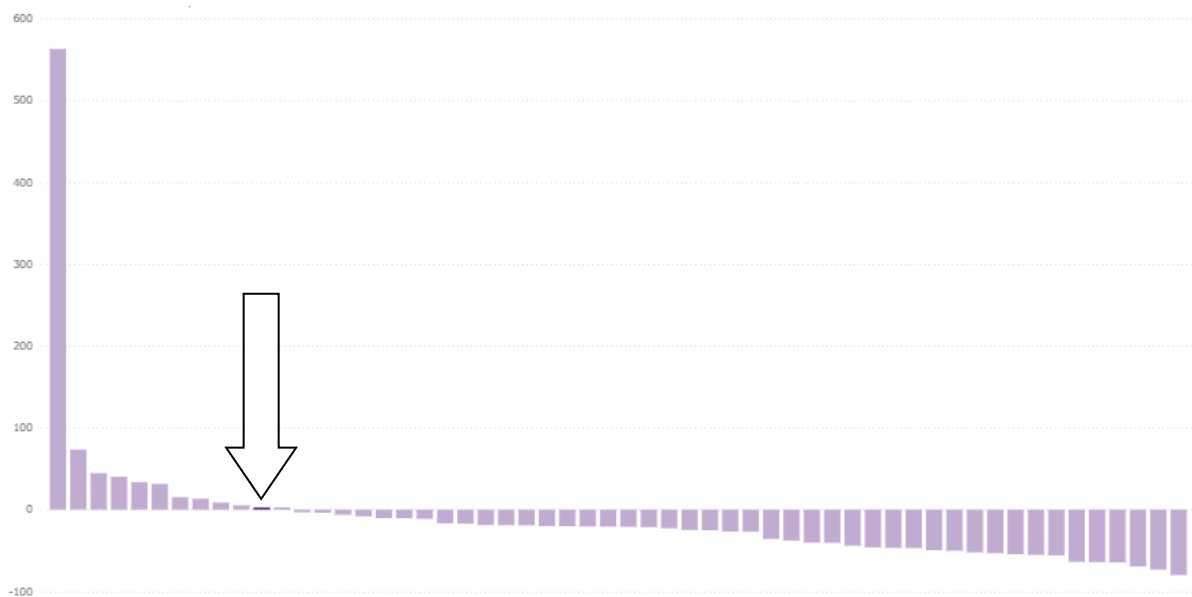
- 5.7.9 The CIPFA Financial Resilience Index is a comparative analytical tool intended for use by Chief Financial Officers to support good financial management. The index shows a council's position on a range of measures associated with financial risk, highlighting where additional scrutiny may be required. The 2024/25 index for Bath & North East Somerset Council as compared to other Unitary Councils is as follows:



- 5.7.10 The majority of these indicators show the Council to be medium to low risk within the CIPFA family group of Unitary Councils.
- 5.7.11 The Councils reserve sustainability which compares the level of usable reserves to net revenue expenditure remains in the lower risk band, demonstrating the Council's financial sustainability. As at 31st March 2025, the level of reserves held by Bath & North East Somerset Council equated to 55.46% (53.44% as at 31st March 2024) of the Council's net revenue expenditure. The following chart shows the level of reserves of all Unitary Councils, with Bath & North East Somerset Council, highlighted as the darker coloured bar within the chart, being the 13th least exposed Unitary Council (15th as at 31st March 2024).



5.7.12 The following chart shows the percentage change in Useable Reserves (excluding Public Health Grant Reserve and School's Balances) over the last three years. For Bath & North East Somerset Council this equates to 2.84% (as indicated by the arrow) and is considered a low risk.



5.7.13 The most significant risk highlighted within the index for the Council is Ratio of Interest Payable and Net Revenue Expenditure. This indicator value is 6.33% for 2024/25, which has increased from 4.90% for 2023/24 and reflects the increase in the reliance of external borrowing, and the associated interest costs, of funding the Council's Capital Programme. Whilst this is considered to be a Medium risk, rather than a High risk within the index, this is a risk worth noting and keeping under review.

5.7.14 The index has identified the Social Care Ratio (the cost of delivering social care in comparison to net revenue budget) as the second most significant risk for the Council. This indicator is 78.32% for 2024/25 which is a slight increase from 78.17% for 2023/24. There have been continuing increases in the cost of Children's Social Care,

this has been recognised in the 2026/27 budget proposal. This report sets out the commitment to deliver the Children's Services management plan that will help put appropriate measures in place to control the rising cost of care.

Adequacy of Reserves

- 5.7.15 The level of reserves a council should maintain is a matter of judgement. The consequence of not having adequate reserves can be significant. In the event of a serious problem or a series of events, the Council could run the risk of a deficit or be forced to cut expenditure in a damaging or arbitrary way should reserves not be available.
- 5.7.16 The General Fund Reserve is retained to meet the Council's key financial risks. Budget Monitoring for the period April to September 2025 estimated that this reserve would total £12.58m by 31st March 2026.
- 5.7.17 The budget risk assessment has set a range of between £12.0m and £13.2m to meet those risks. The available General Fund Reserve balance of £12.58m is within the budget risk assessment range and represents 6.5% of the Net Budget Requirement. I consider this to be an adequate working balance.
- 5.7.18 The Council's General Fund revenue reserves, including earmarked reserves but excluding Public Health and Schools ring-fenced reserves, were £89.38m on 31st March 2025. As set out in the CIPFA Financial Resilience paragraphs above, the level and change in reserve balances is currently considered to be of low risk to the Council.
- 5.7.19 The Council's Statement of Accounts 2024/25 were signed off by the Council's external auditors on 29th September 2025 with an "unqualified opinion". I therefore have external assurance to rely on with regards to the level of the Council's useable reserves.

Risk

- 5.7.20 Local Government finance continues to be a significant challenge across the country. Since 2018, there has been a significant increase in the number of 'section 114; notices, which notifies of severe financial distress, issued by Local Authorities compared to just 2 in the preceding 18 years. Moreover, local authorities are increasingly reporting concerns about their financial positions and their ability to maintain delivery of their services. In 2025/26 the Government has agreed to provide 30 councils with support to manage financial pressures via the Exceptional Financial Support process.
- 5.7.21 The financial crisis that local authorities are encountering comes after significant reductions in local authorities' spending power which has itself coincided with increasing demand for their services and inflationary pressures driving up costs. Ultimately, the levels of funding available to local authorities, through Council Tax, Retained Business Rates, and Government Grants have not kept pace with these pressures. Fair Funding Reform has resulted in the various formulae used in the Government's calculations for allocating funding to Local Authorities being revised for the first time in many years. Ultimately however, this process primarily results in funding

being moved around the country to where the new formulae derive that it is needed most, and this has impacted negative on Bath & North East Somerset Council as set out in 5.1.2.

5.7.22 Key risks to the budget are set out further in Section 6.

Executive Summary of the Section 151 Officer on the budget position

5.7.23 For 2026/27 the savings requirement is £7.24m after the inclusion of Council Tax increases. The assessment of the plans to close the gap do not require additional funds from the Financial Planning Reserve to smooth the delivery of savings in 2026/27 as the amounts proposed have been profiled to consider the delivery timeframe. To recognise risk the revenue budget has provided a £2.62m budget contingency to mitigate slippage on savings delivery as well as service demand & cost increases.

Consequences of Failing to Deliver a Budget

5.7.24 If the Council is unable to produce a balanced budget or finds it cannot deliver the budget in year, the CFO (under s151 of the Local Government Act) would be required to produce a Section 114 report. (Note the conclusion under 5.7.32 of this report).

5.7.25 Section 114 of the Local Government Finance Act 1988 requires a report to all the authority's members to be made by the CFO, in consultation with the Council's Monitoring Officer and Head of Paid Service, if "the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure" (i.e. there is likely to be an unbalanced budget). In this event the Council must consider the report within 21 days and decide whether it agrees or disagrees with the views in the report and what action it proposes to take to bring the budget into balance. The publication of such a report starts an immediate 'prohibition period'. This means that everyone who has delegated authority to spend the Council money immediately has those powers suspended during the prohibition period, and only the CFO can authorise new commitments.

Report of the Director of Finance (CFO) in Respect of Statutory Duties

5.7.26 The Budget Report sets out the Council's financial position and budget. This is the formal report and is part of a continuum of professional advice and is the culmination of a budget process in which substantial detailed work has already been carried out with Directors, Senior Managers and their teams and Members. This section provides a summary of the conclusions which are considered in more detail within this report and its appendices.

5.7.27 Risk Robustness statements have been prepared by Directors and their staff supported by appropriate finance staff reviewing pressures, priorities, savings, demographics, inflation and contractual obligations, and income generation. Each Director has completed a Robustness Statement outlining savings and service delivery risk that have been incorporated into a corporate wide assessment. In recognition of budget

risks, the revenue budget has provided a £2.62m budget contingency to mitigate slippage on savings delivery as well as service demand & cost increases.

5.7.28 The budget has recognised the current and future years funding requirement with £10.24m allocated to portfolios in 2026/27 to ensure there should be sufficient funds to meet service demand and delivery costs as currently forecast. These have been reviewed on a regular basis by the Corporate Management Team and the Directors as part of the regular budget monitoring process in 2025/26.

5.7.29 The Council in 2025/26 is forecasting a deficit balance on the Dedicated Schools Grant of £46.57m at the year end due to Special Educational Needs and Disabilities placements (SEND). Whilst there is a Government statutory override in place this is not a liability on the Council's general fund budget, however it does need to be noted that if there is a change in the treatment of this deficit this would need to be incorporated into future years budget setting.

5.7.30 In the context of the overall budget the financial position continues to be challenging, but the CFO concludes that the estimates are robust, in that they have been robustly constructed.

5.7.31 With regard to the adequacy of balances, the 2026/27 planned level of the un-earmarked General Fund Reserve is £12.58m (which is within the required risk assessment range of £12.0m to £13.2m).

5.7.32 The conclusion of the CFO is that the estimates for 2026/27 are robust and the budget is lawful, levels of balances have improved and are adequate and reasonable in meeting the Council's risks.

5.8 Capital Strategy, Programme and Capital Receipts 2026/27 to 2030/31

Capital & Investment Strategy

5.8.1 Production of a Capital and Investment Strategy is the overarching document which sets the policy framework for the development, management and monitoring of capital investment as well as lending to other organisations and commercial investments. The strategy focuses on core principles that underpin the Council's capital programme, investment plans, financing and the risks that will impact on the delivery of the programme and commercial estate; and the governance framework required for decision making and delivery. The Capital and Investment Strategy is attached at Annex 6.

Overall Capital Programme & Financing including New Capital Schemes

5.8.2 The Prudential Code for Capital Finance in Local Authorities was updated in December 2021. 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.

- 5.8.3 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.
- 5.8.4 The Council follows this approach through:
- Continuing to review all existing schemes and simplify, reduce, pause or stop 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 generate revenue savings for the council; and
 - Delivering or working with partners to deliver high priority government funded programmes and West of England programmes where they meet corporate priorities.
- 5.8.5 The Capital Programme will retain the clear separation of schemes for **Full Approval** and those which are for **Provisional Approval**.
- 5.8.6 Items gaining **Full Approval** are clear to proceed to full scheme implementation and delivery, subject to appropriate project management and governance.
- 5.8.7 Items for **Provisional Approval** will require either a further Officer decision or in some cases a formal Cabinet member 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.
- 5.8.8 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.
- 5.8.9 The capital programme is aligned with the Community Infrastructure Levy allocations agreed for the coming financial year.
- 5.8.10 A summary of the proposed capital programme and its financing for 2026/2027 – 2030/2031 is shown below

Capital Schemes for Approval

Cabinet Portfolio: Capital Schemes	Budget 2026/2027 £'m	Budget 2027/2028 £'m	Budget 2028/2029 £'m	Budget 2029/2030 £'m	Budget 2030/2031 £'m	Total £'m
Resources	39.651	38.820	22.970	4.766	0	106.207
Economic & Cultural Sustainable Development	18.776	10.306	24.922	0.550	0.050	54.604
Communications & Civic Services	1.247	0.05	0.05	0.05	0.05	1.447
Leader	0	0	0	0	0	0
Sustainable Transport Strategy	0.745	0	0	0	0	0.745
Built Environment, Housing & Sustainable Development	12.667	7.597	2.229	1.789	1.789	26.072
Adult Services	0.166	0	0.05	0	0	0.216
Children's Services	7.059	2.070	0	0	0	9.129
Sustainable BANES	2.402	0.327	0.049	0	0.044	2.822
Sustainable Transport Delivery	27.506	0	0	0	0	27.506
Total	110.219	59.170	50.270	7.155	1.933	228.747

Capital Schemes for Provisional Approval (Subject to)

Cabinet Portfolio: Capital Schemes	Budget 2026/2027 £'m	Budget 2027/2028 £'m	Budget 2028/2029 £'m	Budget 2029/2030 £'m	Budget 2030/2031 £'m	Total £'m
Resources	6.033	19.703	7.579	6.520	3.720	43.555
Economic & Cultural Development	28.506	5.454	16.821	9.141	3.606	63.528
Communication and Civic Services	1.500	0.500	0.500	0.750	0	3.250
Leader	0.272	0	0	0	0	0.272
Sustainable Transport Strategy	0.110	0	0.270	0	0	0.380
Built Environment, Housing & Sustainable Development	9.122	24.230	3.195	1.135	0.635	38.317
Adult Services	2.265	0.149	0.150	0.050	0	2.614
Children's Services	16.073	7.229	0	0	0	23.302
Sustainable BANES	11.900	1.668	1.155	1.050	1.006	16.779
Sustainable Transport Delivery	24.598	24.087	16.907	9.267	9.267	84.126
Total	100.380	83.019	46.576	27.913	18.234	276.122

Funded By

Financing	Budget 2026/2027 £'m	Budget 2027/2028 £'m	Budget 2028/2029 £'m	Budget 2029/2030 £'m	Budget 2030/2031 £'m	Total £'m
Grant	98.653	38.414	15.856	8.786	8.786	170.495
Capital Receipts/RTB	6.025	1.762	0.635	0.202	0.635	9.259
Revenue	6.121	0.050	0.050	0.050	0.050	6.321
Borrowing	83.632	100.911	80.300	26.030	10.696	301.570
3rd Party (inc S106 & CIL)	16.168	1.050	0.005	0	0	17.224
Total	210.599	142.188	96.846	35.068	20.167	504.868

Note1: The figures in the tables above include re-phasing from prior years.

Note 2: Some of the figures in the above table are affected by rounding.

5.8.11 Attached at Annex 5(ii) is the Highways Maintenance Programme, at 5(iii) Local Active Travel Safety Programme, at 5(iv) the Corporate Capital Property Maintenance Programme, at 5(v) Parks Play Equipment Replacement and at 5(vi) IT Replacement Programme for approval. The substitution of one scheme for another that is unable to proceed within these programmes will be allowed following consultation and approval

with the Section 151 Officer, and subject of any specific provisions agreed as part of the budget approval.

Efficiency Strategy

5.8.12 Central Government outlined in December 2015 that local authorities will be able under certain circumstances to utilise capital receipts for revenue expenditure for certain purposes. The flexibility, which covers the period to 2029/30, allows councils to use capital receipts to fund transformation projects that produce long-term savings or reduce the costs of service delivery.

5.8.13 The Efficiency Strategy remains a lever in funding the one-off costs to deliver savings plans. An updated Strategy is attached at Annex 4 to earmark the forecast remaining £0.35m of capital receipts held under this scheme to provide one-off funding for the Business Change function to meet eligible costs associated with the delivery of transformation savings as outlined in Annex 2(i). The Strategy must be approved by Full Council.

Capital Risk Contingency

5.8.14 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 £2.829m;
- 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.

5.8.15 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

5.8.16 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 Government has issued regulations that require full Council to approve an 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 is attached at Annex 7 and is unchanged from the 2025/26 policy.

Prudential Indicators

5.8.17 The key objectives of the Prudential Code are to ensure that capital investment plans of local authorities are affordable, prudent, and sustainable. The Capital Prudential Indicators are shown below:

Prudential Indicator	2024/25 Actual	2025/26 Forecast Outturn	2026/27	2027/28	2028/29
Estimate of Capital Expenditure (£'000s)					
Actual/estimates of capital expenditure	53,041	98,420	210,599	142,188	96,846
Net Increase in Council Tax (band D per annum) Figures in £'s (not £'000's)					
The implied estimate of incremental impact of the new capital investment decisions on the Council Tax			(£1.38)	£6.14	£3.36
Cumulative totals:			(£1.38)	£4.76	£8.12
Capital Financing as % of Net Revenue Stream					
Actual/estimates of the ratio of financing costs to net revenue stream			12.90%	14.86%	17.36%
<i>Memo: estimates of the ratio of financing cost to gross revenue stream</i>			5.06%	5.97%	7.07%
Borrowing Limits (£m)					
Operational boundary – borrowing			£438m	£526m	£587m
Operational boundary – other long-term liabilities			£8m	£8m	£7m
Operational boundary – total			£446m	£534m	£594m
Authorised limit – borrowing			£465m	£552m	£612m
Authorised limit – other long-term liabilities			£8m	£8m	£7m
Authorised limit – total			£473m	£560m	£619m
Loans Capital Financing Requirement (£'000s) (as at 31 March)					
Actual/estimate of loans capital financing requirement	373,047	392,816	464,627	552,118	611,968

Gross Debt and the Capital Financing Requirement

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

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

Borrowing Limits

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

5.8.21 The Operational boundary for external debt (or planned borrowing level) is based on the same estimates as the authorised limit, but including an allowance for cash flow funding of specific capital schemes and without the additional headroom for unusual cash movements.

Community Infrastructure Levy (CIL) Spend Proposals 2026/27

5.8.22 The allocations proposed for CIL spend are attached in Annex 5(vii) for approval. These allocations have been included in the capital programme where appropriate.

6. RISK MANAGEMENT

6.1 The key risks to the budget are currently assessed as:

Risk	Likelihood	Impact	Risk Management Update
Operational budget pressures due to rising demand	Likely	High	There is the risk of unplanned and unbudgeted growth in demand on Council services, particularly in Adult & Children's Social Care.
Volatility and uncertainty around business rates	Likely	High	The impacts of the current economic challenges will increase the volatility and uncertainty around business rate income. Changes in the charges for Retail, Leisure and Hospitality businesses will be introduced by the government for 2026/27. We continue to monitor arrears, CVAs, and liquidations with a specific reserve held to manage in-year volatility.
Changes to Government Policy that affects future funding	Likely	High	New government policy and funding reforms that are being implemented from 2026/27 will have an impact on resourcing of Council services and priorities. The MTFs includes the impact on funding based on the provisional local government finance settlement announcement,
Contract inflationary pressure	Possible	High	With increase in wage, energy and fuel costs, Council contracted services are at risk of above budget price increases. Capital Schemes may need to be paused due to unfunded viability gaps due to increased supply chain costs.

Viability risk on the Councils Commercial Estate assets held for income generation.	Possible	High	Current asset reviews have identified that due to the age and complexity of the Councils Commercial Estate, some assets operating costs and capital investment needs may exceed annual rental income values. This will be managed through a detailed asset review that informs a programme of prioritisation for investment in the estate.
Reinstated government restrictions in the event of a new pandemic.	Possible	High	This is certainly a material risk, whilst not one the Council has direct control over, every step would be put in place to follow government guidance following the recommendations of our Director of Public Health.
Impact on Reserves	Possible	High	Without additional government grant funding in recognition of unfunded pressures there is the risk that Council reserve levels are not enough to manage future years risk.
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.
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. Long term borrowing rates remain elevated due to market concerns around fiscal stability both in the UK & the US.
Funding pressures through WECA, ICB and other partners	Possible	Medium	Ensure good communication links with partner organisations.
Pay Award	Possible	Medium	As set out in the report, the Council has assumed a Pay Award increase of 3% for 2026/27 however this has not yet been agreed and the initial claim from the NJC Unions is in excess of this allowance. Any increase in excess

			of 3% would be required to be met from the Contingency budget and/or reserves and this has been included within the risk assessment of the Council's reserve levels.

6.2 The key risks will continue to be monitored and reported through regular budget monitoring to Cabinet.

6.3 In addition, this report includes the Section 151 Officer's assessment of the Robustness of Estimates and Adequacy of Reserves. This assessment includes a review of the Directors' reviews of their budget, budget risks/sensitivities, and the Corporate Risk Register.

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 report and annexes also contain the other options that can be considered in making any recommendations.

9. CONSULTATION

9.1 Details of the consultation carried out on the budget process for 2026/27, along with the feedback received and council responses are set out in Annex 10. The consultation comprised of an online consultation on the Council's draft budget proposals, which took place from 12th December 2025 until 19th January 2026.

9.2 In addition, scrutiny of the savings proposals, priorities, one-offs, pressures and capital bids took place at the 3rd February 2026 Corporate Policy Development and Scrutiny (PDS) Panel. The panel was joined by members of the Climate Emergency PDS and Children, Adults, Health and Wellbeing PDS panel to enable all members to scrutinise the budget. The panels feedback is included in Annex 12.

Contact person	Stuart Donnelly, Director of Finance (S151 Officer) Stuart_Donnelly@bathnes.gov.uk Gary Adams, Head of Financial Management Gary_Adams@bathnes.gov.uk
Background papers	Medium Term Financial Strategy 2026/27-2030/31 https://democracy.bathnes.gov.uk/documents/s89332/E3661%20-%20Appendix%201%20-

	%20Medium%20Term%20Financial%20Strategy.pdf

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

Annex 1: Portfolio Cash Limits 2026/27 - Proposed Revenue Budget

CABINET PORTFOLIO	Cash Limit	Service	Nov'25 Revised Cash Limits	Removal of One-offs (including one-off virements in 2025/26) + Add Feb'26 on-going technical virements	2026/27 Base Budget	Technical Adjustment - Settlement Funding	Technical Adjustment - Smarter Structures Saving Allocation	2026/27 Base Budget after technical adjustments	MTFS Funding Requirements	MTFS Savings and Income	Total 2026/27 Budget Changes	2026/27 Proposed Budget
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Leader	1112	Housing Delivery Vehicle	(1,000)		(1,000)			(1,000)				(1,000)
		PORTFOLIO SUB TOTAL	(1,000)		(1,000)			(1,000)				(1,000)
Sustainable Bath & North East Somerset	1147	Parks & Open Spaces	2,510		2,510			2,510	(34)	(19)	(53)	2,457
	1127	Environmental Monitoring (Air Pollution)	222	6	228			228	(3)		(3)	225
	1137	Green Transformation	701	(17)	684	27		711	(11)		(11)	700
		PORTFOLIO SUB TOTAL	3,433	(11)	3,422	27		3,449	(48)	(19)	(67)	3,382
Resources	1101	Waste & Fleet Services	18,909		18,909		(118)	18,791	340	(378)	(38)	18,753
	1053	Council Solicitor & Democratic Services	3,446	8	3,454		(122)	3,332	233		233	3,565
	1040	Finance	3,434	(61)	3,374		(81)	3,292	208		208	3,500
	1041	Revenues & Benefits	2,340	93	2,433		(100)	2,333	(17)		(17)	2,316
	1042	Risk & Assurance Services	1,754	38	1,792			1,792	(15)		(15)	1,777
	1118	Procurement & Commissioning	406		406			406	(10)	(250)	(260)	145
	1047	Human Resources & Organisational Development	540	60	600		2,108	2,709	225		225	2,934
	1132	Business Change	775	5	780			780	(15)	(350)	(365)	415
	1143	Corporate Office	1,744	(94)	1,650			1,650	(29)		(29)	1,621
	1032	Information Technology	8,562	181	8,743	1	(145)	8,600	152		152	8,751
	1081	Commercial Estate	(12,111)	(34)	(12,145)			(12,145)	(18)		(18)	(12,163)
	1054	Hsg / Council Tax Benefits Subsidy	405		405			405				405
	1055	Capital Financing / Interest	5,476		5,476			5,476				5,476
	1056	Unfunded Pensions	1,388		1,388			1,388				1,388
	1057	Corporate Budgets incl. Capital, Audit & Bank Charges	1,379	(468)	911	18,276		19,187	(931)	(1,055)	(1,986)	17,201
		New Homes Bonus Grant	(913)		(913)	913						
	1058	Magistrates	12		12			12				12
	1059	Coroners	575		575			575	81		81	656
	1060	Environment Agency	268		268			268	5		5	273
	1061	West of England Combined Authority Levy	5,309		5,309			5,309	415		415	5,724
		PORTFOLIO SUB TOTAL	43,698	(271)	43,426	19,191		62,617	623	(2,033)	(1,410)	62,748
Economic & Cultural Sustainable Development	1038	Corporate Estate Including R&M	4,942	21	4,964		(240)	4,724	4		4	4,728
	1052	Regeneration	(508)	(10)	(518)			(518)	42	(100)	(58)	(576)
	1128	Business & Skills	415		415			415	(3)	(6)	(9)	406
	1145	Capital Programme & Project Delivery	(260)		(260)			(260)				(260)
	1018	Heritage Services	(14,192)		(14,192)	(150)		(14,342)	1,106	(25)	1,081	(13,261)
	1109	World Heritage	128		128			128	(2)		(2)	126
	1126	Visit Bath										
		PORTFOLIO SUB TOTAL	(9,475)	11	(9,463)			(9,463)	1,147	(131)	1,016	(8,837)
Adult Services	Mixed	Adult Services	63,693	80	63,773	6,338	(347)	69,763	4,565	(2,715)	1,850	71,613
	1094	Public Health										
	1036	Adult Substance Misuse (Drug Action Team)	82		82			82	(3)		(3)	79
	1019	Leisure	302		302			302	11	(20)	(9)	294
		PORTFOLIO SUB TOTAL	64,077	80	64,157	6,338		70,495	4,573	(2,735)	1,838	71,986

CABINET PORTFOLIO	Cash Limit	Service	Nov'25 Revised Cash Limits	Removal of One-offs (including one-off virements in 2025/26) + Add Feb'26 on-going technical virements	2026/27 Base Budget	Technical Adjustment - Settlement Funding	Technical Adjustment - Smarter Structures Saving Allocation	2026/27 Base Budget after technical adjustments	MTFS Funding Requirements	MTFS Savings and Income	Total 2026/27 Budget Changes	2026/27 Proposed Budget
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services	1076	Children, Young People & Families	22,209	55	22,265	12,752	(520)	34,496	2,360	(465)	1,895	36,392
	1116	Integrated Commissioning - CYP	1,580		1,580			1,580	(1)		(1)	1,579
	1117	Safeguarding - CYP	102	(102)								
	1077	Inclusion & Prevention	3,296	(167)	3,129			3,129	(26)		(26)	3,104
	1078	Education Transformation	5,628	(58)	5,570	150	(80)	5,640	735		735	6,375
	1079	Schools' Budget	(1,506)		(1,506)			(1,506)	333		333	(1,173)
		PORTFOLIO SUB TOTAL	31,309	(271)	31,038	12,902		43,940	3,402	(465)	2,937	46,276
Communications & Community	1119	Emergency Planning	758	11	770		8	778	(14)		(14)	763
	1121	Events and Active Lifestyles	453	(21)	432		(12)	421	(9)		(9)	412
	1144	Park and Ride	(546)		(546)			(546)	(125)		(125)	(671)
	1148	Bereavement Services	(629)		(629)			(629)	(11)	(21)	(32)	(661)
	1122	Customer Services (including Libraries)	3,113	31	3,144		(60)	3,084	25	(300)	(275)	2,809
	1139	Public Protection	1,406	(16)	1,389	2	(13)	1,378	154	(18)	136	1,514
	1089	Community Safety	402	(28)	374			374	319		319	693
	1115	Registrars Service	(73)		(73)			(73)	(15)		(15)	(87)
	1044	Communications & Marketing	316	4	320			320	109		109	430
		PORTFOLIO SUB TOTAL	5,200	(18)	5,183	2		5,185	433	(339)	94	5,201
Sustainable Transport Strategy	1135	Transport Strategy	419		419		(20)	399	(138)		(138)	261
	1129	Clean Air Zone										
	1103	Transport & Parking Services - Parking	(9,150)	1	(9,149)			(9,149)	(136)	(1,060)	(1,196)	(10,346)
		PORTFOLIO SUB TOTAL	(8,732)	1	(8,731)			(8,731)	(274)	(1,060)	(1,334)	(10,085)
Sustainable Transport Delivery	1133	Network & Traffic Management	1,005		1,005		(47)	958	(67)	(14)	(81)	877
	1134	Highway Maintenance	7,157		7,157			7,157	173	(2)	171	7,329
	1142	Home to School Transport	11,435		11,435			11,435	363	(150)	213	11,648
		PORTFOLIO SUB TOTAL	19,597		19,597			19,597	469	(166)	303	19,853
Built Environment, Housing & Sustainable Development	1138	Building Control	84		84			84	(9)	(20)	(29)	55
	1106	Development Management	1,531	11	1,542			1,542	(55)	(250)	(305)	1,238
	1029	Housing	2,378	75	2,453	2	(60)	2,395	(19)	(25)	(44)	2,351
		PORTFOLIO SUB TOTAL	3,993	86	4,079	2		4,081	(82)	(295)	(377)	3,643
		NET BUDGET	152,101	(393)	151,708	38,461		190,170	10,242	(7,243)	2,999	193,168

Sources of Funding

Council Tax	129,390		129,390			129,390			7,134	136,524
Retained Business Rates	22,905		22,905		38,461	61,366		(4,121)		57,244
Collection Fund Deficit (-) or Surplus (+)	6,925		6,925			6,925		(8,971)		(2,046)
Transfers (to) / from Reserves	(7,118)	(393)	(7,511)			(7,511)		8,957		1,446
TOTAL FUNDING	152,101	(393)	151,708	38,461		190,170			2,999	193,168

Annex 2(i): 2026/27 - 2028/29 Budget Savings and Income Generation Proposals

2026/27 - 2028/29 Savings and Income Generation Proposals						
Proposal Description	Proposal Detail (incl. impacts on service delivery / knock-on impact to other services)	2026/27 £000	2027/28 £000	2028/29 £000	Cabinet Portfolio Holder / Director	Budget Comparison £000
Portfolio: Adult Services						
Increase the number of reviews to ensure people have the correct care package	These proposals include an approach to reviews under the Care Act that ensure peoples needs are being met, their outcomes are being achieved and that support when needed is provided in the most cost effective way using least restrictive practices.	(450)	(50)		Cllr Alison Born / Suzanne Westhead	46,430
Recommissioning Framework	Ongoing efficient management of contracts for services and optimisation of commissioning resources.	(250)			Cllr Alison Born / Suzanne Westhead	19,614
Development of Individual Service Fund	The fund means someone can benefit from personalised support and have more control over how their budget is used for things like day-to-day activities and wellbeing. There is less burdensome administration for each person getting this type of tailored support. It can also adapt to a person's changing needs and it helps promote independence.	(200)			Cllr Alison Born / Suzanne Westhead	32,002
Increase the number of people who have access to reablement	To support people to become more independent we are looking to expand reablement services and use more technology. This approach allows for more efficient use of homecare resources. The service can be tailored to individual needs reducing the need for more intensive or long-term care.	(200)			Cllr Alison Born / Suzanne Westhead	14,307
New service for people with learning disabilities, physical disabilities and autism	There is an opportunity to positively impact people we support in B&NES for people aged 16 years old or over and who have a learning disability, physical /sensory needs, mental health need or are Autistic. The approach will be to develop short term pathways of support to maximise independence and resilience.	(300)			Cllr Alison Born / Suzanne Westhead	19,614
Young People Transitions to Adult Social Care Offer	The proposed savings in transitions to adult social care focus on more early, coordinated planning linked to education, health, and care plans, joint commissioning and pooled budgets, assigning a designated worker for continuity, promoting independence and life skills, proactive information and guidance, and early financial advice. These approaches aim to ensure seamless transitions, reduce dependency, and provide cost-effective, person-centred support.	(300)			Cllr Alison Born / Suzanne Westhead	23,571
Preventing a second fall	We will reduce the number and severity of falls of people aged 65 plus and other at-risk groups by using a range of early interventions including exercise, home assessments and medication reviews.	(200)			Cllr Alison Born / Suzanne Westhead	14,307
Income generation from provider services	Review the level of income generated from self-funders and placements commissioned by other local authorities and Integrated Care Board (ICB).	(200)	(50)		Cllr Alison Born / Suzanne Westhead	8,791
Agency Spend (Residential Services)	Continued reduction in Residential Services agency expenditure from 17.45% to 16% by reducing the cost of agency backfill across services.	(100)			Cllr Alison Born / Suzanne Westhead	8,791
Review assisted employment offer	We commission short-term assisted employment support for adults with mental health-related needs. As contracts reach their planned end dates, there are opportunities to review these in line with latest national policies and find alternative support best placed to meet people's needs.	(120)			Cllr Alison Born / Suzanne Westhead	8,552
Technology Enabled Care	This proposal will be achieved by using technology enabled care to reduce social care resource requirements. Technology enabled care products such as personal alarms and pendants, bed and chair sensors, pills dispensers and door sensors support people to undertake daily living tasks and enable independence.	(75)			Cllr Alison Born / Suzanne Westhead	46,430
Optimising the use of Better Care Fund to protect social care expenditure on prevention services, in line with national guidance and local priorities	Commissioners will optimise the use of Better Care Fund to fund prevention services by continuing to robustly plan expenditure and ongoing monitoring of population outcomes achieved.	(320)			Cllr Alison Born / Suzanne Westhead	25,443
Royal Victoria Park Leisure Facilities	New contract in place for the operation of the leisure facilities in RVP including tennis courts, adventure golf, events spaces and café.	(20)			Cllr Alison Born / Rebecca Reynolds	292
Adult Services Total		(2,735)	(100)	0		

Annex 2(i): 2026/27 - 2028/29 Budget Savings and Income Generation Proposals

2026/27 - 2028/29 Savings and Income Generation Proposals						
Proposal Description	Proposal Detail (incl. impacts on service delivery / knock-on impact to other services)	2026/27 £000	2027/28 £000	2028/29 £000	Cabinet Portfolio Holder / Director	Budget Comparison £000
Portfolio: Built Environment, Housing and Sustainable Development						
Rebased Planning fee income	Increased fee income in-year is reflected in next year's income budgets	(250)			Cllr Matt McCabe / Marc Cole	(2,358)
Ensure optimal deployment of S106/CIL income	Ensures that developer contributions are spent within deadlines and that projects do not use corporate borrowing unnecessarily where contributions are available.	(80)			Cllr Matt McCabe / Simon Martin	N/A
Housing	This relates to a one-off reduction in the funding available for the expansion of B&NES Homes, the operating arm of B&NES Council Housing.	(25)	100		Cllr Matt McCabe / Simon Martin	75
Fees and Charges	Inflationary increases in charges for Building Control and some other small areas of discretionary charges	(20)	(20)	(12)	Cllr Matt McCabe / Marc Cole	N/A
Built Environment, Housing and Sustainable Development Total		(375)	80	(12)		
Portfolio: Children's Services						
Reunifications	The savings will be delivered by an increase in family reunifications and step downs from residential placements.	(390)			Cllr Paul May / Jean Kelly	8,634
Reduce off contract spend	Deliver best value by continuing to manage spend efficiently and ensure services continue within budget, optimizing commissioned contracts and resources.	(75)			Cllr Paul May / Jean Kelly	2,123
Children's Services Total		(465)	0	0		
Portfolio: Communications and Community						
Park and Ride fare increase from £3.70 to £4.00	The 10 single journeys carnet would increase from £14.80 to £16.00 and a group ticket from £5.50 (for 2 adults) to £6.00. Up to 5 children under 16 would continue to travel free with a fare paying adult.	(100)			Cllr Manda Rigby / Chris Major	(546)
Public Protection - removal of the in house pest control service	Stop providing this charged-for service to the public.	(18)			Cllr Manda Rigby / Chris Major	18
Fees and Charges	Annual increases in fees and charges across portfolio	(21)	(22)	(23)	Cllr Manda Rigby / Chris Major	N/A
<i>Park and Ride</i>	<i>Reversal of previous year's saving - Updated income forecast for the Park and Ride</i>	100	100		Cllr Manda Rigby / Chris Major	N/A
Communications and Community Total		(39)	78	(23)		
Portfolio: Economic and Cultural Sustainable Development						
Heritage Services - Business Plan	Increased net income currently estimated for 2027/28		(253)		Cllr Paul Roper / Marc Cole	(14,192)
Increase income generation from the Guildhall	There is an opportunity to deliver more income via an increased number of event bookings if some operational changes are made to the management of the building.	(25)			Cllr Paul Roper / Marc Cole	(195)
Bath Quays South Lettings	New lettings secured for Bath Quays South offices over and above previous financial projections.	(100)			Cllr Paul Roper / Simon Martin	(748)
Business and Skills: Recharge Officer Time To Projects	Provide Business and Skills services to employers through external grant funded activity only and reduce additional Council support.	(6)			Cllr Paul Roper / Simon Martin	(44)
Economic and Cultural Sustainable Development Total		(131)	(253)	0		

Annex 2(i): 2026/27 - 2028/29 Budget Savings and Income Generation Proposals

2026/27 - 2028/29 Savings and Income Generation Proposals						
Proposal Description	Proposal Detail (incl. impacts on service delivery / knock-on impact to other services)	2026/27 £000	2027/28 £000	2028/29 £000	Cabinet Portfolio Holder / Director	Budget Comparison £000
Portfolio: Resources						
Increase in trade waste income (rebasing)	No impact to service delivery	(50)			Cllr Mark Elliot / Chirs Major	(937)
Refuse and garden waste round efficiencies	Revise routes for waste services to manage volumes more effectively and efficiently.	(170)			Cllr Mark Elliot / Chirs Major	18,908
Realise savings from exporting surplus power from Keynsham Recycling Hub Pixash from the 780KWP solar array at the facility.	Surplus power is currently available at evenings and weekends, and to some degree in daytime dependant on depot base load. Aim to maximise revenue by exporting surplus power to the grid.	(30)			Cllr Mark Elliot / Chirs Major	206
Fuel cost saving from move to electric	In relation to 6 x electric trucks due summer 2026	(36)	36		Cllr Mark Elliot / Chirs Major	1,793
Phased transition of all social and private managed housing properties to fortnightly refuse collections.	Builds on commitments made to increase recycling and includes site assessments, resident engagement, and coordination with the Business Waste team to offer any additional refuse collections at commercial rates should the housing management company require it.	(31)			Cllr Mark Elliot / Chirs Major	18,908
Fees and Charges	Annual increases in fees and charges across portfolio	(61)	(64)	(67)	Cllr Mark Elliot / Chirs Major	N/A
Streamline Capital Programme	Review the way contingency is built into both individual projects and the overall capital programme	(50)	(100)	(100)	Cllr Mark Elliot / Simon Martin	11,587
Transforming Customer Services	The council has invested in a new technology platform for customer services that will enable us to maintain high service standards while reducing back office spend.	(300)	(100)		Cllr Mark Elliot / Simon Parker	3,500
Capitalise Business Change resource	Staffing resource within the business change function will be prioritising transformation projects that will deliver financial benefits to the organisation and as such can be funded from available capital receipts	(350)	350		Cllr Mark Elliot / Cherry Bennett	780
Capital Financing	Target to reduce corporately supported borrowing (CSB) funded schemes and reprofile spend	(1,000)	500	500	Cllr Mark Elliot / Stuart Donnelly	11,587
Contract Management - Delivering Greater Value	Part of a wider programme of continued contract management improvements and will focus on the top value contracts in the Council by leveraging in greater value through improved contract management	(250)			Cllr Mark Elliot / Stuart Donnelly	36,935
Housing Borrowing Costs	<i>This relates to a one-off reduction in borrowing costs associated with the expansion of B&NES Homes, the operating arm of B&NES Council Housing.</i>	75			Cllr Mark Elliot / Stuart Donnelly	11,587
Resources Total		(2,253)	622	333		
Portfolio: Sustainable Bath and North East Somerset						
Fees and Charges	Annual increases in fees and charges across portfolio	(19)	(20)	(21)	Cllr Sarah Warren / Various	N/A
Sustainable Bath and North East Somerset Total		(19)	(20)	(21)		
Portfolio: Sustainable Transport Delivery						
Home to School Transport cost reduction measures	New post will ensure better management of our home to school transport service for users.	(150)	(300)		Cllr Lucy Hodge / Chris Major	11,435
Fees and Charges	Annual increases in fees and charges across portfolio	(16)	(17)	(18)	Cllr Lucy Hodge / Chris Major	N/A
Sustainable Transport Delivery Total		(166)	(317)	(18)		

Annex 2(i): 2026/27 - 2028/29 Budget Savings and Income Generation Proposals

2026/27 - 2028/29 Savings and Income Generation Proposals						
Proposal Description	Proposal Detail (incl. impacts on service delivery / knock-on impact to other services)	2026/27 £000	2027/28 £000	2028/29 £000	Cabinet Portfolio Holder / Director	Budget Comparison £000
Portfolio: Sustainable Transport Strategy						
Parking income rebasing	Rebasing of increased income levels using data from on-going monitoring in 2025/26	(500)			Cllr Joel Hirst / Chris Major	(14,962)
New parking charges	Consultation-outcome dependent - including moving to a system where vehicles taking more space would be charged more than smaller vehicles.	(290)			Cllr Joel Hirst / Chris Major	(14,962)
Parking - strategic review and implementation of additional pay and display and resident parking zone schemes	This will reduce commuter parking in residential areas leading to reduced congestion and improved road safety. Potential to increase demand for Park and Ride services.	(50)	(50)		Cllr Joel Hirst / Chris Major	(14,962)
Parking – increased enforcement in line with community requests and national legislation	Reduced illegal parking in all areas; reduced congestion, improved safety. Potential to increase demand for Park and Ride services.	(50)			Cllr Joel Hirst / Chris Major	(1,446)
Parking Charges Review	Full year effect of income generated from the implementation of a parking review and emissions-based pay and display (implemented 2025/26)	(140)			Cllr Joel Hirst / Chris Major	(14,962)
Increased use of Moving Traffic Enforcement powers, including on Yellow Box Junctions.	Ensuring that all road users adhere to regulations will benefit road safety and help improve traffic flow.	(250)			Cllr Joel Hirst / Chris Major	(1,446)
Parking Reinvestment Fund	Reversal of previous year's saving - Budget saving by not spending the Reinvestment Fund in Parking Services (one-off 2025/26 only).	210			Cllr Joel Hirst / Chris Major	N/A
HGV Charging Reversal	Removal of the proposed income line from implementation of a Euro 6 HGV charge in line with the wider CAZ charges, after public consultation.	10			Cllr Joel Hirst / Chris Major	N/A
Sustainable Transport Strategy Total		(1,060)	(50)	0		
Total Savings and Income Generation Proposals		(7,243)	40	259		

Annex 2(ii): 2026/27 - 2028/29 Budget Funding Requirements

2026/27 - 2028/29 Funding Proposals					
Proposal Description	Proposal Detail (incl. impacts on service delivery / knock-on impact to other services)	2026/27 £000	2027/28 £000	2028/29 £000	Cabinet Portfolio Holder / Director
Portfolio: Adult Services					
Adult Social Care demand / demographics	Increased investment to reflect rising demand, increased costs in the market and national policy directives.	2,079	2,058	2,100	Cllr Alison Born / Suzanne Westhead
Adult's Social Care Contract Inflation @ 4%	The local authority commission placements and packages of care for people who have been assessed under the Care Act 2014 and have an eligible care and support need. This is the estimated inflation requirement to fund associated contracts.	2,646	2,038	1,405	Cllr Alison Born / Suzanne Westhead
Contract Inflation - Leisure Services	Annual increases in contract costs within the portfolio.	12	13	14	Cllr Alison Born / Rebecca Reynolds
Public Health Grant Increase	Increase in ring-fenced Public Health Grant	(219)	(306)	(359)	Cllr Alison Born / Rebecca Reynolds
Public Health Grant	Spend linked to ring-fenced Public Health Grant increase	219	306	359	Cllr Alison Born / Rebecca Reynolds
Pay Inflation	Pay inflation is estimated at 3% per annum	932	969	1,029	Cllr Alison Born / Various
Being Our Best Programme Pay and Grading Review	Net changes in salary budget as a result of a pay and grading review, including increment pay growth	517	355	72	Cllr Alison Born / Various
Pensions Triennial Valuation	Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund	(681)			Cllr Alison Born / Various
Adult Services Total		5,505	5,433	4,620	
Portfolio: Built Environment, Housing and Sustainable Development					
Homelessness, Rough Sleeping and Domestic Abuse Grant Decrease	Decrease in ring-fenced Homelessness, Rough Sleeping and Domestic Abuse Grant	169	(82)	(43)	Cllr Matt McCabe / Simon Martin
Homelessness, Rough Sleeping and Domestic Abuse Grant	Spend linked to ring-fenced Homelessness, Rough Sleeping and Domestic Abuse Grant decrease	(169)	82	43	Cllr Matt McCabe / Simon Martin
Pay Inflation	Pay inflation is estimated at 3% per annum	159	166	176	Cllr Matt McCabe / Various
Being Our Best Programme Pay and Grading Review	Net changes in salary budget as a result of a pay and grading review, including increment pay growth	58	46	8	Cllr Matt McCabe / Various
Pensions Triennial Valuation	Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund	(140)			Cllr Matt McCabe / Various
Built Environment, Housing and Sustainable Development Total		77	212	184	

Annex 2(ii): 2026/27 - 2028/29 Budget Funding Requirements

2026/27 - 2028/29 Funding Proposals					
Proposal Description	Proposal Detail (incl. impacts on service delivery / knock-on impact to other services)	2026/27 £000	2027/28 £000	2028/29 £000	Cabinet Portfolio Holder / Director
Portfolio: Children's Services					
Children's Social Care Demographics	We've assessed the existing budget growth and demographics assumptions and increased investment to reflect rising demand, increased costs in the market and national policy directives.	1,307	106	0	Cllr Paul May / Jean Kelly
Children's Social Care Contract Inflation @ 4% for 26/27	The local authority must ensure every Child Looked After has a suitable and tailored placement, fulfilling Bath and North East Somerset's (B&NES) Sufficiency Duty. This statutory duty requires B&NES to secure appropriate placements for all Children Looked After.	1,176	827	584	Cllr Paul May / Jean Kelly
SEND staffing	Continuing to invest in strengthening our Special Educational Needs and Disabilities (SEND) services. An in-year reserves request has funded additional staff who are making a difference with reduced assessment backlogs, fewer complaints and improved compliance. Maintaining this improved performance is essential for our SEND children and families and to meet rising demand.	235			Cllr Paul May / Jean Kelly
Teachers Pensions Unavoidable Cost Pressure	Backdated teachers' pension costs that are currently unbudgeted	146			Cllr Paul May / Jean Kelly
Education Income Adjustment	Historical income target which is no longer achievable	119			Cllr Paul May / Jean Kelly
Closing the gap in educational outcomes between pupils from more and less affluent backgrounds	Resource to lead and further strengthen the educational attainment gap reduction programme; and investment to sustain and strengthen projects already delivering measurable progress including Language for Life.	350			Cllr Paul May / Jean Kelly
Corporate Overhead Rebasing	Dedicated Schools Grant recovery phased over 3 years (£1m) from 2024/25 to 2026/27.	333			Cllr Paul May / Jean Kelly
Children, Families and Youth Grant Increase	Increase in ring-fenced grant income	(722)	26	242	Cllr Paul May / Jean Kelly
Children, Families and Youth Grant	Spend linked to ring-fenced Children, Families and Youth Grant increase	722	(26)	(242)	Cllr Paul May / Jean Kelly
Pay Inflation	Pay inflation is estimated at 3% per annum	671	697	740	Cllr Paul May / Jean Kelly
Being Our Best Programme Pay and Grading Review	Net changes in salary budget as a result of a pay and grading review, including increment pay growth	409	286	41	Cllr Paul May / Jean Kelly
Pensions Triennial Valuation	Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund	(577)			Cllr Paul May / Jean Kelly
<i>Trial Youth Club Provision in Bath</i>	<i>Removal of one-off 25/26 growth - Provision of open access detached youth work in the Bath area (currently no open access provision in Bath - provision in North East Somerset is funded through parishes)</i>	(50)			Cllr Paul May / Jean Kelly
<i>Student Community Partnership (SCP) Funding</i>	<i>Removal of one-off 25/26 growth - Majority funded by the universities, this is B&NES contribution to SCP funding (previously funded through Bath Neighbourhood Community Infrastructure Levy (CIL) Fund)</i>	(47)			Cllr Paul May / Jean Kelly
Children's Services Total		4,072	1,916	1,365	

Annex 2(ii): 2026/27 - 2028/29 Budget Funding Requirements

2026/27 - 2028/29 Funding Proposals					
Proposal Description	Proposal Detail (incl. impacts on service delivery / knock-on impact to other services)	2026/27 £000	2027/28 £000	2028/29 £000	Cabinet Portfolio Holder / Director
Portfolio: Communications and Community					
Licensing - reduce income target linked to statutory capped fees	Some license types have statutory fee levels that are set nationally and do not allow for full cost recovery. There is no scope to address this shortfall by setting higher discretionary fees locally so budgeted income target requires adjusting accordingly.	150			Cllr Manda Rigby / Chris Major
Sustaining statutory levels of service provision following reductions in grants from the Ministry of Justice and Police and Crime Commissioner.	Services to reduce crime, tackle antisocial behaviour, address substance misuse and support victims of domestic abuse can be maintained at statutory levels.	320			Cllr Manda Rigby / Cherry Bennett
Improving Resident and Staff Engagement	Investment in the council's core policy of listening to and working with residents to act on their concerns. This will bring engagement and communications resource into line with neighbouring authorities and the national average, driving improvements in consultation, digital marketing and internal communications.	165			Cllr Manda Rigby / Simon Parker
Libraries running costs	No inflation included in recent years putting pressure on existing budgets	50	20	22	Cllr Manda Rigby / Simon Parker
Pay Inflation	Pay inflation is estimated at 3% per annum	248	258	274	Cllr Manda Rigby / Chris Major
Being Our Best Programme Pay and Grading Review	Net changes in salary budget as a result of a pay and grading review, including increment pay growth	98	74	12	Cllr Manda Rigby / Chris Major
Pensions Triennial Valuation	Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund	(207)			Cllr Manda Rigby / Chris Major
Contract Inflation	Contract and running costs inflation across portfolio	32	11	12	Cllr Manda Rigby / Chris Major
Community Engagement and Communications	Removal of one-off 25/26 growth - Trialling new approaches to communication and engagement with residents	(50)			Cllr Manda Rigby / Simon Parker
Extended Park and Ride Hours	Removal of one-off 25/26 growth - Trial of increased Park and Ride service	(125)			Cllr Manda Rigby / Chris Major
Communications and Community Total		681	363	320	
Portfolio: Economic and Cultural Sustainable Development					
Heritage Services - reduced expected visitor numbers	There is no impact beyond the need to shape the service strategy to mitigate the market forces driving a reduction of income at the Roman Baths.	1,325			Cllr Paul Roper / Marc Cole
Remove unachievable income targets from regeneration	Income targets associated with recovery staff time from projects and additional grant income will not materialise and as such need writing out of the budget.	30			Cllr Paul Roper / Marc Cole
Pay Inflation	Pay inflation is estimated at 3% per annum	102	106	113	Cllr Paul Roper / Various
Being Our Best Programme Pay and Grading Review	Net changes in salary budget as a result of a pay and grading review, including increment pay growth	66	54	14	Cllr Paul Roper / Various
Pensions Triennial Valuation	Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund	(306)			Cllr Paul Roper / Various
Contract Inflation	Contract and running costs inflation across portfolio	33	35	37	Cllr Paul Roper / Various
Economic and Cultural Sustainable Development Total		1,250	195	164	

Annex 2(ii): 2026/27 - 2028/29 Budget Funding Requirements

2026/27 - 2028/29 Funding Proposals					
Proposal Description	Proposal Detail (incl. impacts on service delivery / knock-on impact to other services)	2026/27 £000	2027/28 £000	2028/29 £000	Cabinet Portfolio Holder / Director
Portfolio: Resources					
Director of Finance post	Additional budget required for new post	150			Cllr Mark Elliot / Simon Parker
IT Applications Replacements/Additions and Artificial Intelligence (AI) Investment	To cover the running costs of new IT systems recently implemented: - Microsoft Project for the Web - Causeway Alloy Asset Management System, for Parks & Grounds - Introducing AI capabilities to improve resident facing services	52			Cllr Mark Elliot / Simon Parker
Improved Customer Contact Technology	Replacement telephony and contact centre system with modern cloud based technology.	50			Cllr Mark Elliot / Simon Parker
ICT Contract and License Inflation	Contract and running costs inflation across department	237	249	261	Cllr Mark Elliot / Simon Parker
Legal Resources	3 x posts to meet new Children's SEND and Adults deprivation of liability demand. This allows for in-house provision, rather than reliance on more expensive external legal support	187			Cllr Mark Elliot / Simon Parker
Being Our Best Programme - Unachievable Savings	Reduction in organisation savings target	270			Cllr Mark Elliot / Cherry Bennett
Insurance Premium	Increase in annual insurance premium	60			Cllr Mark Elliot / Stuart Donnelly
Coroners - increased contribution	In respect of Fuller Inquiry regulatory requirements for mortuary security improvements and coroner staff regrading	55			Cllr Mark Elliot / Stuart Donnelly
Levies Inflation	Annual inflationary increase for corporate levies	31	138	142	Cllr Mark Elliot / Stuart Donnelly
Business Rates Revaluation	Impacts on corporate properties from revaluation & multiplier changes	185			Cllr Mark Elliot / Stuart Donnelly
Rebasing of Foster Carer & Care Leaver Council Tax Discount Costs	Additional budget to meet current demand	25			Cllr Mark Elliot / Stuart Donnelly
External Audit Fees Increase	Increase in budget required to meet statutory obligations	20			Cllr Mark Elliot / Stuart Donnelly
Crisis and Resilience Grant Increase	Increase in ring-fenced Crisis and Resilience Grant	(316)	1	32	Cllr Mark Elliot / Stuart Donnelly
Crisis and Resilience Grant	Spend linked to ring-fenced Crisis and Resilience Grant increase	316	(1)	(32)	Cllr Mark Elliot / Stuart Donnelly
WECA Transport Levy - estimated increase in contribution	Increase in levy contribution required to meet shortfall in funding to sustain existing supported bus services.	270			Cllr Mark Elliot / Stuart Donnelly
Corporate Adjustments	Corporate Base Budget Adjustments including Contingency allocation and Capital Financing	(6,628)	4,890	4,902	Cllr Mark Elliot / Stuart Donnelly
Waste Services - staffing growth required to remove budgeted vacancy factor	There is no staff turnover in waste services as any vacancies or sickness are covered by agency to ensure service delivery	255			Cllr Mark Elliot / Chris Major
Waste Services - increased running costs	Primarily increased insurance policy associated with Pixash Recycling Centre	67			Cllr Mark Elliot / Chris Major
Borrowing Costs	Inflationary increases associated with vehicle replacement	188			Cllr Mark Elliot / Chris Major
Extended Producer Responsibility (EPR)	To account for annual grant funding in the form of EPR payments within Waste Services.	(16)	716		Cllr Mark Elliot / Chris Major
Waste Services Inflation	Contract and running costs inflation across department	284	209	211	Cllr Mark Elliot / Chris Major
Pay Inflation	Pay inflation is estimated at 3% per annum	3,128	1,464	1,552	Cllr Mark Elliot / Various
Being Our Best Programme Pay and Grading Review	Net changes in salary budget as a result of a pay and grading review, including increment pay growth	570	226	47	Cllr Mark Elliot / Various
Pensions Triennial Valuation	Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund	(1,140)			Cllr Mark Elliot / Various
Cloud IT Systems Migration	Reversal of previous year's growth - Migration of all IT Systems to Microsoft Azure Cloud Infrastructure.	(85)	(85)		Cllr Mark Elliot / Simon Parker
Increase in Clean and Green Funding	Removal of one-off 25/26 growth - Two additional demand led rapid response crews (weeds, graffiti, litter, fortnightly monitoring)	(81)			Cllr Mark Elliot / Chris Major
Resources Total		(1,866)	7,807	7,115	

Annex 2(ii): 2026/27 - 2028/29 Budget Funding Requirements

2026/27 - 2028/29 Funding Proposals					
Proposal Description	Proposal Detail (incl. impacts on service delivery / knock-on impact to other services)	2026/27 £000	2027/28 £000	2028/29 £000	Cabinet Portfolio Holder / Director
Portfolio: Sustainable Bath and North East Somerset					
Pay Inflation	Pay inflation is estimated at 3% per annum	102	106	112	Cllr Sarah Warren / Various
Being Our Best Programme Pay and Grading Review	Net changes in salary budget as a result of a pay and grading review, including increment pay growth	29	29	1	Cllr Sarah Warren / Various
Pensions Triennial Valuation	Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund	(89)			Cllr Sarah Warren / Various
Contract Inflation	Contract and running costs inflation across portfolio	12	12	13	Cllr Sarah Warren / Various
Sustainable Bath and North East Somerset Total		54	147	126	
Portfolio: Sustainable Transport Delivery					
Home to School Transport Contract Inflation	No contract inflation currently built into the MTFS at present	336	290	298	Cllr Lucy Hodge / Chris Major
Investment in new Business Manager Post in Home to School Transport service	Better management of home to school transport while achieving efficiencies and providing resilience.	90			Cllr Lucy Hodge / Chris Major
Highways operational costs	Growth to support increased maintenance costs of highways services.	110	142	6	Cllr Lucy Hodge / Chris Major
Pay Inflation	Pay inflation is estimated at 3% per annum	177	184	195	Cllr Lucy Hodge / Chris Major
Being Our Best Programme Pay and Grading Review	Net changes in salary budget as a result of a pay and grading review, including increment pay growth	23	14	5	Cllr Lucy Hodge / Chris Major
Pensions Triennial Valuation	Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund	(154)			Cllr Lucy Hodge / Chris Major
Contract Inflation	Contract and running costs inflation across portfolio	104	106	107	Cllr Lucy Hodge / Chris Major
Speed Indicator Signage	Removal of one-off 25/26 growth - 6 new vehicle activated speed signs throughout B&NES	(40)			Cllr Lucy Hodge / Chris Major
Sustainable Transport Delivery Total		646	736	611	
Portfolio: Sustainable Transport Strategy					
Remove unachievable income targets from transport strategy	Income targets associated with recovery staff time from projects and additional grant income will not materialise and as such need writing out of the budget.	50			Cllr Joel Hirst / Marc Cole
Pay Inflation	Pay inflation is estimated at 3% per annum	97	101	107	Cllr Joel Hirst / Various
Being Our Best Programme Pay and Grading Review	Net changes in salary budget as a result of a pay and grading review, including increment pay growth	24	15	1	Cllr Joel Hirst / Various
Pensions Triennial Valuation	Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund	(80)			Cllr Joel Hirst / Various
Contract Inflation	Contract and running costs inflation across portfolio	39	39	40	Cllr Joel Hirst / Various
More Enforcement Cameras	Removal of one-off 25/26 growth - Improvements to pedestrian and traffic safety through two new enforcement camera sites.	(120)			Cllr Joel Hirst / Chris Major
Car Club Delivery	Removal of one-off 25/26 growth - Extension to car club scheme to North East Somerset - implementation already planned for Bath	(50)			Cllr Joel Hirst / Chris Major
Extra Support for Subsidised Bus Services	Removal of one-off 25/26 growth - Extra funding for supported bus services where Bus Service Improvement Plan (BSIP) funding is not available.	(50)			Cllr Joel Hirst / Marc Cole
School Streets	Removal of one-off 25/26 growth - Increase funding to existing planned programme to deliver three School Streets in 2025/26	(87)			Cllr Joel Hirst / Marc Cole
Sustainable Transport Strategy Total		(177)	155	148	
Total Funding Requirements		10,242	16,964	14,653	

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Annex 3: Equality Impacts of 2026 to 2027 Budget Proposals

The following report provides supplementary information for existing revised growth or income budget decisions or additional growth or income to the budget proposals for 2026/27.

Annex 3.1 to this report provides an introduction and legal background to this budget equality report.

Table of portfolio holders holding budget proposals with potential impact.

The Proposals are presented in two sections for each service area to reflect the following:

- a. Savings and Income budget proposals
- b. Growth

Budget proposals that note a potential positive or negative impact on people with protected characteristics.

3. Adult Services – Cllr Alison Born	Page
Savings and Income Proposals	
• Recommissioning Framework	3
• Development of Individual Service Fund	4
• Increase reablement offer	5
• Development of an Enablement Offer	6
• Transitions to Adult Social Care	7
• Prevention of a 2 nd Fall	8
• Non-renewal of assisted employment contract for mental health service	9
• Optimising Better Care Fund – Prevention Services	10
• Technology Enabled Care (existing budget proposal)	11
• Royal Victoria Park Leisure Facilities	12
Children’s Services – Cllr Paul May	
Growth Proposals	
• Addressing educational attainment inequality	13
• Potential Transport Solutions for	14

1. Pupils attending out of county special schools and 2. Those attending our Hospital Education Reintegration Service (HERS).	
Sustainable Transport Strategy – Cllr Joel Hirst	
Savings and Income Proposals	
• Proposed changes to resident parking zone permit charges and car park charges for 2026	15
• Increase in parking income through additional enforcement & fee changes	16
• Increase in income through enforcement of yellow box markings and other traffic restrictions	17
Communications & Community – Cllr Manda Rigby	
Savings and Income Proposals	
• Park and Ride fare increase	18
• Removal of Non-Statutory Services within Public Protection (Pest Control)	19
Growth Proposal	
• Sustaining statutory levels of service provision following reductions in grants from the Ministry of Justice and Police and Crime Commissioner	20
Resources – Cllr Mark Elliot	
Savings and Income Proposals	
• Refuse and garden waste round efficiencies	21
• Phased transition of all social and private managed housing properties to fortnightly refuse collections.	22
• Transforming Customer Services (ICT)	23

Adult Social Care

Portfolio Holder: Cllr Alison Born

Adult Social Care Proposal: Recommissioning Framework

The published Equality Impact Assessment is available to view on the link below:

<https://www.bathnes.gov.uk/sites/default/files/AS.S.02%20-%20Recommissioning%20Framework%20V2.pdf>

Precis:

This proposal will be achieved by recommissioning services for people with learning disabilities and delivering better value from contracts.

2026-27 budget proposal statement:

'The local authority arranges and manages care placements and support packages for eligible individuals under the Care Act 2014, aiming to meet statutory duties cost-effectively. Services are recommissioned at contract end, creating opportunities to optimize procurement and deliver better value'.

Considerations:

- People's eligible care needs will continue to be met, guided by strength-based assessments and reviews.
- Regular data monitoring ensures that any differences in access or outcomes are identified and addressed.
- Risk of increase in complaints from existing service providers

Recommendation:

- Complete a detailed Equality Impact Assessment as part of the process of implementing this new price change.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
Negative											
Positive	✓										

Adult Social Care Proposal: Development of Individual Service Fund

The published Equality Impact Assessment is available to view on the link below:

<https://www.bathnes.gov.uk/sites/default/files/AS.S.03%20-%20Development%20of%20Individual%20Service%20Funds%20FINAL%20%28002%29.pdf>

Precis:

An Individual Service Fund is a way for people to receive and manage their personal budget for care and support, where a chosen provider manages the funds and services on their behalf. This allows individuals to have control over how their support is delivered, as the provider works with them to plan activities and services that meet their specific outcomes.

2026-27 budget proposal statement:

'ISFs (Individual Service Funds) offer significant cost benefits compared to traditional care packages by reducing unnecessary service hours, enabling personalised support, and promoting independence through assistive technology'.

Considerations:

- Empowerment model for individuals.
- Services users who have a package of care funded by ASC (1) will see no change as the financial assessment care charge is based on their income not on service delivery costs or fee levels.
- Joint working with commissioning providers and micro enterprises may not be successful.
- interlink with the budget proposals on Transitions for young people and Care Package Reviews, enablement services and technology enabled care so reliant on all of these proposals functioning as planned.
- Risk of disabled people not being able to source and manage their own packages of care.

Recommendation:

- Complete a detailed Equality Impact Assessment as part of the process of implementing this new price change.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative	✓											
Positive	✓											

Adult Social Care Proposal: Increase reablement offer

The published Equality Impact Assessment is available to view on the link below:

<https://www.bathnes.gov.uk/sites/default/files/AS.S.04%20->

[%20Increase%20the%20Number%20of%20People%20Who%20Have%20Access%20to%20Reablement%20V2_0.pdf](https://www.bathnes.gov.uk/sites/default/files/AS.S.04%20-Increase%20the%20Number%20of%20People%20Who%20Have%20Access%20to%20Reablement%20V2_0.pdf)

Precis:

Reablement is a service designed to help individuals regain essential skills and rebuild confidence following an illness, injury, or a stay in the hospital. In B&NES, this service is delivered by the HCRG Care Group, alongside other community health services.

Expanding reablement services and integrating technology-enabled care solutions can lead to better outcomes for individuals. This approach supports people in becoming more independent and allows for more efficient use of homecare resources. By leveraging assistive technology, the service can be tailored to individual needs reducing the need for more intensive or long-term care.

2026-27 budget proposal statement:

'HCRG Care Group provide reablement service that helps individuals regain essential skills and rebuild confidence following an illness, injury, or a stay in the hospital.

Technology Enabled Care, such as telecare and daily living aids, helps reduce the need for in-person care while maintaining or improving outcomes'.

Considerations:

- Services users who have a package of care funded by ASC (1) will see no change as the financial assessment care charge is based on their income not on service delivery costs or fee levels.
- There are challenges in delivering proposals due to different timelines for scaling up B&NES technology-enabled care offer and the need to align this service with reablement and homecare.
- Multi-agency working could improve outcomes for individuals and cost less.
- Empowerment model for individuals and reduces the need for long term care, hospital admissions and early admission to care homes.
- Supports carers through a reduction in hands on care.

Recommendation:

- Complete a detailed Equality Impact Assessment as part of the process of implementing this new price change.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative	✓											
Positive	✓											

Adult Social Care Proposal: Development of an Enablement Offer

The published Equality Impact Assessment is available to view on the link below:

https://www.bathnes.gov.uk/sites/default/files/AS.S.05%20-%20Enablement%20service%20FINAL_0.pdf

Precis:

There is an opportunity to positively impact people we support in B&NES for people aged 16 years old or over and who have a learning disability, physical /sensory needs, mental health need or are Autistic. The approach will be to develop short term pathways of support to maximise independence and resilience.

2026-27 budget proposal statement:

'Enablement services focus on supporting people to be as independent as possible, for as long as possible. This empowers individuals with diverse needs (e.g., older adults, people with physical or learning disabilities, mental health conditions) to have greater choice and control over their lives, which is a key aspect of person-centred equality. People already in receipt of care will be reviewed as part of the care package statutory review process'.

Considerations:

- The enablement service will consider the impact of physical health, mental health or illness on a person well-being and their ability to meet their care needs.
- Empowerment model for individuals.
- Person centred approach with consideration of the ability to meet own needs.
- Risk of needs not being met and placing individuals in a position of harm.

Recommendation:

- Complete a detailed Equality Impact Assessment as part of the process of implementing this new price change.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative												
Positive	✓											

Adult Social Care Proposal: Transitions to Adult Social Care

The published Equality Impact Assessment is available to view on the link below:

https://www.bathnes.gov.uk/sites/default/files/AS.S.06%20-%20Transition%20to%20adult%20social%20care%20FINAL_0.pdf

Precis:

Reducing the costs of transitions from children's social care to adult social care can be achieved through a focus on early intervention, joint working between agencies, and person-centred, long-term planning. These strategies help prevent fragmented care, promote independence, and ensure cost-effective support packages are in place.

2026-27 budget proposal statement:

'The proposed savings in transitions to adult social care focus on early, coordinated planning linked to Education, Health, and Care Plans, joint commissioning and pooled budgets, assigning a designated worker for continuity, promoting independence and life skills, proactive information and guidance, and early financial advice. These approaches aim to ensure seamless transitions, reduce dependency, and provide cost-effective, person-centred support'.

Considerations:

- There are interdependencies with the Families First Programme and the Preparing for Adulthood project. These are yet to be fully implemented.
- Risk of lack of capacity within preventative/ early help services.
- Positive action to support continuity of care.

Recommendation:

- During implementation and through an ongoing review process proportionate equality analysis should be carried out as part of the review and implementation process.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative	✓											
Positive		✓	✓									✓

Adult Social Care Proposal: Prevention of a 2nd Fall

The published Equality Impact Assessment is available to view on the link below:

https://www.bathnes.gov.uk/sites/default/files/AS.S.07%20-%20Preventing%20a%20second%20fall%20FINAL_1.pdf

Precis:

B&NES has a higher level of hospital admissions for falls than the England average. The most effective interventions for preventing a second fall are a combination of targeted strategies, primarily a multifactorial falls risk assessment and management program, with exercise as a consistently key component.

2026-27 budget proposal statement:

'This proposal aims to reduce the incidence and severity of falls in individuals at risk (primarily those aged 65+ and other at-risk groups) by providing evidence-based, multifactorial interventions (e.g., exercise, home assessments, medication reviews).'

Considerations:

- Data sharing arrangements and business intelligence support is required to evaluate the impact of the program.
- Reliance on the successful implementation of reablement services and technology enabled care.
- investment is required to develop a sustainable model of falls prevention interventions this is included in the Public Health budget for investment.

Recommendation:

- Complete a detailed Equality Impact Assessment as part of the process of implementing this new price change.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative												
Positive		✓	✓						✓			✓

Adult Social Care Proposal: Non-renewal of assisted employment contract for mental health service

The published Equality Impact Assessment is available to view on the link below:

https://www.bathnes.gov.uk/sites/default/files/AS.S.10%20-%20Non-renewal%20of%20assisted%20employment%20contract%20V2_0.pdf

Precis:

This proposal will be achieved by reviewing the assisted employment services available to B&NES residents and signposting service users to alternative assisted employment services best placed to meet their needs.

2026-27 budget proposal statement:

'The local authority commissions from an external organisation short term assisted employment support for adults with mental health-related needs. The council in addition to this external contract operates a Business and Skills Hub, which helps individuals overcome barriers to education and employment by offering careers advice, job search assistance, CV support, and job coaching. As contracts reach their planned end dates, there are opportunities to review the latest national policies on assisted employment and to identify alternative support options available to B&NES residents'.

Considerations:

- Service users will be enabled to access alternative support that best meets their needs.
- Risk of increase in complaints from existing service users.
- Risk of lack of capacity within alternative services.
- Risk of lack of financial and staffing resources to provide suitable services and individual support.

Recommendation:

- Complete a detailed Equality Impact Assessment as part of the process of implementing this new price change.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative	✓											
Positive												

Adult Social Care Proposal: Optimising Better Care Fund – Prevention Services

The published Equality Impact Assessment is available to view on the link below:

https://www.bathnes.gov.uk/sites/default/files/AS.S.12%20-%20Optimising%20BCF%20-%20Prevention%20Services%20V2_0.pdf

Precis:

Commissioners will optimise the use of Better Care Fund to fund prevention services by robustly planning expenditure and ongoing monitoring of population outcomes achieved. Focus on prevention is a national and local priority across health and social care. This plan will ensure strategic alignment of funds to council priorities and use of funds comparable to that of statistical neighbours.

2026-27 budget proposal statement:

'This proposal will be achieved by optimising the use of Better Care Fund to protect social care expenditure on prevention services, in line with national guidance and local priorities..

Considerations:

- There is anticipated positive impact on people with protected characteristics as:
 - Working closely with internal and external stakeholders to ensure that Better Care Fund and Improved Better Care Fund is spent on service in line with local priorities.
 - This should create a positive impact for people as Better Care Fund and Improved Better Care Fund will be invested to support better independence and support.

Recommendation:

- Complete or update a detailed Equality Impact Assessment as part of the process of implementing this new price change.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
Negative											
Positive	✓										

Adult Social Care Proposal: Technology Enabled Care

The published Equality Impact Assessment is available to view on the link below:

https://www.bathnes.gov.uk/sites/default/files/AS02%20Budget%20Proposal%20and%20EQIA%20Technology%202025-26_0.pdf

Precis:

The local authority arranges and manages care placements and support packages for eligible individuals under the Care Act 2014, aiming to meet statutory duties cost-effectively. Technology Enabled Care, such as telecare and daily living aids, helps reduce the need for in-person care while maintaining or improving outcomes.

2025-26 budget proposal statement

'This proposal will be achieved by using technology to reduce social care resource requirements'.

Considerations:

- There is anticipated positive impact on people with protected characteristics as:
 - Technology enabled care has been proven to better independence and support.
 - These are positive changes that will be managed within national frameworks and industry standards for technology enabled care.
- The success of
- Risks of low take up of technology enabled care.
-

Recommendation:

- During implementation and through an ongoing review process proportionate equality analysis should be carried out as part of the review and implementation process.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative												
Positive	✓											

Public Health Proposal: Royal Victoria Park (RVP) Leisure Facilities Contract
The published Equality Impact Assessment is available to view on the link below:
https://www.bathnes.gov.uk/sites/default/files/PH.S.01%20-%20RVP%20Leisure%20Facilities_0.pdf

Precis:

New 20 years contract procured and in place for RVP Leisure Facilities (tennis, adventure golf, café and event space). Increase usage and improved facilities.

Other outcomes: 1. Improved facilities for residents

2. Third party investment in buildings and leisure facilities including cafe.

3. Improved access for disabled residents

4. Reduction in carbon footprint of the site with ambition to reach net zero.

5. Increased opportunities for increased health and wellbeing.

2026-27 budget proposal statement:

‘New contract has encouraged investment in facilities, better health and wellbeing outcomes for residents to tackle health inequalities, and increased income to be generated from the site linked to a 20-year business plan and lease’.

Considerations:

- Risk of undeliverable outcomes will be mitigated against through contract monitoring processes.
- The aim is to provide a more inclusive provision that is responsive to the needs of all in the community.
- Length of contract may allow for long term positive impact.
- Length of contract could also be a risk if the provision is not carefully monitored and deliverable outcomes are not met.

Recommendation:

- Complete a detailed Equality Impact Assessment as part of the process to demonstrate consideration for people with protected characteristics.
- Carry out inclusive consultation.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative	✓											
Positive	✓											

Children's Services

Portfolio Holder: Cllr Paul May

Children and Young People Proposal: Addressing educational attainment inequality-Growth

The published Equality Impact Assessment is available to view on the link below:

https://www.bathnes.gov.uk/sites/default/files/CS.G.04%20-%20Educational%20Attainment%20Growth_0.pdf

Precis:

Addressing the attainment gap is a shared responsibility. We have an important role in leading a whole-systems approach to addressing the attainment gap; addressing the root causes across council services, coordinating place-based action with partners, and aligning resources. Aim of the programme of work: • for our children that are defined as disadvantaged to have improved educational outcomes in KS2 reading, writing, and maths that are at least in line with national performance. • to narrow the gap between the KS4 results of our young people defined as disadvantaged and their non-disadvantaged peers, by improving the results of disadvantaged pupils.

2026-27 budget proposal statement:

'Budget growth will sustain and programmes and projects already delivering measurable progress, and specifically Language for Life and Action Learning sets with education settings. 'Language for Life' is an evidence-based, multi-agency programme that upskills early years educators to improve children's communication and language outcomes - a key driver of long-term educational outcomes'.

Considerations:

- By embedding equality at every stage of the process, this budget proposal ensures that disadvantaged children receive high-quality, focussed and equitable support.
- High risk of continuing disadvantage for vulnerable children if this budget proposal is not approved.
- Young people eligible for free school meals and from an ethnic minority group are disproportionately represented with low attainment outcomes in B&NES.

Recommendation:

- Review and update the detailed Equality Impact Assessment as an ongoing process to consider the impact of service delivery for young people with protected characteristics

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative												
Positive	✓	✓	✓				✓				✓	

Children and Young People Proposal: Potential Transport Solutions for 1. Pupils attending out of county special schools and 2. Those attending our Hospital Education Reintegration Service (HERS).

The published Equality Impact Assessment is available to view on the link below:

https://www.bathnes.gov.uk/sites/default/files/CS.G.03%20-%20Home%20to%20School%20Transport%20new%20post_0.pdf

Precis: To investigate if we can deliver savings on:

1. The current cost of transporting pupils out of area special schools in single taxis by providing a bespoke mentoring service to take over this role.
2. The current cost of transporting pupils to our HERS provision at Abbot Alphege School if the service delivers this in-house rather than using the B&NES HTST service.

2026-27 budget proposal statement

'Children and young people (CYP) will have specialist mentors that transport them to school rather than collection by taxi drivers with guide escorts. This could provide a cost effective and supportive journey to school ensuring CYP arrive regulated and ready to learn, supporting placements longer term and ensuring high attendance.

2. Students in HERS having differing medical needs which dictate the hours of education they can tolerate. The proposal is to replace the use of separate taxis with a single minibus operated by the provider. The logistics are complicated however, and the timetable would need to be adjusted to allow for multiple trips during the day and throughout the week'.

Considerations:

- Risk of no available local providers.
- Vulnerable younger people with SEND will not have transport and may miss education, in turn lowering their outcomes.
- Children, young people and their families may find the transition challenging especially when a positive relationship has formed with current provider
- Children, young people and their families may find this model of guide escorts more supportive and safer.
- Further cost and availability analysis is required to ensure this proposal meets the intended outcome

Recommendation:

- A robust equality action plan and review schedule should be undertaken.
- Carry out inclusive consultation.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative		✓	✓									
Positive		✓	✓								✓	✓

Sustainable Transport Strategy

Portfolio holder: Cllr Joel Hirst

Sustainable Transport Proposal: Proposed changes to resident parking zone permit charges and car park charges for 2026

The published Equality Impact Assessment is available to view on the link below:

https://www.bathnes.gov.uk/sites/default/files/PM.S.01%20-%20Parking%20-%202026%20proposals%20incl%20Size_0.pdf

Precis:

Increase to resident parking zone permit charges and car park charges for 2026.

2026-27 budget proposal statement

'Proposal is to introduce an additional charge, or discount, based on vehicle size for resident permits where larger vehicles pay a proportionally higher charge, and a review of car parking charges in Bath Hill East car park (Keynsham) the 24hour charge across Bath Park and Rides for those not using the bus service'.

Considerations:

- Families with larger cars are likely to have higher emissions-based cars (ethnic minority groups, religion/belief, children and young people may all be impacted by increased costs.
- People on maternity/paternity leave may have reduced income and could be negatively impacted.
- Disabled people with a blue badge may benefit from reduced parking and improved accessibility in narrow residential streets.
- Women may be disproportionality disadvantaged as there is national acknowledgment of gender pay gaps.
- May displace or disadvantage many people with protected characteristics into residential areas that are not covered by a resident parking scheme.
- Positive: Improved air quality for all residents.

Recommendation:

- Complete a detailed Equality Impact Assessment with a review/update schedule
- Consider the cumulative impact re cost of access for residents particularly to the above-mentioned groups of people with protected characteristics.
- Consider knock-on effects.
- Carry out inclusive consultation

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative	✓		✓									
Positive			✓									

Sustainable Transport Proposal: Increase in parking income through additional enforcement & fee changes

The published Equality Impact Assessment is available to view on the link below:
https://www.bathnes.gov.uk/sites/default/files/PM.S.02.03%20-%20Parking%20-%20P%26D%2C%20RPZs%20%26%20enforcement_0.pdf

Precis: This will reduce commuter parking in residential areas leading to reduced congestion and improved road safety. Potential to increase demand for Park & Ride services.

2026-27 budget proposal statement

'Proposal is to review and implement changes to P&D and extend RPZs across Bath. To implement enforcement of pavement parking and general increase in enforcement. Increased PCN charge. Partly dependent on government review of pavement parking and increasing PCN fees'.

Considerations:

- Protected groups on lower incomes may be adversely impacted (socio-economic, pregnant/maternity, women, younger or older people, ethnic minority groups, disabled, care experienced).
- Disabled people and new parents may benefit from a reduction in commuter parking and improved accessibility in narrow residential streets.
- Wider implications for the economy as people may choose to go elsewhere.
- Schemes will progress where a clear case can be demonstrated and where resources exist

Recommendation:

- Complete and review a detailed Equality Impact Assessment considering where people with protected characteristics may be more impacted than others.
- Carry out inclusive consultation.
- Consider knock-on effects.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative		✓	✓			✓	✓		✓		✓	✓
Positive												

Sustainable Transport Proposal: Increase in income through enforcement of yellow box markings and other traffic restrictions

The published Equality Impact Assessment is available to view on the link below:

<https://www.bathnes.gov.uk/sites/default/files/PM.S.11%20-%20Yellow%20Box%20Enforcement.pdf>

Precis: Increased use of Moving Traffic Enforcement powers, including on Yellow Box Junctions.

2026-27 budget proposal statement

'Proposal is to enforce a number of movement traffic restrictions where contravention by motor vehicles causes congestion or road safety issues, such as yellow box markings'.

Considerations:

- Enforcement tools like moving traffic camera can inadvertently discriminate against disabled people unless reasonable adjustments (e.g., accessible signage, warning notifications, exemptions) are made.
- Enforcement or traffic restrictions near health facilities, places of worship, education settings or care homes could pose indirect discrimination by disproportionately affecting certain groups.
- Protected groups on lower incomes may be adversely impacted (socio-economic, pregnant/maternity, women, younger or older people, ethnic minority groups, disabled, care experienced).
- Risk of reputational damage
- This proposal is an extension to the current arrangement of enforcing bus lanes.

Recommendation:

- Review and update the detailed Equality Impact Assessment considering where people with protected characteristics may be more impacted than others (see below).
- Consider knock-on effects.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative	✓											
Positive												

Communications and Community
Portfolio Holder – Manda Rigby

Sustainable Transport Proposal: Park and Ride fare increase

The published Equality Impact Assessment is available to view on the link below:

https://www.bathnes.gov.uk/sites/default/files/PM.S.04%20-%20Park%20and%20Ride%20Fees%2026.27_0.pdf

Precis: Park and Ride fare increase from £3.70 to £4.00

2026-27 budget proposal statement

'Proposal is to increase the standard Park & Ride fare from £3.70 for a return journey to £4.00 or approximately 7.5%. The 10 single journeys carnet would increase from £14.80 to £16.00 and a group ticket from £5.50 (for 2 adults) to £6.00. Up to 5 children under 16 would continue to travel free with a fare paying adult. Proposal could also include option to increase fares by contractual inflation, CPI (or other measure) annually, rounded up to the nearest 10p in future years as standard. However, this has not been modelled at this time'.

Considerations:

- Protected groups on lower incomes may be adversely impacted (socio-economic, pregnant/maternity, women, younger or older people, ethnic minority groups, disabled, care experienced).
- Potential for reduced passenger usage which may have a wider impact on the economy.
- Wider implications for the economy as people may choose to go elsewhere

Recommendation:

- Complete and review a detailed Equality Impact Assessment considering where people with protected characteristics may be more impacted than others.
- Carry out inclusive consultation.
- Consider knock-on effects.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative		✓	✓			✓	✓		✓		✓	✓
Positive												

Proposal: Removal of Non-Statutory Services within Public Protection (Pest Control)
The published Equality Impact Assessment is available to view on the link below:
<https://www.bathnes.gov.uk/sites/default/files/PM.S.06%20-%20Public%20Protection%20-%20Removal%20of%20Non-Statutory%20Functions.pdf>

Precis: Stop providing this charged-for service to the public.

2026-27 budget proposal statement

'The proposed removal of selected non-statutory services within Public Protection will reduce the Council's capacity to provide discretionary interventions that support community safety, environmental quality, and public health'.

Considerations:

- Increased risk for community safety, environmental quality, and public health for all protected groups.
- Vulnerable residents may be disproportionately affected. Change could be confusing or stressful, particularly for those who are neurodivergent or have dementia and rely on routine.

Recommendation:

- Review and implement inclusive communication methods.
- Consider knock-on effects on wider services.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative	✓											
Positive												

Growth Proposal: Community Safety Proposal: Sustaining statutory levels of service provision following reductions in grants from the Ministry of Justice and Police and Crime Commissioner.

The published Equality Impact Assessment is available to view on the link below:

<https://www.bathnes.gov.uk/sites/default/files/RS.G.01%20-%20Community%20Safety%20growth%20items.pdf>

Precis: Services to reduce crime, tackle antisocial behaviour, address substance misuse and support victims of domestic abuse can be maintained at statutory levels.

2026-27 budget proposal statement:

'This proposal seeks to increase staffing within Community Safety and to backfill the financial loss of Community Safety related grants. It will ensure delivery of statutory services (crime reduction, domestic abuse support, Anti-Social Behaviour enforcement, youth violence prevention) and critical preventative services (domestic abuse perpetrator programmes, youth substance misuse support, specialist Independent Domestic Abuse Advisors (IDVAs), and data analysis).'

Considerations:

- Without this growth, statutory duties under the Crime and Disorder Act risk being compromised, domestic abuse support services could be affected, and preventative programmes for young people and perpetrators could cease.
- Positive action to continue and develop services for vulnerable protected groups including: women & girls, LGBTQ+, young, pregnant, care experienced, ethnically diverse and disabled people, and for those living in rural areas and or people living in poverty.
- Enabling current and emerging strategies to be delivered in B&NES for example Violence against Women and Girls.

Recommendation:

- Continue to embed equality analysis throughout service delivery.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative												
Positive	✓											

Resources

Portfolio Holder: Cllr Mark Elliot

Waste and Recycling Proposal: Refuse and garden waste round efficiencies The published Equality Impact Assessment is available to view on the link below: https://www.bathnes.gov.uk/sites/default/files/PM.S.08%20-%20Refuse%20and%20Garden%20Waste%20Round%20Efficiencies.pdf												
Precis: Revise routes for waste services to manage volumes more effectively and efficiently.												
2026-27 budget proposal statement <i>'Currently, refuse, recycling, and garden waste collections for residents are scheduled on the same day. Since not all households use the paid garden waste service, having collections on the same day causes uneven workloads during the week in urban areas, making some days busier than others. This scheduling can lead to increased disruptions during periods of high demand, such as in the summer. By reorganising the district's collection zones, the service aims to improve overall efficiency. The proposed changes would result in more evenly distributed routes and balanced workloads, while still ensuring that all residents receive their refuse, recycling, and garden waste collections on the same day in 26/27. Any changes to collection days would be clearly communicated in advance'.</i>												
Considerations: ➤ Clear communication with residents on day changes, and website / IT form updates would be required. ➤ Vulnerable residents may be disproportionately affected. Change could be confusing or stressful, particularly for those who are neurodivergent or have dementia and rely on routine. ➤ Disabled residents can request assisted collection. ➤ May improve access to pavements for disabled, older/younger people and new parents.												
Recommendation: ➤ Review and update the detailed Equality Impact Assessment before, during and following implementation to monitor and mitigate against adverse impacts. ➤ Accessible needs and alternative formats for communication should be provided on request or where a need is already known.												
Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative												
Positive	✓											

Waste and Recycling Proposal: Phased transition of all social and private managed housing properties to fortnightly refuse collections.
The published Equality Impact Assessment is available to view on the link below:
https://www.bathnes.gov.uk/sites/default/files/PM.S.05%20-%20Transition%20remaining%20communal%20bin%20stores%20to%20fortnightly%20residual%20waste%20collections_0.pdf

Precis: Transition remaining communal bin stores to fortnightly residual waste collections.

2026-27 budget proposal statement

'Phased transition of all social and private housing managed properties to fortnightly refuse collections, with increased recycling provision as needed'

Considerations:

- Most Curo managed properties transitioned to fortnightly refuse collections in 25/26. The remaining work is for around 90 blocks of premises under differing housing management agencies using shared bin stores
- The waste project team and business waste team will work together to deliver a comprehensive residents engagement programme to support this change and improve recycling rates.
- Vulnerable residents may be disproportionately affected. Change could be confusing or stressful, particularly for those who are neurodivergent or have dementia and rely on routine.
- Disabled residents can request assisted collection.
- May improve access to pavements for disabled, older/younger people and new parents.

Recommendation:

- Complete a detailed proportionate Equality Impact Assessment.
- Accessible needs and alternative formats for communication should be provided on request or where a need is already known.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative												
Positive	✓											

Technology Proposal: Transforming Customer Services

The published Equality Impact Assessment is available to view on the link below:

<https://www.bathnes.gov.uk/sites/default/files/RS.S.01%20-%20Improving%20Communications%202026%20Budget.pdf>

Precis: Improving Customer Communications Project. This proposal will deliver an improved and more consistent service for our residents

2026-27 budget proposal statement

'This is a phased implementation of a new communications platform with the intended outcome being a significantly improved experience for residents and service users. The platform has been implemented and Phase 1 rollout completed in September 2025.'

Considerations:

- Next phases include more self-service options for residents to reduce staff demand
- For all equality areas, employees will require training and may need individual support to move towards a multi-communication channel service.
- The project offers improvements in communication means and accessibility options for all residents, visitors and staff including SignVideo for BSL users and translation services.

Recommendation:

- Implement strategies to improve equality, diversity and inclusion across the service.
- Continue to embed equality analysis throughout service delivery.
- Accessible training and ongoing equality related training for all staff.

Impacts	All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic	Care Experienced
Negative												
Positive	✓											

Additional Protected Characteristics as adopted by B&NES:

The Equality Act does not cover armed forces community. However, the Armed Forces Bill (which came in on 22 Nov 2022) introduces a requirement to pay 'due regard' to make sure the Armed Forces Community are not disadvantaged when accessing public services.

The Equality Act does not cover care experienced people. B&NES adopted this group as a protected characteristic in March 2024 alongside over 80 other Local Authorities. Although we have data for care leavers and children/young people who are currently in the care of B&NES we do not have wider data on disadvantage experienced through being in care.

These additional Protected Characteristics are not evident on this report any significant positive or negative impacts would have been made clear.

Appendix 1

1 Briefing note for elected members on equality in financial decision making

- a. The Equality Act 2010 makes it unlawful to discriminate against an individual because of certain personal characteristics ('protected characteristics').
- b. The Act requires that equality issues are considered by public bodies as part of decision making, especially where services are reduced or redesigned.
- c. The Public Sector Equality Duty (PSED) requires us to have due regard for the need to:
 - eliminate discrimination,
 - advance equality of opportunity and
 - foster good relations between different people.
- d. The questions below are intended to assist PDS panels to scrutinise the proposals from an equality perspective.

2 For each new draft proposal

- a. Are panel members clear that this proposal has been considered from an equality perspective?
- b. Do we know what the impact will be on the most vulnerable people?
- c. Are there any potential unintended impacts or "knock-on" effects and consequences - e.g. on partners, residents or other services?
- d. Have we consulted people and listened to what they have told us about this?
- e. During the implementation of the proposal – how will we continue to check for unintended effects on particular groups of people?
- f. Will there be room for discretion if during the implementation we discover that the change of service disproportionately disadvantages some people?
- g. Considering all the proposals together, what will the cumulative impact be, and will adverse impacts fall disproportionately on specific protected groups?
- h. What have we learnt about equality impacts following the implementation of last years' proposals?

3 What course of action does the EqlA suggest? Is it justifiable?

- a. There are four possible outcomes of an EqlA, more than one may apply to a single proposal:
 - *No major change required*: no potential for discrimination or adverse impact and all opportunities to advance equality have been taken.
 - *Adjustments to mitigate the issues identified*: will the proposed adjustments remove the barriers identified?
 - *Continue despite having identified some potential for adverse impacts or missed opportunities to advance equality*: the justification should be included in the assessment and should be in line with the duty to have 'due regard'. For the most important relevant policies, compelling reasons will be needed. You should consider whether there are sufficient plans to reduce the negative impact and/or plans to monitor the actual impact.
 - *Stop and rethink*: when an assessment shows actual or potential unlawful discrimination

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Annex 3.1

Equality impact introduction and legal background to the 2026 - 2027 budget proposals

1. Introduction and legal background

- a. This report outlines how the impacts of the Council's budget proposals are being considered within the context of the Equality Act 2010¹ The Act makes it unlawful to discriminate directly or indirectly against an individual because of certain personal characteristics ('protected characteristics'). The Act also requires that equality issues are considered by public bodies as part of decision making, especially where services are reduced or redesigned.
- b. Failure to undertake proportionate Equality Analysis (Equality Impact Assessment) could present risks of legal challenge to the Council for failing to pay due regard to its Public Sector Equality Duty². Courts have held that a local authority has to show they have consciously addressed their mind to the duty and actively considered any new plan or policy in light of the potential impact it may have on particular protected groups.

2. Bath and North East Somerset background

- a. The results of the Census 2021 have been collated and presented via the Strategic Evidence Base: <https://www.bathnes.gov.uk/strategic-evidence> this is available for public access.
- b. Bath and North East Somerset is a diverse area which includes the City of Bath as well as vibrant towns, villages and rural communities. The latest population 2021 United Kingdom Census shows there is an estimated 193,400 residents in B&NES an increase of 9.9% since 2011.
- c. Bath & North East Somerset Council covers approximately 135 square miles. Bath is the largest urban settlement in the area, acting as the commercial and recreational centre of the district. It is home to just over 50% of the B&NES population and is a UNESCO World Heritage Site.
- d. The Ethnicity data from the 2021 Census informs us that 85.6 % (165,409) of people in B&NES identify as White British, compared with 90.1% in 2011. The next largest ethnic group is White Other with 5.75% (11,114) of the of the population. There is an increase of people from all ethnic categories apart from Black, Black British, Caribbean. The area has become more diverse since 2011 with 8.6% of people from a variety of ethnic groups including from the following groups:
 - Chinese (2089 people) 1%
 - Other Asian (1876 people) 0.9%
 - Asian (Indian): (1787 people) 0.9%
 - Mixed white and Asian (1846 people) 0.9%

¹ <https://www.legislation.gov.uk/ukpga/2010/15/contents>

² <https://www.legislation.gov.uk/ukxi/2011/2260/contents/made>

³ <https://www.bathnes.gov.uk/document-and-policy-library/strategic-evidence-base-population-and-demography>

- Mixed white and Caribbean (1505 people) 0.7%
 - Black Caribbean (672 people) 0.3%
 - Black British African (980 people)
- e. The 9.9% increase in the size of the population (from an estimated 176,016) to an estimated 193,400 is higher than the overall increase for England (6.6%) and the South West (7.8%). This growth has come from a combination of increasing student numbers at the two Universities and an increasing number of new housing developments.
 - f. As of 2021, B&NES is the 11th most densely populated local authority in the South West; since 2011 there has been a 17.5% increase in people aged 65 years and over in B&NES, lower than the national increase of 20.1%. We have also seen an increase of 8.2% in people aged 15-64 years and an increase of 7.6% in children under 15 years.
 - g. The 2021 Census data indicates that 16.5% (31,778) of people in B&NES identify as Disabled.
 - h. Despite being an area with generally good health and low crime, there is significant disparity within the area. Compared with the most affluent communities in the area, the most deprived communities experience a range of inequalities and poorer life outcomes. Bath and North East Somerset is ranked 269 out of 317 Local Authorities in England for overall deprivation, making it one of the least deprived in the country, however two areas are within the most deprived 10% nationally.

3. Actions to date

- a. As part of the Council's budget equality analysis process, Directors (and their officers with delegated responsibilities) have considered their proposals from an equality perspective. Where available, these have been set out in a 2026/27 budget proposal template, with the high-level intentions outlined. The proposals describe what service redesign is being proposed and should identify if there will be impacts upon residents, employees and/or people who use our services.
- b. This document highlights those individual proposals where Directors have identified a potential impact, either positive or negative on residents, employees and or service users.
- c. This process aims to highlight if any of individual proposals have the potential to have significant equality impacts, and if so, what actions, if any, could be taken to mitigate any unexpected or unintentional impacts. It also aims to identify where multiple proposals may create a cumulative impact.

4. Equality scrutiny process

- a. The 2026/27 budget proposals have been made available for public consultation from 12 December 2025 until 19 January 2026.
- b. Proposals will be scrutinised by the Corporate Policy Development and Scrutiny Panel on 3 February, before going to Cabinet and Council.
- c. The final budget proposals for 2026 to 2027, which will be considered by Cabinet on 12 February and Full Council on 24 February, will also reflect any other changes to the

council's finances, including the level of central government funding, which should now be confirmed.

The detailed budget proposals will be drawn up and presented for consideration by councillors at the following meetings:

- d. Children, Adults, Health and Wellbeing Policy Development and Scrutiny Panel on 19 January 2026
- e. Corporate Policy Development and Scrutiny Panel on 3 February 2026
- f. Climate Emergency and Sustainability Policy Development and Scrutiny Panel on 22 January 2026

5. Savings proposals for 2026/27

- a. Across the Council, every attempt has been made to achieve efficiencies through service redesign, with minimum reduction in frontline services.
- b. It should be noted that a number of proposals refer and rely on income generation. This in itself has the potential to increase pressure on stretched teams and have indirect impacts to other parts of the service, particularly should the income generation not be realised.
- c. Regarding any equality impacts on staff, the council's Human Resources policies and procedures ensure there is full consultation and consideration of staffing matters and that employment-related equality issues are fully considered.

6. Detailed equality analysis

- a. The details of how the proposals approved through the budget setting process will be implemented will follow in due course. It is recommended that a comprehensive and detailed equality analysis is carried out on some of the proposals as they are taken forward. This will help to ensure that opportunities to promote equality are identified, and any possible negative impacts or barriers for particular groups are considered, and where possible, mitigated.
- b. As above, regarding equality impacts on staff, the Council's Human Resources policies and procedures ensure there is full consultation and consideration of staffing matters and that employment-related equality issues are fully considered. Therefore, the focus here is largely on impacts upon service delivery and service users.
- c. The process has highlighted a number of proposals where there is a possibility of negative impact upon certain groups of people with protected characteristics and/or opportunities to promote equality. Each item is accompanied by an appropriate recommendation based on information available at time of drafting.
- d. The selected budget proposals, considerations and recommendations are listed in the attached document and are grouped in order of portfolio holder.

7. Cumulative impacts

- a. Budget proposals have the potential to impact on people across the full range of protected characteristics. In addition, whilst considerations of socio-economic status are not a requirement of the Equality Act public sector duty, the impact of cost of living increases and other financial pressures is an important focus for the Council and its partners.
- b. Financial decisions need to be made with consideration for the unintended effects of budget proposals. The cumulative impact identifies that people may be affected multiple times, by different policies and service changes. i.e. the impact of all the proposals affecting Disabled people should be viewed together rather than only through the lens of an individual proposal.

8. The socio-economic context

- a. It should be noted that the council aims to ensure that services were protected from reductions as much as possible during this budget setting process. However, with year-on-year savings we must balance the Public Sector Equality duty to have 'due regard' and the longer term effects on frontline services that provide support to vulnerable service users as well as those with protected characteristics, particularly those people who may be less able to cope with service changes.
- b. Services users and residents are facing changes from services other than the council, in Bath & North East Somerset this includes some proposals for significant changes to parking and transport costs. We are mindful that the council budget setting process forms only one part of the challenges that will face our residents over the coming years relating to the economic insecurity.
- c. Although socio-economic status is not a protected characteristic, this report notes that even relatively modest cost increases for services can have a substantial impact on the lives of households with low income. These households can often be more reliant on a range of public services; the cumulative impacts of multiple small cuts, increases in charges, travel times or costs can represent a significant barrier to accessing services for those on low incomes. This can impact on some peoples' ability/availability for work, thus keeping them in a cycle of limited opportunity to increase the household income.
- d. Ongoing tightening of eligibility thresholds for example for some health and social care provision, sometimes reducing to statutory provision only may cause unexpected consequences for other services, voluntary and community organisations where capacity is already stretched.

9. Care-Experienced Context

- a. The council recognises care-experienced people as an additional protected group who may face persistent disadvantages throughout their lives. In line with corporate parenting responsibilities, we aim to ensure that services accessed by care-experienced children, young people and adults are carefully assessed for impacts during the budget-setting process.

- b. Care-experienced residents often rely more heavily on a range of public, community and early-intervention services. Even relatively small increases in service costs or reductions in support can have a significant cumulative impact on their wellbeing, stability, financial security and access to education, training and employment. Many care-experienced people have limited family networks to rely on, and therefore unexpected changes—such as increased travel costs, changes to the process of transitioning from children’s to adult services or a change in service provider may create barriers to maintaining independence and achieving positive life outcomes.

10. Council-wide mitigating action

- a. Bath and North East Somerset Council is committed to addressing any potential negative impacts on people with protected characteristics.
- b. Responsible officers will carry out proportionate equality analysis including equality impact assessment to ensure they have demonstrated due regard to the requirements of the Equality Act 2010. Any consultation carried out on these will aim to reach a variety of people including and especially those who are likely to use the service and who may be affected by any changes.
- c. They will undertake regular review of equality analysis and will update documentation as new information becomes available. Responsible officers will ensure that monitoring and analysis is carried out during implementation of proposals; this will be used to identify and develop further mitigations for any unexpected consequences of service changes, particularly responding to cumulative impacts of multiple service changes. Individuals and groups who use services will be encouraged to give feedback on the revised services.
- d. Impacts identified throughout the process along with any monitoring information will be available to inform the following year’s budget process.

11. Where specific protected characteristics have been highlighted in initial screening:

Religion and Belief
The Equality Act 2010 states you must not be discriminated against because: • you are (or are not) of a particular religion • you hold (or do not hold) a particular philosophical belief • someone thinks you are of a particular religion or hold a particular belief (this is known as discrimination by perception) • you are connected to someone who has a religion or belief (this is known as discrimination by association) In the Equality Act religion or belief can mean any religion, for example an organised religion like Christianity, Judaism, Islam or Buddhism, or a smaller religion like Rastafarianism or Paganism, as long as it has a clear structure and belief system. The Equality Act also covers non-belief or a lack of religion or belief.
Potential equality impact:
➤ Sustainable Transport Strategy: Residents Parking Zones ➤ Sustainable Transport Strategy: Parking charges (Pay & Display, Residents parking permits) ➤ Communications & Community: Park & Ride cost increases ➤ Resources: Community Safety
Across the Budget proposals the initial impact assessments have highlighted potential impacts on individuals in relation to religion and belief especially for emissions-based parking charges which may adversely impact larger families and people accessing their chosen place of worship or meeting place.

Age	
The Equality Act 2010 states that you must not be discriminated against because: • you are (or are not) a certain age or in a certain age group • someone thinks you are (or are not) a specific age or age group, this is known as discrimination by perception • you are connected to someone of a specific age or age group, this is known as discrimination by association	
Potential equality impact:	
➤ Adult Services: Individual Service Fund ➤ Adult Services: Technology Enabled Care ➤ Adult Services: Reablement ➤ Adult Services: Enablement ➤ Adult Services: Transitions ➤ Adult Services: Preventing a 2nd Fall ➤ Adult Services: Assisted Employment ➤ Adult Services: Better Care Fund ➤ Adult Services: Leisure Facilities ➤ Children and Young People: Home to School Transport ➤ Children and Young People: Education Outcomes	➤ Resources: Community Safety ➤ Communications & Community: Park & Ride cost increases ➤ Resources: Refuse and Garden Waste Round Efficiencies ➤ Sustainable Transport Strategy: Enforcement of traffic
Many people who rely on access to public services will either be children and young people or elderly who also have low socio-economic status. The cumulative impact of multiple changes to service delivery and increased fares is likely to disadvantage younger and older people.	
The individual service EqIAs will address these issues and will develop mitigations as the proposals are developed and will review these during implementation.	

Sex
The Equality Act 2010 states you must not be discriminated against because: •you are (or are not) a particular sex •someone thinks you are the opposite sex (this is known as discrimination by perception) •you are connected to someone of a particular sex (this is known as discrimination by association) In the Equality Act, sex can mean either male or female, or a group of people like men or boys, or women or girls.
Potential equality impact:
➤ Adult Services: Transitions ➤ Adult Services: Preventing a 2nd Fall ➤ Adult Services: Leisure Facilities ➤ Sustainable Transport Strategy: Residents Parking Zones ➤ Sustainable Transport Strategy: Parking charges (Pay & Display, Residents parking permits) ➤ Communications & Community: Park & Ride cost increases ➤ Resources: Community Safety
Across the Budget proposals the initial impact assessments have highlighted potential impacts on individuals in relation to sex. Data informs us that boys are more likely to be looked after children. The increase in parking charges could disadvantage people based on their sex, women may feel vulnerable if they cannot access safe spaces to park.
The individual service EqlAs will address these issues and will develop mitigations as the proposals are developed and will review these during implementation.

Gender Reassignment
The Equality Act 2010 states that you must not be discriminated against because you are transsexual, when your gender identity is different from the gender assigned to you when you were born.
Potential equality impact:
➤ Adult Services: Leisure Facilities ➤ Adult Services: RVP Leisure Facilities ➤ Sustainable Transport Strategy: Residents Parking Zones ➤ Sustainable Transport Strategy: Parking charges (Pay & Display, Residents parking permits) ➤ Resources: Community Safety ➤ Resources: Improving Customer Communications (ICT)
Across the Budget proposals the initial impact assessments have highlighted potential impacts on individuals in relation to gender reassignment especially for the impact on mental and physical health and wellbeing.
The individual service EqlAs will address these issues and will develop mitigations as the proposals are developed and will review these during implementation.

Marriage/Civil Partnership
The Equality Act states you must not be discriminated against in employment because you are married or in a civil partnership. In the Equality Act marriage and civil partnership means someone who is legally married or in a civil partnership. Marriage can either be between a man and a woman, or between partners of the same sex. Civil partnership is between partners of the same sex or opposite sex. People do not have this characteristic if they are: • single • living with someone as a couple neither married nor civil partners • engaged to be married but not married • divorced or a person whose civil partnership has been dissolved
Potential equality impact:
Across the Budget proposals the initial impact assessments have not highlighted any negative impacts on individuals in relation to marriage or civil partnership

Pregnancy & Maternity
Pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.
Potential equality impact:
➤ Adult Services: Leisure Facilities ➤ Adult Services: Public Health, health improvement ➤ Sustainable Transport Strategy: Residents Parking Zones ➤ Sustainable Transport Strategy: Parking charges (Pay & Display, Residents parking permits) ➤ Communications & Community: Park & Ride cost increases ➤ Resources: Community Safety
The individual service EqlAs will address these issues and will develop mitigations as the proposals are developed and will review these during implementation.

Sexual orientation
The Equality Act 2010 states you must not be discriminated against because: • you are heterosexual, gay, lesbian or bisexual • someone thinks you have a particular sexual orientation (this is known as discrimination by perception) • you are connected to someone who has a particular sexual orientation (this is known as discrimination by association) In the Equality Act, sexual orientation includes how you choose to express your sexual orientation, such as through your appearance or the places you visit.
Potential equality impact:
➤ Children and Young People: Home to School Transport ➤ Resources: Community Safety ➤ Resources: Improving Customer Communications (ICT)
The individual service EqlAs will address these issues and will develop mitigations as the proposals are developed and will review these during implementation.

Race/Ethnicity
The Equality Act 2010 states you must not be discriminated against because of your race. In the Equality Act, race can mean your colour, or your nationality (including your citizenship). It can also mean your ethnic or national origins, which may not be the same as your current nationality.
Potential equality impact:
➤ Adult Services: Reablement ➤ Children and Young People: Education Outcomes ➤ Sustainable Transport Strategy: Residents Parking Zones ➤ Sustainable Transport Strategy: Parking charges (Pay & Display, Residents parking permits) ➤ Communications & Community: Park & Ride cost increases ➤ Sustainable Transport Strategy: Enforcement of traffic ➤ Resources: Community Safety ➤ Resources Improving Customer Communications (ICT)
There are risks that people may be disadvantaged due to their ethnicity, in particular with emissions-based parking charges. Ethnic minorities are more likely to be on lower incomes and have larger families so may not have access to compliant cars. Foreign cars will be charged at the highest rate due to a lack of data sharing structures.

Disability	
The Equality Act 2010 states that you must not be discriminated against because: • you have a disability • someone thinks you have a disability (this is known as discrimination by perception) • you are connected to someone with a Disabled person (this is known as discrimination by association) It is not unlawful discrimination to treat a disabled person more favourably than a non-disabled person. In the Equality Act a disability means a physical or a mental condition which has a substantial and long-term impact on your ability to do normal day to day activities. You are covered by the Equality Act if you have a progressive condition like HIV, cancer or multiple sclerosis, even if you are currently able to carry out normal day to day activities. You are protected as soon as you are diagnosed with a progressive condition. You are also covered by the Equality Act if you had a disability in the past.	
Potential equality impact:	
➤ Adult Services: Individual Service Fund ➤ Adult Services: Reablement ➤ Adult Services: Enablement ➤ Adult Services: Transitions ➤ Adult Services: Preventing a 2nd Fall ➤ Adult Services: Assisted Employment ➤ Adult Services: Technology Enabled Care ➤ Adult Services: Better Care Fund ➤ Adult Services: Leisure Facilities ➤ Children and Young People: Education Outcomes ➤ Children and Young People: Home to School Transport	➤ Sustainable Transport Strategy: Residents Parking Zones ➤ Sustainable Transport Strategy: Parking charges (Pay & Display, Residents parking permits) ➤ Communications & Community: Park & Ride cost increases ➤ Communications & Community: Public Protection Control ➤ Resources: Refuse and Garden Waste Round Efficiencies ➤ Sustainable Transport Strategy: Enforcement of traffic ➤ Resources: Community Safety ➤ Resources Improving Customer Communications (ICT)
There is a risk that proposals redesigning service delivery may impact on Disabled people including children and young people with special educational needs and disabilities. Not all Disabled people are blue badge holders but require ease of access to facilities including parking spaces. Cumulative impact of increased costs may result in disadvantage.	
Specific equality analysis for proposals before and during implementation will address and mitigate where possible; ongoing monitoring will inform these mitigations.	

12. Recommendations for implementation of accepted budget proposals

The following recommendations should be considered (as appropriate), to ensure that equality issues continue to be considered during the implementation stages.

a. Full or proportionate equality impact assessments / equality analysis.

This should be carried out on all proposals where initial reviews have revealed likely impacts upon particular groups of people due to their protected characteristics. EqlAs must be carried out at a formative stage so that the assessment is an integral part of the development of a proposal, not a later justification of a policy that has already been adopted. The assessment should form part of the proposal and should be considered before making the decision.

This enables the Council to demonstrate it has taken due regard to equality issues and has thoroughly considered how to meet the requirements of the Public Sector Equality Duty. The Council's Equality Impact Assessment template can be found on the Council's [EIA web pages](#), and support is available from the Equality Team in carrying out the assessments. Completed EIAs should be published on this web page.

b. Inclusive consultation.

Where consultation is required, it is vital that a diverse range of people are encouraged to take part. This will help to identify any additional equality impacts that may need to be addressed and mitigated where possible. A variety of methods should be used to access consultees with varying protected characteristics. The Independent Equality Advisory Group can be used as a consultative body, and will provide further guidance on likely impacts, and ways of mitigating these.

c. Clear and transparent communication.

It is important to ensure that the communication and publicity strategies about service changes are accessible to disabled people (for example, people with visual impairment or learning disability) and to those for whom English is an additional language. The Council has a commissioned interpreting and translation service to assist with this.

d. Including equality issues within commissioning specifications.

Where proposals include commissioning or recommissioning external providers, detailed equality requirements in line with public sector equality duty should be built into contract specifications. This will ensure that best practice relating to equality in delivery of services is continued and improved upon when delivered by external partners.

e. Workforce training and development.

A number of the budget proposals are dependent upon the ability of officers to recognise opportunities to advance equality (for example, within commissioning, or by targeting services towards those who are most vulnerable). It is also important that

officers are aware of, and sensitive to, the particular needs of different groups of people. Equality training is available as part of the Corporate Training programme, and bespoke training can be arranged by the Council's Equality Team.

f. **Ongoing monitoring.**

Where services are subject to redesign, equality monitoring should be carried out to help identify if the service is operating as intended, if it is reaching and meeting the needs of our most vulnerable communities, and if there are any unforeseen impacts that need to be addressed. (In this instance the EqIA should be updated).

Bath and North East Somerset Council – Efficiency Strategy

1. Flexible Use of Capital Receipts

Central Government outlined in December 2015 that local authorities would be able under certain circumstances to utilise capital receipts for revenue expenditure for certain purposes. These include for example:

- Sharing back-office and administrative services with one or more other council or public sector bodies;
- Investment in service reform feasibility work, e.g. setting up pilot schemes;
- Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation;
- Collaboration between local authorities and central government departments to free up land for economic use;
- Sharing Chief-Executives, management teams or staffing structures;
- Aggregating procurement on common goods and services where possible, either as part of local arrangements or regional procurement hubs;
- Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible;
- Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, selling services to others).
- Integrating public facing services across two or more public sector bodies to generate savings or to transform service delivery;
- Improving systems and processes to tackle fraud and corruption.

Further guidance was released in March 2016 which outlined a simpler approach to allow authorities to utilise receipts if the spend resulted in an ongoing saving. The guidance is clear however that expenditure should be once-off and the flexibility cannot be utilised for ongoing expenditure.

The Government announced as part of its 2025/26 Local Government Finance Policy Statement that the flexibility would extend to 2029/30.

The requirement states that the strategy should list each project that plans to make use of the capital receipts flexibility and that details of the expected savings/service

transformation are provided. All uses of flexible receipts have therefore been linked to the savings plans approved as part of budget setting. The Strategy should report the impact on the local authority's Prudential Indicators for the forthcoming and subsequent years.

The strategy in future years will monitor the performance of projects approved in previous years. The Strategy must be approved by Full Council. A revised strategy may be replaced by another during the year.

2. Savings Projects Which Meet the Criteria

Council agreed in November 2017 to utilise the flexibility to fund the once-off revenue costs such as redundancy and legal costs allowable under the criteria to achieve the Directorate Savings Plans agreed as part of the 2017/18 and future years budgets. The flexibility was linked to budget savings plans for 2017/18 and future years:

A total of £11.115m has been utilised between 2017/18 and 2024/25 mainly to fund redundancy and other one-off costs to realise on-going savings. Further details of spend and savings are shown in the following tables:

Category	Spend			
	2017/18 - 2022/23	2023/24	2024/25	Total
	£m	£m	£m	£m
Restructuring & Severance Costs	7.537	1.481	1.383	10.401
Procurement, Commissioning and other service redesign	0.714	0.000	0.000	0.714
Total	8.251	1.481	1.383	11.115

Category	Cumulative Savings			
	2017/18 - 2022/23	2023/24	2024/25	2025/26
	£m	£m	£m	£m
Restructuring & Severance Costs	6.387	6.525	7.065	11.065
Procurement, Commissioning and other service redesign	6.290	6.290	6.290	6.290
Total	12.677	12.815	13.355	17.355

It is estimated that up to £0.035m will be utilised in 2025/26 in one-off costs to deliver savings, which would take the total spend up to an estimated £11.150m by 31st March 2026. This will be reported as part of the outturn report in July 2026.

As the flexibility will continue beyond 2025/26 the remaining estimated balance of £0.350m capital receipts from the originally allocated £11.500m will be utilised in 2026/27 to provide one-off funding for the Business Change function to meet eligible costs associated with the delivery of transformation savings as outlined in Annex 2(i).

In summary the estimated overall level of receipts required has remained at the £11.500m reported in the 2025/26 and previous strategies.

3. The Capital Receipts to be Used this Purpose

Capital receipts from the disposal of property, plant, and equipment received in the years in which the flexibility is offered can be used for this purpose. Right to Buy Receipts and receipts from Council owned companies are excluded.

Capital receipts have already been achieved and are held as unapplied on the balance sheet and are available to finance eligible costs in 2026/27.

4. Impact on the Council's Prudential Indicators

If the Council utilises this flexibility it impacts on the level of capital receipts that can be utilised to fund the capital programme. If it is assumed that the Council has and will continue to utilise up to £11.500m of flexible receipts for one-off costs with the impact being factored into the Council's Prudential Indicators (as detailed in the Budget Report) as follows:

Prudential Indicator	2024/25 Actual	2025/26 Forecast Outturn	2026/27	2027/28	2028/29
Estimate of Capital Expenditure (£'000s)					
Actual/estimates of capital expenditure	53,041	98,420	210,599	142,188	96,846
Net Increase in Council Tax (band D per annum) Figures in £'s (not £'000's)					
The implied estimate of incremental impact of the new capital investment decisions on the Council Tax			(£1.38)	£6.14	£3.36
Cumulative totals:			(£1.38)	£4.76	£8.12
Capital Financing as % of Net Revenue Stream					

Annex 4

Actual/estimates of the ratio of financing costs to net revenue stream			12.90%	14.86%	17.36%
<i>Memo: estimates of the ratio of financing cost to gross revenue stream</i>			5.06%	5.97%	7.07%
Borrowing Limits (£m)					
Operational boundary – borrowing			£438m	£526m	£587m
Operational boundary – other long-term liabilities			£8m	£8m	£7m
Operational boundary – total			£446m	£534m	£594m
Authorised limit – borrowing			£465m	£552m	£612m
Authorised limit – other long-term liabilities			£8m	£8m	£7m
Authorised limit – total			£473m	£560m	£619m
Loans Capital Financing Requirement (£'000s) (as at 31 March)					
Actual/estimate of loans capital financing requirement	373,047	392,816	464,627	552,118	611,968

1. This is an indicator of affordability that shows the implied impact of capital investment decisions on Council Tax levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the proposed capital programme.
2. The figures show borrowing limits but it is important to note that the Council is utilising cash flow efficiency wherever possible.

Capital Scheme	Forecast Outturn 2025/26	Actual / Forecast Spend all years to 2025/26	Total Budget 2025/26	Rephasing from 25/26 into FY	New Budget Request 2026/27	Total Budget 2026/2027	Total Budget 2027/28	Total Budget 2028/29	Total Budget 2029/30	Total Budget 2030/2031	Total Cost 5 Years	Overall Project Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Full Approval												
Resources												
Capital Contingency	2,777	2,777	2,777	0	660	53	0	0	0	0	53	2,829
Cleveland Pools Grant	0	0	10	10	0	10	0	0	0	0	10	10
Commercial Asset Re-Investment	4,025	4,025	6,327	2,302	0	5,915	0	0	0	0	5,915	9,940
Commercial Estate Fire Safety Works	660	1,168	2,452	1,792	500	2,835	0	0	0	0	2,835	4,003
Commercial Estate Refurbishment Programme	3,285	3,285	5,948	2,663	15	2,678	0	0	0	0	2,678	5,963
Flexible Use of Capital Receipts (Transformation)	35	11,150	385	350	0	350	0	0	0	0	350	11,500
IT Asset Refresh	487	487	487	0	15	15	0	0	0	0	15	502
Litter Bin Replacement Programme	40	40	40	0	0	20	20	20	0	0	60	100
Neighbourhood Services Vehicles	1,690	1,690	7,728	6,038	0	6,038	0	0	0	0	6,038	7,728
Orange Grove	113	634	919	806	-806	0	0	0	0	0	0	634
Property Company Investment - Council (Loan): Developments	1,000	24,773	3,816	2,816	6,873	15,300	38,800	22,950	4,766	0	81,816	106,589
Waste Depot Relocation	0	7,265	158	158	0	158	0	0	0	0	158	7,423
Waste Infrastructure Modernisation	1,794	2,383	6,048	4,254	0	6,186	0	0	0	0	6,186	8,569
Waste Welfare Facilities	15	189	109	94	0	94	0	0	0	0	94	283
Subtotal Full Approval - Resources	15,921	59,865	37,203	21,282	7,257	39,651	38,820	22,970	4,766	0	106,207	166,072
Provisional Approval												
Resources												
Commercial Asset Re-Investment	0	0	0	0	0	0	3,000	3,000	0	0	6,000	6,000
Commercial Estate Planned Maintenance Programme	0	0	355	0	0	500	500	500	500	500	2,500	2,500
Commercial Estate Refurbishment Programme	0	0	-78	0	982	2,404	1,515	1,515	1,515	1,515	8,464	8,464
Corporate Offices Furniture	0	0	0	0	15	15	15	15	15	15	75	75
Decarbonisation - Electric Vehicle Charging Infrastructure	0	0	0	0	550	550	550	0	0	0	1,100	1,100
IT Asset Refresh	0	0	907	858	0	609	1,347	1,527	1,463	572	5,518	5,518
Litter Bin Replacement Programme	0	0	0	0	0	0	0	0	20	20	40	40
Neighbourhood Services Vehicles	0	0	240	240	176	1,721	12,776	1,022	3,007	1,098	19,623	19,623
Property Company Investment	0	0	0	0	-7,389	0	0	0	0	0	0	0
Waste Container Replacements	0	0	0	0	235	235	0	0	0	0	235	235
Subtotal Provisional Approval - Resources	0	0	1,424	1,098	-5,431	6,033	19,703	7,579	6,520	3,720	43,555	43,555

Capital Scheme	Forecast Outturn 2025/26	Actual / Forecast Spend all years to 2025/26	Total Budget 2025/26	Rephasing from 25/26 into FY	New Budget Request 2026/27	Total Budget 2026/2027	Total Budget 2027/28	Total Budget 2028/29	Total Budget 2029/30	Total Budget 2030/2031	Total Cost 5 Years	Overall Project Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Full Approval												
Economic & Cultural Sustainable Development												
Bath Central Riverside	15	73	57	42	0	42	0	0	0	0	42	115
Bath City Centre Renewal Programme	641	1,429	1,128	487	0	487	0	0	0	0	487	1,916
Bath Quays North	612	10,598	1,358	746	0	746	6,217	24,872	500	0	32,335	42,933
Corporate Estate Decarbonisation Programme	255	255	346	91	0	105	246	0	0	0	351	606
Corporate Estate Planned Maintenance	3,033	3,033	5,567	2,535	790	3,625	2,829	0	0	0	6,454	9,486
Digital B&NES	22	2,122	306	284	0	284	0	0	0	0	284	2,406
Equality Act Works	0	0	40	40	0	90	50	50	50	50	290	290
Estate Rationalisation	500	558	802	302	0	2,052	0	0	0	0	2,052	2,610
Fashion Museum Renovation	1,700	1,700	1,923	223	0	223	0	0	0	0	223	1,923
Grand Parade & Undercroft	10	121	117	107	0	107	0	0	0	0	107	228
Guildhall Roof Refurbishment	50	50	190	140	0	2,986	964	0	0	0	3,950	4,000
Heritage Collections Centre	-135	55	380	515	0	515	0	0	0	0	515	570
Heritage Infrastructure Development	258	258	284	26	0	26	0	0	0	0	26	284
Heritage Services Retail System	62	292	100	38	0	38	0	0	0	0	38	330
Keynsham High Street Renewal Programme	2,356	6,610	2,362	6	0	6	0	0	0	0	6	6,616
Local Centres Renewal Programme	5	80	72	67	0	67	0	0	0	0	67	147
Midsomer Norton High Street Renewal Programme	200	3,664	357	157	0	187	0	0	0	0	187	3,850
Milsom Quarter Masterplan Delivery	337	633	613	276	0	276	0	0	0	0	276	909
Radstock Road Depot - Community Equipment Store	50	50	300	250	0	250	0	0	0	0	250	300
Somer Valley Enterprise Zone - Infrastructure	2,248	4,892	8,897	6,649	0	6,649	0	0	0	0	6,649	11,540
York Street Vaults Phase 2	5	1,127	24	19	0	19	0	0	0	0	19	1,146
Subtotal Full Approval - Economic & Cultural Sustainable Development	12,225	37,601	25,221	12,996	790	18,776	10,306	24,922	550	50	54,604	92,205
Provisional Approval												
Economic & Cultural Sustainable Development												
Corporate Estate Decarbonisation Programme	0	0	0	0	0	1,000	1,000	1,000	750	0	3,750	3,750
Corporate Estate Planned Maintenance	0	0	0	0	-2,700	0	261	3,090	3,090	3,090	9,531	9,531
Fashion Museum Renovation	0	0	0	0	0	307	1,693	12,215	4,785	0	19,000	19,000
Heritage Collections Centre	0	0	750	750	0	750	0	0	0	0	750	750
Heritage Infrastructure Development	0	0	830	830	0	516	516	516	516	516	2,580	2,580
Radial Gate Business Case and Design	0	0	0	0	1,850	1,850	0	0	0	0	1,850	1,850
Refurb of Roman Baths Shop	0	0	100	100	0	100	0	0	0	0	100	100
Somer Valley Enterprise Zone - Infrastructure	0	0	17,915	17,915	0	23,333	634	0	0	0	23,967	23,967
West / Bath Stall Street Vaults Repair	0	0	0	0	650	650	1,350	0	0	0	2,000	2,000
Subtotal Provisional Approval - Economic & Cultural Sustainable Development	0	0	19,594	19,594	-200	28,506	5,454	16,821	9,141	3,606	63,528	63,528

Capital Scheme	Forecast Outturn 2025/26	Actual / Forecast Spend all years to 2025/26	Total Budget 2025/26	Rephasing from 25/26 into FY	New Budget Request 2026/27	Total Budget 2026/2027	Total Budget 2027/28	Total Budget 2028/29	Total Budget 2029/30	Total Budget 2030/2031	Total Cost 5 Years	Overall Project Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Full Approval												
Communications & Civic Services												
Bath Christmas Market	32	32	50	0	0	50	50	50	50	50	250	282
CCTV Camera Replacement	426	936	521	95	0	95	0	0	0	0	95	1,031
Haycombe Cremator	398	398	398	0	0	1,102	0	0	0	0	1,102	1,500
Subtotal Full Approval - Communications & Civic Services	856	1,366	969	95	0	1,247	50	50	50	50	1,447	2,813
Provisional Approval												
Communications & Civic Services												
Haycombe Cemetery Expansion	0	0	0	0	0	750	500	500	750	0	2,500	2,500
Haycombe Crematorium	0	0	15	15	-15	0	0	0	0	0	0	0
Lansdown P&R Extension	0	0	240	240	0	240	0	0	0	0	240	240
P&R Security	0	0	110	110	0	110	0	0	0	0	110	110
Park & Ride Site Improvements	0	0	400	400	0	400	0	0	0	0	400	400
Subtotal Provisional Approval - Communications & Civic Services	0	0	765	765	-15	1,500	500	500	750	0	3,250	3,250
Full Approval												
Leader												
Leader-none												
Provisional Approval												
Leader												
Bath Neighbourhood CIL	0	0	272	272	0	272	0	0	0	0	272	272
Subtotal Provisional Approval - Leader	0	0	272	272	0	272	0	0	0	0	272	272
Full Approval												
Sustainable Transport Strategy												
Active Travel Prescribing Project	6	78	73	67	0	67	0	0	0	0	67	145
Office for Low Emission Vehicles (OLEV) Bid -GULW	65	1,567	293	228	0	228	0	0	0	0	228	1,795
Resident Parking Zone	339	339	339	0	0	450	0	0	0	0	450	789
Subtotal Full Approval - Sustainable Transport Strategy	410	1,984	705	295	0	745	0	0	0	0	745	2,728
Provisional Approval												
Sustainable Transport Strategy												
Car Park Security	0	0	110	110	0	110	0	0	0	0	110	110
Parking Body Worn Video Cameras for Civil Enforcement Officers	0	0	0	0	0	0	0	70	0	0	70	70
Parking Enforcement Hand Held Computer Terminal Replacement	0	0	0	0	0	0	0	100	0	0	100	100
Parking Radio System Replacement	0	0	0	0	0	0	0	100	0	0	100	100
Subtotal Provisional Approval - Sustainable Transport Strategy	0	0	110	110	0	110	0	270	0	0	380	380

Capital Scheme	Forecast Outturn 2025/26	Actual / Forecast Spend all years to 2025/26	Total Budget 2025/26	Rephasing from 25/26 into FY	New Budget Request 2026/27	Total Budget 2026/2027	Total Budget 2027/28	Total Budget 2028/29	Total Budget 2029/30	Total Budget 2030/2031	Total Cost 5 Years	Overall Project Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Full Approval												
Built Environment, Housing & Sustainable Development												
Affordable Housing (Enabling)	145	145	212	67	0	67	0	0	0	0	67	212
BWR Phase 2	17,115	40,581	18,560	1,445	0	2,512	0	0	0	0	2,512	43,093
Disabled Facilities Grant	1,684	1,684	2,284	600	0	2,389	1,789	1,789	1,789	1,789	9,546	11,229
Englishcombe Lane Supported Housing	275	974	371	96	0	3,658	5,808	440	0	0	9,906	10,880
B&NES Homes/Housing Delivery F&D	78	2,640	578	500	0	500	0	0	0	0	500	3,140
North Keynsham SDL - External Fees	107	6,233	199	92	0	92	0	0	0	0	92	6,325
Local Authority Housing Fund (Ukrainian/Afghan homes)	924	4,525	1,181	257	0	257	0	0	0	0	257	4,782
Social Rent Programme (Phase 1 of BANES Homes)	3,176	9,698	4,661	1,485	0	2,985	0	0	0	0	2,985	12,683
Supported Housing Scheme	390	1,944	598	208	0	208	0	0	0	0	208	2,151
Subtotal Full Approval - Built Environment, Housing & Sustainable Development	23,894	68,425	28,643	4,749	0	12,667	7,597	2,229	1,789	1,789	26,072	94,497
Provisional Approval												
Built Environment, Housing & Sustainable Development												
Affordable Housing (Enabling)	0	0	1,191	1,066	-640	1,245	635	635	635	635	3,785	3,785
Housing Delivery Initiation Fund	0	0	1,000	1,000	640	1,640	0	0	0	0	1,640	1,640
Phase 2 of BANES Homes (it was Council House Building Programme)	0	0	0	0	0	2,568	12,432	0	0	0	15,000	15,000
Supported Housing Scheme (Englishcombe Lane and saving initiative)	0	0	4,490	4,490	0	3,669	11,163	2,560	500	0	17,892	17,892
Subtotal Provisional Approval - Built Environment & Sustainable Development	0	0	6,681	6,556	0	9,122	24,230	3,195	1,135	635	38,317	38,317
Full Approval												
Adult Services												
Community Resource Centre Capital Investment	20	20	37	17	0	17	0	0	0	0	17	37
Community Resource Centre Equipment Replacement	15	15	43	28	0	148	0	50	0	0	198	213
Subtotal Full Approval - Adult Services	35	35	81	46	0	166	0	50	0	0	216	251
Provisional Approval												
Adult Services												
Adults Day Services Equipment Replacement	0	0	30	0	0	30	30	30	30	0	120	120
Best Start Family Hubs	0	0	0	0	67	67	69	70	0	0	206	206
Community Resource Centre Equipment Replacement	0	0	50	0	0	50	50	50	20	0	170	170
Leisure - Commercialisation of Parks	0	0	32	32	0	32	0	0	0	0	32	32
Odd Down Sports Ground and Other Leisure Feasibility	0	0	1,205	1,205	881	2,086	0	0	0	0	2,086	2,086
Subtotal Provisional Approval - Adult Services	0	0	1,317	1,237	948	2,265	149	150	50	0	2,614	2,614

Capital Scheme	Forecast Outturn 2025/26	Actual / Forecast Spend all years to 2025/26	Total Budget 2025/26	Rephasing from 25/26 into FY	New Budget Request 2026/27	Total Budget 2026/2027	Total Budget 2027/28	Total Budget 2028/29	Total Budget 2029/30	Total Budget 2030/2031	Total Cost 5 Years	Overall Project Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Full Approval												
Children's Services												
Basic Needs - School Improvement / Expansion	3,129	3,129	3,229	100	0	100	0	0	0	0	100	3,229
Culverhay SEND project	171	202	171	0	1,781	1,781	0	0	0	0	1,781	1,983
Early Years Premises Improvements	100	420	140	40	0	40	0	0	0	0	40	460
Schools Capital Maintenance Schemes	1,435	1,435	2,002	566	0	566	0	0	0	0	566	2,002
SEND (Special Education Needs & Disability) Capital Programme	1,792	1,792	3,262	1,470	-1,281	571	59	0	0	0	630	2,422
Small Residential Unit - New Residential & Day School - Charlton House	668	816	4,668	4,000	0	4,000	2,011	0	0	0	6,011	6,827
Subtotal Full Approval - Children's Services	7,295	7,794	13,472	6,177	500	7,059	2,070	0	0	0	9,129	16,923
Provisional Approval												
Children's Services												
Basic Needs - School Improvement / Expansion	0	0	13,731	13,531	-5,800	12,189	6,000	0	0	0	18,189	18,189
Foster Care Building Grants	0	0	0	0	250	250	250	0	0	0	500	500
Schools Capital Maintenance Schemes	0	0	1,018	1,018	-518	1,135	518	0	0	0	1,653	1,653
Special Education Needs & Disability (SEND) Education Provision	0	0	1,672	1,000	-500	2,500	461	0	0	0	2,961	2,961
Subtotal Provsional Approval - Children's Services	0	0	16,421	15,549	-6,568	16,073	7,229	0	0	0	23,302	23,302

Capital Scheme	Forecast Outturn 2025/26	Actual / Forecast Spend all years to 2025/26	Total Budget 2025/26	Rephasing from 25/26 into FY	New Budget Request 2026/27	Total Budget 2026/2027	Total Budget 2027/28	Total Budget 2028/29	Total Budget 2029/30	Total Budget 2030/2031	Total Cost 5 Years	Overall Project Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Full Approval												
Sustainable BANES												
Bath River Line	1,221	1,497	1,721	500	79	579	0	0	0	0	579	2,076
Bathscape	131	391	161	30	0	30	0	0	0	0	30	421
Green Infrastructure	0	0	0	0	0	0	270	0	0	0	270	270
Keynsham Memorial Park	20	127	266	246	0	246	0	0	0	0	246	373
Parks Equipment Replacement Programme	0	0	0	0.405	0	0.405	0	0	0	0	0	0
Parks Improvements	472	472	1,022	551	0	551	0	0	0	0	551	1,022
Play Area Refurbishment / Equipment	391	391	431	40	360	400	0	0	0	0	400	791
Renewable Energy Development Fund	42	42	336	294	0	294	0	0	0	0	294	336
Somer Valley Rediscovered	687	728	729	43	0	43	0	0	0	0	43	770
Tree Planting	52	52	188	136	0	188	49	49	0	44	330	382
Waterspace Connected	0	720	119	119	-79	72	8	0	0	0	80	800
Subtotal Full Approval - Sustainable BANES	3,016	4,419	4,975	1,959	360	2,402	327	49	0	44	2,822	7,241
Provisional Approval												
Sustainable BANES												
Air Quality Management Area and AQ Monitors	0	0	0	0	0	174	0	0	0	0	174	174
Bath River Line	0	0	3,601	3,601	0	3,601	0	0	0	0	3,601	3,601
Bath Spa Water Supply Machinery replacement/refurbishment	0	0	0	0	20	20	0	0	0	0	20	20
Better Mooring Project	0	0	350	350	377	777	197	135	0	0	1,109	1,109
Biodiversity Net Gain – BNG	0	0	90	90	-20	70	0	0	0	0	70	70
Landscape City	0	0	350	350	-300	50	0	0	0	0	50	50
Keynsham Memorial Park	0	0	50	50	0	50	0	0	0	0	50	50
Parks Equipment Replacement Programme	0	0	188	188	0	209	21	21	21	21	293	293
Parks Improvements	0	0	84	84	0	84	0	0	0	0	84	84
Play Area Refurbishment / Equipment	0	0	350	0	-350	0	360	360	360	360	1,440	1,440
Parks For All Programme	0	0	0	0	75	75	0	0	0	0	75	75
Parks Pulse Programme	0	0	0	0	75	75	75	75	75	75	375	375
Renewable Energy Development Fund	0	0	1,455	1,455	0	1,955	500	500	500	500	3,955	3,955
Renewable energy in B&NES	0	0	250	250	0	300	50	50	50	50	500	500
Tree Planting	0	0	0	0	0	0	0	14	44	0	58	58
Tree Planting/Doubling Woodland Cover	0	0	125	125	-125	50	0	0	0	0	50	50
Waterspace Connected	0	0	2,350	2,350	0	4,210	465	0	0	0	4,675	4,675
Wellsway Sports Pitch	0	0	0	0	200	200	0	0	0	0	200	200
Subtotal Provisional Approval - Sustainable BANES	0	0	9,243	8,893	-48	11,900	1,668	1,155	1,050	1,006	16,779	16,779

Capital Scheme	Forecast Outturn 2025/26	Actual / Forecast Spend all years to 2025/26	Total Budget 2025/26	Rephasing from 25/26 into FY	New Budget Request 2026/27	Total Budget 2026/2027	Total Budget 2027/28	Total Budget 2028/29	Total Budget 2029/30	Total Budget 2030/2031	Total Cost 5 Years	Overall Project Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Full Approval												
Sustainable Transport Delivery												
ATF5:Clapton Road and Redfield Road Pedestrian Improvements	30	30	67	37	0	470	0	0	0	0	470	500
CAZ - Clean Air Zone	458	14,804	827	369	0	369	0	0	0	0	369	15,173
CRSTS Bath City Centre (BCC)	1,591	1,699	3,007	1,416	0	4,506	0	0	0	0	4,506	6,205
CRSTS Cycling and Walking - Bath Quays Links	2,082	2,082	2,686	604	0	1,767	0	0	0	0	1,767	3,849
CRSTS Liveable Neighbourhoods	2,513	6,019	3,217	704	0	3,605	0	0	0	0	3,605	9,624
CRSTS Manvers Street Remediation	1,282	1,952	4,260	2,978	0	2,978	0	0	0	0	2,978	4,930
Highways Maintenance Block	10,096	10,096	10,379	283	9,549	9,833	0	0	0	0	9,833	19,928
Highways S106 Projects	1	1	193	193	0	193	0	0	0	0	193	194
Local Active Travel Safety Programme (LATS)	2,769	2,769	3,457	689	2,922	3,610	0	0	0	0	3,610	6,379
London Road Modification	15	164	51	36	0	36	0	0	0	0	36	200
School Streets project	110	110	250	140	0	140	0	0	0	0	140	250
Subtotal Full Approval - Sustainable Transport Delivery	20,946	39,726	28,393	7,447	12,471	27,506	0	0	0	0	27,506	67,232
Provisional Approval												
Sustainable Transport Delivery												
ANPR Enforcement Camera Replacement	0	0	0	0	0	0	0	640	0	0	640	640
CRSTS - Midsomer Norton & Westfield, Walking, Wheeling & Cycling Links	0	0	1,250	1,250	1,047	2,297	0	0	0	0	2,297	2,297
CRSTS Bath City Centre (BCC)	0	0	0	0	571	571	0	0	0	0	571	571
CRSTS Bath Sustainable Walking & Cycling Links (BSWCL)	0	0	514	514	80	2,980	8,820	0	0	0	11,800	11,800
CRSTS Liveable Neighbourhoods	0	0	1,271	1,271	-900	371	0	0	0	0	371	371
CRSTS Manvers Street Remediation	0	0	70	70	0	70	0	0	0	0	70	70
CRSTS Somer Valley Links (SVL)	0	0	5,300	5,300	-10,100	5,000	6,000	7,000	0	0	18,000	18,000
Highways Maintenance Block - Provisional	0	0	0	0	-7,834	0	8,069	8,069	8,069	8,069	32,276	32,276
Local Active Travel Safety Programme (LATS)	0	0	0	0	-2,363	0	1,198	1,198	1,198	1,198	4,792	4,792
Sustainable Transport Initiatives CRSTS	0	0	1,721	1,721	-3,004	13,309	0	0	0	0	13,309	13,309
Subtotal Provisional Approval - Sustainable Transport Delivery	0	0	10,126	10,126	-22,503	24,598	24,087	16,907	9,267	9,267	84,126	84,126
TOTAL CAPITAL SCHEME BUDGET	84,596	221,214	205,613	119,246	-12,438	210,599	142,188	96,846	35,068	20,167	504,869	726,083

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NEW AND EMERGING CAPITAL SCHEMES 2026/27

This annex provides details of changes shown as “New Budget Requests” within the Capital Programme Annex 5 which also illustrates the delivery of schemes included from previous budget-setting reports, with due consideration to re-phasing. Capital proposals funded from Community Infrastructure Levy (CIL) are described in Annex 5(vii) and not duplicated here.

1. RESOURCES

- 1.1 Decarbonisation - Electric Vehicle Charging Infrastructure at Keynsham Recycling Hub (KRH) for Provisional Approval** of £1.1m funded by Corporate Supported Borrowing (CSB), profiled £550k in each of 2026/27 & 2027/28.

At the time of KRH design and build, the Fleet Decarbonisation Strategy and plans had not been developed. We now need to accelerate the installation of electric vehicle charging points and associated infrastructure. All options will make use of existing features such as ducting for the electric cabling.

- 1.2 Commercial Estate Fire Safety Works for Full Approval** of £500k in 2026/27, funded by CSB and a funding transfer of £920k in 2026/27 to replace third-party contributions with CSB.

To complete fire safety improvement works for residential premises within the commercial estate, including landlord responsibility in communal areas, to address changes in legislation.

- 1.3 Waste Container Replacements for Provisional Approval** of £235k in 2026/27 funded by Service Supported Borrowing (SSB).

Large scale roll-out of new red lidded bag recycling containers for plastics and tins.

- 1.4 Corporate Offices Furniture for Provisional Approval** of £75k funded by CSB, profiled £15k per year from 2026/27 to 2030/31.

To fund the purchase of replacement end of life office furniture for Keynsham Civic Centre and Guildhall Offices.

- 1.5 Commercial Estate Refurbishment for Provisional Approval** of £2.542m profiled £982k 2026/27, £1m 2030/31 funded by SSB and £560k, profiled £15k per year from 2027/28 to 2029/30 & £515k in 2030/31 funded by CSB. **Full Approval** of £15k 2026/27 funded by CSB being an inflation uplift.

To fund the repairs and improvements necessary to prepare vacated commercial properties for letting to new tenants, including extending the landlord repair programme to five years.

- 1.6 IT Replacement for Provisional Approval** of £2.66m funded by CSB, profiled £275k in 2027/28, £949k in 2028/29, £894k in 2029/30 & £542k in 2030/31. Also, **Full Approval** of £15k in 2026/27 funded by CSB being an inflation uplift.

For purchase of new laptops, IT infrastructure and other technology to facilitate the provision of modern services by the Council. Details of planned spend can be found in Annex 5 (vi).

- 1.7 Litter Bin Replacement Programme for Provisional Approval** of £20k in 2030/31 funded by CSB.

To add a fifth year to the programme.

- 1.8 Neighbourhood Services Vehicles for Provisional Approval** of £3.494m funded by £1.694m SSB & £1.8m CSB. Profiled £176k in 2026/27, £1.452m in 2027/28, £41k in 2028/29, £727k in 2029/30 & £1.098m in 2030/31.

The SSB funded budget is to replace vehicles at the end of their useful economic life. The CSB funded budget is to deliver decarbonisation via the purchase of Electric Vehicles as their replacement.

- 1.9 Property Company Investment for Full Approval** of current Provisional Budget £73.389m funded by SSB, profiled £6.873m in 2026/27, £38.8m in 2027/28, £22.95m in 28/29 & £4.766m in 2029/30.

Loan facility for site purchases and funding delivery through project business cases as per the Aequus Business Plan as approved by the Shareholder in January 2026.

- 1.10 Capital Contingency for Full Approval** of £660k 2026/27, funded by CSB.

As per single Member Decision E3675 on 18/12/2025 by the Cabinet Member for Children's Services, this returns to the contingency a sum used to advance the Small Residential School conversion of Charlton House, with service borrowing now extended and repayment to be made from on-going placement savings.

- 1.11 Commercial Estate Planned Maintenance for Provisional Approval** of £500k in 2030/31, funded by SSB.

To add a fifth year to the programme.

1.12 Scheme Adjustment of Previous Schemes following review:

Property Improvement - Orange Grove Structural Works for Full Approval to remove £806k in 2026/27 funded by CSB.

The project is currently paused, and future options are being considered.

2. ECONOMIC & CULTURAL SUSTAINABLE DEVELOPMENT

2.1 Radial Gate Business Case and Design for Provisional Approval of £1.85m in 2026/27 funded by CSB.

The existing radial gate is operated and maintained by the Environment Agency (EA) who now deem the unit as being at the end of its life, and they are looking to transfer responsibility to the Council. A Business Case for all options is to be developed, including following up the feasibility studies for hydroelectric power within the existing wide gate channel, currently being undertaken as part of the Council's Decarbonisation Programme. Any installation needs to be synchronised with the rugby stadium redevelopment's demolition and construction programme.

2.2 West Baths Vaults, Stall Street, Repair for Provisional Approval of £2m funded by CSB, profiled £650k in 2026/27 & £1.350m in 2027/28.

Emergency temporary propping has been carried to the West Baths Vault due to extensive beam corrosion requiring closure to pedestrians and vehicles of the section of Stall Street outside the Roman Baths shop. A permanent repair will reopen the road to its full capacity as well as allowing the opening of a new area of the Roman Baths to visitors, giving more exposure to the water fountain exhibit.

2.3 Corporate Capitalised Property Maintenance for new Full Approval of £3.619m, profiled £790k in 2026/27 & £2.829m in 2027/28. Provisional Approval for £90k per year from 2027/28 to 2030/31 & £3m base allocation for 2030/31. All funded by CSB.

Capital planned maintenance works will be undertaken on the Council's Corporate Estate. The detailed plan of priority works is shown in Annex 5 (iv).

2.4 Heritage Infrastructure Development for Provisional Approval of £400k profiled £50k in 2029/30 & £350k in 2030/31, funded by SSB.

To add an adjustment to the fourth year allocation and a complete fifth year added to the programme.

2.5 Equalities Act Works for Provisional Approval of £50k 2030/31, funded by CSB.

To add a fifth year to the programme.

2.6 Scheme Adjustment of Previous Schemes following Review:

Corporate Capitalised Property Maintenance for **Approval** removal of £2m from 2026/27 CSB to reflect a catch-up from a backlog of works of previous years' projects with available staff resources.

Bath Quays North (BQN) for **Provisional Approval** for removal of £10.237m from 2028/29 funded by SSB, as there is no longer a developer's contribution envisaged which would have repaid borrowing.

3. SUSTAINABLE TRANSPORT DELIVERY

- 3.1. **Highways Maintenance Programme** for **Full Approval** of £9.549m in 2026/27. funded by £1.747m CSB and £7.802m Grant (of which £1.968m is Pothole Grant). **Provisional Approval** for £235k in each years 2027/28 to 2030/31 being an inflation provision funded by CSB and a 5th year programme of £7.834m in 2030/31 funded by CSB £2m and expected grant of £5.834m.

Base funding comes from a Section 31 Capital Grant through the maintenance element of the West of England Mayoral Combined Authority's (WEMCA) City Regional Sustainable Transport Settlement (CRSTS). It is proposed to supplement this from additional Council allocations.

The Highways Asset Management Plan seeks to identify the investment needed on the Maintenance Programme. CSB of around £2m per annum, in addition to WEMCA grant, provides for a programme spending closer to the long-term average replacement spending needed to maintain safe highways conditions.

This programme is a key component in achieving and maintaining our overriding purpose of improving people's lives. The improvement of the overall condition of the highways network serves to minimise road works with associated traffic disruption and addresses poor & visually unattractive surfaces and end-of-life assets. Improved street lighting in communities makes people feel safer and happier with their environment. The transport network is crucial in achieving our principle of delivering for residents.

The programme will consist of priority works across all highway asset groups: namely carriageways, footways, structures (bridges, retaining walls, embankments & culverts), drainage and electrical infrastructure as identified through on-going inspection, monitoring and evaluation.

A detailed list of schemes is attached at Annex 5 (ii), which has been produced following technical assessment and consultation with the Cabinet Member. Any in-year amendments to the programme will be approved by the Director of Place Management in consultation with the Cabinet Member.

- 3.2. Local Active Travel Safety Programme for Full Approval** of £2.922m in 2026/27, funded by £1.759m CSB and £1.163m grant. **Provisional Approval** for £35k in each of 2027/28 to 2030/31, being an inflation provision funded by CSB and a fifth year programme of £1.198m funded by grant.

Funding comes from a Capital grant through WEMCA, provided in the maintenance element of the CRSTS with further supporting investment from CSB.

The programme delivers highways improvement works under the general areas of road safety, safer routes to school, pedestrians, congestion, and traffic management schemes.

2026/27 proposals continue to focus on supporting the five objectives identified in the West of England Joint Local Transport Plan:

- Reducing carbon emissions
- Supporting economic growth
- Promoting accessibility
- Contributing to better safety, security, and health
- Improving quality of life & a healthy natural environment.

An initial list of schemes, attached at Annex 5 (iii), has been produced following technical assessments and in consultation with the Cabinet Member. Any in-year amendments to the programme will be approved by the Director of Place Management in consultation with the Cabinet Member.

- 3.3. CRSTS Bath Walking, Wheeling and Cycling Links (BWWCL) for Provisional Approval** of £11.8m funded by WEMCA grant, profiled £2.98m in 2026/27 and £8.82m in 2027/28.

This project aims to deliver clear, safe, and people-focussed routes between Bath city centre and key locations around the city. Infrastructure will be delivered to ensure safe and segregated provision where appropriate. Scheme proposals being developed through the project comprise of:

- Bath city centre to Weston – Improve walking, wheeling, and cycling infrastructure to Local Transport Note (LTN) 1/20 standard to provide better, more direct and continuous routes and to fill gaps in existing provision between Weston High Street and Bath city centre via Royal Victoria Park.
- Bath city centre to the Kennet & Avon Canal – Improve walking, wheeling, and cycling infrastructure to LTN 1/20 standard to provide better, more direct and continuous routes and to fill gaps in existing provision between Great Pulteney Street and Kennet and Avon Canal via Sydney Place, providing link to National Cycle Network (NCN) Route 4.
- Royal United Hospital (RUH) Southern Link - Improve walking, wheeling, and cycling infrastructure to LTN 1/20 standard to provide better, more direct and

continuous routes and to fill gaps in existing provision between RUH and Locksbrook Road - to join the hospital site with NCN Routes 4 and 244.

3.4. CRSTS Somer Valley Links for Provisional Approval of £2.9m 2028/29, plus a reprofile of current provisional budget of £10.1m from 2026/27 to £6m in 2027/28 & £4.100m in 2028/29, all funded by WEMCA grant.

The Somer Valley Links Project aims to deliver sustainable transport corridors, providing better travel choices and opportunities for movement between the Somer Valley and Bristol or Bath, principally along the corridors of the A37/A362 and the A367/A362.

- The implementation of bus priority measures to relieve key areas of congestion to enable faster and more reliable bus services. Measures may include the provision of new sections of bus lane and bus priority through junctions.
- The upgrade of bus stops in the corridors to improve accessibility and passenger provision, including new and upgraded crossings, and bus stops to a consistent design language and standard.
- The provision of several mobility hubs that would provide opportunities for high-quality interchange between modes, including the potential for secure cycle storage, cycle repair stands and, potentially, some car parking.
- Improvements to walking, wheeling, and cycling infrastructure to LTN 1/20 standard to improve access to the strategic bus corridors and to enable safe movement by active modes between settlements on the corridor.

3.5. CRSTS Bath City Centre for Provisional Approval of £571k in 2026/27 funded by WEMCA grant.

The Bath City Centre Sustainable Transport Corridor aims to improve the journey times and reliability of public transport across Bath city centre, delivering improved strategic walking, wheeling, and cycling connections across the city. Phase 2 will:

- Enable bus movements through the relocation of bus stops at Westgate Buildings
- Deliver improvements to variable message signs in strategic locations to aid bus flows
- Carry out feasibility work for pedestrian improvements to Cheap Street and Westgate Street following the changes to cycle routes delivered in Bath City Centre Phase 1.

3.6. CRSTS - Midsomer Norton & Westfield Walking, Wheeling & Cycling Links for Provisional Approval of £1.047m in 2026/27 funded by WEMCA grant.

This project aims to deliver improved walking and wheeling infrastructure to LTN 1/20 standard to provide a better, more direct and continuous route and to fill gaps in existing provision between Silver Street and Fosseway via Charlton Road.

3.7 Scheme Adjustment of Previous Schemes following review:

CRSTS Liveable Neighbourhoods (LN) for **Provisional Approval** to remove £900k 2026/27 funded by WEMCA grant.

Project funding re-aligned to reflect existing and anticipated grant awards from WEMCA.

Sustainable Transport Initiatives CRSTS for **Provisional Approval** to remove £3.004m net funding (as shown below).

There is a requirement for the Council to provide a minimum 20% match-fund to deliver the CRSTS programme. The B&NES contribution has been revised following a CRSTS re-baselining exercise and now reflects an overall total of £18.4m, of which £5.1m is existing spend, with future match of £13.3m as detailed below.

Funding Source	Local Contribution (£m) (2026-27 onwards)
Clean Air Zone	2.900
Community Infrastructure Levy	3.400
S106 Receipts	3.699
Council Approved Borrowing	0.310
Capital Financing Reserve Contribution	3.000
TOTAL	13.309

4. BUILT ENVIRONMENT, HOUSING & SUSTAINABLE DEVELOPMENT

4.1. **Housing Delivery Initiation Fund** for **Provisional Approval** of £640k in 2026/27, funded by CSB, transferred from **Affordable Housing (Enabling)**, current provisional approval.

This provision within the Capital Programme will develop schemes to scale up delivery of Council House building and the development of specialist and affordable

housing schemes for children and adults to address the needs of residents. Projects will come through scheme specific Business Cases.

- 4.2 **Supported Housing Scheme for Provisional Approval** of £5.163m in 2027/28, funded by SSB, being transferred from **Affordable Housing (Enabling)**, current provisional approval.

As SSB needs to be repaid from tenant rents, the Supported Housing Scheme programme is more suited to this funding.

- 4.3 **Disabled Facilities Grant for Provisional Approval** of £1.789m in 2030/31 funded by Grant.

To add a fifth year to the programme.

5. ADULT SERVICES

- 5.1. **Odd Down Sports Ground and Other Leisure Facilities for Provisional Approval** of £881k in 2026/27, funded by SSB.

Increase to existing provisional budget to reflect the 2026/27 commitment for delivery of the following assets: additional indoor and outdoor fitness spaces & improved facilities for families with young children, especially those from priority areas, to include Padel Tennis, outdoor fitness areas and walking trails.

- 5.2. **Best Start Family Hubs for Provisional Approval** of £206k funded by Grant, profiled £67k in 2026/27, £69k in 2027/28 and £70k 2028/29.

DfE grant allocation to deliver Best Start Family Hubs to support children and their families aligned to BANES 'Best Start Local Plan' & 'Neighbourhood Health Services'.

6. CHILDREN'S SERVICES

- 6.1. **Culverhay SEND Project for Full Approval** £1.581m in 2026/27 funded by £1.281m SEND grant, and £300k funding re-aligned from the discontinued Saint Gregory's Resource Base Project.

To safely decommission and demolish redundant buildings at the Culverhay site in compliance with statutory requirements and Codes of Practice, as well as to prepare and remediate the site for future redevelopment, including contamination management. This will enable a timely handover of a cleared site to support construction. We will also continue to co-ordinate with interested stakeholders.

6.2. Culverhay SEND Project for Full Approval £200k in 2026/27 funded by CSB.

To advance feasibility and development studies to inform decision-making on the future use of the former Culverhay site, if not fully required for education use.

6.3. Foster Care Building Adaptations for Provisional Approval £500k funded by SSB, profiled £250k in each of 2026/27 and 2027/28.

To allow financial assistance for Foster Carers to carry out building works to increase the scope of foster placements they can accommodate.

6.4. Basic Needs Programme for Provisional Approval to realign current budget to £12.189m in 2026/27 and £6m in 2027/28 in line with the planned programme of delivery. All grant funded.

The Council receives Basic Need (BN) grant funding from the Department for Education (DfE). The funding is allocated to support the provision of sufficient school places where additional needs have been identified as part of the annual DfE School Capacity (SCAP) Return.

The Council's School Organisation Plan (SOP) highlights any areas of basic need where additional school places may be required. Currently, primary school provision is expected to be sufficient to the end of the 2027/28 academic year, and secondary provision to the end of the 2029/30 academic year.

Annual reviews of pupil projections and updates to the Local Housing Plans, may identify need for increasing pupil places during the term of the SOP.

Where additional school places are needed in the future, feasibility studies will be required to determine the most suitable and cost-effective way to deliver these. The remaining funding will be used to support expansion schemes at primary and secondary schools or specialist provision locations.

It is proposed that Delegated Authority for approval of individual budgets is given to the Director for Education, subject to consultation with the Cabinet Member for Children's Services.

6.5. Schools' Capital Maintenance Programme (SCMP) for Provisional Approval to realign current budget to: £1.135m in 2026/27 & £518k in 2027/28 in line with the planned programme of delivery. All grant funded.

The SCMP includes provisional allocations for **Emergency & Minor Works** to address ad hoc, unforeseen condition issues as they arise throughout the year. This may include items such as boiler replacement or roof repairs.

It is proposed that Delegated Authority for approval of individual budgets is given to the Director for Education, subject to consultation with the Cabinet Member for Children's Service.

- 6.6. **Devolved Schools' Capital for Full Approval** - an allocation of DfE capital to be allocated directly for spending by schools. The Council is waiting for an announcement of the 2026/27 funding allocation and will adjust budgets later to reflect this.
- 6.7. **Special Educational Needs & Disability (SEND)** total now held in **Provisional Approval** is £2.5m in 2027/28 and £461k in 2027/28, all funded by High Needs Provision Capital Allocation (HNCPA) grant.

The number of requests for Educational Health Care Plans (EHCP) has continued to rise, putting pressure on both mainstream and special school provision. To address this, the Authority is developing schemes to increase local SEND provision:

- Deliver additional SEND provision through the opening of resource-based provision attached to mainstream schools at a location or locations to be identified following further discussions with providers.
- Contribute to new Specialist School Provision as required.

It is proposed that Delegated Authority for approval of individual budgets is given to the Director for Education, subject to consultation with the Cabinet Member for Children's Services. This includes full approval of approximately £150k per annum to develop feasibility studies as needed.

7. SUSTAINABLE B&NES

- 7.1. **Parks Pulse Programme for Provisional Approval** of £375k profiled £75k per year from 2026/27 to 2030/31, all funded by CSB.

A new programme to encourage increased physical and mental health & wellbeing through installation of outdoor exercise equipment across B&NES Parks and Green Infrastructure assets. It is proposed that this becomes an annual budget to complement the existing Parks Operational and Green Infrastructure Capital Investment programmes.

- 7.2. **Parks For All Programme for Provisional Approval** of £75k in 2026/27 funded by CSB.

To carry out a baseline audit of Parks & Play Assets to inform Capital investment in accessibility and equality in line with the new Greener Places Plan.

- 7.3. **Parks Play Equipment Replacement** for **Full Approval** of current provisional budget £350k, plus an additional £10k for 2026/27. **Provisional Approval** of £10k per year from 2027/28 to 2029/30, plus extend programme to a fifth year at £360k for 2030/31. All funded by CSB.

An initial list of schemes for full approval is attached at Annex 5 (v) and has been produced following technical assessments by Parks Officers. Any amendments to the programme will be approved by the Director of Place Management in consultation with the Cabinet Member for Sustainable B&NES.

- 7.4. **Better Moorings Programme** for **Provisional Approval** of £395k profiled £63k in 2026/27, £197 in 2027/28 and £135k 2028/29 (Pultney Area Moorings), and £314k 2026/27 (Mead Lane Moorings - MLM), all funded by CSB.

To deliver Mooring related improvements:

- Pultney Stretch - Remove current moorings that are in place without permission (20 boats at Pultney). Proposed Pultney Moorings Enforcement works are as a response to Health and Safety recommendations from RoSPA (The Royal Society for the Prevention of Accidents).
- Relocate MLM to alternative location and close existing Moorings. This involves securing an alternative site, creation of a dedicated rise & fall pontoon & public car park and rewilding the current site.

- 7.5. **Wellsway Sports Pitch** for **Provisional Approval** of £200k in 2026/27, funded by CSB.

To provide a contribution to deliver a 3G pitch at Wellsway School for both school and community use. The scheme is subject to approval of a Football Federation Grant. The school will implement the project and are contributing funding.

- 7.6. **Bath River Line (BRL)** for **Full Approval** to realign £79k in 2026/27, funded by CSB from **Waterspace Connected** fully approved budget.

This will provide the required additional local funding to the current fully approved programme required to fulfil the planned outcomes across phases 1a, b & c and will deliver the outcomes aligned to the approval for Waterspace Connected. The current fully approved BRL budget is £2.07m of which £1.165m is WEMCA Grant funded.

- 7.7. **Bath Spa Water Supply Machinery replacement/refurbishment** for **Provisional Approval** of £20k in 2026/27, funded by Services Supported Borrowing.

This budget is for initial feasibility and development works to assess options for replacement and future Spa Water monitoring equipment.

7.8. Parks Equipment Replacement Programme for Provisional Approval of £21k in 2030/31, funded by CSB.

To extend this programme into a fifth year.

7.9. Tree Replacement for Full Approval of £44k in 2030/31, funded by CSB.

Add a fifth year to this programme to support for Tree Replacement Policy of 100 trees per annum.

7.10 Renewable Energy Development Fund for Provisional Approval of £500k in 2030/31, funded by SSB.

To add a fifth year to the programme.

7.11 Renewable Energy in B&NES for Provisional Approval of £50k in 2030/31, funded by CSB.

To add a fifth year to the programme.

7.12. Scheme Adjustment of Previous Schemes following review:

Landscape City for Provisional Approval to remove £300k from 2026/27, £0,250k of which was anticipated grant funded that was not secured; and recognise £50k CIL was spent on feasibility.

Tree Planting/Doubling Woodland Cover for Provisional Approval to remove £225k, profiled £0.125k in 2026/27, £50k in each of 2027/28 and 2028/29. £200k was anticipated grant funded that was not secured and recognise £25k CIL was spent at feasibility.

Biodiversity Net Gain (BNG) for Provisional Approval to remove £20k from 2026/27 to recognise £20k CIL already spent on feasibility.

8. COMMUNICATIONS & CIVIC SERVICES

8.1. Haycombe Crematorium for Provisional Approval to remove £15k 2026/27 funded by SSB.

This budget was held as match funding linked to an unsuccessful grant bid and can now be released.

8.2. Christmas Market for Full Approval of £50k 2030/31, funded by Revenue Contribution to Capital.

To extend the budget to a fifth year to reflect maintenance and replacement of chalets and other associated assets.

9. EMERGING CAPITAL SCHEMES

The following schemes are not yet fully developed, and Business Cases have not been produced at this stage, so it is not yet possible to identify an accurate provision for them within the proposed Capital Programme.

These schemes may require significant Capital expenditure, some or all of which may be met through external sources or the related service provider. As the specific Business Cases develop and the Capital requirements are more fully understood, these schemes may come forward for Council decision.

The Business Cases will need to identify suitable Capital funding and, where necessary, on-going Revenue funding.

9.1 Housing Loans for Decarbonisation – Specific section 106 contributions are expected to be received as developments discharge their responsibilities towards decarbonisation outcomes. Consideration is being given to partnering with a third party who will arrange loans to private homeowners to carry out heating and other decarbonisation works that will meet council set targets.

9.2 B&NES Homes

It is envisaged this will cost approximately £90m in total, with a future Council subsidy of around £15m to be supported by CSB; the balance to be funded from future grants and SSB repayable by rents generated. The Council has secured and is in control of large strategic sites capable of delivering a significant number of homes, including those at Bath Western Riverside and Midland Road to advance options to meet the local housing need. The programme may also include provision for housing Children in Care to help achieve better outcomes from the current mainly out of area provision.

9.3 Milsom Quarter

The Council has completed a Milson Quarter Masterplan with proposals to reimagine the Northern part of the city centre by positioning the area as a fashion destination for the Southwest, providing more housing and improving public spaces. Individual Business Cases for decision will now be progressed including Walcot

Gateway (Cornmarket and Cattle Market), Bath Fashion Museum, King Edward's School, Broad Street Yards and enhanced Public Realm works.

9.4. Bath Central Riverside

Masterplanning undertaken has identified projects to develop Bath Central Riverside to the east of Bath city centre along Manvers Street to include Pulteney Bridge, Grand Parade and Parade Gardens, including the Undercroft. Business cases are in progress to implement specific proposals.

9.5. Specialist School Provision

Developing in-area provision to deliver the Council's Safety Valve Programme by providing new capacity for Special Educational Needs and Alternative Provision, including the plans for the redevelopment of the former Bath Community Academy Culverhay site. The DfE have confirmed a funding offer that the Council is currently considering.

2026/27 Highways Maintenance Programme		
Description	Measurement	Budget (£'000)
<u>Street Lighting Programme</u>	No. of units	
Batheaston & Shockerwick - Eagle Park, Elmhurst Estate, Fosse Lane, High Street, Muddy Lane, Seven Acre Lane, West View Road.	30	50
Bathwick Ward (Bath) - Claverton Down Road, Norwood Avenue.	21	46
Farmborough - Bell Close, Bridge Gardens, Manor Gardens, The Mead.	18	27
High Littleton & Hallatrow - Hallatrow Hill, Wells Road.	14	12
Keynsham - Chelmer Grove, Clyde Avenue, Dartmouth Walk, Durham Grove, Highfield Road, Kenilworth Close, Kennet Road, Mayfields, Oakfield Road, Orwell Drive, Walden Road, Wellsway, Windrush Road.	68	125
Lyncombe Ward (Bath) - Midford Road.	7	15
Midsomer Norton & Radstock - Bath Old Road, Bryant Avenue, Church Hill, Church Square, Fosseyway Gardens, Gladstone Street, Haydon Hill, Mendip Way, Millards Hill, Pows Orchard, Queens Road, The Leaze, Waterside Crescent, Waterside Road, West Road.	65	85
Oldfield Ward (Bath) - Cotswold Road, Footpaths Durley Park, Footpaths Moorlands Estate, Hayden Close, King Edward Road, Shaftesbury Road.	16	29
Paulton - Alexandra Park, Ashleigh Close, Bloomfield Lane, Old Mills North Access Road.	20	33
Peasedown St John & Carlingcott - Footpath Eckweek Gardens to Beacon Field, French Close, Frenchfield Road, Keel's Hill, Red Post Court, Wellow Lane, Wellow Mead.	35	59
Twerton and Whiteway Ward (Bath) - Roseworn Close	39	62
Timsbury (Bath)- Footpath The Glebe to Lippiatt Lane, Hill View	4	7
Whitchurch - Footpath St Nicholas Court, St Nicholas Road, St Nicholas Road, Staunton Fields.	7	11
Various - Heritage LED Conversions (Energy Savings)	40	92
Street Lighting Sub Total	384	650
<u>Highway Structures Programme</u>	No.	
Structure Inspection and Remedial Works Programme	NA	130
Structures Special Assessment Programme	NA	150
Bridge Parapet and Pedestrian Railing Improvements	NA	100
Cleveland Bridge Ongoing Monitoring and Signage		125
Cleveland Bridge Fail Safe Bearing Installation		450
Avon Valley Bridge Bearing Replacement - Detailed Design	1	75
Grosvenor Footbridge Phase 2 - Construction		250
Highway Structures Sub Total	1	1,280
<u>Highway Drainage Programme</u>		
Local Flood Risk Management Strategy Update		100
Highway Drainage Extensive Investigation Works, Various Locations		200
A39 Bath Rd, Hobbs Wall, Farmborough. Drainage Improvement.		50
A368 Compton Martin Rd, West Harptree. Drainage Improvement.		40
A367 Fosseway/Crossways Lane, Dunkerton. Drainage Improvement		50
B3115 Meadgate West, Camerton. Drainage Improvement		50
Dunkerton Lane, Combe Hay. Drainage Improvement		35
Woollard Lane, Whitchurch. Drainage Improvement		30
North Wick. Drainage Improvement		40
Stockwood Lane, Whitchurch. Drainage Improvement.		25
Marsh Lane, Farrington Gurney. Drainage Improvement.		20
Hungerford Road, Bath. Partnership scheme with Wessex Water		10
Highway Drainage Sub Total		650

2026/27 Highways Maintenance Programme		
<u>Carriageway Resurfacing & Major Re-Construction</u>	SQM	
Cranmore Place, Lympham Green & Fullers Way - Odd Down	5,521	300
Penn Hill Road & Anchor Road - Weston	2,925	165
West Lea Road - Weston	1,404	165
South Lea Road - Weston	1,389	160
Fox Hill - Combe Down	2,674	100
Dunster Road - Keynsham	2,156	225
B3110 Midford Road - Midford	3,644	225
A4175 Bristol Road - Keynsham	2,556	200
Weatherly Avenue - Odd Down	946	100
Charlton Road - Keynsham	2,243	200
St James Parade & James Street West - Bath City Centre	1,969	225
Triangle North & Stanley Road West - Oldfield Park	2,651	200
Rock Road - Keynsham	1,206	170
Lays Drive (Part) - Keynsham	3,591	165
Sladebrook Road & Lytton Gardens - Southdown	4,604	300
Lansdown View - Southdown	1,914	110
Haycombe Drive Phase 1 - Whiteway	4,600	325
Highland Road - Twerton	574	45
Woollard Lane - Whitchurch	9,069	700
Frys Bottom - Chelwood	6,600	250
Moorledge Road - Chew Magna	7,500	300
Winter Weather Impact Resilience Fund - Sites to be confirmed		277
Carriageway Resurfacing & Major Re-Construction Sub Total	69,736	4,907
<u>Carriageway Micro Asphalt Surface Treatment Programme</u>	SQM	
Eckweek Ln, Eckweek Rd, Eckweek Gdns & North Meadows - Peasedown St John	8,828	210
Frankland Close - Weston	2,555	85
Paulmont Rise - Temple Cloud	2,310	75
Calton Gardens - Lyncombe	1,780	60
Manor Road & Manor Park - Radstock	7,231	170
Carriageway Micro Asphalt Surface Treatment Sub Total	22,704	600
<u>Footway Programmes</u>		
<u>Paving Programme</u>	SQM	
Marlborough Buildings - Kingsmead	200	300
Bathwick Hill (Adjacent Tesco Store) - Bathwick	250	200
<u>Asphalt Concrete Programme</u>		
Triangle North & Stanley Road West - Oldfield Park	1000	100
Smallcombe Close - Clandown	350	20
Glebe Walk, Keynsham	400	23
St. John's Road, Timsbury	870	50
Lippiatt Lane, Timsbury	916	52
Roundhill Park - Southdown	700	60
Roweacres - Southdown	550	45
Apsley Road - Newbridge	850	75
Winter Weather Impact Resilience Fund - Sites to be confirmed		25
Footway Sub Total	6,086	950
<u>Other Programmes</u>		
Planned Road Marking Improvement Programme		160
Spray Injection Patching Programme		225
Mastic Asphalt Patching Programme		227
Other Sub Total		612
*PROGRAMME 2026/27 OVERALL TOTAL		9,649

2026/27 Highways Maintenance Programme		
Details		Budget £'000
Funding Source		
Grant - Maintenance Block Settlement		5,834
Grant - Supplementary Settlement ("Pothole funding")		1,968
Corporate Supported Borrowing		1,612
Corporate Supported Borrowing Inflation Contingency		235
*PROGRAMME 2026/27 OVERALL TOTAL		9,649

Adjustments		Budget £'000
Corporate Supported Borrowing - A37 Temple Cloud 25/26 carry forward saving being released to Local Active Travel Safety Programme		(100)

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Local Active Travel Safety Programme 2026/27	
Description	Budget £'000
<u>Local Safety Schemes</u>	
Anti-Skid Surfacing	15
Collision Investigation and Prevention (CIP)	15
Vehicle Activated Signs improvement programme	25
Ralph Allen Drive Pillar	100
Chew Valley Lake collision investigation and prevention	30
Minor safety improvements	30
Local Safety Schemes Sub Total	215
<u>Public Transport</u>	
A37 near B3130 Belluton junction, Pensford - crossing facility to improve access to bus stops	100
Improvements to bus stops	10
Public Transport Sub Total	110
<u>Managing Congestion</u>	
Area Parking Review	75
Year 4 of 5 year programme to replace traffic signal equipment	45
Improvements to HGV restriction signs in Bath (year 2 of 2)	10
Managing Congestion Sub Total	130
<u>Cycle Signs and Parking Stands</u>	
Cycle parking & signs	15
Cycle Signs and Parking Stands Sub Total	15
<u>Pedestrian Schemes</u>	
Aids to mobility and footway improvements	40
Public Rights of Way	80
St Keyna Primary School, Keynsham - enhancements to pedestrian crossing (Charlton Rd)	61
Weston Lane, Bath - zebra crossing near King Edward's School	50
A368 Wick Road, Bishop Sutton - zebra crossing at primary school	101
A37 Camley surgery pedestrian crossing	120
North Road, Timsbury - pedestrian safety improvements including Lansdown View junction, speed tables and speed limit changes	80
St John's Road, Bathwick - pedestrian safety improvements	138
Safe crossing place for walking route to Moorlands School, Bath	60
Upper Bloomfield Road, Bath - crossing and dropped kerb to improve pedestrian route to local shops	100
A362, Farrington Gurney - signalised crossing near Manor Farm	101
Weston Lane, near Montrose Cottages, Bath - safety improvements	70
A368, Bishop Sutton - footway between Redlands Lane and tennis club	130
Avon Mill Lane, Keynsham - zebra crossing at entrance to Memorial Park	80
St Saviour's Road, Lambridge, Bath - build-out to aid crossing at Spa Lane	20
A367 Wells Road at Elm Tree Avenue, Westfield - footway and crossing improvements	80
Kilmersdon Road, Radstock - new crossing and speed reduction measures	165
Pedestrian signal improvements (existing sites)	240
City centre mobility improvements	50
Pedestrian Schemes Sub Total	1,766

Local Active Travel Safety Programme 2026/27	
Description	Budget £'000
<u>Traffic Management Schemes</u>	
Speed limits: 20mph limits: Bath: Lansdown Road (north of St Stephen's Church), Newbridge Hill (between Oldfield School and Chelsea Road), Newbridge Road (between Old Newbridge Road and Upper Bristol Road), North Road/Bradford Road (between Ralph Allen Drive and Midford Road), London Road (between A46 roundabout and Gloucester Road and Bathavon North) Radstock: Kilmersdon Road (between Haydon Gate and Meadow View) Mendip: West Harptree, Bristol Road (B3114) to junction past Blue Bowl Inn Westfield: Cobblers Way Timsbury: Loves Hill/Timsbury Bottom & Priors Hill Farmborough: Feasibility study of rural lane speed limits Pensford: A37 within the village Stanton Drew: Bromley Road Chew Valley: Newtown Other speed limits: Keynsham: Durley Hill to 30mph	130
Old Newbridge Hill/Newbridge Road/Newbridge Hill area, Bath - safety improvements	80
Junction Road, Bath - Traffic calming measures (potential raised table)	50
Church Hill/Dark Lane junction, Freshford - no through road using bollards (TRO)	15
Charlcombe Lane, Charlcombe - 'access only' TRO	5
Sion Road southbound, Bath - traffic calming measures	50
Charlton Road (between Longmead Road and Lockingwell Road), Keynsham - speed reducing measures	100
Timsbury Road between Farmborough and Timsbury - detailed design and land agreement	30
Combe End, Radstock - speed table	45
Traffic Management Schemes Sub Total	505
<u>Miscellaneous</u>	
Joint Local Transport Plan (JLTP) Monitoring, Equipment and National Highways and Transport (NHT) survey	15
Programme Management	60
Legacy/Remedial works - previous years schemes	26
Scholars Way remedial work	80
Miscellaneous Sub Total	181
PROGRAMME 2026/27 OVERALL TOTAL	2,922

Details	Budget £'000
<u>Funding Source</u>	
Grant - Integrated Transport Block settlement	1,163
Reallocated from Highways Maintenance Block 2025-26 carry forward Fully Approved Corporate Supported Borrowing for Temple Cloud (TC1098)	100
Corporate Supported Borrowing	1,588
Corporate Supported Borrowing Inflation Contingency	71
PROGRAMME 2026/27 OVERALL TOTAL	2,922

For Information: Pedestrian Schemes to be included in 2026/27 Programme with approval via Bath CIL Governance awaiting SMD February 2026	
Worcester Buildings/Avondale Buildings, Lambridge - new zebra crossing	95
<u>Funding Source</u>	
Bath CIL	95

CORPORATE ESTATE PLANNED MAINTENANCE PROGRAMME 2026-27 & 2027-28

Business Unit Name (Property) / Activity	Nature of Work Required	Budget £'000
Adult Day Centres - General	Any urgent repairs arising, managed and prioritised throughout the year.	58
Adult Day Centres - Fire Doors	Carrswood, Cleeve Court, Greenacres Hawthorns and The Orchard	270
Combe Lea	Water damage to the conservatory. There is evidence of moisture ingress in the window panes, and evidence of leaks.	50
St Johns Court	Remedial repairs to ceiling and bollards	60
Keynsham Children's Centre	Remedial repairs to cracking and spalling to ground floor bay window stonework.	12.5
Various Closed Burial Grounds	Boundary walls and fence repairs.	30
Haycombe Cemetery	Remedial repair to bath stone work creating trip hazard and repairs to drainage and repair concrete steps.	78.5
Car Parks General	General allowance for remedial works to parking bays, boundaries, fencing etc, including potholes.	250
Charlotte Street Car Park	Remedial repairs to surfacing creating trip Hazard and remedial repairs to drainage. Along with remedial repairs to windows and roof lights	40
Manvers Street Car Park	Remedial repairs to railings and timber cills	5.7
Public Conveniences	Henrietta Park, repairs to electrics and trailing cables. Roval Victoria Park, repair to the payment device	5.9
Parade Gardens	Repairs to vertical cracking to various columns within the area, likely a result of the water ingress.	25
Keynsham Memorial Park	Remedial repairs to railings and displaced concrete in Play Areas and remedial repairs, to fences, gates and pavillion roof	141
Alexander Park	Remedial repairs to play surface covering, remediate sub-base and resurface with new play surface.	40
Royal Victoria Park	Remedial repairs to fencing, timber slats, sculpture, and fire damage to play equipment. Cracking under benches and roof files in certain areas. Also office / nurseries repairs to roof & joists.	52.1
Various Properties Parks and Allotments	Repair and replacement of play area and park boundary fences and gates.	186.5
RVP Sandpit Play Area Drainage	Replace existing inflow and add ability to stop and divert flow to allow maintenance of stream. Investigate existing drainage and implement improvements to prevent current overflow onto highway.	149.9

CORPORATE ESTATE PLANNED MAINTENANCE PROGRAMME 2026-27 & 2027-28

Business Unit Name (Property) / Activity	Nature of Work Required	Budget £'000
Moorfield Drainage	Remedial Repairs / Install new drainage around play area to alleviate current water logging prior to investment in new play equipment.	59.5
Accessible footpaths play areas	Improvement of existing footpaths or addition of new surfaces to improve accessibility to play areas and accessible play equipment within play areas.	59.5
Saddlestones drainage play areas	Install new drainage around play area to alleviate current water logging prior to investment in new play equipment.	29.9
The Hollies	Remedial repair to of gable end which is allowing water penetration.	1.8
Pump Rooms & Roman Bath	Remedial repairs to the displaced finial to reinstate to its original location. Including other finials are structural safe.	45
Keynsham Civic Centre	Remedial repairs to doors and replace fire door.	19
12 Charlotte Street	Remedial repairs to basement, due to the presence of radon will require adequate ventilation.	5
42 Bathwick Street	Remedial repairs to balconies, stone repairs to step and railings.	30
Brassmill	Remedial repairs to stone walls and timber structure around windows that is decaying creating a hazard as window is slipping.	39
Park & Ride Sites	North - remedial repairs to wall and timber fence. South - remedial repairs to boundary wall and roof to shelter. West - remedial repairs to fire doors, bollards and disabled bays.	31.5
North Parade Bridge	Remedial repairs to damage ceiling.	1
Odd Down Coach Park	Remedials repair to boundary wall.	1.5
Building Management Systems (BMS)	Various BMS repairs and upgrades allowance for works arising throughout the year.	15
LED lighting replacements	Allowance for phased LED lighting replacements necessitated by T5 & T8 fluorescent lamps being phased out and no longer being available in UK after February 2024. The new LED lighting should result in energy cost savings.	174
Various Properties Capital works & miscellaneous arising	Statutory and emergency remedial works arising throughout the year.	250
Various Properties - Structures	Minor emerging repairs & further reports - Bridges, viaducts, boundaries, emergency H&S works/making safe, inspections for unallocated assets in Council ownership.	116
Various Properties Quinquennial surveys	Quinquennial condition surveys for buildings, non-highway bridges and remedial works.	300

CORPORATE ESTATE PLANNED MAINTENANCE PROGRAMME 2026-27 & 2027-28

Business Unit Name (Property) / Activity	Nature of Work Required	Budget £'000
Various Properties - Community Asset Transfer (CAT) contractual maintenance liabilities	Allowance for various works arising from CAT transfers - provision for contractual maintenance liabilities.	29
Various Properties - Lightning Conductor Systems	Repairs and upgrades.	29
Various properties - Energy Performance Certificates (EPC)	Allowance for obtaining updated EPC certificates and remedial works arising.	50
Various Properties - Legionella	Remedial and mitigating works arising from risk assessments.	17.4
Various Properties - Radon	Remedial and mitigating works arising from inspections.	60
Various Properties - Uninterruptible Power Supplys	Battery replacement and refurbishment.	58
Various Properties - Fire Dampers	Remedial and mitigating works arising from inspections.	40
Various Properties - Ductwork	Remedial and mitigating works arising from inspections.	26
Various properties - other compliance	Lifts remedial and mitigating works arising from insurance inspections.	50
Various Properties - Fire Alarms	Fire Alarm phased replacement.	85
Various Properties - Fire Risk Assessments	Fire Risk Assessment and remedial works arising.	61.8
Various Properties - Fire Door inspections	Fire doors remedial works.	30
Various Properties - Emergency Lighting	Emergency lighting remedial works arising from inspections.	40
Various Properties - Electrical Testing	Electrical wiring remedial works arising from 5 yearly testing inspections.	60
Various Properties - Public power supplies annual inspections	Public power supplies identified remedial works.	29
Various Properties - Photovoltaic Arrays	Work arising from annual safety and maintenance inspections on existing photovoltaic arrays.	5.8
Various Properties - industrial roller shutter doors	Remedial works arising from inspections.	17.4

CORPORATE ESTATE PLANNED MAINTENANCE PROGRAMME 2026-27 & 2027-28		
Business Unit Name (Property) / Activity	Nature of Work Required	Budget £'000
Bridge survey programme - Bridge inspections	Remedial works arising from Bridge inspections part of budget requirement of £800k over 5 years.	170
Carrswood & Keynsham Civic Cetnre (Decarbonisation)	Match Funding from on-going heating replacement funding being put towards the Decarbonisation Programmme.	312.3
Preliminaries on Programme	These annual costs are for the Contractor to cover managing the framework. Including vehicles and equipment.	15
Contingency	To allow new identified work to commence in-year. New priorities will transfer from this budget and as other scheme estimates are refined, funding may transfer back. All changes to be reported to Esates Capiotal Programme Board.	100
Schemes Previously Approved.	This matches the 2025/26 carry forward and the service is working on listing the details of specific of projects, but includes various Parks Projects, Non-Highway Bridge Remedials, Civic Centre Projects and resurfacing of Bath Leisure centre car park. As projects are re-fined there is scope to transfer for additional contingency.	2535
		6453.5

Details	Budget £'000
Funding Source	
Corporate Supported Borrowing Existing Approval 2026-27	300
Corporate Supported Borrowing Rephase of Approval 2025-26	2535
Corporate Supported Borrowing New Approval 2026-27 (Noting this removes as a £2m re-base assumption)	700
Corporate Supported Borrowing Inflation Provision 2026-27	90
Expected Delivery in 2026-27	3625
Corporate Supported Borrowing New Approval 2027-28	2828.5
Total Funding Approval	6453.5

Parks Play Equipment Replacement Programme 2026/27	
Description	Budget £'000
Play Area Refurbishment	
Vandyck Avenue Play Area (Keynsham)	45
Corston View Play Area (Bath)	35
Manor Copse (Radstock)	40
Woodborough Road (Radstock)	45
Royal Victoria Park	15
Lymore Gardens	45
Moorlands	19
Play Area Refurbishment Sub Total	244
Health & Safety (H&S) Equipment Repair & Replacement	
Play Equipment - Reduction to 2025/26 carry forward balance to realign £10k to Moorlands and £45k to Lymore Gardens	-54
Furniture	15
H&S Equipment Repair & Replacement	-39
Programme & Project Management	
Programme & Project Management	110
Programme & Project Management	110
Contingency	
Contingency	35
Contingency	35
PROGRAMME 2026/27 OVERALL TOTAL	350

Details	Budget £'000
Funding Source	
Corporate Supported Borrowing	350
PROGRAMME 2026/27 OVERALL TOTAL	350

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IT Replacement Programme 2026/27	
Description	Budget £'000
<u>Computer Hardware Replacement</u>	
Laptops	160
Desktops	0
Monitors	35
Peripherals & Other Equipment	45
26/27 Computer Hardware Replacement	240
<u>Meeting Room & Corporate Wifi Replacement</u>	
Meeting Room Equipment	30
Condeco & Visitor Management System	50
CCTV Network & Wifi Equipment	10
26/27 Meeting Room & Corporate Wifi Replacement	90
<u>Mobile Equipment Replacement</u>	
Mobile Phones	100
Mobile Tablets	0
26/27 Mobile Equipment Replacement	100
<u>Other Costs</u>	
Staffing	100
Contingency	94
26/27 Other Costs	194
PROGRAMME 26/27 OVERALL TOTAL	624

Details	Budget £'000
Funding Source	
Corporate Supported Borrowing (including Inflation)	624
PROGRAMME 2026/27 OVERALL TOTAL	624

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COMMUNITY INFRASTRUCTURE LEVY (CIL) ALLOCATIONS 2026/27

1. INTRODUCTION

Strategic CIL income available for spending in the financial year 2026/27 is forecast to be around £1.5m.

CIL funding will make an important contribution to fulfilling the Core Strategy requirement that new development must be properly aligned with infrastructure. It also makes a significant contribution to the Council's Capital Programme.

In addition, it is anticipated that local communities will receive around £0.25m of income for local spending through Parishes or the Bath Advisory Board.

2. CIL SPENDING PRINCIPLES

The Council's principles underpinning decisions on spending of CIL funds are:

- CIL regulations require that funding can only be spent on Infrastructure;
- Priority is given to infrastructure in the Infrastructure Delivery Plan (IDP) which is critical to support planned growth;
- Spend should be aligned with the Council's Capital Programme, where revenue budget is being proposed this is typically for early stage feasibility work;
- Decisions are made annually but based on a longer-term programme of spend to ensure a co-ordinated approach;
- Spend should take account of the location of developments where CIL is generated;
- Strategic and Local CIL spend should be aligned where it is beneficial.

3. CIL SPENDING PRIORITIES FOR 2026/27

Based on the CIL Spend Principles above, the infrastructure projects to be funded by CIL in 2026/27 are summarised in Table 1 below, some of which are additions to on-going projects. The need to focus on infrastructure which addresses the Climate & Ecological Emergency concerns has been given greater priority across all the categories, so it does not appear as a separate item. Table 2 illustrates changes to previous allocations.

Should further amendments for 2026/27 be required these will then be approved by the Executive Director of Sustainable Communities in consultation with the Cabinet Member for Resources.

The Capital Programme has been updated to include CIL funding.

4. PRIOR YEAR RE-ALLOCATION

CIL previously allocated has been realigned as part of programme reviews is summarised in Table 2. The Capital Programme has been updated to show these changes.

Table 1: CIL Spend projects 2026/27

Infrastructure Item	Allocation (£)	Commentary
Flood Risk Management	500,000	
Bath Quays Flood Defences	500,000	Council to repay WECA £0.5m p.a., in line with terms of Revolving Infrastructure Fund Agreement for Bath Quays Flood Defence Scheme.
Green Infrastructure	350,000	
Bathscape area Green Infrastructure Improvements	25,000	Contribution to the existing project which entails improving access from the city to countryside and delivering nature recovery network.
Bath River Line Green Infrastructure	50,000	Contribution to deliver access and biodiversity improvements from East of Bath to City Centre.
Landscape City	45,000	To support WECA GRF funded Landscape City project, extends into countryside access into urban areas delivering nature recovery.
Somer Valley Rediscovered	25,000	A further contribution to the Somer Valley Rediscovered Project, WECA GRF funded, which aims to improve biodiversity on 5 key sites located along the Wellow Brook and its tributaries.
Keynsham Memorial Park Weir Removal	25,000	This is for early stage works with funding for the main project being prepared for 2025/26 budget setting. This is recognised as a priority project by Bristol Avon River Trust, WECA, and contributions from the other parties. B&NES own the weir which has large silt build up and restricts fish movement. Bristol Water have committed £840,000 through the WIENP to support weir removal/modifying to improve the water course and address flood risk.

Annex 5(vii)

Waterspace Green Infrastructure Programme Improvements	25,000	A contribution towards projects, to access grant funding to deliver access and biodiversity improvements 3.4km stretch of river between Keynsham Lock and Hanham Lock.
Bio-diversity Net Gain (BNG) Pathfinders	25,000	Development of Council owned sites to prepare for BNG requirements for new development through the planning system. We will create natural sites and carry out land management. (£30k revenue budget, £20k provisional capital budget)
Nature Recovery Maintenance	50,000	Ecological Emergency Action Plan identified bringing council owned Sites of Nature Conservation Interest into good ecological status. This also links across to Local Plan. Sites include Roundhill Park, Charlcombe, Springfield Quarry and habitat management work. (Revenue budget) BNG Pathfinder and Nature Recovery Maintenance asks are being pulled together to support the delivery of 30by30 Nature Recovery.
Tree Planting/Doubling Woodland Cover	80,000	Delivering the Cabinet commitment to double tree coverage by 2050 in line with the Forest of Avon Plan. (£45k revenue budget, £50k provisional capital budget)
Waste	330,000	
Waste Infrastructure Modernisation	330,000	Development of enhanced facilities for Council Recycling and cleansing operations, in part to allow the housing construction to commence at former Midland Road site. CIL use will replace need for Council borrowing.
Community	330,000	
Haycombe Cemetery	330,000	Haycombe has approximately 7 years of burial space remaining available, with plots for faith groups further restricted. The Council owns a 10-acre field directly behind the Crematorium being brought forward the expansion of provision. CIL will replace need for Council borrowing.
TOTAL	1,510,000	

Table 2: CIL Reallocations from previous years

Infrastructure Item	Allocation (£)	Commentary
Healthcare Projects to Increase Clinical Capacity	(57,000)	Combe Down Surgery completed below budget and works proposed at St Michaels Surgery did not proceed.
TOTAL	(57,000)	

Bath and North East Somerset Capital and Investment Strategy 2026/27

Introduction

The Government introduced a new requirement in 2019/20 for local authorities to approve a Capital and Investment Strategy. The strategy is the overarching document which sets the policy framework for the development, management and monitoring of capital investments as well as lending to other organisations and commercial investments. The strategy focuses on core principles that underpin, and also outlines the governance framework required for, decision making and delivery.

The capital and investment strategy aligns with the principles set out in the Council's Corporate Strategy of:

- Preparing for the future;
- Delivering for local residents;
- Focussing on prevention

The strategy is integrated with the Medium-Term Financial Strategy and Treasury Management Strategy.

Capital Expenditure

Capital expenditure occurs when the Council spends money on assets, such as land, property or vehicles that have a life of more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies to enable them to buy assets. The Council has limited discretion on what can be accounted for as capital expenditure, and this is outlined through its Accounting Policies which are updated and published annually as part of the Statement of Accounts.

The Council's planned capital expenditure over the 5-year period covering 2026/27 to 2030/31 is as follows:

	2026/27 Budget	2027/28 Budget	2028/29 Budget	2029/30 Budget	2030/31 Budget
	£'m	£'m	£'m	£'m	£'m
Total	210.599	142.188	96.846	35.068	20.167

Full details of new Capital Schemes over the 5 year period are outlined in Annex 5 of the budget report.

As part of the approval process Directors submit Needs Assessments for consideration to the Capital Strategy Group. These are then prioritised within the available capital financing available. Given the current constraints on local authority finances the following process and principles are used for the current programme as well as new schemes.

For the 2026/27 budget a gateway has been applied for all new capital programme items that set out the following:

1. Scheme name and purpose
2. Scheme funding
3. Why is the scheme required
4. Corporate strategy outcomes achieved

Prioritisation is applied to the programme where borrowing is required to fund the scheme:

Priority 1: The scheme is addressing a structural maintenance issues / legal compliance and health and safety risk to the Council and its residents.

Priority 2: The scheme will improve the affordability and delivery of Council services to its residents.

Priority 3: The scheme will create a new asset that will add to the community and Council aspirations, however not essential to the delivery of its statutory responsibilities.

Bids are reviewed by the Finance team and funding streams such as Service Supported Borrowing, Corporate Supported Borrowing, S106, Community Infrastructure Levy (CIL), West of England Combined Authority (WECA), Capital Receipts, or external grant are assessed. Portfolio Holders review the overall bids to agree priorities and overall affordability. As part of the budget process the bids are linked to the Corporate Strategy Principles and reviewed by the Capital Strategy Group before putting forward for consideration in the budget. The final capital programme is then presented to Council in February each year for approval. The Council's Capital Programme can be found at Annex 5.

Schemes can either be classified as **Fully Approved or Provisionally Approved**. 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 Cabinet member 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 an early stage of progression. These items will require further decision to incorporate them into the programme once finalised.

Financing the Capital Programme

Capital expenditure for the council is financed through a variety of sources, typically:

- Receipts from the sale of capital assets
- Capital grants
- External contributions such as Section 106 planning obligations or Community Infrastructure Levy
- The use of reserves or from revenue budget contributions

Any capital expenditure not financed by the above means will need to be funded by borrowing. Existing council debt is therefore the consequence of historical capital expenditure. The council can temporarily utilise other resources in lieu of external borrowing to fund capital expenditure. This is referred to as internal borrowing.

In approving the inclusion of schemes and projects within the capital programme, the council ensures all of the capital and investment plans are affordable, prudent and sustainable. In doing so the council will take into account the arrangements for the repayment of debt, through a prudent Minimum Revenue Provision (MRP) Policy in line with MRP guidance produced by the Government.

The capital financing charges and any additional running costs arising from capital investment decisions are incorporated within the annual budget and Medium Term Financial Strategy. This enables members to consider the consequences of capital investment alongside other competing priorities for revenue funding.

Borrowing costs are allocated as either Service Supported Borrowing where the service can demonstrate that it can fund the costs of borrowing from their individual budgets or Corporate Supported Borrowing where the costs are financed centrally.

Financing of the revised capital programme is shown below:

Table 1. Financing of the Capital Programme

Source of Finance	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget	2029/30 Budget
	£'m	£'m	£'m	£'m	£'m
Grant	98.653	38.414	15.856	8.786	8.786
Capital Receipts/RTB	6.025	1.762	0.635	0.202	0.635
Revenue	6.121	0.050	0.050	0.050	0.050
Borrowing	83.632	100.911	80.300	26.030	10.696
3rd Party (inc S106 & CIL)	16.168	1.050	0.005	0	0
Total	210.599	142.188	96.846	35.068	20.167

Links to Treasury Management

One of the key aims of Treasury management is to retain sufficient but not excessive cash to meet the Council's spending needs, while managing the risks involved.

The Council is continuing with an agreed strategy of utilising its cash balances rather than incurring the higher cost of long-term borrowing at present. The strategy can be demonstrated through the Loans CFR at the end of 2024/25 which was £372.627m which outlines the Council's underlying need to borrow compared to the current actual long-term borrowing of £285.250m as at 31st December 2025.

Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Section 151 Officer and his team, who must act in line with the Treasury Management Strategy approved by Council. Quarterly reports on treasury management activity are presented to the Cabinet. The Corporate Audit Committee is responsible for scrutinising treasury management decisions.

Loans

The council has discretion to make loans for a number of reasons, primarily for housing, economic development, and renewable energy. Current loans include:

Table 2: Loans for Service Purposes

Loan Detail	Amount Outstanding at 31st March 2025	Forecasted Amount Outstanding at 31st March 2026	2026/27 Approved Limit	2027/28 Approved Limit	2028/29 Approved Limit
	£'m	£'m	£'m	£'m	£'m
Council's Housing Company	6.933	7.870	23.125	61.845	84.124
Bath & West Community Energy - Renewable Energy Scheme	0.069	0.060	0.051	0.040	0.030
Total	7.002	7.931	23.175	61.886	84.153

These loans are treated as capital expenditure. In making loans the council is exposing itself to the risk that the borrower defaults on repayments. The council, in making these loans, must therefore ensure they are prudent and has fully considered the risk implications, with regard to both the individual loan and that the cumulative exposure of the council is proportionate and prudent.

The Council will continue to ensure that a full due diligence exercise is undertaken and adequate security is in place. The business case will balance the benefits and risks. All loans are either agreed by Cabinet or by specific delegated authority. All loans will be subject to close, regular monitoring.

Shares

The Council holds nominal shares in its own wholly owned company Aequus Group Holdings Ltd.

Asset Management

The overriding objective of asset management within the council is to achieve a corporate portfolio of property assets that support the Corporate Plan, meet the needs of the Council, are fit for purpose and affordable. The council's property portfolio comprises 900 assets, consisting of historical assets, operational property, investment property and property held for specific community or regeneration purposes. The council continually reviews the purpose of holding assets for:

- Operational purposes e.g. assets that support core business and service delivery e.g. schools, office buildings, depots and car parks.
- Investment properties held to provide a financial return to the council that support service provision (the Commercial Estate).
- Parks, playgrounds and open spaces.
- Regeneration, enabling strategic place shaping and economic growth.
- Historical and legacy assets comprising mines, scheduled monuments, vaults and retaining structures.

The Council has established a Corporate Landlord Model for the management of the Council's Corporate Estate alongside a dedicated Commercial Estates function for the running of the investment assets. Both Estates will continually review the performance of the assets to ensure we manage the deployment liabilities. Where assets do not meet specific criteria for retention the Council will repurpose or dispose of assets to manage the liability appropriately.

The vision statements for the functions are below:

Corporate Landlord Mission	
<i>"To excel in the management of a significant portfolio and to be an exemplar landlord by proactively challenging our assets to deliver the best for B&NES and its residents whilst delivering a resilient net income that supports the wider objectives of the Council"</i>	
Corporate Estate Team Vision	Commercial Estate Team Vision
<i>"To deliver all Council objectives in a transparent, safe, and compliant manner through the management of an efficient, sustainable, and valuable asset portfolio with centralised governance."</i>	<i>"To support the Council's corporate, and budgetary objectives, through the generation of resilient net income"</i>

Asset management is an important part of the council's internal business management arrangements and is crucial to the delivery of efficient and effective services. The ongoing management and maintenance of capital assets will be considered as part of the Medium-Term Financial Strategy. The Capital Programme also includes the following for capital works on Council owned properties:

- Corporate Estate – planned capital maintenance £3.6m in 2026/27 and £3.1m per annum in future years.
- Commercial Estate refurbishment programme £5.1m in 2026/27 and £1.5m per annum in future years.
- Commercial Estate Planned Maintenance Programme £0.5m in 2026/27 and £0.5m per annum in future years.
- Commercial Estate Fire Safety Works £2.8m in 2026/27.
- Commercial Asset Re-investment £5.9m in 2026/27, £3m 2027/28, £3m in 2028/29.

The property portfolio is continually reviewed for repurposing or disposal. Where appropriate, development by the Council's wholly owned companies Aequus Developments Ltd and Aequus Construction Ltd will be deployed.

Commercial Activities

The Chartered Institute of Public Finance and Accountancy (CIPFA) defines investment property as property held solely to earn rentals or for capital appreciation or both. Returns from property ownership can be both income driven (through the receipt of rent) and by way of appreciation of the underlying asset value (capital growth). The previous strategy has considered investment through new commercial asset acquisition. Under changes published by the Treasury's Public Works and Loan Board (PWLb) in November 2020, borrowing will no longer be made available to Council's undertaking debt for yield acquisitions.

In the context of the Capital and Investment Strategy, the Council will need to consider how it makes best use of its current asset base to sustain the existing budget income levels and support the Councils financial recovery from the Covid pandemic. This may require commercial investment to support the maintenance, refurbishment, repurposing and regeneration of our economy and to diversify and sustain pre-Covid 19 pandemic commercial income levels through the asset we hold.

The reasons for taking out borrowing / providing capital for property investments are primarily:

- To sustain existing financial return to fund services to residents
- Market and economic opportunity to repurpose and diversify the Commercial and Corporate Estate.
- Economic development and regeneration within Bath and North East Somerset

Historically, property has provided strong investment returns in terms of capital growth and the generation of stable income. As with all investments, property as an investment medium, is not without risk: property values can fall as well as rise. Changing economic conditions could cause tenants to fail leaving properties remaining vacant which not only reduces revenue income but in itself incurs additional holding costs such as maintenance and business rates.

The Council had 256 properties classified as held for investment purposes as at 31st March 2025, as shown in the table below. The revenue income supports Council frontline services including Adult and Children's Social Care Services.

Table 3. Property Held for Investment Purposes

Property Type	No of Properties as at 31/03/24	Value in Accounts as at 31/03/24	No of Properties as at 31/03/25	Value in Accounts as at 31/03/25
	No.	£'m	No.	£'m
Retail	187	154.207	183	148.419
Offices	13	32.325	13	29.134
Licenced	20	17.000	20	16.764
Industrial	16	17.618	16	18.268
Other	27	13.222	22	12.689
Leisure	3	7.644	2	7.731
Total	266	242.016	256	233.005

A fair value assessment of the Council's investment property portfolio is made every twelve months, this is reported in the year end accounts. An Investment Strategy and Asset Management Plan is prepared that details at an operational level the Council's approach to holding assets, however, by necessity such documents have to be reviewed on a frequent basis to take account of such government guidance, prevailing market conditions and other risks and uncertainty.

For any organisation the underlying value of its assets can provide security against its borrowings. The Council assesses the risk of loss when considering its property investments through appropriate due diligence and works closely with external commercial property advisors where appropriate.

Advice has previously been sought on the appropriate level of gearing for the portfolio and how this should be benchmarked. It is believed that staying within an agreed gearing ratio should ensure the Council's portfolio is protected from the risk of fluctuations in the rates of borrowing.

New investment, which is influenced by Government guidance, will continue to be supported by a Business Case detailing how the proposal fits the Council's investment criteria, any associated risks and how these can be mitigated.

The Council will continue to invest prudently within the Bath and North East Somerset area to take advantage of opportunities as they present themselves, supported by a robust governance process.

The Council will consider new investment on the grounds of regeneration of the wider portfolio and the actions required to diversify and sustain existing budget income levels. Any new investment will review the structural and risk implications of developing the existing portfolio.

Proportionality

The Council's dependency on investment activity to deliver services is shown below:

Table 4: Proportionality of Investments

Net Income from Investment Properties & Service Loans to Net Service cost	2024/25 Actual £m	2025/26 Forecast £m	2026/27 Forecast £m	2027/28 Forecast £m	2028/29 Forecast £m
Net Investment Properties Income	12.271	11.592	12.060	12.151	11.912
Net Service Loans Income	0.326	0.367	0.825	2.428	4.243
Net Budget/Outturn	149.560	155.481	193.168	197.581	202.021
Total (%)	8.42%	7.69%	6.67%	7.38%	8.00%

The proportion is net income from investment properties and service loans divided by net budget.

If budgeted income is lower or budgeted expenditure is higher than expected, the Council holds a Revenue Budget Contingency and Un-Earmarked Reserves to meet any in-year shortfalls. If a shortfall were to continue into the medium to longer term a pressure would be added to the Medium Term Financial Plan that would have to be found from other sources either additional income elsewhere or service reductions.

Borrowing in Advance of Need

New Government guidance in 2018 outlined that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. The Council has previously borrowed for this purpose because the acquisitions have enabled the council to vary its portfolio mix to increase diversification from retail.

In line with the Council's financial planning the income continues to be utilised to protect frontline services, including the provision of adult social care; children and environmental

services pursuant to the Council's general power of competence under s.1 Localism Act 2011.

The previous acquisitions of the properties were in pursuance of the benefits (and in particular those of an economic nature) that it conferred upon the Council and its area, in accordance with s120 of the Local Government Act 1972. The acquisitions aligned themselves with the Council's Investment Strategy for the Commercial Estate that was in place at that time.

Business cases are assessed using the prevailing long-term PWLB borrowing rate. Changes in interest rates are carefully monitored and managed through Treasury Management. A Capital Financing Reserve is held to manage any in year additional borrowing costs. Income from the commercial estate is monitored monthly and the Council holds a Revenue Budget Contingency and Un-earmarked balances to meet unmitigated in-year shortfalls. Ongoing shortfalls would be reflected in the MTFS as well as a review of whether individual properties should be held or sold.

Provision for Risks Capital Bids

Each capital bid is risk assessed and a reasonable contingency sum is allocated within the project budget. In addition to this the Council sets aside a sum each year as a Capital Contingency as part of setting the budget to meet risks that require additional capital financing within the financial year. It also retains a revenue reserve to meet any unforeseen or additional revenue requirements such as additional interest or revenue reversion risks that require additional financing.

Knowledge and Skills

The Council has professionally qualified staff across a range of disciplines including finance, legal and property that follow continuous professional development (CPD) and attend courses on an ongoing basis to keep abreast of new developments and skills.

The council establishes project teams from all the professional disciplines from across the council as and when required. External professional advice is taken where required and will always be sought in consideration of any major commercial property investment decision.

Investment Indicators

The Council has set the following quantitative indicators to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.

The following indicator shows the Council's total exposure to potential investment losses. This includes amounts the Council is contractually committed to lend but have yet to be drawn down and guarantees the Council has issued over third party loans.

Table 5: Total Investment Exposure

Total Investment Exposure	31/03/25 Actual	31/03/2026 Forecast	31/03/2027 Forecast
	£'m	£'m	£'m
Treasury Management Investments	31.002	20.000	20.000
Service Investment Loans	7.002	7.931	23.175
Commercial Investment Properties	233.005	231.855	231.855
Total Investments	271.009	259.786	275.030
Contractual Commitments to Lend	0.000	0.000	0.000
Guarantees Issued on Loans	0.000	0.000	0.000
Total Exposure	271.009	259.786	275.030

Current Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, commercial investment properties acquisitions shown in Table 5 can be linked to the borrowing shown in the following Table 6. The remainder of the Council's investments are funded by usable reserves and income received in advance of expenditure through Treasury Management:

Table 6: Investments Funded by Borrowing

Investments Funded by Borrowing	2024/25 Actual	2025/26 Forecast	2026/27 Forecast
	£'m	£'m	£'m
Commercial Investments – Property	91.229	90.128	88.995

- Includes Bath Quays South Offices which became operational in 2022/23.

The following indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred:

Table 7: Investment Rate of Return (Net of all Costs)

Investments net rate of return	2024/25 Actual or Average Value/ Investment	2024/25 Actual Return	Rate of Return	2025/26 Forecast Average Value/ Investment	2025/26 Forecast Return	Forecast Rate of Return
	£'m	£'m	%	£'m	£'m	%
Treasury Management Investments (weighted average balance)	31.888	1.537	4.82	39.293	1.611	4.10
Service Investments: Loans (weighted average balance)	7.002	0.326	4.65	7.931	0.367	4.63
Commercial Investments: Returns on Property Compared to Income	233.005	12.271	5.27	231.855	11.592	5.00

Table 8. Other Investment Indicators

	2024/25 Actual	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
	%	%	%	%	%
Debt Interest payments to net revenue expenditure	6.80%	7.57%	6.64%	8.12%	9.81%
Debt Financing costs (interest & MRP) to net revenue expenditure	14.53%	14.91%	12.74%	14.91%	17.41%
Commercial Investments debt compared to asset value	39.15%	38.87%	38.38%	37.88%	37.36%

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Minimum Revenue Provision (MRP) Policy – 2026/27**Overview**

The Council is required to annually set aside revenue funds for the prudential repayment of outstanding capital borrowing in accordance with provisions set out in CIPFA's Prudential Code and the Statutory Guidance on Minimum Revenue Provision (MRP) issued by the Government. The setting aside of revenue funds for the future repayment of outstanding borrowing is referred to as a Minimum Revenue Provision (MRP) charge. The Council is also allowed to make additional voluntary payments if required.

As part of the regulatory framework, Council is required to approve its Minimum Revenue Provision (MRP) Policy annually.

The MRP Policy, in accordance with proper practice, considers outstanding capital borrowing to be the Council's Capital Financing Requirement (CFR) rather than external loans taken out to finance capital expenditure. Accordingly, any reference in this Policy to the repayment of capital borrowing relates to the setting aside of resources to reflect movements within the Council's CFR rather than to the physical repayment of external debt.

In April 2024, the Government published a new Statutory Instrument with amended Statutory Guidance on MRP, which applies to accounting periods from 2025/26 onwards. The main intent of the changes was to make explicit that that capital receipts may not be used in place of the revenue charge and that excluding debt associated with certain types of assets is not allowed.

MRP Methodology

Provision for the repayment of outstanding capital borrowing will generally be made in accordance with guidance and regulations to reflect the estimated life over which the capital assets acquired are anticipated to provide useful economic benefit. However, this may be adjusted on an individual asset by asset basis depending on the specific circumstances. The Council's statutory Section 151 officer will, as necessary determine individual asset lives for MRP purposes (in accordance with the overriding requirement to allow for the prudent provision for repayment of debt).

Of the four standardised methods set out as examples in the statutory regulations for the calculation of MRP, the Council has adopted the "Asset Life Method - Annuity" as the one which best allows for the prudent repayment of capital borrowing over the life of individual capital assets. MRP is the principal element for the repayment of borrowing. The annuity is the repayment profile determined by the useful life of the asset and an appropriate interest rate. For capital expenditure incurred before 1st April 2008, MRP will be determined as the principal repayment on a 50 year annuity with an annual interest rate equal to 2% which will fully finance this element of the CFR within 50 years, incorporating an "Adjustment A" of £38.8m.

For unsupported capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset as the principal repayment on an annuity with an annual interest rate equal to the average relevant PWLB rate for the year of expenditure, starting in the year after the asset becomes operational. MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.

Assets under construction, including regeneration sites undergoing development, which have yet to fully deliver their expected benefits will not be subject to MRP charges to the Council's Revenue Budget until such time as they become operational for a full accounting year. Accordingly, on becoming operational, the charge for MRP will not commence until the following financial year.

Any prior error or change in assumption as to expected future asset life may be adjusted for in the current (or future) financial year, subject to any constraints on such adjustment as set out in the Prudential Code or Statutory Regulations.

Whilst the above sets out the Council's general MRP principles and Policy, a number of specific instances and circumstances require separate treatment with regard to MRP in order to ensure the charge to revenue is both prudent for the repayment of debt and accurately reflects the economic benefits being realised. These are set out below.

Specific MRP Cases

For assets acquired by finance leases or the Private Finance Initiative [and for the transferred debt from Avon County Council], MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.

Where former operating leases have been brought onto the balance sheet due to the adoption of the International Financing Reporting Standard (IFRS) 16 Leases accounting standard, and the asset values have been adjusted for accruals, prepayments, premiums and/or incentives, then the annual MRP charges will be adjusted so that the total charge to revenue remains unaffected by the new standard.

For capital expenditure loans to third parties that are repaid in annual or more frequent instalments of principal, the Council will make nil MRP unless (a) the loan is an investment for commercial purposes and no repayment was received in year or (b) an expected credit loss was recognised or increased in-year, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead. In years where there is no principal repayment, MRP will be charged in accordance with the MRP policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational.

Sufficient MRP will be charged to ensure that the outstanding Capital Financing Requirement (CFR) on the loan is no higher than the principal amount outstanding less the expected credit loss. This option was proposed by the Government in its MRP consultation and in the Council's view is consistent with the current regulations.

Subject to affordability and the sustainability of the Budget and Medium Term Financial Strategy (MTFS), the Council's Section 151 Officer will continue to explore opportunities for the earlier reduction of outstanding debt for the General Fund, and where appropriate and subject to available resources, reserve the power to make supplementary MRP contributions over and above the minimum previously determined as prudent, where longer term financial benefits may be derived.

Capital Receipts

Capital receipts may ordinarily be applied to fund capital expenditure or be set aside for the repayment of debt. An exemption currently applies until 31st March 2030 (an extension from 31st March 2025 was announced as part of the Local Government Finance Policy Statement on 28th November 2024) which allows capital receipts to be used to fund revenue expenditure which generates future and ongoing savings and service transformation – referred to as the Flexible Use of Capital Receipts.

The Council's Section 151 Officer will apply General Fund capital receipts so as to optimise the benefit to the Revenue Account whilst being mindful of the long term need to prudently repay capital debt.

To the above end, all capital receipts (unless statutorily or contractually ring-fenced to specific purposes) will be applied to their most beneficial purpose. Where capital receipts are applied to repay debt, such repayments will be applied against the remaining borrowing identified on an asset-by-asset basis and the MRP liability adjusted accordingly.

MRP Overpayments

Under the MRP guidance, any charges made in excess of the statutory MRP are known as voluntary revenue provision (VRP). VRP can be reclaimed in later years if deemed necessary or prudent. In order for these amounts to be reclaimed for use in the budget, this Policy must disclose the cumulative overpayment made each year. There is currently no expectation that any VRP contributions will be made in the period 2025/26-2028/29.

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Annex 8 - Bath and North East Somerset Council Pay and Reward Policy 2026/27

Introduction

1. This document sets out the Pay and Reward Policy for Bath & North East Somerset Council (B&NES) for the period 1st April 2026 to 31st March 2027. It provides a clear and transparent policy to the public demonstrating accountability and value for money with regards to decisions on pay and reward for council staff.
2. The Council's pay arrangements reflect the need to attract, retain and motivate skilled employees to ensure high levels of performance. The policy recognises flexibility which is essential in delivering a diverse range of services and is underpinned by principles of fairness and equality.
3. In accordance with the requirements of Section 38 of the Localism Act 2011 and of the Revised Guidance and the associated statutory guidance set out in the Openness and Accountability in Local Pay: Guidance and Supplementary Guidance under section 40 of the Localism Act (February 2012 & 2013), together with the Local Government Transparency Code 2015 from the Department for Communities and Local Government, the Council is required to publish a Pay Policy Statement for each financial year detailing:
 - a) The Council's definition of senior posts
 - b) The Council's definition of lowest paid employees
 - c) The reasons for adopting these definitions
 - d) The relationship between the remuneration of senior posts and that of the lowest paid employees
4. In accordance with provisions of the Localism Act, the requirement to publish a Pay Policy Statement does not extend to schools and therefore this policy does not include school based employees.

Definitions

5. The Council's senior posts are defined as:
 - Chief Executive (Head of Paid Service*)
 - Executive Director Operations
 - Director of Public Health*
 - Executive Director Resources
 - Head of Legal & Democratic Services (Monitoring Officer*)
 - Director of Children and Education (DCS*)
 - Director of Adult Social Care (DASS*)
 - Director of People & Change
 - Executive Director Sustainable Communities
 - Director of Assurance, Risk and Pensions
 - Director of Finance (S151 Officer)

- Director of Place Management
- Director of Capital Delivery & Housing
- Director of Education, Inclusion and Children's Safeguarding

6. The Council's deputies to statutory officers are defined as:

- Head of Financial Management
- Director of Education, Inclusion and Children's Safeguarding
- Head of Legal Services

7. The term 'lowest paid employee' refers to those employees in substantive full time employment at the lowest scale point of the Council's published pay scale.

Principles

8. Bath & North East Somerset Council values all its employees and aims to apply a consistent and fair approach to pay and benefits in line with the following principles:

- To work within financial constraints and use those limited funds in the most effective way to support the Council in the provision of quality cost effective services and its workforce needs
- To aim for consistency and fairness in the processes used to manage pay and benefits, as appropriate to service delivery and in line with its commitment to remaining within the framework of the relevant national pay and conditions agreements
- To promote an equal pay agenda by ensuring that pay and job evaluation systems and processes meet legislative requirements and to actively work towards reducing any unjustified pay gaps on the grounds of gender or ethnicity
- To ensure that pay and benefits processes and policies are transparent and accessible to all employees
- To be clear about the recognition and reward of performance, whether at whole organisation, service, team or individual level
- To support a flexible approach to the acceptance of changes to tasks, duties and responsibilities by employees and allow for flexibility between posts.
- To enable the Council to attract and retain its employees and in order to do so, respond to situations where market forces dictate the necessity to apply supplements to established salaries.
- To retain a core set of benefits for all employees.

Responsibility for Pay and Reward Decisions

9. The Council's Pay and Reward Policy incorporates the statutory provisions of the Localism Act (2011) in relation to pay policy statements. Approval of this statement and of any amendments to it is therefore a matter for Full Council and cannot be delegated to any sub-committee.

10. All policy matters relating to the Council's role as an employer including pay under section 112 of the Local Government Act, 1972 are delegated to the Employment Committee. The Restructuring Implementation Committee recommends appointments to the posts of Chief Executive (Head of Paid Service), Section 151 Officer, and Monitoring Officer to the Council who determine the decision. The Head of Paid Service has delegated authority to make appointments to Director posts subject to there being no objection to the appointment being lodged by a cabinet member.

11. Managers should be aware of their delegated levels of authority. Delegations for decisions on pay cannot be further delegated below these levels:

Decision	Delegated Level of Authority
Starting salary for Chief Executive (Head of Paid Services), Section 151 Officer and Monitoring Officer	Full Council
Starting salary for Executive Directors and Directors	Head of Paid Service
Performance related pay increases for Chief Executive	Leader and Deputy Leaders of the Council in consultation with the Director of People & Change
Performance related pay/progression increases for Executive Directors and Directors	Head of Paid Service with oversight from the Director of People & Change
Market supplements for any post of Head of Service and below	Corporate Management Team
Recruitment and retention payments for any post below Director level where it is not possible to recruit and retain categories of staff	Corporate Management Team
Honorarium payments for any post	Director in consultation with Human Resources
Individual grading including regrading	Head of Service in consultation with Human Resources
Planned overtime payments	Head of Service in consultation with Human Resources

12. The Director of People & Change is responsible for ensuring that the Council's Job Evaluation Scheme and pay processes have been applied. Human Resources is responsible for overseeing any decision on pay to ensure that they are made in accordance with the delegated authority levels and are compliant with the terms of the Pay and Reward Policy.

Basic Pay

13. The job role and its accountability in the overall context of the Council's services and responsibilities is evaluated using the HAY job evaluation scheme which is based on objective criteria and free from discriminatory bias.

14. All job roles are evaluated using this scheme including senior management appointments as well as Chief Officers and their Deputies.
15. Job roles are paid according to the terms of the relevant national agreements on pay and conditions of service.

Pay on Appointment

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

Pay Review Dates

18. Grade progression (i.e. movement from a lower to a higher salary scale point (scp) within a grade where applicable) takes place on 1st April of each year until the highest scp in the grade is reached. Grade progression is subject to satisfactory performance (and may be withheld if performance is unsatisfactory) and a minimum of 6 months' service in the grade.

Re-employment of Former Local Government Employees

19. The Council retains sufficient flexibility in its response to the re-employment of former local government employees to enable it to respond appropriately to the particular circumstances. It ensures that an open and fair selection process takes place before any appointment is confirmed. 'Merit' is the sole criteria for engagement.
20. The Council does not normally re-engage any B&NES employee that has taken voluntary redundancy for a period of 2 years after the date of redundancy.

Use of consultants, Contractors and Temporary 'Agency' Workers

21. Ordinarily, staff will be engaged directly by the council as employees but on an exceptional basis, where particular circumstances deem it necessary, people may be engaged under 'contracts for services' as consultants or contractors or on an 'agency basis'. When this situation arises, the council will give detailed prior consideration to the benefit of doing so and that the overriding need to ensure value for money is achieved, including the need to ensure no one is inappropriately enabled to achieve a more favourable position in respect of their tax liabilities ('tax avoidance') than might otherwise apply. The Council will therefore have proper regard to this principle in applying the His Majesty's Revenue and Customs (HMRC) test for tax status under the Off Payroll Working provisions for any interim 'off-payroll' engagements.

Equal Pay

22. The Council is committed to the principle of equal pay for all posts of the same size and value and has implemented the national 'single status' agreement. In order to put its commitment to equal pay into practice, the Council:

- regularly reviews its pay grade and salaries for all current staff and starting pay for new staff in line with the Equality Act 2010, Equality and Human Rights Commission guidance and the council's Equality Policy.
- informs employees of how these practices work and how their own pay is determined.
- provides training and guidance for managers and supervisory staff involved in decisions about pay and benefits.
- regularly monitors pay and grading data and statistics
- publishes pay equality data as statutorily required

23. The Council published its 2024 Gender and Ethnicity Pay Gap in 2025. The report sets out the overall difference between men and women's pay in the council. This is known as the gender pay gap and is a measure of any difference in pay between the mean average and median earnings of men and women. This is then expressed as a percentage of male earnings. The council employs proportionately more women (62.5%) than men (37.5%) and with a greater number working part-time and/or in administrative roles, there is a median gender pay gap across the organisation of -0.2% as at March 2024.

24. This was the third year that the Council has produced an Ethnicity Pay Gap report. The report sets out the overall difference between the average earnings of employees who self-identify as white and the average earnings of employees who self-identify as any other ethnicity group. The median average hourly rate of pay of employees self-identifying as white is £16.24 per hour. For employees self-identifying as Asian the median hourly rate was £15.41 which is a gap - £0.07. For employees self-identifying as black the median hourly rate was £16.68 which is a gap of £1.06. For employees self-identifying as mixed ethnicity the median hourly rate was £16.61 which is a gap of £1.18. For employees self-identifying as other ethnicity the median hourly rate £17.23 was which is a gap of £0.37.

Senior Pay

25. The remuneration of the Chief Executive and senior officer appointments in the Council (see Annex 1) is set across five pay bands. Levels of pay are periodically benchmarked against similar posts in a wide range of public and not for profit sector organisations.

26. Any increases in pay rates will normally be in line with those negotiated nationally by Joint Negotiating Committees (JNCs) for Chief Executives and Chief Officers respectively. The pay policy, whilst agreed in advance of the financial year to which it relates, can be amended during the course of the year to incorporate a pay award negotiated nationally or for other reasons.

27. Any change to the spot salary for Executive Directors or Directors is subject to satisfactorily meeting performance criteria agreed in advance with the Chief Executive and Executive Directors, as appropriate (with oversight from the Director of People & Change). Any increase is paid from 1 April subject to 12 months' service in that pay band and the maximum not being exceeded.
28. This is no provision for the Council to pay any bonuses, charges, fees or benefits in kind to senior employees or any other employees other than relocation allowances and expenses necessarily incurred in the performance of their duties. This provision is kept under review.
29. The Council has agreed that the Chief Executive undertakes the role of Returning Officer in respect of all elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from their duties as an employee of the Council. As Returning Officer, they are paid a separate allowance for each election for which they are responsible.

Pay Ratios Within the Council

30. The relationship between the rate of pay for the lowest paid council employee and that of the Council's Chief Officers is determined by the processes used for determining pay and grading structures as set out in this Pay and Reward Policy.
31. The 'lowest paid' persons employed under a contract of employment with the council are employed at spinal point 1 of the National Joint Council (NJC) payscale which is £24,796 and £12.85 per hour as at 1 April 2025¹. The relationship between the rate of pay for the "lowest paid" employees and the council's Chief Officers is regulated by the processes used for determining pay and grading structures as set out in this Pay and Reward Policy. The salary utilised for the Chief Officer calculations of all the pay multiple data is £113,918 and for the Chief Executive it is £175,000.
32. The Council employs apprentices who are not included within the definition of 'lowest paid employees' as they are not employed under contracts of employment.
33. As part of its commitment to pay transparency and following the recommendations of the Hutton "Review of Fair Pay in the Public Sector" (2011), the Council publishes information on pay ratios on an annual basis. The information for 2026/27 is as follows:

¹ At the time of writing national pay negotiations for 2026 are also on-going and the final pay award is unknown at the time of writing.

Multiple of Salary	Ratio
the multiple between the annual salary of the lowest paid Council employee and the Chief Executive (full-time equivalent basis) as a ratio	1:7
the multiple between the annual salary of the lowest paid Council employee and the average Chief Officer (full-time equivalent basis) as a ratio	1:4
the multiple between median earning of Council employees and the Chief Executive (full-time equivalent basis) as a ratio	1:5
the multiple between median earning of Council employees and the average Chief Officer (full-time equivalent basis) as a ratio	1:3

34. Bath & North East Somerset Council does not currently have a policy of maintaining or reaching a specific ratio of pay multiple between the Chief Executive and that of the median earner.

Employee Benefits

35. In addition to an employee's salary, the Council offers a comprehensive range of benefits designed to enhance the work life balance of our employees. The current benefits include:

- the Local Government / Teachers'/National Health Service (NHS) Pension Schemes as applicable
- generous annual leave entitlements in addition to bank holiday entitlement
- the option to purchase additional annual leave and/or take unpaid leave
- a wide range of learning and development opportunities
- flexible working arrangements
- employee wellbeing schemes, including access to Occupational Health and an Employee Assistance Programme through Health Assured
- childcare vouchers
- cycle-to-work scheme
- car benefit scheme
- discounted gym and leisure membership
- use of the Vivup scheme to provide retail discounts
- staff social club
- MOT testing with reduced rates for staff

Termination Payments

36. Proposed voluntary redundancy packages in excess of £100,000 (this threshold includes [but is not limited to] any proposals in respect of salary to be paid in lieu, redundancy compensation, pension benefits and holiday pay as appropriate) and any special severance packages in excess of £20,000 are referred to the Restructuring Implementation Committee for consideration.

37. Senior staff are not differentiated from other members of staff in terms of remuneration on resignation or termination. The Council's general arrangements for severance and scheme for discretionary payments apply to all employees.

Working with Trade Unions

38. The Council will endeavour to maintain a joint working approach with its recognised Trade Unions and will work closely with them on pay related matters. There has been consultation with representatives of the recognised Trade Unions during the development of this Pay and Reward Policy. Collective bargaining processes will be followed as appropriate for any proposed changes to pay and/or allowances.

Publication

39. The Council's approach to the publication of and access to information on the remuneration of Chief Officers is to include it on its public website as part of its requirements within the Accounts and Audit (England) Regulations 2011 and in accordance with the Code of Recommended Practice for Local Authorities on Data Transparency. A copy of the Pay Policy Statement is published on the Council's website: www.bathnes.gov.uk/services/jobs/
40. For further information on the Council's pay policy please contact the Council's Human Resource Service email: HR_Payroll@bathnes.gov.uk Tel: 01225 395146

Annex 1 – Senior Officer Remuneration

For the purposes of this statement, senior officer means ‘chief officers’ as defined within S38 of the Localism Act. The posts falling within the statutory definition are set out below together with salaries effective from 1 April 2026²:

Chief Executive (Head of Paid Service)

The salary for the post is £175,000 per annum. Additional payments will be made for Returning Officer duties in respect of any elections. The Returning Officer fees are determined by Statutory Instrument and paid by the Cabinet Office for all National and European elections, rather than by the Council. The duties of the Returning Officer are detailed in paragraph 7 above.

Executive Director

The salary for all three Executive Director roles is in the range of £122,807 - £144,480 per annum. The salary is a fixed point.

Directors and Deputies to Statutory Officers

Pay Band	Roles	Number
Director II (JNC): £113,918 - £126,737	• Adult Social Care • Children & Education • Place Management • Assurance, Risk & Pensions	4
Director I (JNC): £99,198 - £111,172	• Education, Inclusion and Children's Safeguarding • Public Health & Prevention • Capital Delivery & Housing • People & Change • Finance	5
Grade 14 (NJC): £84,855 - £92,185	• Head of Financial Management • Head of Legal & Democratic Services	2
Grade 13 (NJC): £69,664 - £78,424	• Head of Legal Services	1

² At the time of writing national pay negotiations for 2026 are on-going and the final pay award is unknown at the time of writing.

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Annex 9 – Monitoring Officer Advice on Setting the Budget

1 INTRODUCTION

This appendix sets out, in some detail, Members' individual responsibilities to set a legal budget and how Members should approach the task. It also reminds Members about the rules concerning pecuniary and other interests.

2 LEGAL REQUIREMENTS

Section 31A of the Local Government Finance Act 1992 requires budget calculations to be made before 11th March, but they are not invalid merely because they are made on or after 11th March. Nevertheless, delay in setting the Council Tax would have significant legal and financial consequences.

3. PROCESS FOR AGREEING THE BUDGET & CONSIDERING ALTERNATIVE BUDGET

The Cabinet has the responsibility to prepare and propose a draft Budget to Council for its approval.

The Cabinet have formulated a budget proposal and Council Tax recommendation for the Council meeting on 24 February 2026. Such budget proposal may either take the form of a composite proposal or may include agreed core proposals and options for allocating parts of the budget.

The Council has two options available to it at the budget setting meeting. It can object to specific parts of the proposals and if it does so, must require the Leader on behalf of Cabinet to reconsider its proposals. The Council is required to give the Cabinet reason(s) why it considers those proposal(s) should be changed and it is then for the Cabinet to consider those proposed changes and the reasons put forward. Alternatively, it is open to the Council to accept the budget in its proposed form at the meeting, in which case no further action is necessary.

Council may then determine the budget on the basis of the Cabinet's recommendations, plus any insignificant changes adopted as amendments at the Council meeting.

ALTERNATIVE PROPOSALS

Any alternative budget proposals must be finalised and submitted to the Section 151 Officer at least 3 working days before the day of the meeting – so by 5pm Wednesday for the following Tuesday's budget meeting.

If alternative proposals to those contained in this report are moved at the budget setting meeting, the Chief Finance Officer will need to consider if the estimates or proposed financial reserves contained in this report are

affected and whether a further report (which may be oral) is required under section 25 of the Local Government Act 2003.

If the Chief Finance Officer is unable to report on the estimates or the reserves because of the lateness of the alternative proposals, then he will **not** be able to comply with this statutory requirement.

The Constitution provides that the meeting itself (on advice from the Chief Executive) will decide whether any amendment to the budget proposals is of such significance as to amount to an “objection” to the budget to require reconsideration by the Cabinet.

If a significant proposal is accepted on a vote at Council (from those proposals notified at the Cabinet meeting), this stands as a formal objection within the terms of the law and will be referred to the Leader to secure consideration by the Cabinet and report back to the Council meeting on 5th March 2026.

When the Cabinet has considered the objections, it is required to put its proposals (which may or may not be revised) back to the Council Meeting. If the Cabinet does not agree with Council’s views on a proposed change, it is required to state why and the Council can then take those reasons into account, along with its original thoughts as to why the change was desirable. At the meeting, it is open to Council to take such decision as it sees fit on any variation from the budget as originally proposed that has been the subject of consideration under the process outlined above.

4. FAILURE TO AGREE A BUDGET

This renders the Council vulnerable to judicial review proceedings because legislation requires the Council to set the Council Tax.

It also renders Councillors individually liable for failure to fulfil fiduciary duties. The obligation to make a lawful budget each year is shared equally by each individual Member. In discharging that obligation, Members owe a fiduciary duty to the Council Taxpayer.

5. FIDUCIARY DUTY

The Budget must not include expenditure on items which would fall outside the Council's powers. Expenditure on lawful items must be prudent, and any forecasts or assumptions such as rates of interest or inflation must themselves be rational.

Power to spend money must be exercised in good faith for the purpose for which they are conferred, and any ulterior motives risk a finding of illegality. In determining the Council's overall budget requirement, Members are bound to have regard to the level of Council Tax necessary to sustain it. The interests of the Council Taxpayer must be balanced against those of the various service recipients.

Setting a budget is not the same as deciding what expenditure will in fact be incurred. To budget for expenditure is to estimate likely expenditure and/or make financial provision for such expenditure. In setting the budget, commitments are being entered which will have an impact on future years. Some commitments may change in future years, such as staff numbers which are capable of upward or downward adjustment at any time. Other commitments impose upon the Council future obligations which are binding and cannot be adjusted, such as loan charges to pay for capital schemes. For some specific proposals within the overall Budgetary framework, Cabinet decisions have already been made. For some other proposals, subject to relevant consultation where necessary, decisions by the Cabinet will need to be made, especially where the making of such a decision would result or would be likely to result in the permanent closure of a facility used by the public or a permanent and significant reduction in the level of services or facilities provided to the public other than where such closure or reduction in service is considered necessary by the relevant strategic director for reasons of health and safety.

Only relevant and lawful factors may be considered, and irrelevant factors must be ignored.

A Member who votes in accordance with the decision of his or her political group but who does so after considering the relevant factors and professional advice will be acting within the law. Party loyalty and party policy are capable of being relevant considerations for the individual member provided they properly exercise discretion and do not blindly follow the party line without considering the relevant factors and professional advice.

6. CODE OF CONDUCT CONSIDERATIONS

Finally, under the Bath & North East Somerset Council Member Code of Conduct, members are required when reaching decisions to have regard to relevant advice from the Chief Finance Officer and the Monitoring Officer (the Chief Legal Officer). If the Council should fail to set a budget at all or fail to set a lawful budget, contrary to the advice of these two officers there may be a breach of the Code by individual members if it can be demonstrated that they have not had proper regard to the advice given.

DISCLOSABLE PECUNIARY INTERESTS

Members are reminded to consider whether they have a Disclosable Pecuniary Interest (DPI) or, Other Registerable Interest (ORI) or, Non-Registerable Interest (NRI) in the setting of the council's budget. If a member has a relevant interest they must disclose the interest at the meeting, subject to the provisions in the Code in respect of sensitive interests. If the interest is a Disclosable Pecuniary Interest as set out in the Bath & North East Somerset Council Members Code of Conduct) the member may not participate in the discussions or vote on the matter, although if the interest is an Other Registerable Interest (ORI) or Non

Registerable Interest (NRI), the member may remain for the purposes of making representations or asking questions as a member of the public could but must not vote or take part in the debate.

Members should seek early advice to avoid any confusion on the night of the meeting if they consider they have a relevant interest.

Dispensations

The Council's Monitoring Officer may, on written request from a Member, grant a dispensation to relieve the applicant from the restrictions on participation and voting.

Dispensation may be granted if:

- Without the dispensation the number of persons prohibited from participating would be so great a proportion to impede the effectiveness of the meeting.
- The representation of different political groups would be affected and likely to alter the likely outcome of any voting at the meeting.
- Granting the dispensation is in the interests of persons living in the area.
- Every Member of the Council's Cabinet would be precluded from participating in the meeting; -
- It is appropriate to grant a dispensation.

A dispensation will mean that the Member to whom it is granted can speak and vote on a matter in which they have a relevant interest.

Michael Hewitt, Head of Legal & Democratic Services (Monitoring Officer)

Annex 10: Budget 2026-27 Consultation Report

1. Background

This report sets out the process and outcomes of Bath & North East Somerset Council's consultation on its draft spending plans for 2026-27. The consultation took place from 12 December 2025 to 19 January 2026.

Our thanks go to all those who participated in the consultation. We have listened to the feedback received and this will help shape the final budget proposals to be considered by Cabinet on 12 February and Council on 24 February 2026.

2. Consultation on draft detailed budget proposals

On Friday 12 December 2025 the council opened an [online consultation](#) on its draft spending plans for the next financial year, 2026 to 2027. This was made available on the council's website and ran until 5pm on 19 January 2026. A [press release](#) and social media messages encouraged residents to complete the consultation and the public were able to submit a hard copy by post.

The consultation offered an opportunity to provide feedback on the draft growth proposals, budget pressures and budget rebasing. This was in relation to the council's operational spend on day-to-day services, known as the revenue budget. It did not include one-off spending on infrastructure such as transport projects, known as the capital budget.

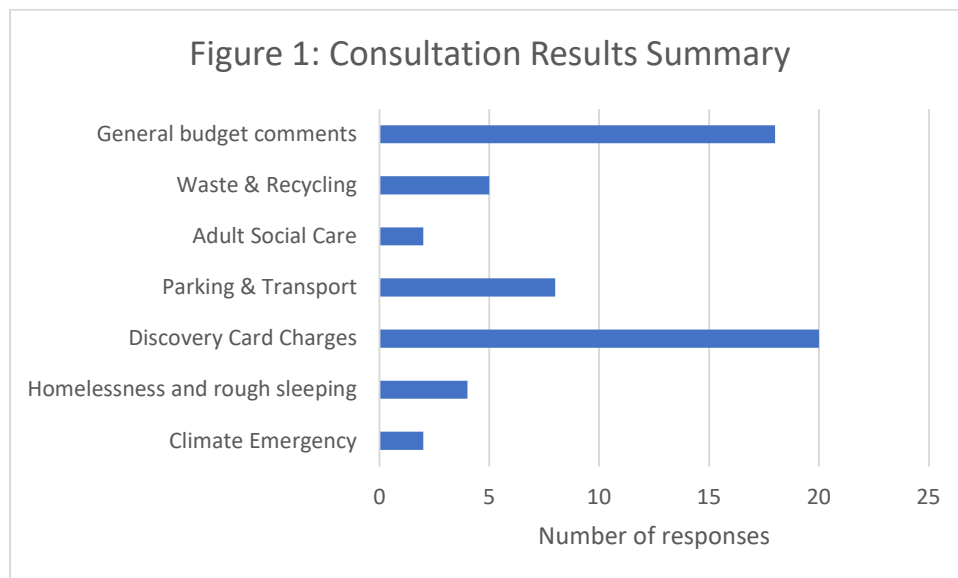
In response to last year's consultation feedback, residents were invited to share their views in a single text box rather than commenting on each proposal individually.

3. Consultation results

The council received **59 submissions**, the summary of which is represented in Figure 1 below.

Two responses were sent directly to budget@bathnes.gov.uk and 57 of the responses were submitted via the online portal

Figure 1 consultation results summary



A) General budget comments

Some respondents recognised the financial pressures faced by the council and supported the proposals to protect essential services. Comments acknowledged the difficult choices when faced with rising demand, inflationary pressures and reduced government funding.

A few comments highlighted opportunities to improve how these financial pressures were managed, suggesting closer alignment across service areas and calling for an even greater focus on income generation.

The cost-of-living crisis was a recurring theme, with respondents highlighting that the budget proposals were taking place at a time when residents were facing severe financial challenges.

“I appreciate that the council has got to make tough decisions about spending, with demand rising on all sides and your settlement from central government contracting.”

“real income from the local economy is needed to keep pace with the increasing demands on council services.”

Council response

B&NES Council continues to demonstrate strong financial management and a well-managed, balanced budget, despite pressures from growth, inflation and long-term reduced Government funding. Next year’s budget will enable us to apply our resources carefully to protect essential services and support residents through the cost-of-living crisis.

B) Waste & Recycling

Responses to the waste and recycling proposals were mixed. Some residents welcomed plans to maintain seven-day access and praised the booking system for recycling centres, others objected to changes in opening hours. Saltford Parish Council warned that rotational closures or reduced availability could lead to increased traffic congestion, air quality deterioration, and breaches of planning commitments for the Pixash Lane facility.

A great idea. I hope you'll also keep the booking system, which is great!”

Council response

The importance of maintaining access to recycling centres, whilst avoiding potential challenges linked to rotational opening will be factored into the final budget proposals.

C) Adult Social Care

Increased investment in statutory adult social care was well supported, with respondents recognising the growing demand for services.

Concern was raised that non-statutory services, such as homelessness prevention and wraparound support, risk being overlooked. Suggestions included commissioning more local providers and exploring in-house provision to improve efficiency and responsiveness.

The ambition to deliver better value from contracts supporting people with learning disabilities was highlighted. It was emphasised that the developing commissioning framework – which would deliver these efficiencies - should be co-produced with stakeholders to ensure dignity, safety and human rights are protected.

“Appropriate investment in statutory adult social care will make a real difference for many people. However, this budget increase will not reach the vast majority of the people we support who do not qualify for statutory support.”

“Coproduction as required is essential to lawful and ethical commissioning. It cannot take place after key budget decisions have already been made.”

Council response

The council is investing more than £2 million to meet rising demand in adult social care. Focusing on prevention is a corporate priority and we will work closely with partners and service users to ensure the right support is provided at the right time

D) Parking and transport

Feedback on parking and transport proposals highlighted concerns that the parking proposals could impact local businesses. Respondents encouraged greater emphasis on sustainable transport.

The recent government announcement to provide additional powers to councils to restrict pavement parking was seen positively, both from an accessibility and income perspective.

“Hopefully BANES will fully engage with this (pavement parking) policy to help eliminate what is becoming a City-wide issue and at the same time generate some much-needed additional revenue to assist with the annual budget.”

“Park and ride charges should be reduced, not increased, to encourage people out of their cars.”

Council response

The proposals enable the council to maintain sustainable transport park and ride services, despite inflationary pressures, to the benefit of more than one million users per year. The car parking proposals support this initiative whilst also helping to improve air quality and public safety for residents.

E) Discovery Card charges

The proposal to introduce a charge for the Discovery Card attracted more than a third of the total responses. Residents viewed the card as providing affordable access to cultural assets, whilst also offsetting some of the challenges of living in a city attracting six million plus annual visitors. It was argued that even a small fee would be prohibitive. Respondents suggested alternative funding models, such as a visitor levy or donations.

“Introducing a fee creates an unnecessary financial barrier...”

Council response

The final budget recommendations will take into account the Discovery Card proposal feedback.

F) Homelessness and Rough Sleeping

Although not part of the proposals, respondents used the consultation to request for a clear funded long-term strategy to address homelessness and rough sleeping. The risk to Bath’s long-standing emergency hostel in Manvers Street was highlighted. The consultation responses emphasised increasing pressure on statutory services, including those provided by the council.

“B&NES needs a strategy to tackle homelessness and rough sleeping sustainably, not sticking-plaster short-term fixes. What is the council doing to find an alternative site for the hostel, and secure the future of other vital services to prevent homelessness?”

Council response

The council is actively working with partners in relation to available accommodation for rough sleepers and in the last twelve months has increased the support provision for rough sleeper services.

G) Climate Emergency

Some participants would have liked to see more explicit budget growth allocation within the budget proposals for climate action, and urged the council to prioritise resilience measures, such as flood prevention and sustainable transport.

“There appears to be a significant gap in the budget proposals with no mention of the Climate Emergency. Where is the spend to support how we respond as a local authority?”

Council

Responding to The Climate Emergency continues to be the main policy objective for B&NES Council. The progress made in this area was most recently reported to Council in November 2025 through the [Annual Climate and Nature Progress Report 2025](#). The 2026-27 budget will ensure continued progress in tackling the emergency.

Ceri Williams

Policy Development and Scrutiny Officer

28 January 2026

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Bath & North East Somerset Council

Improving People's Lives

Fees and Charges 2026-2027

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Bereavement



Ashes - Gardens

Including Replacement, Repainting, Cleaning

Englishcombe & Valley View Gardens - New Plot	Charge
Englishcombe/Valley View Garden*	£1,841.00
Interment Fee	£283.00
Interment Fee following cremation elsewhere	£350.00

Sunset Walk - New Plot	Charge
Sunset Walk	£1,638.00
Interment Fee	£283.00
Interment Fee following cremation elsewhere	£350.00

Pergola Garden - New Plot	Charge
Pergola Garden*	£1,486.00
Interment Fee	£283.00
Interment Fee following cremation elsewhere	£350.00

Sanctum Vaults - New Vault	Charge
Sanctum 2000 Vault* Above ground vault for up to 2 ashes placements	£2,000.00
Sanctum Family Vault* Above ground vault for up to 4 ashes placements	£4,000.00
Placement Fee (first placement fee included)	£103.00

Circle Gardens - New Plot	Charge
Circle Garden*	£1,638.00
Interment Fee	£283.00
Interment Fee following cremation elsewhere	£350.00

*** denotes VAT included**

Added Inscription/Interment with Repaint - All Gardens (except where indicated)	Charge
Added Inscription (per Character)*	£5.50
Repainting of an Englishcombe/Valley View/Alpine/Pergola/New Conifer/Old Conifer/Heather Garden Stone* (in addition to an added inscription only)	£185.00
Interment Fee	£283.00
Interment Fee following cremation elsewhere	£350.00

Please note: Some areas of Bereavement Services involve third party providers and therefore, prices are subject to change.

Replacement Memorial/Interment - All Gardens	Charge
Replacement Memorial * (including up to 60 characters)	Price on Request
Added Inscription (per Character)*	£5.50
Interment Fee	£269.00
Interment Fee following cremation elsewhere	£350.00
Administration Fee for processing Garden buy-back	£60.00

Optional Extras	Charge
Extra letters over 60 characters (each)* (Applicable to all new & replacement memorials)	£5.50
Repainting of an Englishcombe/Valley View/Alpine/Pergola/New Conifer/Old Conifer/Heather Garden Stone* (in addition to an added inscription only)	£185.00
Photo plaque*	£294.00
Simple rose or cross design on stone (same colour as lettering)*	£175.00
Complex design on stone - i.e. Service Badges/colour motifs*	£236.00
Rose tile*	£175.00
Provision of in-house Celebrant for Interment of Cremated Remains (subject to availability)	£70.00
Saturday ashes Supplement for shrubberies / scatterings (subject to staff availability)	£161.00
Saturday ashes supplement for graves or gardens (subject to staff availability)	£250.00

*** denotes VAT included**

Repaint Only - All Gardens (except where indicated)	Charge
Repaint only of a Englishcombe/Valley View/Alpine/Pergola/New Conifer/Old Conifer/Heather Garden Stone* (no added inscription)	£277.00

Cleaning of a Peace Garden Stone	Charge
Clean only*	£296.00

*** denotes VAT included**

Burials

Burial Including Transfers, Searches, Grave Maintenance

Exclusive Right of Interment	Babies up to and including 23 weeks gestation	Children from 24 weeks gestation up to and including 17 years	18+ years Deceased or Owner is Resident of BANES	18+ years Deceased or Owner is Non Resident of BANES
Standard Grave 30 years		£1,235.00 (zero charge to family. To be claimed via Child Funeral Fund)	£1,235.00	£2,470.00
Standard Grave 50 years	N/A	£2,052.00	£2,052.00	£4,105.00
Standard Grave 75 years	N/A	£2,579.00	£2,579.00	£5,038.00
Standard Grave 99 years	N/A	£2,971.00	£2,971.00	£5,943.00
Vault Grave (incl interment fee) 50 years	N/A	£4,003.00	£4,003.00	£8,007.00
Vault Grave (incl interment fee) 75 years	N/A	£5,747.00	£5,747.00	£11,495.00
Vault Grave (incl interment fee) 99 years	N/A	£6,141.00	£6,141.00	£12,283.00
Additional 20 years to existing term (excluding vault graves)	N/A	£817.00	£817.00	£1,635.00
New baby grave in designated area	£0.00	N/A	N/A	N/A

Graves for children up to and including age 16 years will be in a designated area unless the family wish to purchase the Exclusive Right of Interment in a priVATe grave.

Full Burial Interment Fee	Babies up to and including 23 weeks gestation	Children from 24 weeks gestation up to and including 17 years	18+ years Deceased or Owner is Resident or Non Resident of BANES
Interment fee for single depth	£0.00	£422.00 (zero charge to family. To be claimed via Child Funeral Fund)	£941.00
Interment fee for double depth (where achievable)	N/A	£526.00 (zero charge to family. To be claimed via Child Funeral Fund)	£1,160.00

* denotes VAT included

Burial Extras	Charge
Use of Hilltop Chapel per 45-minute slot	£349.00
Celebrancy provided by our in-house celebrant	£230.00
Celebrancy provided by our in-house celebrant – double slot	£279.00
Late arrival and over run of time slot penalty	From £150.00
Tree and plaque for green burial grave*	£439.00
Cancellation fee once digging of any grave has commenced	£438.00
Full Exhumation (based on individual assessments of the grave)	£3,944.00
Ashes Exhumation (based on individual assessments of the grave)	£289.00

Prepurchase Exclusive Right of Interment in Full Burial Graves	Purchaser is Resident of BANES	Purchaser is Non Resident of BANES
Prepurchase Standard Grave 30 years	£1,844.00	£3,689.00
Prepurchase Standard Grave 50 years	£3,072.00	£6,142.00
Prepurchase Standard Grave 75 years	£3,599.00	£7,195.00
Prepurchase Standard Grave 99 years	£3,992.00	£7,983.00
Prepurchase Vault Grave incl interment fee 50 years	£6,028.00	£12,055.00
Prepurchase Vault Grave incl interment fee 75 years	£6,398.00	£12,795.00
Prepurchase Vault Grave incl interment fee 99 years	£6,659.00	£13,320.00
Additional 20 years to existing term (excluding vault graves)	£1,228.00	£2,453.00
Administration Fee for processing Grave buy-back	£120.00	£120.00

Transfer of Ownership of Right of Interment	Charge
Simple i.e. probate to executors	£80.00
Standard - paperwork	£120.00
Complex i.e. onward transfer required	£195.00
Express Service - paperwork to be drawn up within 3 days	plus £69.00

*** denotes VAT included**

Searches	Charge
Tracing fees (per name)*	£56.00
Mapping only of a known grave number (closed burial grounds)	£32.00
Marking a traced grave in any cemetery*	£56.00

* denotes VAT included

Cremations

Cremation & Media

Direct Cremations - Orchard Entrance	Charge
Unattended Direct Cremation (the deceased to be brought into our care through The Orchard entrance without anyone attending other than the funeral director). 0830hrs - 1600hrs at half hourly intervals	£399.00
Attended Direct Cremation - to witness - maximum of 6 mourners (the deceased to be brought into our care through The Orchard entrance). 0830hrs - 1600hrs at half hourly intervals - maximum of 10 minutes	£485.00

Valley & Hilltop Chapel	Babies up to and including 23 weeks gestation	Children from 24 weeks gestation up to and including 17 years	18+ years
45 minute early morning service 9.00am	N/A	N/A	£974.00
45 minute price sensitive service 10.00 a.m.	£0.00	£463.00 (Zero charge to family. To be claimed via Child Funeral Fund)	£1,079.00
45 minute standard service 11.00 am, 12.00 pm, 1.00pm, 2.00 pm, 3.00 pm, 4.00pm.	£0.00	£585.00 (Zero charge to family. To be claimed via Child Funeral Fund)	£1,266.00

The cremation fee includes:

- Medical referees fee.
- Certificate of cremation.
- Provision of organ (not organist)
- Provision of Obitus System
- Scattering of remains on communal area - unwitnessed (Note: a charge will apply to FD's returning ashes after 6 months - See extras below).
- Recycling of metals through a national scheme with profits going to charity.
- Abatement of mercury from emissions.
- Facility to accept large coffins.
- Provision of biodegradable container as required.

Cremation Extras	Charge
Use of the Valley Chapel (following a service in the Hilltop Chapel)	£514.00
Extended use of Valley Chapel per time slot (per 45 mins subject to availability)	£514.00
Extended use of Hilltop Chapel per time slot (per 45mins subject to availability)	£349.00
Celebrancy provided by our in-house celebrant	£230.00
Celebrancy provided by our in-house celebrant – double slot	£279.00
Saturday Supplement (subject to staff availability)	£514.00
Bringing the deceased into our care prior to a cremation	£25.00
Storage of remains (six months free of charge - remains held longer than this period will incur a monthly charge)	£62.00
Postage of remains to address in UK*	from £88.00
Ashes being returned by Funeral Directors after 6 months to inter/scatter in a communal area unwitnessed	each £60.00
Late arrival and over run of time slot penalty	From £150.00
Duplicate Cremation Certificate	£14.00

Media Charges

Cremation Extras	Charge
Live Web Cast + 28 day Downloadable	£71.00
Keepsake Copy of Webcast (DVD/Blu-ray/USB stick/CD) (First copy £71 thereafter £32 per copy)	£71.00
Single Photo Tribute (additional photos £14)	£0.00
Basic slideshow (up to 25 photos shown on loop with simple transitions. This does not include music)	£69.00
Music slideshow (up to 25 photos set to music with fade transitions)	£86.00
Additional 25 Photos for any Slideshow or Pro Tribute)	£29.00
Digital downloadable Recording of a Pro Tribute	£71.00
Digital Downloadable Recording of a Pro Visual Tribute	£71.00
Family-Made Video Checking (checking and preparation of video supplied by family or third party (played once at a time)	£34.00
Obitus Extra Work - for either adding video to a Pro Tribute, revisions, late fee, or major departure from a standard product	£34.00

* denotes VAT included

Ashes

Cremated Remains

Including Crem Plots for 4, Scatterings, Green Ashes Burial, Caskets & Urns

Exclusive Right of Interment - Cremated Remains Plots	Deceased or Owner is a Resident of BANES	Deceased or Owner is non Resident of BANES
Cremation Plot for 4 (for 30 years)	£634.00	£1,264.00
Cremation Plot for 4 (for 50 years)	£1,028.00	£2,054.00
Cremation Plot for 4 (for 75 years)	£1,292.00	£2,580.00
Cremation Plot for 4 (for 99 years)	£1,486.00	£2,972.00
Additional 20 years to existing term	£395.00	£791.00

Interment Options - Cremated Remains	Charge
Witnessed interment in a shrubbery or scattering in The Grassland (to be arranged and paid by applicant of cremation)	£103.00
Interment of remains in a shrubbery following cremation elsewhere (to be arranged and paid by applicant of cremation)	£182.00
Scattering of remains on The Grassland following cremation elsewhere (to be arranged and paid by applicant of cremation)	£182.00
Cremated remains interment (PriVATe Grave/Garden plot) open cemetery	£283.00
Cremated remains interment (PriVATe Grave/Garden plot) closed cemetery	£384.00
Cremated remains interment (PriVATe Grave/Garden Plot) following cremation elsewhere open cemetery	£368.00
Cremated remains interment (PriVATe Grave/Garden Plot) following cremation elsewhere closed cemetery	£469.00
Cremated remains interment at full burial depth open cemetery	£565.00
Cremated remains interment at full burial depth closed cemetery	£767.00
Additional cremated remains to be interred or scattered simultaneously in the same plot	£60.00
Additional Cremated remains to be interred or scattered simultaneously in the same plot following cremation elsewhere	£101.00
Administration fee for returned cremated remains to be interred or scattered at our convenience	£60.00
Provision of in-house Celebrant for interment of cremated remains	£70.00
Saturday Supplement for graves or gardens (subject to staff availability)	£242.00
Saturday supplement for shrubberies / scatterings (subject to staff availability)	£169.00

Pre-Purchase Exclusive Right of Interment in Cremated Remains Plots	Deceased or Owner is a Resident of BANES	Deceased or Owner is a non Resident of BANES
Prepurchase Cremation Plot for 4 (for 30 years)	£939.00	£1,876.00
Prepurchase Cremation Plot for 4 (for 50 years)	£1,608.00	£3,216.00
Prepurchase Cremation Plot for 4 (for 75 years)	£1,872.00	£3,743.00
Prepurchase Cremation Plot for 4 (for 99 years)	£2,069.00	£4,135.00
Additional 20 years to existing term excl vault graves	£669.00	£1,341.00

Cremated Remains - Scatterings	Charge
The Meadow or Glade scattering	£182.00
Additional cremated remains to be scattered on The Meadow or Glade following cremation elsewhere	£262.00
The Meadow or Glade plaque* (on 25-year lease)	£304.00
Choice of motif on The Meadow or The Glade plaque*	£94.00
Additional lease of 25 years for The Meadow or Glade plaque on expiry of previous lease	£153.00
The Glade Mushroom Plaque	£304.00

Cremated Remains - Green Burial	Charge
Coppice, Locksbrook and Haycombe Other* (plus interment)	£1,187.00
Additional Plaque*	£283.00

Caskets/Urns (Third party provider prices subject to change)	Charge
Light & Dark Oak Caskets	£115.00
Scatter Tube - full size	£39.00
Scatter Tube - keep sake	£11.00
Brass Urns* - full size	£189.00
Brass Urns* - keep sake	£56.00
Sanctum 2000 full size urn (grey or white)	£189.00
3" Hand Held Heart*	£63.00
5" Keep Sake Heart*	£106.00
Wooden Keep Sake Heart – including inscription on front	£85.00
Wooden Keep Sake Heart – additional inscription on the reverse	£9.00

Ashes Into Glass	Charge
Jewellery & Paperweights	(As per brochure)

Yarwood Memorial Products	Charge
Urns, Keepsakes & Jewellery	(As per brochure)

*** denotes VAT included**

Memorials

Memorials Only

Babies	Charge
Baby Vase Blocks including plaque and inscription	£594.00
Butterfly Baby Shrubbery metal plaque	£135.00
Old Babies Section - White Marble Shrubbery Memorial* (including up to 20 characters)	£469.00
Old Babies Section - Extra letters over 20 characters* (each)	£4.00
Butterfly Section Tower plaques*	£243.00
Forest Friends Frieze – Memorial butterfly incl wording	£103.00

Benches	Charge
Eco Bench of Remembrance (25 year lease period) - including a bronze plaque*	£1,618.00
Extra plaque for Eco Bench of Remembrance until end of lease period*	£298.00
Additional 25 year lease of Eco Bench at expiry of previous lease	£810.00
One off clean of Wooden Bench of Remembrance*	£178.00
Additional 10 year lease of wooden bench on expiry of previous lease	£810.00
Granite Backed Bench of Remembrance (25 year lease period) - including a granite plaque*	£1,844.00
Additional 25 year lease of backed granite bench at expiry of previous lease	£922.00
Granite Backless Bench of Remembrance (25 year lease period) - including a granite plaque*	£1,540.00
Additional 25 year lease of backless granite bench at expiry of previous lease	£770.00
Motif on granite bench plaque	£178.00
Photo plaque on granite bench plaque	£170.00
Extra plaque for Granite Backed & Backless Bench of Remembrance until end of lease period*	£243.00

Book of Remembrance Memory Tree	Charge
Leaf on Book of Remembrance Memory Tree (10 year lease)	£161.00
Additional 10 year lease on Leaf on Book of Remembrance Memory Tree	£81.00

Willow Memory Tree	Charge
Granite Leaf on Willow Memory Tree (10 year lease)	£161.00
Additional 10 year lease on Leaf on Willow Memory Tree	£81.00

Memorial Wall Plaques and Sweetheart Leaves	Charge
Memorial Wall Plaques*	£357.00
Extra letters over 60 characters on inscription*	£5.50
Repainting of a Memorial Wall plaque inscription	£100.00
Sweetheart Leaf with 25 year lease including inscription	£95.00

Saddlestone	Charge
Additional Inscription (per letter)*	£5.50
Repainting of a Saddlestone* (in addition to an added inscription only)	£186.00
Repaint only of a single Saddlestone (no added inscription)	£186.00
Repaint only of a double Saddlestone* (no added inscription)	£299.00

Shrubberies	Charge
Shrubbery Plaques 1 to 28*	£250.00
Shrubbery 31 - 32 Kerb Plaques (25 year lease)	£384.00
Photo Plaque for Kerb Plaque	£128.00
Motif on Kerb Plaque	£105.00
Replacement Shrubbery Memorial Stone* (includes up to 60 characters)	£1,329.00
Extra letters over 60 characters on Shrubbery Stone inscription* (each)	£5.50
Additional Inscription (per letter)* (each)	£5.50
Repainting of a Shrubbery Stone* (in addition to an added inscription only)	£186.00
Repaint only of a Shrubbery Stone* (no added inscription)	£278.00

Tree of Remembrance	Charge
Tree of Remembrance for a 25 year period*	£833.00
Additional lease of Tree of Remembrance for 25 years on expiry of previous lease	£416.00
Tree of Remembrance - additional plaque until end of lease*	£283.00

Miscellaneous	Charge
Photo plaque on Shrubbery Stone*	£295.00
Simple rose or cross design on Shrubbery Stone (same colour as lettering)*	£169.00
Complex design on Shrubbery Stone - i.e. Service Badges/colour motifs*	£239.00
Rose tile for Shrubbery Stone or Saddlestone*	£169.00
Temporary grave marker for full graves or cremation plots (where not already included in the interment fee)	£44.00
Aluminium flower container (gold or silver topped)*	£15.00
Aluminium flower container Lid only for Kerb Block*	£5.00

* denotes VAT included

Memorial Permits

Memorial Fees	Charge
New Memorial - Lawn, Traditional, Vault & Cremated Remains Sections	£298.00
New Memorial - Babies Sections (for children aged from 24 weeks gestation and up to and including 17 years old this can be claimed via the Child Funeral Fund if within 6 months of funeral)	£155.00
New Memorial - Pets Section*	£155.00
Added Inscription	£155.00
Added Memorial	£155.00
Replacement Memorial	£155.00
All Other Work (i.e. cleaning/renoVATion etc.)	£0 charge
Duplicate Permit (to replace lost original)	£28.00

*** denotes VAT included**

Book of Remembrance & Memorial Cards

Book of Remembrance & Memorial Cards	Charges
2-line entry*	£155.00
5-line entry*	£196.00
8-line entry*	£257.00
Simple designs i.e. flowers*	£74.00
Complex design i.e. service badges/heraldic designs*	£130.00

*** denotes VAT included**

Pets (incl Pet Book of Remembrance)

Pet Burials and Ashes	Charges
1st Interment incl Exclusive Right of Burial (for 30 years)*	£499.00
2nd Interment* (for older plots only - check previous burial record)	£257.00
Pet coffin – extra small*	£197.00
Pet Coffin – Small	£223.00
Pet coffin - medium*	£239.00
Pet coffin - large*	£273.00
Memorial boulder for cremated remains (incl first interment)	£594.00
Cremated remains including plaque*	£230.00
Re-opening for ashes*	£110.00
Prepurchase of Right of Interment for 30 years*	£771.00
Renewal of Exclusive Right of Interment (per unit of 10 years)*	£163.00

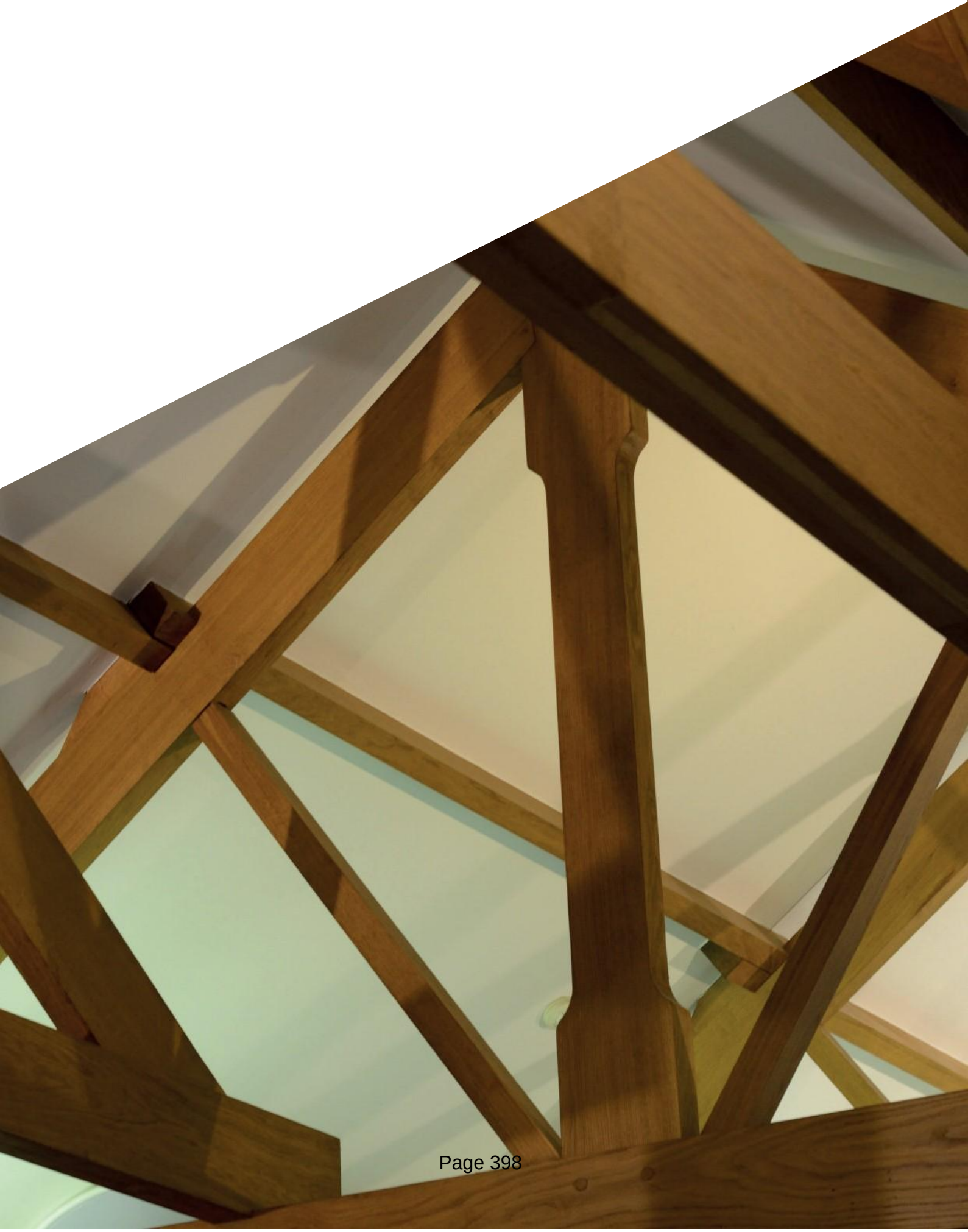
Pet Book of Remembrance	Charges
2-line entry*	£155.00
5-line entry*	£196.00
Simple designs i.e. flowers*	£74.00
Complex design i.e. animal*	£130.00

* denotes VAT included

Memorial Permits

New Memorial or Gardens development	Charges
New Memorial	£POA
New Garden	£POA

Public Protection



Dog Warden

Service	2026/27	Notes
Stray dogs 1 to 3 days kenneling	£184.00 VAT exempt	per recovery plus any veterinary expenses and/or any other associated fees
Stray dogs 4 to 7 days kenneling	£351 VAT exempt	per recovery plus any veterinary expenses and/or any other associated fees
Returned Stray dog charge without kenneling fee	£124	

Environmental Protection fees

Service	2026/27	Notes
Contaminated land advice	£98.00	per hour, +VAT

Food Safety Fees

Training Courses

Service	2026/27	Notes
RSPH Level 2 Award in Identifying and Controlling Allergy risks	£95.00	Includes VAT
Exam re-sit fee	£50.00	Includes VAT

Food Hygiene

Service	2026/27	Notes
Safer Food Better Business Pack	£21.00	VAT exempt
Safer Food Better Business - additional Diary Sheets	£13.00	VAT exempt
Production of health / export certificates	£98.00	Per hour. VAT exempt

Food & Trading Standards Business Support

Business Audit and Support

Service	2026/27	Notes
Business Audit & Support	£293.00	Includes VAT
Additional advice and consultancy - hourly rate	£98.00	Includes VAT
Bite Size - half an hour advice	£49.00	Includes VAT
FHRS Rescore -business request visit	£208.00	VAT exempt

Primary Authority

Option 1 - An agreement using standard contract terms with a fixed set up fee and annual renewable fee. Advice is then charged at an hourly rate

Service	2026/27	Notes
Initial set up fee and 3 hours advice	£676	VAT exempt
Annual Renewal fee including 3 hours advice	£432	VAT exempt
Advice and Consultancy- Hourly rate	£98	VAT exempt

Option 2 - An agreement using standard contract terms and a fixed minimum amount of hourly advice, set up fee and an annual renewal fee.

Service	2026/27	Notes
Initial Set-up fee and 17 hours of advice or consultation - valid for 12 months	£2,006.00	VAT exempt
Annual Renewal Fee - including 17 hours of advice and consultation - valid for 12 months	£1,762.00	VAT exempt
Additional advice and consultancy - hourly rate	£98.00	VAT exempt

Travelling to premises outside of B&NES

Service	2026/27	Notes
Either - hourly rate + mileage charge or public transport costs and accommodation - with prior agreement as appropriate	£98.00+0.45/mile	VAT exempt
Verification Sampling Costs - by Public Analyst and provision of test certificates	charged at cost	

Local Authority Pollution Prevention & Control Charges (Set by DEFRA) (Part B)

Initial Application

Service	2026/27	Notes
Standard Process (includes solvent emission activities)	£1,650. Where an application is for a combined Part B and waste application, add an extra £310.	Outside the Scope of VAT
Additional Fee for Operating without a Permit (Standard Process)	£1,188	Outside the Scope of VAT
Reduced fee activities - Dry Cleaners & PVR I	£155. Where an application is for a combined Part B and waste application, add an extra £310.	Outside the Scope of VAT
PVR I & II (combined)	£257. Where an application is for a combined Part B and waste application, add an extra £310.	Outside the Scope of VAT
Vehicle Refinishers and other reduced fee activities	£362. Where an application is for a combined Part B and waste application, add an extra £310.	Outside the Scope of VAT
Additional Fee for Operating without a Permit (Reduced Fee Activities)	£71	Outside the Scope of VAT
Mobile Plant - for 1st and 2nd permit (for mobile plant not using simplified permits)	£1,650. Where an application is for a combined Part B and waste application, add an extra £310.	Outside the Scope of VAT
Mobile Plant - for 3rd, 4th, 5th, 6th and 7th permit (for mobile plant not using simplified permits)	£985. Where an application is for a combined Part B and waste application, add an extra £310.	Outside the Scope of VAT
Mobile Plant - for 8th and each subsequent permit (for mobile plant not using simplified permits)	£498. Where an application is for a combined Part B and waste application, add an extra £310.	Outside the Scope of VAT

Annual Subsistence Fees

Service	2026/27	Notes
Standard Process – Low risk	£772 (+£104)*	Outside the Scope of VAT
Standard Process – Medium risk	£1,161 (+£156)*	Outside the Scope of VAT
Standard Process – High risk	£1,747 (+£207)*	Outside the Scope of VAT
PVR I & Dry Cleaners – Low risk	£79	Outside the Scope of VAT
PVR I & Dry Cleaners – Medium risk	£158	Outside the Scope of VAT
PVR I & Dry Cleaners – High risk	£237	Outside the Scope of VAT
PVR I & II combined – Low risk	£113	Outside the Scope of VAT
PVR I & II combined – Medium risk	£226	Outside the Scope of VAT
PVR I & II combined – High risk	£341	Outside the Scope of VAT
Vehicle Refinishers & other reduced fee activities – Low risk	£228	Outside the Scope of VAT
Vehicle Refinishers & other reduced fee activities – Medium risk	£365	Outside the Scope of VAT
Vehicle Refinishers & other reduced fee activities – High risk	£548	Outside the Scope of VAT
Mobile Plant – Low risk - 1st and 2nd standard permit	£626	Outside the Scope of VAT
Mobile Plant – Medium risk - 1st and 2 nd standard permit	£1,034	Outside the Scope of VAT
Mobile Plant – High risk - 1st and 2 nd standard permit	£1,551	Outside the Scope of VAT
Mobile Plant – Low risk - 3rd to 7th standard permit	£385	Outside the Scope of VAT
Mobile Plant – Medium risk - 3rd to 7 th standard permit	£617	Outside the Scope of VAT
Mobile Plant – High risk - 3rd to 7th standard permit	£924	Outside the Scope of VAT
Mobile Plant - Low risk - 8th and subsequent standard permit	£198	Outside the Scope of VAT
Mobile Plant – Medium risk - 8th and subsequent standard permit	£314	Outside the Scope of VAT
Mobile Plant – High risk - 8th and subsequent standard permit	£473	Outside the Scope of VAT
Late Payment Fee**	£52	Outside the Scope of VAT
Payment in instalments	£38	Outside the Scope of VAT

*Additional amounts in brackets must be charged where the permit subsistence fee is for a combined Part B and waste installation

**Applies when an invoice remains unpaid for 8 weeks from the date of issue

Transfer and Surrender

Service	2026/27	Notes
Standard Process - Transfer	£169	Outside the Scope of VAT
Standard Process - Partial transfer	£497	Outside the Scope of VAT
Surrender - all Part B activities	£FOC	
Reduced fee activities - Transfer	£FOC	
Reduced fee activities – Partial transfer	£47	Outside the Scope of VAT
Temporary transfer for mobile plant - First transfer	£53	Outside the Scope of VAT
Temporary transfer for mobile plant - Repeat transfer	£FOC	
Temporary transfer for mobile plant - Following enforcement	£53	Outside the Scope of VAT

Substantial Change	2026/27	Notes
Standard Process	£1,050	Outside the Scope of VAT
Reduced fee activities	£102.00	Outside the Scope of VAT
Standard Process where the substantial change results in a new PPC activity	£1,650	Outside the Scope of VAT

Copy of Public Register

Service	2026/27	Notes
Basic	£10.00	
Detailed	£100.00	

Local Authority Integrated Pollution Prevention & Control Charges (Set by DEFRA) (Part A2 & SWIP)

Service	2026/27	Notes
Initial Application	£3,363	Outside the Scope of VAT
Additional fee for operating without a permit	£1,188	Outside the Scope of VAT
Annual Subsistence Fee – Low risk*	£1,343	Outside the Scope of VAT
Annual Subsistence Fee – Medium risk*	£1,507	Outside the Scope of VAT
Annual Subsistence Fee – High risk*	£2,230	Outside the Scope of VAT
Variation	£1,368	Outside the Scope of VAT
Substantial Variation (where 9(2)(a) or 9(2)(b) of the scheme applies)	£3,363	Outside the Scope of VAT
Transfer	£235	Outside the Scope of VAT
Partial transfer	£698	Outside the Scope of VAT
Surrender	£698	Outside the Scope of VAT
Late Payment Fee**	£52	Outside the Scope of VAT
Payment in instalments	£38	Outside the Scope of VAT

*Additional £104 fee applies where reporting under the UK-PRTR is required

**Applies when an invoice remains unpaid for 8 weeks from the date of issue

Copy of Public Register

Service	2026/27	Notes
Basic	£10.00	
Detailed	£100.00	

Private Water Supply Charges

Service	2026/27	Notes
Risk Assessment (site & desk based)	£98 per hour	Outside the Scope of VAT
Sampling (each visit)	£98 per hour	Outside the Scope of VAT - sampling analysis costs to be added
Investigation	£98 per hour	Outside the Scope of VAT
Granting an authorisation	£98 per hour	Outside the Scope of VAT
Analysing a sample - Taken under regulations 8 or 10	£POA	as charged by analysing laboratory
Analysing a sample - Taken during Group A monitoring	£POA	as charged by analysing laboratory
Analysing a sample - Taken during Group B monitoring	£POA	as charged by analysing laboratory

Pest Control Charges

Commercial Pest

Service	2026/27	Notes
Rats	£427	includes VAT
Mice	£427	includes VAT
Additional visit for rodents	£154	includes VAT
Wasps/Hornets' nest	£166	includes VAT
additional wasp nest (at time of treatment)	£66	includes VAT
Bedbugs, Fleas and Carpet Moths 1-2 rooms (Initial assessment and 1 treatment)	£395	includes VAT
Bedbugs, Fleas and Carpet Moths 3-4 rooms (Initial assessment and 1 treatment)	£540	includes VAT
Bedbugs, Fleas and Carpet Moths 5 rooms (Initial assessment and 1 treatment)	£694	includes VAT
Bedbugs, Fleas and Carpet Moths 6-10 rooms (Initial assessment and 1 treatment)	£1310	includes VAT
Additional visit Bedbugs, Fleas and Carpet Moths 1-2 rooms (normal business hours)	£309	includes VAT
Additional visit Bedbugs, Fleas and Carpet Moths 3-4 rooms (normal business hours)	£463	includes VAT
Additional visit Bedbugs, Fleas and Carpet Moths 5 rooms (normal business hours)	£617	includes VAT
Additional visit Bedbugs, Fleas and Carpet Moths 6-10 rooms (normal business hours)	£1234	includes VAT
Ants (2 visits within 4 weeks of the initial visit)	£231	includes VAT
Cockroaches (initial Assessment & 2 visits)	£231	includes VAT
Cockroaches (additional site visits)	£107	includes VAT
Cluster Flies - (per attic)	£161	includes VAT
Commercial Contract prices	£77	includes VAT

Domestic Pest

Service	2026/27	Notes
Rats (up to 3 visits)	£209/£105	Incl VAT. Lower figure is for households on means tested benefit
Mice (up to 3 visits)	£209/£105	Incl VAT. Lower figure is for households on means tested benefit
Wasps/Hornet nest (1 visit)	£128/£81	Incl VAT. Lower figure is for households on means tested benefit
Additional nest (at time of treatment)	£39/£39	Incl VAT. Lower figure is for households on means tested benefit
Cockroaches (up to 3 visits)	£231/£116	Incl VAT. Lower figure is for households on means tested benefit
Cluster Flies	£154/£77	Incl VAT. Lower figure is for households on means tested benefit
Bedbugs, Fleas and Carpet Moths 1-2 rooms (Initial assessment and 1 treatment)	£231/£116	Incl VAT. Lower figure is for households on means tested benefit
Bedbugs, Fleas and Carpet Moths 3-4 rooms (Initial assessment and 1 treatment)	£385/£193	Incl VAT. Lower figure is for households on means tested benefit
Bedbugs, Fleas and Carpet Moths 5 rooms (Initial assessment and 1 treatment)	£540/£270	Incl VAT. Lower figure is for households on means tested benefit
Bedbugs, Fleas and Carpet Moths 6-10 rooms (Initial assessment and 1 treatment)	£694/£347	Incl VAT. Lower figure is for households on means tested benefit
Additional visit Bedbugs, Fleas and Carpet Moths 1-2 rooms (normal business hours)	£154/£77	Incl VAT. Lower figure is for households on means tested benefit
Additional visit Bedbugs, Fleas and Carpet Moths 3-4 rooms (normal business hours)	£309/£154	Incl VAT. Lower figure is for households on means tested benefit
Additional visit Bedbugs, Fleas and Carpet Moths 5 rooms (normal business hours)	£463/£231	Incl VAT. Lower figure is for households on means tested benefit
Additional visit Bedbugs, Fleas and Carpet Moths 6-10 rooms (normal business hours)	£617/309	Incl VAT. Lower figure is for households on means tested benefit
Call out fee if no treatment takes place	£77/£77	Incl VAT.
Missed appointment	£77/77	Incl VAT.
Out of hours charge (per hour per officer)	£107/£107	Incl VAT.
Administration charge for late cancellation	£77/£77	Incl VAT.
Administration charge for cancellation	£39/£39	Incl VAT.

Trading Standards Fees

Metrology

Please note that some charges may require the addition of VAT. Check with officers prior to work being undertaken.

Charges for BATH & NORTH EAST SOMERSET COUNCIL Trading Standards

Licence or Service	Guide Time (hrs)	Charge
Weighbridge Operators Certificate		£75 (VAT exempt)
Petrol Pump Verification		£185.00 (+VAT) per officer per hour

Explosives - New Application

Storage between 0 and 250kg	Set by statutory instrument and subject to change
1 year	£119.00
2 years	£154.00
3 years	£190.00
4 years	£226.00
5 years	£260.00

Explosives - Renewal

Storage between 0 and 250kg	Set by statutory instrument and subject to change
1 year	£59.00
2 years	£94.00
3 years	£132.00
4 years	£166.00
5 years	£202.00

Explosives - New Application

Storage between 250kg and 2000kg	Set by statutory instrument and subject to change
1 year	£202.00
2 years	£266.00
3 years	£333.00
4 years	£409.00
5 years	£463.00

Explosives - Renewal

Storage between 0 and 250kg and 2000kg	Set by statutory instrument and subject to change
1 year	£94.00
2 years	£161.00
3 years	£226.00
4 years	£291.00
5 years	£357.00

Licence Activity	Statutory fee	2026/27
Fireworks (Set Periods) - New	Yes	banded on size (please see Trading Standards Explosives fees)
Fireworks (Set Periods) - Renewal	Yes	banded on size (please see Trading Standards Explosives fees)
Fireworks (All Year) - New	No	£500.00
Fireworks (All Year) - Renewal	No	£500.00
Fireworks (All Year) - Maintenance	No	£7.00
Petroleum Storage Certificate - Applications	Yes	banded on size (please see Petroleum Storage fees below)

An explosives licence is required to store fireworks and sell them in set periods (Bonfire Night, New Year's Eve, Chinese New Year, and Diwali). Anyone wishing to sell fireworks outside these periods must have an explosives licence and also a year round Fireworks licence.

Miscellaneous fees

Set by statutory instrument	
Vary Name & Address	£40.00
Transfer Licence	£40.00
Replacement Licence	£40.00
Other variation	£98.00 per officer per hour

Petroleum Storage

Petroleum Storage Licence	Charge
Storage up to 2,500 litres	£48.00
Storage between 2,500 and 50,000 litres	£66.00
Storage over 50,000litres	£137.00
Supply of information on Petroleum storage sites.	£98.00 per officer per hour

Trading Standards Buy with Confidence fees

Buy with Confidence membership - Existing Members pre-April 2016. All prices excluding VAT

Buy with Confidence Membership (existing members)	Charge
Sole trader - No employees	£160
1-5 employees	£270
6-15 employees	£325
16+ employees	£420

Buy with Confidence Membership - National Scheme

New Members from 01/04/2016. All prices excluding VAT

Buy with Confidence categories	Charge
Initial Application Fee	Dependent on size £159; £220; £277. Price On Application
1-5 employees	£295
6-20 employees	£440
21-50 employees	£585
50+ employees	POA

Licensing Charges

Animals

Licence Activity	Statutory fee	2026/27
New	No	£805.00
Renewal	No	£461.00
Maintenance (Annual Fee)	No	£284.00
Variation	No	£207.00
DWA - New	No	£572.00
DWA - Maintenance (Annual Fee)	No	£216.00
Zoo - New	No	£1,887.00
Zoo - Renewal	No	£1,669.00
Zoo - Maintenance	No	£873.00
All - Replacement Licence	No	£12
All - Pre-Application Advice	No	£183 + VAT
All - Checking Service	No	£49 + VAT

Gambling

Licence Activity	Statutory fee	2026/27
Club Machines - New	Yes	£200.00
Club Machines - Variation	Yes	£100.00
Club Machines - Transfer	Yes	£25.00
Club Machines - Change of Name	Yes	£25.00
Club Machines - Copy of Permit	Yes	£15.00
Club Machines - Maintenance	Yes	£50.00
Lottery - Applications	Yes	£40.00
Lottery - Maintenance (Annual Fee)	Yes	£20.00
Premises - New	No	£427.00
Premises - Variation	No	£427.00
Premises - Transfer	No	£266.00
Premises - Maintenance (Annual Fee)	No	£564.00
Pub Machines – New (Permit)	Yes	£150.00
Pub Machines – New (Notification)	Yes	£50.00
Pub Machines - Variation	Yes	£100.00
Pub Machines - Transfer	Yes	£25.00
Pub Machines - Change of Name	Yes	£25.00
Pub Machines - Copy of Permit	Yes	£15.00
Pub Machines - Maintenance-Permits	Yes	£50.00
Occasional Use Licence	Yes	£0.00
Temporary Use Licence	No	£141.00
All - Pre-Application Advice	No	£183.00 + VAT
All - Checking Service	No	£49.00 + VAT

Liquor

Licence Activity	Statutory fee	2026/27
Premises - New	Yes	banded on size - please request charge
Premises - Variation	Yes	banded on size - please request charge
Premises - Transfer	Yes	£23.00
Premises - DPS Variation	Yes	£23.00
Premises - DPS Removal	Yes	£23.00
Premises - Minor Variation	Yes	£89.00
Premises - Change of Details	Yes	£10.50
Premises - Replacement Licence	Yes	£10.50
Premises - Provisional Statement	Yes	£315.00
Premises - Notification of Interest	Yes	£21.00
Premises - Interim Authority Notice	Yes	£23.00
Premises - Maintenance (Annual Fee)	Yes	banded on size - please request charge
Premises - Pre-Application Advice	No	£183.00 + VAT
Premises - Checking Service	No	£49.00 + VAT
Club - New	Yes	banded on size - please request charge
Club - Variation	Yes	banded on size - please request charge
Club - Change of Details	Yes	£10.50
Club - Replacement Certificate	Yes	£10.50
Club - Notification of Interest	Yes	£21.00
Club - Interim Authority Notice	Yes	£23.00
Club - Maintenance (Annual Fee)	Yes	banded on size - please request charge
Club - Pre-Application Advice	No	£183.00 + VAT
Club - Checking Service	No	£49.00 + VAT
Personal - New	Yes	£37.00
Personal - Change of Details	Yes	£10.50
Personal - Replacement Licence	Yes	£10.50
Personal - Pre-Application Advice	No	£183.00 + VAT
Personal - Checking Service	No	£49.00 + VAT
Temporary Event Notice (TEN) - New	Yes	£21.00
TEN - Replacement	Yes	£10.50
TEN - Pre-Application Advice	No	£183.00 + VAT
TEN - Checking Service	No	£49.00 + VAT

Pavement Licence

Licence Activity	Statutory fee	2026/27
Application	No	£500.00
Renewal	No	£350
Replacement Licence	No	£12
Pre-Application Advice	No	£183.00 + VAT
Checking Service	No	£49.00 + VAT

Amenities on the Highway

Licence Activity	Statutory fee	2026/27
Application	No	£217.00
Maintenance	No	£259
Transfer	No	£62
Replacement Permit	No	£10.50
Pre-Application Advice	No	£183.00 + VAT
Checking Service	No	£49.00 + VAT

Street Trading

Licence Activity	Statutory fee	2026/27
Individual Trader - New (including consultation)	No	£581.00
Individual Trader - Renewal	No	£49.00
Individual Trader - Maintenance	No	£3,474.00
Individual Trader - Variation	No	£97.00
Individual Trader - Consultation	No	£194.00
Market Organiser - New	No	£581.00
Market Organiser - Renewal	No	£49.00
Market Organiser - Maintenance	No	£3,631.00
Market Organiser - Variation	No	£97.00
Market Organiser - Consultation	No	£194.00
Christmas Market - New	No	£475.00
Christmas Market - Renewal	No	£49.00
Christmas Market - Maintenance	No	£7554.00
Christmas Market - Variation	No	£97.00
Christmas Market - Consultation	No	£194.00
Busker - New	No	£94.00
Busker - Renewal	No	£48.00
Mobile Artist - New	No	£94.00
Mobile Artist - Renewal	No	£48.00
All - Badge Fee	No	£14.00
All - Replacement Licence	No	£14.00
All - Pre-Application Advice	No	£183.00 +VAT
All - Checking Service	No	£49.00 + VAT

Taxi Drivers

Licence Activity	Statutory fee	2026/27
New	No	£615.00
Renewal	No	£517.00
Knowledge Test –New Applicants	No	£97.00
Language Test	No	£131.00
Knowledge Retest	No	£97.00
Paper DBS	No	£123.00
Replacement Licence	No	£12.00
Pre-Application Advice	No	£183.00 + VAT
Checking Service	No	£49.00 + VAT

Taxi Vehicles (inc. Operators)

Licence Activity	Statutory fee	2026/27
HC - New (Zone 1)	No	£94.00
HC - New (Zone 2)	No	£77.00
HC - Renewal (Zone 1)	No	£237.00
HC - Renewal (Zone 2)	No	£204.00
HC - Change of Vehicle	No	£77.00
HC - Proprietorship Transfer	No	£40.00

Licence Activity	Statutory fee	2026/27
HC - Roof Sign	No	£147.00
HC - Replacement Licence	No	£12.00
HC - Pre-Application Advice	No	£183.00 +VAT
HC - Checking Service	No	£49.00 +VAT
PH - New	No	£77.00
PH - Renewal	No	£178.00
PH - Change of Vehicle	No	£77.00
PH - Proprietorship Transfer	No	£40.00
PH - Roof Sign	No	£88.00
PH - Replacement Licence	No	£12.00
PH - Pre-Application Advice	No	£183.00 +VAT
PH - Checking Service	No	£49.00 +VAT
Operator - New	No	£449.00
Operator - Renewal	No	£509.00
Operator - Replacement Licence	No	£12.00
Operator - Pre-Application Advice	No	£183.00 +VAT
Operator - Checking Service	No	£49.00 +VAT

Other Licences

Licence Activity	Statutory fee	2026/27
Charity - House to House	Yes	£0.00
Charity - Street Collections	Yes	£0.00
Hypnotism - Applications	No	£97.00
Hypnotism - Maintenance	No	£49.00
Film Classification - Applications	No	£97 per hour or part thereof
Piercing (Personal) - Applications	No	£189.00
Piercing (Premises) - Applications	No	£516.00
Promotional Pitches	No	£88.00
Scrap Metal - New	No	£225.00
Scrap Metal - Renewal	No	£225.00
Scrap Metal - Variation	No	£225.00
Scrap Metal - Change of Details	No	£12.00
Scrap Metal - Maintenance	No	£277.00
Sex - New	No	£1,937.00
Sex - Renewal	No	£136.00
Sex - Maintenance	No	£291.00
All - Replacement Licence	No	£12.00
All - Pre-Application Advice	No	£183.00 +VAT
All - Checking Service	No	£49.00 +VAT

Other Fees

Licence Activity	Statutory fee	2026/27
Business Advice and Support (Pre-App)	No	£183.00 + VAT
Checking Service	No	£49.00 + VAT
Replacement Licence	No	£12.00
Office Administration Fee for late payments etc.	No	£97.00

Business Waste Collection Service



Bin Costs

Business Waste Prices (No VAT)

Recycling materials: Paper & cardboard (mixed or separated)

Container	2026/27
240 litre wheeled bin	£6.40
360 litre wheeled bin	£6.72
660 litre wheeled bin	£8.30
1100 litre wheeled bin	£11.81
Sack (minimum order 20)	£2.63
Stickers for cardboard bundles (minimum order 20)	£2.63

Recycling Materials: Cans & Plastics (mixed or separated)

Container	2026/27
240 litre wheeled bin	£6.40
360 litre wheeled bin	£6.72
660 litre wheeled bin	£8.30
1100 litre wheeled bin	£11.81
Sack (minimum order 20)	£2.63

Recycling Materials: Glass bottles & Jars

Container	2026/27
240 litre wheeled bin	£6.40
360 litre wheeled bin	£6.72

Recycling Materials: Food

Container	2026/27
140 litre wheeled bin	£11.45

Rubbish/General Waste

Container	2026/27
240 litre wheeled bin	£9.82
360 litre wheeled bin	£11.50
660 litre wheeled bin	£19.90
1100 litre wheeled bin	£26.72
Sack (minimum order 50)	£3.78

Waste



Garden waste collection service

Description of Service	2026/27
Garden waste bin annual charge	£75.00
Garden waste bin delivery	£11.35
Garden waste sack (each)	£5.09

Large Item collection service

Description of Service	2026/27
Collection of 1-3 items	£41.97
Collection of 4-6 items	£73.38
Collection of 7-10 items	£91.52

A 50% discount is given on the above prices for those residents in receipt of Council Tax Benefit, Housing Benefit, Personal Independence Payment (PIP), or you are a student in full time education, living in off-campus student accommodation with a council tax exemption.

Replacement black wheeled bin

Description of Service	2026/27
Replacement of lost, stolen, vandalised or misused black wheeled bins	£28.07

Charges for new developments

Description of Service Container – standard Kerbside service	2026/27
55L Recycling Box	£6.91
23L Food waste outside container	£4.94
5L Food waste indoor kitchen caddy	£1.73
140L General waste wheeled bin	£16.72
140L General waste Reusable Recycling Bag	£3.22
70L General waste Reusable Recycling Bag	£2.98
91L Reusable recycling bag for card	£1.87

Description of Service Container – communal recycling bin facilities	2026/27
360l bin	£40.25
240l bin	£20.58
140l Food Bin	£43.61
5l food waste indoor kitchen caddy	£1.73

Delivery cost to new build developments	2026/27
Delivery cost of containers to single household	£11.35
Delivery cost of multiple containers in bulk to developer	£45.40

Business waste clinical waste sacks

Historical Service no longer available to new customers

Description of Service	2026/27
Clinical waste sack	£3.15

Rubble & soil above free limits

Description of Service	2026/27
Charge to residents for depositing rubble/soil at the transfer station above the permitted recycling centre free limit per tonne (No minimum charge)	£75.60

Description of Service Recycling Centre – Extra Building Waste Charges	2026/27
Building waste (soil, rubble, hardcore, ceramic tiles) per 50L bag	£5.36
Ceramic toilet and cistern	£5.52
Ceramic sink and stand	£5.52
Plasterboard (including plaster and gypsum related products) per 50L bag	£6.08
Plasterboard sheet up to 180cm by 90 cm	£6.94
Half sheet of plasterboard up to 90 cm	£3.47

Public weighbridge facility

Description of Service	2026/27
All Vehicles	£13.87

Business waste transfer station charges*

Description of Service	2026/27
Unsorted commercial waste (C&I) - loose & compacted, construction and demolition waste per tonne	£206.64
Unsorted commercial waste (C&I) - loose & compacted, construction and demolition waste minimum charge 0.5 tonne	£103.32
Source sorted recyclables (timber, wood, garden waste) per tonne	£81.90
Source sorted recyclables (timber, wood, garden waste) per tonne. Minimum charge per load 0.5 tonne	£40.95
Unsorted recyclables	£89.88
Unsorted recyclables minimum charge 0.5 tonne	£44.94
Plasterboard	£176.40
Plasterboard Minimum charge 0.5 tonne	£88.20
Mixed inert waste (soil and hardcore)	£75.60
Mixed inert waste (soil and hardcore) Minimum charge 0.5 tonne	£37.80
Loads containing upholstered domestic seating	£315.00
Loads containing upholstered domestic seating minimum charge 0.05 tonne	£157.50
Mattress all sizes	£18.90
New business waste recycling streams	£POA

*Transfer station charges may change throughout the year due to market conditions.

Community & Compliance



Events on Council Owned Land

Land hire – Heritage, prime location and other parks

	Cost 26/27	Cost 27/28
Royal Crescent Lower Lawn	£6,208.00	£6,519.00
PEAK Commercial (Heritage Parks and prime city centre location) Royal Victoria Park, Parade Gardens, Sydney Gardens, Queen Square	£2,142.00	£2,250.00
OFF-PEAK Commercial (Heritage Parks and prime city centre location) Royal Victoria Park, Parade Gardens, Sydney Gardens, Queen Square	£1,607.00	£1,688.00
PEAK Charity (Heritage Parks and prime city centre location) 50% of the new commercial hire rate	£1,071.50	£1,125.00
OFF-PEAK Charity (Heritage Parks and prime city centre location) 50% of the new commercial hire rate	£803.50	£844.00
Commercial (All other parks and open spaces in B&NES, eg Henrietta Park, Alexandra Park, , Firs Field, Brickfields Park, Green Park, Kensington Meadows, Lansdown, Keynsham Memorial Park)	£779.00	£818.00
Charity (All other parks and open spaces in B&NES)	£390.00	£409.00

Land Hire rates above are exclusive of VAT, VAT status will be confirmed on application submission.

Other costs

	Cost 26/27	Cost 27/28
Boules bookings per terrain (Queen Square, Sydney Gardens)	£37.00 +VAT	£39.00 +VAT
Boules Clubs bookings unlimited use - 12 months	£841.50 +VAT	£884.00 +VAT
Fitness Trainer Fees, unlimited use - 12 months	£1,09.80	£1,060.80
Fitness Trainer Fees, unlimited use - 6 months	£758.40	£796.80
Fitness Trainer Fees, unlimited use - 3 months	£505.20	£530.40
Fitness Trainer Fees, Administration Fee per renewal	£138.60	£146.40
Forest Schools	£45.60 admin plus £10.20 per session or £169.20 per annum	£48.00 admin plus £10.80 per session or £177.60 per annum
Power (utilities electricity/gas) per day excluding VAT	£34.00	£36.00
Power (utilities electricity/gas) per day including VAT	£40.80	£43.20
Water (per day if not meter read) per day excluding VAT	£34.00	£36.00
Water (per day if not meter read) per day including VAT	£40.80	£43.20
Damage Deposit Bond	£500-£5,000	£500-£5,000
Council Officer requiring to attend an Event	£148.80 per hour	£156.00 per hour
Event Administration Fee – Standard Event	£138.60	£146.40
Event Administration Fee for Major Event	£278.40	£292.80
Event Administration Fee - Multiple Standard Events within one financial year	£278.40	£292.80

For utilities, VAT will follow the main supply of land, either exempt or standard rate. VAT status will be confirmed on application submission.

Events - Suspension of parking spaces

See also Suspension of Parking Spaces, page 67.

Suspension of Parking spaces	Location	Cost per day/bay
Single or first space	All zones and areas	POA
Each additional space and/or day	Central zone and Zone 1	POA
Each additional space and/or day	All other zones and areas	POA

Filming on Council Owned Land

Non-refundable admin fee for filming on the highway	Cost 26/27
Crew size 1 to 10 People	£90.00 +VAT
Crew size 11 to 19 People	£167.00 +VAT
Crew size 20+ People	POA

Non-refundable admin fee for filming in a park or open space	Cost 26/27
Crew size 1 to 10 People	£138.00 +VAT
Crew size 11+ People	POA
Admin fee for arranging drone filming	£138.00 +VAT

Other Fees

Service	Cost 26/27
Recces	£138.00 +VAT
Officer in attendance	£138.00 +VAT

Filming - Suspension of parking spaces

Suspension of Parking spaces	Location	Cost per day/bay
Single or first space	All zones and areas	POA
Each additional space and/or day	Central zone and Zone 1	POA
Each additional space and/or day	All other zones and areas	POA

NB – Suspension of parking spaces is for filming locations and essential vehicles only.

Location Fees

Area	Cost 26/27
Unit Base - Lansdown Playing Fields North - Car Park only	£555.00 +VAT
Unit Base - Lansdown Playing Fields North - Car Park plus field	£802.00 +VAT
Roman Baths and Guildhall	POA
Culverhay School	POA

Emergency Planning/CCTV

Service	Cost 26/27	Cost 27/28
CCTV Requests from Insurance Companies	£92.00	£97.00
Emergency Planning/Event Multi-Agency Control Room	£1020.00	£1,100.00
Emergency Planning/Event Exercise Planning/Delivery	POA	POA

Bath Christmas Market

Catering & Bar Fees (all pitches are subject to planning):

Location and pitch type	Cost 2026/2027
Milsom Street:	
Large Catering Chalet	POA
Mobile Catering Vehicle (under 5m in length)	£8,558.00 18 days +VAT
Mobile Catering Pitch (cart/bike)	£5,670.00 18 days +VAT
Stall Street:	
Bar Vehicle Pitch	POA + VAT
Union Street:	
Small Catering Pitch (3m x 3m)	£6,405.00 18 days +VAT
Bath Street:	
Large Catering Chalet	POA
Mobile Catering Pitch (cart/bike)	£5,670.00 18 days +VAT
Hot Bath Street	
Mobile Catering Vehicle (under 5m in length)	£8,558.00 18 days +VAT
Abbeygate Street:	
Mobile Catering Pitch (cart/bike)	£5,670.00 18 days +VAT
Kingston Parade:	
Large Catering Chalet	POA
Medium Catering Chalet	POA
Mobile Catering Pitch (cart/bike)	£5,670.00 18 days +VAT
Abbey Green:	
Medium Catering Chalet	POA
Orange Grove	
Mobile Catering Pitch (cart/bike)	£5,670.00 18 days +VAT
Guildhall	
Pitch Only (3m x 3m)	£3,500.00 18 days +VAT
Swallow Street	
Mobile Catering Pitch (cart/bike)	£5,670.00 18 days +VAT

All areas Additional Temporary Power (for catering):

Service	Cost 2026/2027
16amp single phase supply	£180 plus VAT for 18 days
32amp single phase supply	£270 plus VAT for 18 days

Retail Chalets and on-site services:

Description of Service	Cost 2026/2027
All areas PAT testing	£7 per item +VAT
All areas heater hire	£90.00 for 18 days +VAT (£5 per day)
All areas storage space (x1 palette)	£150 +VAT
Fridge space hire (free x1 palette for catering units)	£150 +VAT

Stallholder Pitch Request Fee:

Description of Service	Cost 2026/2027
Zone 1	£250 +VAT
Zone 2	£200 +VAT
Zone 3	£150 +VAT

Stallholder Fees (all pitches are subject to planning)

Description of Service	Cost 2026/2027
Zone 1: Corner Chalet	£5,145.00 +VAT for 18 days
Zone 1: Countertop Chalet	£4,200.00 +VAT for 18 days
Zone 1: Barn Door Chalet	£4,200.00 +VAT for 18 days
Zone 2: Corner Chalet	£4,778.00 +VAT for 18 days
Zone 2: Countertop Chalet	£3,780.00 +VAT for 18 days
Zone 2: Barn Door Chalet	£3,780.00 +VAT for 18 days
Zone 3: Barn Door Chalet	£2,436.00 +VAT for 18 days
Short Term Let Barn Door Chalet 7 days	£1,634.00 +VAT for 7 days
Short Term Lets Barn Door Chalet 11 days	£2,567.00 +VAT for 11 days
Small business carts all zones: Monday to Thursday	£165.00 + VAT for 4 days
Small business carts all zones: Friday to Sunday	£200.00 +VAT for 3 days

Managed coach drop off/pick up and parking

(Charge per visit per vehicle)	Monday/ Tuesday	Wednesday/Thursday/ Friday	Saturday/ Sunday
Minibus (Up to 24 seats)	£30.00	£40.00	£45.00
Coach (25 to 53 seats)	£70.00	£85.00	£95.00
Coach (54+ seats)	£100.00	£120.00	£145.00

Other costs

Service	Cost 2026/27
Rides and Attractions	£4,376.00 +VAT
Sponsorship and funding contributions	POA
Online advertising and web sales	POA

Clean Air Zone



Clean Air Zone

Vehicle class	Cost 26/27
PHGV	£100.00
Trucks and Lorries (N2 & N3)	£100.00
Taxis (M1 & M2)	£9.00
Buses and coaches (M3)	£100.00
Minibuses (M2)	£9.00
Van, light goods vehicle, pick-ups and some campervans and four-by-fours (N1)	£9.00

Only applicable to non-compliant vehicles. Motorists can check and confirm if charges apply here:
https://vehiclecheck.drive-clean-air-zone.service.gov.uk/vehicle_checkers/enter_details

Highways Commuted Sums



Highways Commuted Sums

Feature	Units	2026/27
High Friction or Coloured Surfacing	Square Metre	£117.97
Knee rail fencing	Linear Metre	£36.90
SuDS Each Site specific quotation	Each	Site specific quotation
Soakaways	Each	£7,380.75
Petrol & Oil interceptors	Each	£7,380.75
Combined kerb drainage systems	Linear Metre	£22.13
Trees	Each	£452.77
Structures	Each	Site specific quotation (120 years)
Illuminated street furniture	Each	£575.69
Signalised 3 arm junction connected to Fibre	Each	£152,957.49
Signalised 3 arm junction connected to 4G	Each	£146,618.55
Signalised Junction with more than 3 arms	Each	Priced individually
Signalised crossing connected to Fibre	Each	£69,409.60
Signalised crossing connected to 4G	Each	£73,982.62
Zebra Crossing	Each	£38,968.97
Zebra Crossing with Anti Skid	Each	£56,653.06
Street Light	Each	£3,101.33
ANPR and CCTV systems	Each	Site specific quotation (120 years)
Bollards	Each	Site specific quotation (120 years)

Highways Delivery



Network Management

Permanent Traffic Regulation Orders

Service	Cost 26/27
Permanent minor Traffic Regulation Orders for developers	£5,477.73
Permanent standard Traffic Regulation Orders for developers	£6,847.16
Permanent Complex Traffic Regulation Orders for developers	£10,955.47
Priority TRO for developers	Add 25% to above fees
H markings	£332.29
H markings - additional cost for use of different road marking in winter months	Add 25% to fee above

Street Works Permit Fees

Service	Cost 26/27
Major (Provisional Advance Authorisation) - category 0, 1 & 2 & all traffic sensitive streets	£95.00
Major (Provisional Advance Authorisation) - category 3 & 4 & all non-traffic sensitive streets	£62.00
Major - category 0, 1 & 2 & all traffic sensitive streets	£193.00
Major - category 3 & 4 & all non-traffic sensitive streets	£101.00
Standard - category 0, 1 & 2 & all traffic sensitive streets	£117.00
Standard - category 3 & 4 & all non-traffic sensitive streets	£58.00
Minor - category 0, 1 & 2 & all traffic sensitive streets	£59.00
Minor - category 3 & 4 & all non-traffic sensitive streets	£30.00
Immediate - category 0, 1 & 2 & all traffic sensitive streets	£54.00
Immediate - category 3 & 4 & all non-traffic sensitive streets	£26.00
Permit variation - category 0, 1 & 2 & all traffic sensitive streets	£45.00
Permit variation - category 3 & 4 & all non-traffic sensitive streets	£35.00

Temporary Traffic Regulation Notices

Service	Cost 26/27
Section 14 Road Closure Notice (planned works) - fees & adverts	£1753
Section 14 Road Closure Notice (planned works) - late submission fee	£337.39
Section 14 Road Closure Notice (planned works) - amendment fee	£134.48
Section 16a Street Closures 1 to 6 roads - fee & advert charge	£208.80
Section 16a Street Closure more than 6 roads - fee & advert charge	£410.53
Community Street Party	Free of charge
Playing Out Scheme	Free of charge
Emergency Notice	£311.43
Town Police Clauses Act Street Closures (processions, crowds etc.)	£212.34
Town Police Clauses Act Street Closures (processions, crowds etc.) – Charity charge	£153.25

Traffic signals

Service	Cost 26/27
Permanent Traffic Signal switch on/off	£749.25
Permanent Traffic Signals switch on/off - Out of hours charge	£899.10
Out of hours are 18-00- 08.00 weekdays, or weekends	(20% additional charge)
Traffic Information on one VMS sign per day	£63.70
Temporary multi-way traffic signals application - non-utility company applicant	£206.44
Temporary multi-way signals - design advice (all applicants)	£62.53

Road Safety

Service	Cost 26/27
Supply of personal injury collision data to third parties	£240.00
Road safety audits for external clients	£995.00

Streetworks and Events

Service	Cost 26/27
NRSAWA sample inspections	£50 Statutory Fee
NRSAWA Section 50 licences (new apparatus in the highway)	£649.43
NRSAWA Section 50 licences (new apparatus in the highway) - retrospective licence	£166.43
NRSAWA Section 50 licences (maintenance apparatus in the highway)	£471.55
NRSAWA Section 171 licences (excaVATion in the highway)	£344.65
NRSAWA Section 74 over-run charges	variable
NRSAWA Oversail licences	£275.00
NRSAWA Oversail licences - (under 5 days notice) New (non-refundable)	£310.00
NRSAWA Oversail licences - Retrospective - (non-refundable)	£550.00
NRSAWA Oversail Licence Emergency Fee	£66.15
Road Space Booking Application	£38.50
Temporary two-way signals application	£50.72

Raising Statutory Permits

NRSAWA Raising Statutory Permits	Cost 26/27
NRSAWA Section 72 Defects	£120.00
NRSAWA Fixed Penalty Notice	£240.00
NRSAWA Fixed Penalty Notice (discount fee if paid early)	£160.00
NRSAWA Fixed Penalty Notice Regulation 19 (working without a permit)	£1,000
NRSAWA Fixed Penalty Notice Regulation 19 (working without a permit, discounted if paid early)	£600

NB. The above are statutory fees

Streetworks and Events - Street Works Co-ordination Notice

Cost per road affected by a commercial event's road closure or diversion route	Cost 26/27
Temporary direction sign approval fee up to 5 signs	£55.13
Temporary direction sign approval fee up to 10 signs	£82.69
Temporary direction sign approval fee 11 plus signs	£110.25
Temporary direction sign removal per sign	£11.03

Streetworks and Events – Other fees

Service	Cost 26/27
Traffic Management Plans	Actual Costs
A bus stop closure or pair with 5 plus working days notice plus £10 per additional stop	£92.01
A bus stop closure or pair with less than 5 working days notice plus £10 per additional stop	£176.40
Bus stop closure amendment fee	£17.69

Suspension of Parking Spaces

VAT may apply where activities occur within council car parks or where on street activities are linked to a wider event.

The council reserves the right not to accept a request for a new booking or to extend or otherwise modify an existing booking.

location		Cost per day/bay		
Single or first space	All zones and areas	£60.10 standing charge		
		Day 1-13	Day 14-27	Day 28 and over
Additional charge for each extra space (Total charge is POA)	Central Zone and Zone 1	£35.62	£39.18	£42.74
Additional charge for each extra space (Total charge is POA)	All other zones and areas	£12.24	£13.47	£14.69

Suspension of Parking spaces – Short Notice additional charges

		Additional flat rate charge
Short Notice Charge – Level 1 New request made within 2-5 working days of start date		£150.26 Flat rate charge per request
Short Notice Charge – Level 2 New request made within 6-9 working days of start date		£90.15 Flat rate charge per request
Short Notice Charge – Level 3 New request for residential house move only, made within 2-5 working days of start date. Maximum of two bays for one day only.		£60.10 Flat rate charge per request

Suspension of Parking spaces - Additional Suspension charges that may also apply.

	Additional charge
Extension of a booking - charges calculated at the appropriate day/bay rate starting from the last day of the original booking. An administration charge may also apply.	See additional charge for each extra space - £POA
Administration charge – Level A1. Extend an existing booking where signs are already in place, due to expire within 2-5 working days	£150.26 Flat rate charge per request
Administration charge – Level A2. Extend an existing booking where signs are already in place, due to expire within 6-9 working days	£90.15 Flat rate charge per request
Administration charge – Level A3. Extend an existing booking where signs are already in place, due to expire in 10 or more working days	£60.10 Flat rate charge per request
Administration charge – Level B1. Amend an existing booking where signs are not yet in place and the start date is within 5 working days	£90.15 Flat rate charge per request
Administration charge – Level B2. Amend an existing booking where signs are not yet in place and the start date is within 6-9 working days	£60.10 Flat rate charge per request

Blue Badge Application

Charge only applies when an application is successful.

Service	2026/27
Application for a Blue Badge	£10.00
NB This charge is set nationally	

Highway Maintenance

Service	Cost 26/27
Skip Licence (over 5 days notice)- New (non refundable)	£92.12
Skip Licence (under 5 days notice - New (non refundable)	£130.95
Skip Licence - Renewal (non refundable)	£75.50
Skip Licence - Retrospective (non refundable)	£155.72
Skip Licence – Retrospective Renewal (non refundable)	£234.75
Scaffold / Hoarding Licence (over 5 days notice)- New (non refundable)	£94.37
Scaffold / Hoarding Licence (under 5 days notice) - New (non refundable)	£134.48
Scaffold/Hoarding Emergency Fee	£66.07
Scaffold / Hoarding Licence - Renewal (non refundable)	£57.80
Scaffold / Hoarding Licence - Retrospective (non refundable)	£188.75
Scaffold / Hoarding Licence – Retrospective Renewal (non refundable)	£267.78
Cherry Picker/Mobile Crane Licence (over 5 days notice) - (non refundable)	£151.07
Cherry Picker/Mobile Crane Licence (under 5 days notice) - (non refundable)	£117.97
Cherry Picker/Mobile Crane Licence - Retrospective (non refundable)	£155.72
Building Materials and Container on Highway Licence (over 5 days notice) - (non refundable)	£78.94
Building Materials and Container on Highway Licence (under 5 days notice) - (non refundable)	£117.97
Building Materials/Container on Highway Licence - Renewal (non refundable)	£57.81
Building Materials/Container on Highway Licence - Retrospective (non refundable)	£155.72
Building Materials/Container on Highway Licence – Retrospective Renewal (non refundable)	£234.75
Chase Fee	£14.15 per reminder
Safety Inspections	£64.88 per inspection
Banner on Highway Licence - New (non refundable)	£79.15
Footway Crossing Licence - New (non refundable)	£205.26
Footway Crossing Licence - Retrospective (non refundable)	£205.26
Duplicate Letter confirming Approval of Footway Crossing	£33.03

Service	Cost 26/27
Traffic Survey Equipment on the Highway (non refundable)	£92.01
Additional Site Inspection by Highway Inspector	£44.82
s116 Highways Stopping Up	£3,805.63
Landowner Deposits - primary land	£277.23
Landowner Deposits - additional land	£35.40
Public Path Orders (Highway Act)	£4,794.20
Public Path Orders (Town & Country Planning Act)	£6,463.44
Local Search	£49.55
PROW Maps	£14.15
Section 14 PROW Closure Order (planned works) - fees & adverts	£1,753.00
Section 14 PROW Closure Order (planned works) - late submission fee	£337.39
Section 14 PROW Closure Order (planned works) - amendment fee	£133.31
Section 14 TTRO Closure by order - SofS extension	£1,753.00
Section 14 PROW Closure Notice (emergency works) – fees	£311.43

Land Drainage Consent for work on Ordinary Watercourses

Service	Cost 26/27
Temporary and Permanent works	£58.99

Street Lighting

Service	Cost 26/27
Permanent Relocation	£2,410.08
Temporary relocate and reinstall	£2,410.08
Trenching per metre	£132.12
Shield to Street light	£110.89

Transport Planning

Traffic Surveys

Service	2026/27
Temporary Automatic Traffic Counts (Radar)	£250.00
Temporary Automatic Traffic Counts (Pneumatic Tube)	£270.00
Handheld Radar Speed Survey Per Hour	£120.00
Video Survey Without Analysis	£250.00
Bespoke Data Analysis Per Hour	£50.00
Other Surveys Including Manual Enumeration	Cost + Processing Fee

Traffic Surveys – Processing Fee

Total Cost of Survey Components	Processing fee
Below £5000	20% of Total Cost of Survey Components
£5,000 to £10,000	15% of Total Cost of Survey Components
Above £10,000	12.5% of Total Cost of Survey Components

Supply of Existing Data Manual Classified Counts

Service	2026/27
Manual Data - One peak period	£123.59
Manual Data - Two peak period	£164.03
Manual Data - 12 Hour Classified	£232.57
ATC Data – One week	£200.00
ATC Data – AADT	£200.00

Traffic Modelling

Service	2026/27
Use of existing traffic models	Cost plus 30%

Highways Adoption Agreement & Dedication Fees

Fees for Highway Adoption & Dedication Agreements under Section 38, 228 and 278 Highways Act 1980

Initial Bond Value, based on ECW +20%	Fee %	Fee (£Minimum)	<u>Deposit (£)</u>
£0 to £30,000	15.00%	£5,421	£5,421
£30,000 to £75,000	13.00%	£7,831	£5,421
£75,001 to £130,000	11.00%	£10,842	£5,421
£130,001 to £325,000	9.00%	£24,782	£10,842
£325,001 to £650,000	8.00%	£48,189	£16,263
Over 651,000	7.00%	£101,311	£27,105

Fees for Min or Works Section 278 Agreements under Highways Act 1980

2026/27	
Estimated cost of works less than £30,000	Standard fee of £5,421
Estimated cost of works more than £30,000 and up to £50,000	Standard fee of £7,831

Parks



Grounds Maintenance

2026/27	
Grounds maintenance (range of grass cutting, strimming, shrubbery maintenance, leafing)	POA
Japanese knotweed/ Giant Hogweed invasive plant treatments	POA

Arboricultural services

2026/27	
Tree surgery work i.e felling and tree maintenance	POA
Consultation services - tree condition and BS5 837 inspections and reports	POA
School Tree inspections - senior	£314
School Tree inspections - primary/infant	£148

Play Team

2026/27	
Parish Council Annual Play Area Inspection	£130
Parish Council Operational Play Area Inspection (min. 1 visit; max 4 visits per year)	£101 per visit

Allotment Charges

2026/27	
Allotment annual charge per 25 sqm	£18.15
Allotment annual water charge per plot	£9.00
Allotment key deposit	£10.00

Sport and Parks hire rates

Fees for Hot Air Balloons Launches from BANES sites. All purchases valid for current financial year only.

2026/27	
Licence for Non Commercial Club valid to 31 st March 2027.	£562.28pa
Licence for Commercial Club	£POA
Licence for small balloons (up to and including 105,000 ft3) valid to 31 st March 2027.	£37.80 per launch
Licence for large balloons (greater than a 105,000 ft3) valid to 31 st March 2027.	£46.20 per launch

Fees quoted exclude VAT.

- Fee applicable for any of the named launch sites owned by BANES: RVP, Weston Rec, Pennyquick Park and Kensington Meadows.
- Applicant to estimate number of launches in a year and payment to be made in advance.
- If an operator finds that they are short of flights they can purchase more, valid until 31st March, but must make this additional payment in advance.

Parks Concessions

2026/27	
Parks Pitch 7 day Licence (per calendar month) - shorter periods pro rata	£331
Note: Other Fees may apply depending on location and type of concession and utilities will be recharged where applicable	
All other parks concession licences/ leases	Tender process only

Sponsorships

2026/27	
Bench sponsorship (10 years) - Heritage Park Bench. Other bench types will be POA	£2,000
Bench plaque (on an existing bench)	£POA
3D Bed	£POA
Flowerbeds	£POA
Roundabout sponsorship	£POA

Horticultural Excellence

	2026/27
Hanging basket 18 inch with our watering service	£157.50
Hanging basket 18 inch without watering service	£81.00
Window Box 90cm with our watering Service	£153.30
Window Box 90cm without our watering Service	£81.00
Window Box 120 cm with our watering service	£197.40
Window Box 120 cm without watering service	£93.45

Sydney Gardens Community Pavilion

	2026/27
Commercial (price per hour)	£22.50
Concession (price per hour)	£POA

Other charges

Other	2026/27
Land access licence arrangement	£80.00
Land use charge (contractor use of space/hire charge per day)	£POA

Transport



Description of Service	2026/27	Notes
Taxi Inspections	£60.00	Inc VAT
Taxi Meter Test	£24.00	Inc VAT
Taxi Inspection and MOT	£92.00	Inc VAT
Taxi Inspection /MOT and Meter Test	£114.00	Inc VAT
Internal workshop hourly rate (NHS, charities schools only)	£72.34	Exc VAT
MOT Class I (Motorcycles <200cc)	£29.65	No VAT
MOT Class II (Motorcycles >200cc)	£29.65	No VAT
MOT Class IV (Cars & Motorcaravans)	£54.85	No VAT
MOT Class V (Private Passengers 13-16 Passengers Seats)	£59.55	No VAT
MOT Class VII (Goods vehicles >3.5t)	£58.60	No VAT
MOT PSV Test 9-22 Passengers	£187.00	Inc VAT
MOT PSV Test 23+ Passengers	£212.00	Inc VAT
MOT PSV Re-Test 9-22 Passengers (up to 14 Days)	£84.00	Inc VAT
MOT PSV Re-Test 23+ Passengers (up to 14 Days)	£101.00	Inc VAT
MOT PSV Part Paid Re-Test (Next Day)	£37.00	Inc VAT
MOT HGV Motor Vehicle Test 2 Axle	£157	Inc VAT
MOT HGV Motor Vehicle Test 3 Axle	£179	Inc VAT
MOT HGV Motor Vehicle 4+ Axles	£203	Inc VAT
MOT HGV Motor Vehicle Re-Test 2 Axle (up to 14 Days)	£65.00	Inc VAT
MOT HGV Motor Vehicle Re-Test 3 Axle (up to 14 Days)	£79.00	Inc VAT
MOT HGV Motor Vehicle Re-Test 4+ Axles (up to 14 Days)	£95.00	Inc VAT
MOT HGV Vehicle Part Paid (Next Day)	£38.00	Inc VAT
MOT HGV Trailer 1 Axle	£89.00	Inc VAT
MOT HGV Trailer 2 Axle	£102.00	Inc VAT

Description of Service	2026/27	Notes
MOT HGV Trailer 3+ Axles	£112.00	Inc VAT
MOT HGV Trailer 1 Axle Re-Test (up to 14 Days)	£48.00	Inc VAT
MOT HGV Trailer 2 Axle Re-Test (up to 14 Days)	£55.00	Inc VAT
MOT HGV Trailer 3+ Axle Re-Test (up to 14 Days)	£66.00	Inc VAT
MOT HGV Trailer Part Paid Re-Test (Next Day)	£32.00	Inc VAT

Bath & North East Somerset Council		
MEETING	Cabinet	
MEETING DATE:	12 th February 2026	EXECUTIVE FORWARD PLAN REFERENCE:
		E3642
TITLE:	Treasury Management Performance Report to 31 st December 2025 (Quarter 3)	
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 31 st December 2025		
Appendix 3 – Average monthly rate of return for April – December 2025		
Appendix 4 – The Council’s External Borrowing Position at 31 st December 2025		
Appendix 5 – Arlingclose’s Economic & Market Review Q3 of 2025/26		
Appendix 6 – Interest & Capital Financing Budget Monitoring 2025/26		
Appendix 7 – Summary Guide to Credit Ratings		
Appendix 8 – Extract from Treasury Management Risk Register		

1 THE ISSUE

- 1.1 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code), 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 within six months after the end of each financial year.
- 1.2 This report gives details of performance against the Council's Treasury Management Strategy for the period April – December 2025.

2 RECOMMENDATION

The Cabinet is asked to note;

- 2.1 The Treasury Management Report to 31st December 2025, prepared in accordance with the CIPFA Treasury Code of Practice; and
- 2.2 The Treasury Management Indicators to 31st December 2025.

3 THE REPORT

Summary

- 3.1 The Council's Treasury Management Indicators for 2025/26 were agreed by Council on 25th February 2025 and performance against the key indicators as at 31st December 2025 is shown in **Appendix 1**. All indicators are within target levels.
- 3.2 The estimated average rate of return on operational investments for the period 1st April 2025 – 31st December 2025 is 4.10%, which is 0.05% above the 7 Day Sterling Overnight Index Average (SONIA) benchmark rate of 4.05%. For the same period, it is estimated that strategic investments earned 4.12% which is 0.13% below the budgeted return of 4.25%.
- 3.3 The Council's revenue budget for interest & capital financing costs for 2025/26 is currently forecast to be £1.537m under budget. This is due to a combination of lower rates achieved on new borrowing when compared to budgeted rates, higher rates earned on investments than budgeted and a lower Minimum Revenue Provision (MRP) charge, reflecting the rephasing of capital projects reported in the 2024/25 capital outturn report. The breakdown of the 2025/26 revenue budget for interest and capital financing, and the forecast year-end position, is included in **Appendix 6**.

Economic Overview

- 3.4 The Council's Treasury Management Advisor's economic and market review for 2025/26 is included in **Appendix 5**. The main headlines are as follows:
- Interest Rates were cut by 0.25% to 3.75% on 18th December 2025 by the Bank of England Monetary Policy committee in a close vote. The Market continues to expect a further 0.25% cut before April 2026, though with less certainty than before.
 - UK Inflation has increased from 2.6% in March 2025 to 3.2% in November 2025.
 - The UK Economy expanded by 0.1% in the third quarter of 2025 down from 0.3% in the second quarter of 2025 and down from 0.7% in the first quarter of 2025.
 - Gilt yields continued to be volatile with the 10-year UK benchmark gilt ranging from 4.38% to 4.75% in the quarter ending at 4.47%.
 - The 7-day average SONIA for the first half of 2025/26 is 4.05%. This is the benchmark rate used by the Council for operational investments.

Borrowing

- 3.5 The Council's external borrowing as at 31st December 2025 totalled £285.250m and is detailed in **Appendix 4**. This includes borrowing of £80.000m taken out year to date which breaks down as £15.000m in new loans taken out to cover the annual pension contribution prepayment and allow us to maintain our liquidity indicator above £15.000m, as well as £65.000m of borrowing to replace maturing

loans. The summary of the movement in borrowing during the year is shown in the following table:

Borrowing Portfolio Movements	Financial Year 2025/26 £m
Balance as at 1st April 2025	275.713
New Loans Taken	80.000
Maturity Loan Repayments	(65.000)
PWLB Annuity Loan principal repayments	(5.463)
Balance as at 31st December 2025	285.250

- 3.6 The Council's Capital Financing Requirement (CFR) is forecasted to be £441.800m on 31st March 2026 based on the Capital Programme agreed in February 2025, including both fully and provisionally approved schemes. The Actual CFR as at 31st March 2025 was £372.627m. 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 difference between the CFR and the current borrowing of £285.250m represents re-investment of the internal balances including reserves, reducing the in-year borrowing costs in excess of the potential investment returns.
- 3.8 The Liability Benchmark in **Appendix 1** illustrates the current borrowing and current and projected CFR and liability benchmark. The benchmark is lower than the CFR as it recognises the Council's ability to internally borrow to fund capital and therefore shows the optimum level of borrowing for the Council that minimises risks and costs of borrowing. This gap is a useful guide to the optimal amount and duration of borrowing to minimise interest and credit risk. This is currently £38.350m and circa 26 years.
- 3.9 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 of 31st March 2025 apportioned to Bath & North East Somerset Council is £9.277m. 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.

Investments

- 3.10 As demonstrated by the liability benchmark in **Appendix 1**, the Council expects to be a long-term borrower and new treasury investments are therefore primarily made to manage day to day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different asset classes and maintain stable investment income over the medium to long term.
- 3.11 As at 31st December 2025, the Council had £48.200m in investments, with £38.200m in short term liquid investments and £10.000m in externally managed

strategic funds. The balance of deposits is set out in the charts in **Appendix 2**, along with the equivalent for the previous quarter and year for comparison.

- 3.12 **Appendix 3** details the investment performance, showing the average rate of interest earned over this period, which are made up as follows:

Investment Type	Average Investment Return
Money Market Funds (MMF)	4.17%
Call Accounts	3.45%
Fixed Deposits	4.19%
Operational Investments Total	4.10%
CCLA Local Authorities Property Fund	3.85%
FP Foresight UK Infrastructure Income Fund	4.85%
VT Gravis Clean Energy Income Fund	3.43%
Strategic Investments Total (Est.)	4.12%

- 3.13 As at 31st December 2025, the Council has earned 4.10% from Operational investments, which is 0.05% above the 7-day SONIA benchmark Rate of 4.05% and 0.10% above the budgeted rate of 4.00%. Strategic funds earned an estimated return of 4.12% which is 0.13% below the budgeted rate of 4.25%.

- 3.14 The Council holds £10.000m invested in externally managed strategic pooled funds, where the objectives are regular revenue income and long-term price stability. These investments were made with the knowledge that there is a risk that capital value could move both up and down on a frequent basis and are intended to be held over a long period of time. This investment includes £5.000m in Environmental Social and Governance (ESG) focused funds, and £5.000m in a property fund, as listed below.

- £5.000m CCLA Local Authorities Property Fund.
- £3.000m FP Foresight UK Infrastructure Income Fund.
- £2.000m VT Gravis Clean Energy Income Fund.

- 3.15 In the current economic environment of high inflation and interest rates, the value of equity, bonds and property have fallen significantly. However, in the last nine months we have seen a small increase in the value of our strategic investments of £0.095m to £7.648m, up from £7.553m on 31st March 2025. This is shown in the table below:

	CCLA Local Authorities Property Fund £	FP Foresight UK Infrastructure Income Fund £	VT Gravis Clean Energy Income Fund £	Total £
Historic Cost	5,000,000	3,000,000	2,000,000	10,000,000
Fair Value as at:				
31/12/2025	4,253,975	2,130,064	1,264,164	7,648,203
30/09/2025	4,269,278	2,162,156	1,297,843	7,729,276
30/06/2025	4,260,249	2,246,128	1,336,119	7,842,497
31/03/2025	4,253,634	2,072,300	1,227,138	7,553,072
31/03/2024	4,177,465	2,173,120	1,346,161	7,696,746

- 3.16 This change in valuation does not currently have an impact on the revenue account or usable reserves due to a statutory override, and gains/losses will instead go to an unusable reserve. With the extension of the statutory override until 31st March 2029 for investments existing before 1st April 2024, these will only be charged to revenue if/when the Council's holding in the pooled funds are sold, or in 2029/30. The Council has in place a Capital Financing Reserve which can be used to mitigate any future revenue impacts should the statutory override be removed.

Budget Implications

- 3.17 The breakdown of the 2025/26 revenue budget and the forecast year end position for interest and capital financing, based on the period April 2025 to December 2025, is included in **Appendix 6**. An overall underspend of £1.537m is reported towards the Council's net revenue outturn and is included within the Revenue and Capital Budget Monitoring, Cash Limits and Virements – April 2025 to December 2025 report to Cabinet. This is due to lower borrowing rates achieved on year to date borrowing when compared to budgeted rates, higher interest rates than budgeted earned on investments and a lower than budgeted MRP charge.

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 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.
- 6.2 The CIPFA Treasury Management in the Public Services: Code of Practice requires the Council to nominate a committee to be responsible for ensuring

effective scrutiny of the Treasury Management Strategy and policies. The Audit Committee carries out this scrutiny.

- 6.3 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 risks are managed, is included as **Appendix 8**.

7 EQUALITIES

- 7.1 As this report contains performance information for noting only, an Equality Impact Assessment is not considered necessary.

8 CLIMATE CHANGE

- 8.1 The Council will continue 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 and when these products continue to be developed by the market in response to the Climate & Nature Emergency agenda.
- 8.2 An ESG section has been included the Treasury Management Strategy document for 2025/26, with the treasury team monitoring investment options permitted under the new guidelines.
- 8.3 The Council holds £5m in longer term investments, split across two ESG focussed Strategic Funds, as detailed under 3.14.

9 OTHER OPTIONS CONSIDERED

- 9.1 None

10 CONSULTATION

- 10.1 Consultation has been carried out with the Cabinet Member for Resources, Director of Finance (S151 Officer) and Monitoring Officer.

Contact person	Claire Read - 01225 477109; Jamie Whittard - 01225 477213 Claire_Read@BATHNES.GOV.UK : Jamie_Whittard@BATHNES.GOV.UK
Background papers	Treasury Management Strategy Statement 2025/26
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. Treasury Borrowing Limits

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.

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

The Operational Boundary for external debt is based on the same estimates as the authorised limit but without the additional headroom for unusual cash movements. This level also factors in the proposed approach to use internal cash-flow and future capital receipts as the preferred financing method for the capital programme.

	2025/26 Prudential Indicator	Actual as at 31 st December 2025
Operational Boundary – borrowing.	£414.000m	£285.250m
Operational Boundary – other long-term liabilities	£9.000m	£0.000m
Operational Boundary – TOTAL	£423.000m	£285.250m
Authorised Limit – borrowing.	£442.000m	£285.250m
Authorised Limit – other long-term liabilities.	£9.000m	£0.000m
Authorised Limit – TOTAL	£451.000m	£285.250m

2. Security: Average Credit Rating*

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

	2025/26 Prudential Indicator	Actual as at 31 st December 2025
	Rating	Rating
Minimum Portfolio Average Credit Rating	A-	AA

* The calculation excludes the strategic investment in the CCLA Local Authority Property Fund and ESG focussed Investment Funds, which are unrated.

3. Liquidity

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

Liquidity Risk Indicator	2025/26 Prudential Indicator	Minimum Liquidity During year	Date of Minimum Liquidity
Minimum total Cash Available within 3 months	£15.000m	£18.800m	30-Apr-25

4. Interest Rate Exposure

This indicator is set to control the Council's exposure to interest rate risk. The upper limit represents the maximum one-year revenue impact of a 1% rise or fall in interest rates.

	2025/26 Prudential Indicator	Actual as at 31 st December 2025
Upper limit on one-year revenue impact of a 1% rise in interest rates	+/- £0.800m	-£0.080m
Upper limit on one-year revenue impact of a 1% fall in interest rates	+/- £0.800m	£0.080m

The impact of this limit is that the Council should never be holding a maturity adjusted net debt / investment position on variable rates of more than £80.000m.

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates, which includes amounts which are maturing each year in PWLB annuity loans.

5. Maturity Structure of Borrowing

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

	Upper Limit	Lower Limit	Actual as at 31 st December 2025
	%	%	%
Under 12 months	30.00	Nil	17.53
12 months and within 24 months	30.00	Nil	0.00
24 months and within 5 years	50.00	Nil	6.70
5 years and within 10 years	75.00	Nil	15.74
10 years and within 25 years	100.00	25.00	35.81
Over 25 years	100.00		24.23

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date that the lender can demand repayment. For Lender Option / Borrower Option's (LOBO's), this is shown at the date of maturity as the Council would only consider repaying these loans if the lenders exercised their option to alter the interest rate.

6. Upper Limit for Total Principal Sums Invested for Over 364 Days

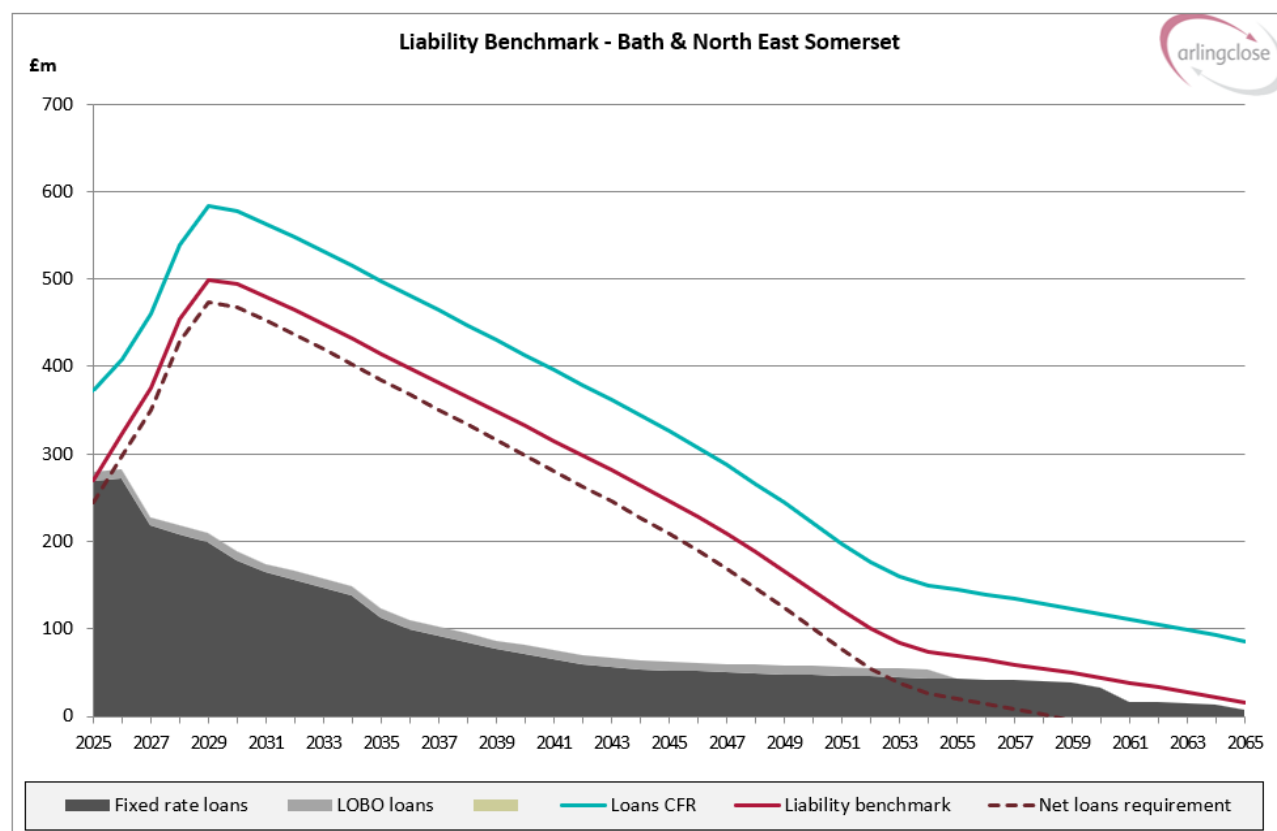
The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Price Risk Indicator	2025/26 Prudential Indicator	Actual as at 31 st December 2025
Limit on principal invested beyond 31 st March 2025	£50.000m	£10.000m*
Limit on principal invested beyond 31 st March 2026	£20.000m	£10.000m*
Limit on principal invested beyond 31 st March 2027	£10.000m	£10.000m*

*The Council includes the CCLA LA Property Fund & two long term ESG focussed Investment Funds against this indicator as they are both held as Long-Term Strategic Investments.

7. Liability Benchmark

The Liability Benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.



The difference between the actual borrowing (the grey slopes) and the liability benchmark (the solid red line) shows that the Council is under borrowed by around £38.350m in 2025/26. When it comes to new borrowing this funding gap can be used as a guide to the optimal amount and length of borrowing required to minimise interest rate and credit risk.

APPENDIX 2

The Council's Investment position at 31st December 2025

The term of investments is as follows:

Term Remaining	Balance at 31 st December 2025	Comparator	
		Balance at 30 th September 2025	Balance at 31 st March 2025
	£m	£m	£m
Notice (instant access funds)	33.200	31.800	22.600
Up to 1 month	0.000	0.000	0.000
1 month to 3 months	5.000	10.000	0.000
3 months to 6 months	0.000	0.000	0.000
6 months to 12 months	0.000	0.000	0.000
Strategic Funds	10.000	10.000	10.000
Total	48.200	51.800	32.600

The investment figure is made up as follows:

	Balance at 31 st December 2025	Comparator	
		Balance at 30 th September 2025	Balance at 31 st March 2025
	£m	£m	£m
B&NES Council	44.750	48.590	29.770
Schools	3.450	3.210	2.830
Total	48.200	51.800	32.600

The Council had a total average net positive balance of £58.600m during the period April 2025 to December 2025.

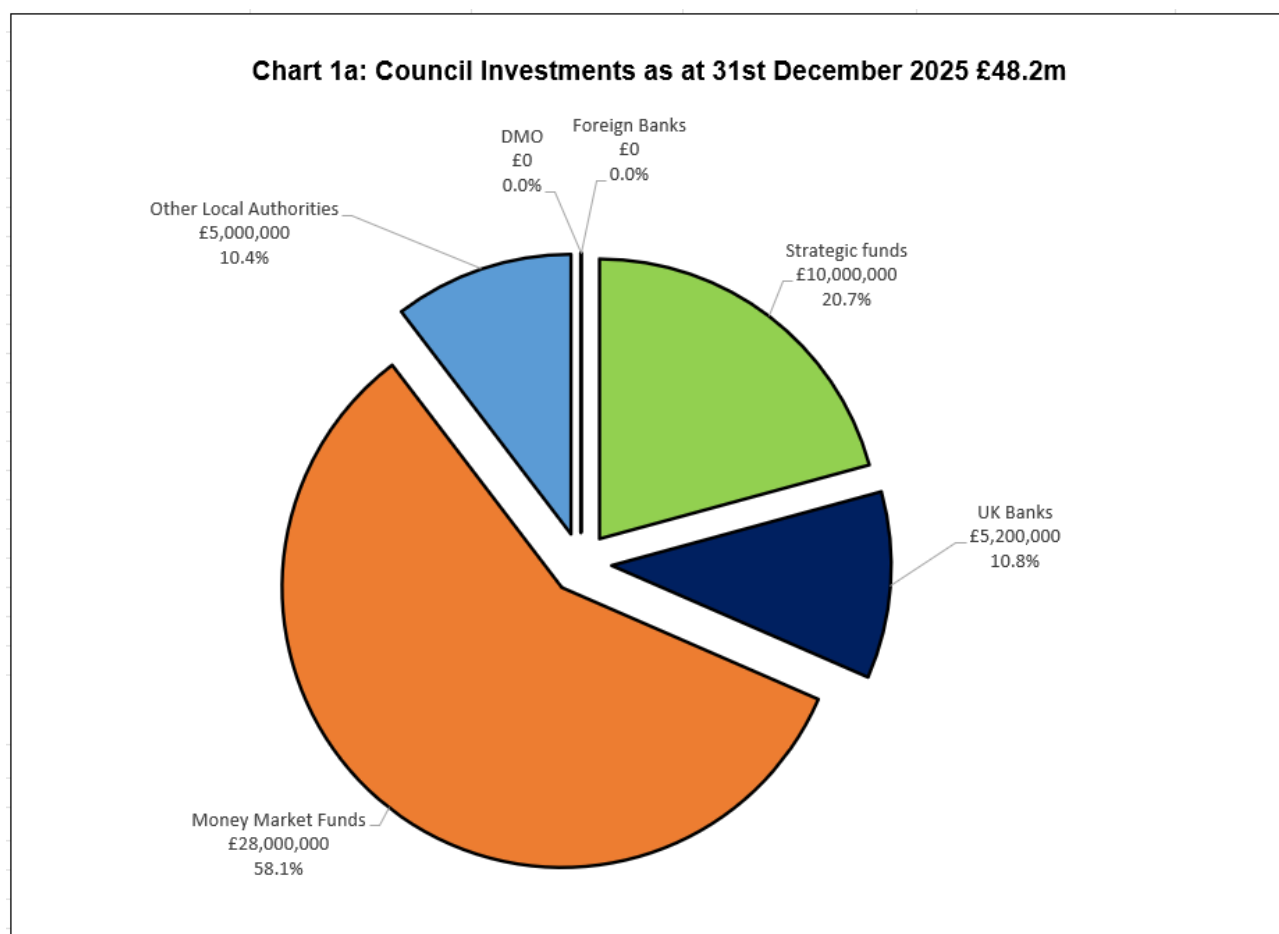
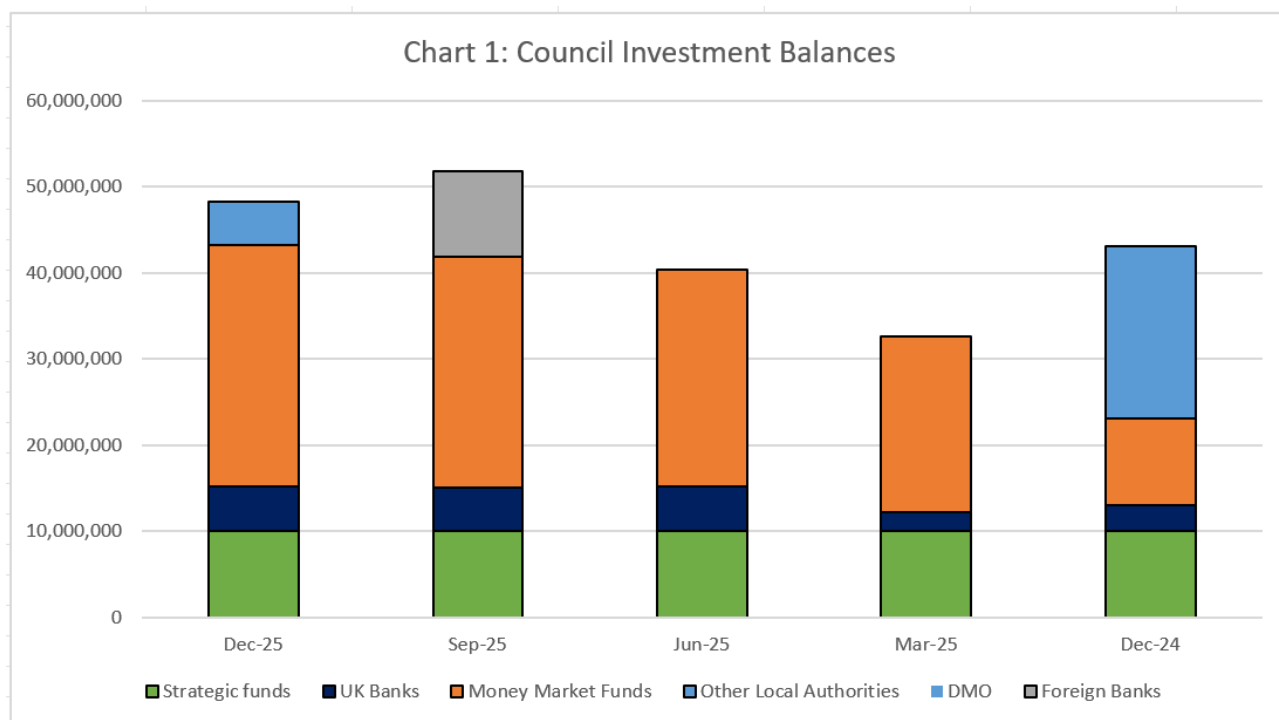


Chart 2: Council Investments Per Lowest Equivalent Long Term Credit Rating

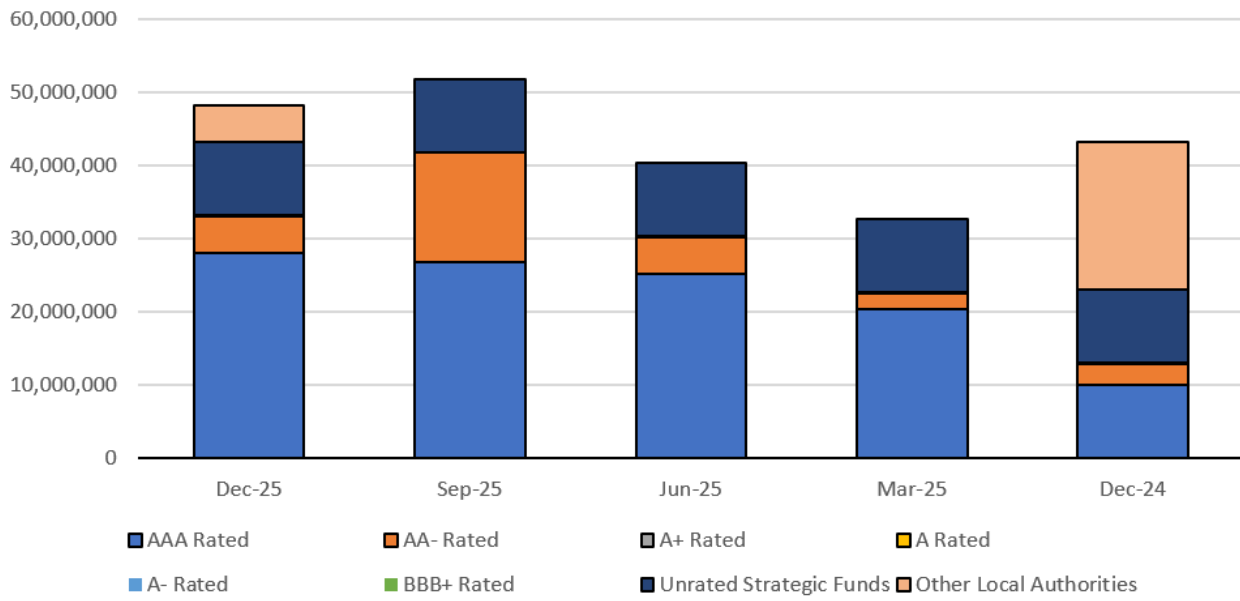
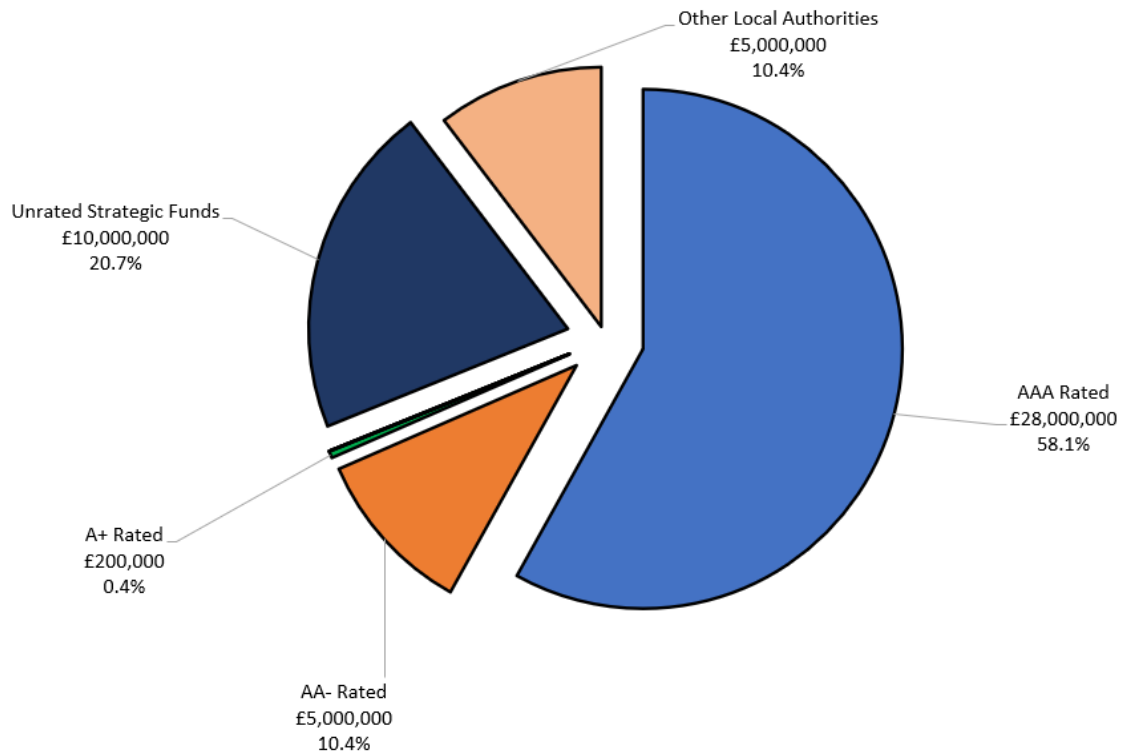


Chart 2a: Council Investments Per Lowest Equivalent Long Term Credit Rating as at 31st December 2025 £48.2m



APPENDIX 3

Operational Investment Return

	Average rate of interest earned	Benchmark = Average 7 Day SONIA rate	Performance against Benchmark
April 2025	4.33%	4.41%	(0.08%)
May 2025	4.32%	4.18%	0.14%
June 2025	4.22%	4.19%	0.03%
July 2025	4.18%	4.08%	0.10%
August 2025	4.08%	3.95%	0.13%
September 2025	4.02%	3.94%	0.08%
October 2025	4.00%	3.94%	0.06%
November 2025	3.96%	3.95%	0.01%
December 2025	3.90%	3.82%	0.08%
Average	4.10%	4.05%	0.05%

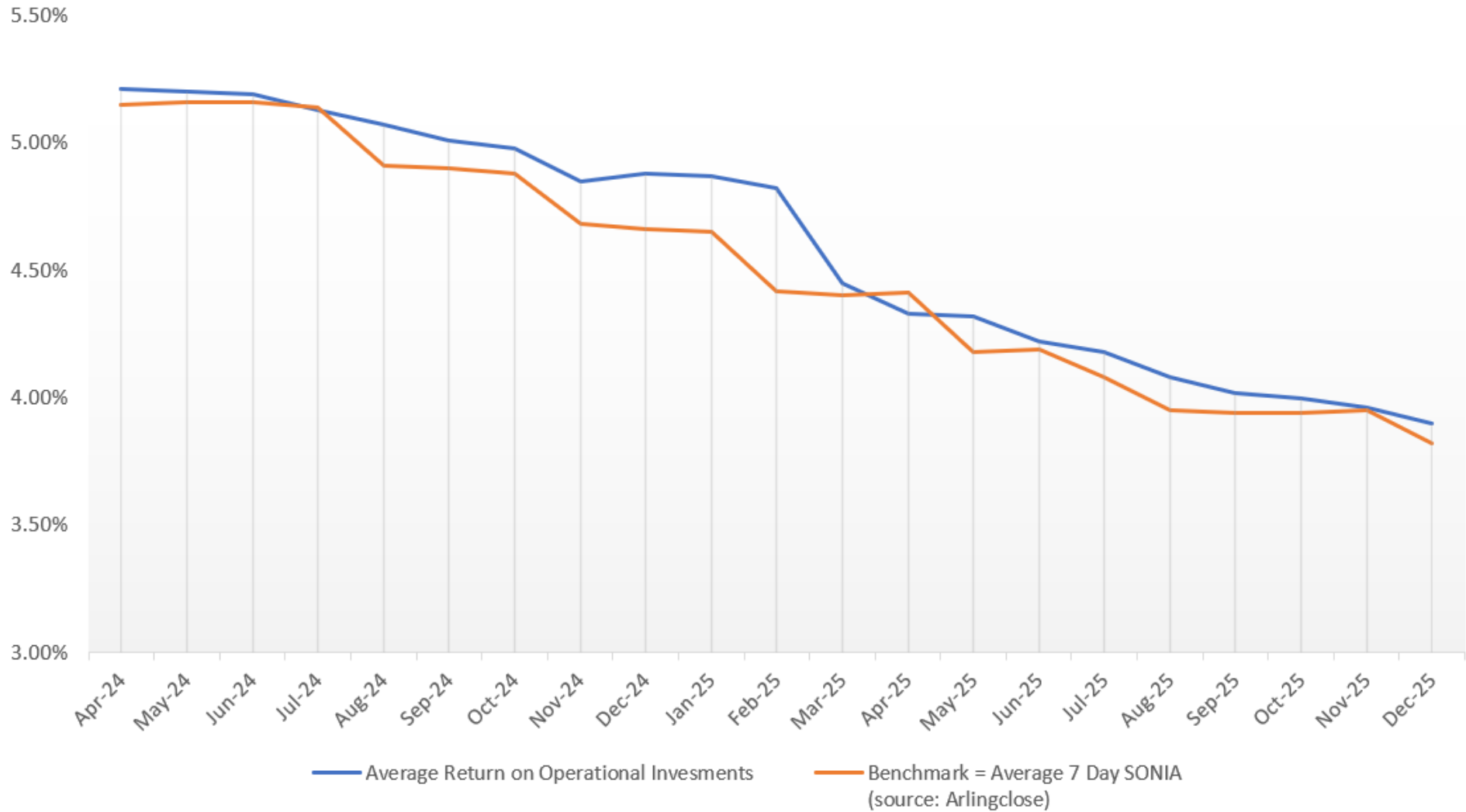
For comparison, the average rate of return on investments in 2024/25 was as follows:

	Average rate of interest earned	Benchmark = Average 7 Day SONIA rate	Performance against Benchmark
April 2024	5.21%	5.15%	0.06%
May 2024	5.20%	5.16%	0.04%
June 2024	5.19%	5.16%	0.03%
July 2024	5.13%	5.14%	(0.01%)
August 2024	5.07%	4.91%	0.16%
September 2024	5.01%	4.90%	0.11%
October 2024	4.98%	4.88%	0.10%
November 2024	4.85%	4.68%	0.17%
December 2024	4.88%	4.66%	0.22%
January 2025	4.87%	4.65%	0.22%
February 2025	4.82%	4.42%	0.40%
March 2025	4.45%	4.40%	0.05%
Average	4.97%	4.84%	0.13%

Strategic Investment Return

Estimated average return for strategic investments was 4.12% against a budgeted return of 4.25%. In 2024/25 the average return was 4.25%

Average Return on Operational Investments 2024/25 & 2025/26 compared to Benchmark



APPENDIX 4

Council's External Borrowing at 31st December 2025

Lender	Amount outstanding @ 30 th September 2025 £	Change in Quarter £	Amount outstanding @ 31 st December 2025 £	Start date	End date	Interest rate
Long term						
PWLB489142	10,000,000	-	10,000,000	15/10/2004	15/10/2034	4.75%
PWLB497233	5,000,000	-	5,000,000	12/05/2010	15/08/2035	4.55%
PWLB497234	5,000,000	-	5,000,000	12/05/2010	15/02/2060	4.53%
PWLB498834	5,000,000	-	5,000,000	05/08/2011	15/02/2031	4.86%
PWLB498835	10,000,000	-	10,000,000	05/08/2011	15/08/2029	4.80%
PWLB498836	15,000,000	-	15,000,000	05/08/2011	15/02/2061	4.96%
PWLB503684	5,300,000	-	5,300,000	29/01/2015	08/04/2034	2.62%
PWLB503685	5,000,000	-	5,000,000	29/01/2015	08/10/2064	2.92%
PWLB505122	14,105,914	(365,375)	13,740,539	20/06/2016	20/06/2041	2.36%
PWLB508126	7,767,122	(174,091)	7,593,031	06/12/2018	20/06/2043	2.38%
PWLB508202	9,246,861	(59,166)	9,187,695	12/12/2018	20/06/2068	2.59%
PWLB508224	3,868,978	(87,769)	3,781,209	13/12/2018	20/06/2043	2.25%
PWLB505744	6,806,341	-	6,806,341	24/02/2017	15/08/2039	2.28%
PWLB505966	7,207,958	-	7,207,958	04/04/2017	15/02/2042	2.26%
PWLB506052	6,124,587	-	6,124,587	08/05/2017	15/02/2042	2.25%
PWLB506255	6,397,257	(42,037)	6,355,220	10/08/2017	10/04/2067	2.64%
PWLB506729	7,585,986	(176,474)	7,409,512	13/12/2017	10/10/2042	2.35%
PWLB506995	7,625,752	(174,704)	7,451,048	06/03/2018	10/10/2042	2.52%
PWLB506996	8,178,315	(134,559)	8,043,756	06/03/2018	10/10/2047	2.62%
PWLB507749	7,776,051	-	7,776,051	10/09/2018	20/07/2043	2.42%
PWLB508485	18,559,450	-	18,559,450	11/02/2019	20/07/2068	2.52%
PWLB509840	7,907,916	-	7,907,916	04/09/2019	20/07/2044	1.40%
PWLB677322	4,646,572	(123,605)	4,522,967	22/11/2023	22/11/2038	4.88%
PWLB687799	4,630,494	(128,478)	4,502,016	29/12/2023	29/12/2038	4.28%
PWLB700594	9,275,053	-	9,275,053	09/02/2024	09/02/2039	4.54%

Lender	Amount outstanding @ 30 th September 2025 £	Change in Quarter £	Amount outstanding @ 31 st December 2025 £	Start date	End date	Interest rate
PWLB815779	10,000,000	(897,926)	9,102,074	10/04/2025	09/04/2030	4.45%
PWLB816767	10,000,000	(396,024)	9,603,976	14/04/2025	13/04/2035	4.50%
PWLB882302	-	10,000,000	10,000,000	28/11/2025	28/11/2035	4.86%
KBC Bank N.V *	5,000,000	-	5,000,000	08/10/2004	08/10/2054	4.50%
KBC Bank N.V *	5,000,000	-	5,000,000	08/10/2004	08/10/2054	4.50%
Medium term						
Tunbridge Wells B.C.	5,000,000	(5,000,000)	-	14/11/2024	14/11/2025	4.85%
PWLB781146	10,000,000	(10,000,000)	-	09/12/2024	09/12/2025	5.09%
North Yorkshire Council	5,000,000	-	5,000,000	26/03/2025	25/03/2026	4.75%
Halton Borough Council	5,000,000	(5,000,000)	-	21/03/2025	20/06/2025	6.00%
West of England Combined Authority	5,000,000	-	5,000,000	25/04/2025	27/10/2025	4.50%
South Oxfordshire District Council	5,000,000	-	5,000,000	25/04/2025	24/04/2026	4.50%
West of England Combined Authority	10,000,000	-	10,000,000	29/04/2025	28/04/2026	4.50%
West Midlands Combined Authority	5,000,000	-	5,000,000	30/04/2025	29/04/2026	4.45%
Portsmouth City Council	5,000,000	(5,000,000)	-	07/05/2025	06/05/2026	4.50%
West Midlands Combined Authority	-	10,000,000	10,000,000	06/10/2025	05/10/2026	4.30%
West of England Combined Authority	-	5,000,000	5,000,000	27/10/2025	26/10/2026	4.50%
Tunbridge Wells BC	-	5,000,000	5,000,000	14/11/2025	13/11/2026	4.35%
Total Borrowing	278,010,608	7,239,793	285,250,401			

*All LOBO's 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.

The "Change in Quarter" movement on some of the PWLB loans reflects that these loans have an annuity repayment profile, so repayments of principal are made on a 6 monthly basis throughout the life of the loans.

APPENDIX 5: Arlingclose Economic & Market Review

Economic Background: Early in the first quarter was dominated by US trade tariffs and the negative impact on equity and bond markets. While this was reversed somewhat in the second quarter with equity markets making gains, it also saw a divergence in US and UK government bond yields. UK yields persisted at higher levels as investors demanded higher returns in the form of term premia due to the more uncertain UK fiscal and economic position.

The latter part of the period included the government's November autumn Budget. Despite much speculation and drip-feeding of potential policies in the weeks leading up to the event, what was ultimately announced was generally deemed more muted than had been anticipated, helping ease investors' fears of significantly higher government borrowing.

UK Consumer Price Index (CPI) inflation was 3.2% in November 2025, down from 3.6% in the previous month and lower than the 3.5% expected, but still well above the Bank of England (BoE) target. Core CPI eased to 3.2% from 3.4%, against forecasts of it staying at 3.6%.

According to the Office for National Statistics (ONS), the UK economy expanded by 0.7% in the first quarter of the calendar year, by 0.3% in Q2 and by 0.1% in Q3. Of the subsequent monthly figures, the ONS estimated that Gross Domestic Product (GDP) fell by 0.1% in October.

The labour market continued to ease over the period as unemployment rose, vacancies fell and inactivity remained flat. In the three months to October 2025, the unemployment rate rose to 5.1%, higher than the level previously expected by the BoE, while the employment rate slipped to 74.9%.

The Bank of England's Monetary Policy Committee (MPC) voted 5-4 to cut Bank Rate to 3.75% in December 2025, as was expected. Policymakers wanting a cut judged that disinflation was established while those preferring to hold Bank Rate at 4.00% argued that inflation risks remained sufficiently material to leave it untouched at this stage.

The November BoE Monetary Policy Report projected GDP would expand by a modest 0.2% in calendar Q4 2025. Estimates of inflation in the report were quickly out of date when CPI fell quicker than expected in November. Predictions of a modestly growing economy were echoed by the Office for Budget Responsibility in its Economic and Fiscal Outlook published with the Autumn Statement which revised down its estimate of annual GDP to around 1.5% between 2025 and 2030.

Arlingclose, the Council's treasury adviser, held a central view that Bank Rate would be cut further in 2025/26 with most BoE policymakers remaining more worried about weak GDP growth than higher inflation. In line with Arlingclose's central forecast, Bank Rate was reduced to 3.75% in December. Further cuts are expected in 2026, with the central forecast being that Bank Rate will be eased to around 3.25%.

The US Federal Reserve continued cutting rates, reducing Fed Funds Rate target range by 0.25% at its December meeting to 3.50%-3.75%. The meeting minutes noted that most policymakers judged that further rate cuts would be likely in 2026 if inflation continues to ease, however they were still divided in their assessment of the risks between inflation and unemployment.

The European Central Bank (ECB) held its key interest rates in December for a fourth consecutive meeting, maintaining the deposit rate at 2.0% and the main refinancing rate at 2.15%. The ECB maintained that future policy decisions will remain data-dependent, that inflation is close to its 2% target and that the euro area economy continues to expand despite a challenging global environment, including heightened geopolitical risks and trade tensions.

Financial Markets: After declining sharply early in the period, sentiment in financial markets has been mostly buoyant, but risky assets remained volatile. Bond yields initially declined early in the period, but increasing uncertainty around the UK's economic and fiscal outlook caused medium and longer yields to rise. Yields remained elevated until the third quarter when the potential negative impact of the UK Budget were deemed less than expected and yields eased modestly.

Equity markets gained the previous declines seen in the April sell-off and have continued to rise, even in the face of ongoing uncertainty around the existence of an Artificial Intelligence (AI)-related 'bubble' and concentration in US and global stock markets.

Over the period, the 10-year UK benchmark gilt yield started at 4.65% and ended at 4.48%. However, these nine months saw significant volatility with the 10-year yield hitting a low of 4.39% and a high of 4.82%. It was a similar picture for the 20-year gilt which started at 5.18% and ended at 5.11% with a low and high of 5.05% and 5.55% respectively. The 7 Day SONIA averaged 4.05% over the nine months to 31st December.

Credit Review: Arlingclose maintained its recommended maximum unsecured duration limit on most of the banks on its counterparty list at 6 months. The other banks remain on 100 days.

Earlier in the period, Fitch upgraded NatWest Group and related entities to AA- from A+ and placed Clydesdale Bank's long-term A- rating on Rating Watch Positive. Fitch later upgraded Clydesdale Bank and HSBC, but downgraded Lancashire County Council and Close Brothers.

In May, Moody's downgraded the United States sovereign long-term rating to Aa1 and affirmed OP Corporate's rating at Aa3. Moody's later upgraded Transport for London, Allied Irish Banks, Bank of Ireland, Toronto-Dominion Bank, DZ Bank, Nordea and HSBC and downgraded Close Brothers.

S&P upgraded Clydesdale Bank, Allied Irish Banks and Bank of Ireland, and assigned Warrington Council a BBB+ rating.

After spiking in April following the US trade tariff announcements, UK Credit Default Swap (CDS) prices trended down before picking up modestly in October and November. They declined again in December and ended the year in line with levels seen in the first half of the year and most of 2024.

European banks' CDS prices have generally been flatter and lower compared to the UK, as have Singaporean and Australian lenders while some Canadian bank CDS prices have remained elevated since the beginning of the period in part due to ongoing trade tensions with the US.

At the end of the period CDS prices for all banks on Arlingclose's counterparty list remained within limits deemed satisfactory for maintaining credit advice at current durations.

Financial market volatility is expected to remain, and CDS levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Council's counterparty list recommended by Arlingclose remain under constant review.

APPENDIX 6

Interest & Capital Financing Costs – Budget Monitoring 2025/26

April 2025 to March 2026	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	11,932	10,832	(1,100)	FAV
- Internal Repayment of Loan Charges	(17,372)	(17,372)	0	-
- Ex Avon Debt Costs	860	860	0	-
- Minimum Revenue Provision (MRP)	11,417	11,230	(187)	FAV
- Interest on Balances	(1,361)	(1,611)	(250)	FAV
Total	5,476	3,939	(1,537)	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 Risks

Page 480

	Risk Nr	Description	Current Risk Score										This Period	Trend			Management Action
			Likelihood					Impact						Periods Ago			
			1	2	3	4	5	1	2	3	4	5					
			L	M	H	L	M	H				1	2	3			
1	R06	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.			3						4	12	12	12	Liaise with Chief Finance Officer to ensure Inflation both current and projected forms part of the medium term financial planning framework.		
2	R09	Legal & Regulatory Risk - Changes Risk that regulatory changes are not planned for and adversely impact the Council's budget and or ability to borrow			3					3		9	9	9	12	Read, respond and calculate the impact of Local Government accounting, investment and capital financing / borrowing consultations have on treasury management. Plan for the implementation of new regulations, conditions and accounting treatment	
3	R04	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			3					3		9	9	9	9	Monitor interest rates on a monthly basis and compare with budget to determine impact on Council finances and report through monthly Treasury Dashboard. Report implication of interest rate changes to Cabinet as part of quarterly Treasury Management Performance Report. Explore alternative potential investment products following new freedoms - including corporate bonds, gilts, Certificate of Deposits etc. Discussion with our treasury advisors on any new borrowing in terms of duration and timing given the current volatility in the gilt market and PWLB interest rates.	
4	R07	Refinancing Risk The risk that maturing borrowings, capital, project or partnership financings cannot be refinanced on terms that reflect the provisions made by the organisation for those refinancings, both capital and current (revenue), and/or that the terms are inconsistent with prevailing market conditions at the time.			3					3		9	9	9	9	When deciding on the duration of new borrowing consider existing debt maturity profile before submitting an approval to Chief Finance Officer on the new borrowing. Consult with treasury Advisor Arlingclose with regards to risks in the lending market and consider their guidance when making refinancing decisions Complete Annual PWLB certainty rate return and any other returns that provide a discounted lending rate. Maintain a relationship with at least 2 brokers in order to ensure that the council avoids the risk of accepting terms which are not in line with prevailing market conditions.	
5	R08	Legal & Regulatory Risk - Acting Outside Powers The risk that the organisation itself, or a third party with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the organisation suffers losses accordingly.		2							4	8	8	8	8	Obtain independent review of the council's strategy and policies to ensure compliance with the CIPFA Code of Practice on Treasury Management Local Authorities (Capital Finance and Accounting) (England) Regulations, Local Government Act and any other regulation or guidance as specified by the Secretary of State.. Stay on top of Government and CIPFA consultations on Treasury and Capital Financing regulations.	

Bath & North East Somerset Council		
MEETING:	Cabinet	
MEETING DATE:	12 th February 2026	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3643
TITLE:	Treasury Management Strategy Statement 2026/27	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1 - Treasury Management Strategy 2026/27		
Appendix 2 – Authorised Lending List		

1 THE ISSUE

- 1.1 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.
- 1.2 Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.
- 1.3 Investments held for service or commercial purposes are considered in the Capital and Investment Strategy within the Budget Report which is also included on the agenda for Cabinet & Council for February.

2 RECOMMENDATIONS

Cabinet agrees to:

- 2.1 Recommend the actions proposed within the Treasury Management Strategy Statement 2026/27 (**Appendix 1**) to Council.
- 2.2 Note the Treasury Management Indicators detailed in **Appendix 1**.

3 THE REPORT

Background

- 3.1 The Local Government Act 2003 requires the Council to 'have regard to' the Prudential Code and to set Treasury Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.
- 3.2 The Act therefore requires the Council to set out its treasury strategy for borrowing and to prepare a Treasury Management Strategy; this sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 3.3 The suggested strategy for 2026/27 in respect of the following aspects of the treasury management function is based on the Treasury Officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury advisor, Arlingclose.

The strategy covers:

- Treasury limits in force which will limit the treasury risk and activities of the Council;
 - Treasury Management Indicators;
 - The current treasury position;
 - The borrowing requirement;
 - Prospects for interest rates;
 - The borrowing strategy;
 - The investment strategy.
- 3.4 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code). This requires the Treasury Management Strategy and policies to be scrutinised by an individual / group of individuals or committee, and the Audit Committee have been nominated by Council to carry out this function.

Treasury Management Strategy Statement

- 3.5 The Treasury Management Strategy Statement 2025/26 set the Treasury Indicators for 2025/26 – 2027/28, which included a forecast for the total borrowing requirement at the end of 2025/26 of £441.814 million. At the end of December 2025, actual external borrowing was at £285.250 million, with further borrowing potentially required prior to year-end to maintain cashflow. The level of borrowing is in line with the policy of utilising internal cash to reduce net borrowing costs and investment counterparty risk.
- 3.6 The proposed Treasury Management Strategy Statement 2026/27 is attached as **Appendix 1** and includes the Treasury Management Indicators required by the Treasury Management Code.

- 3.7 Although the indicators provide for a maximum level of total borrowing, this should by no means be taken as a recommended level of borrowing, as each year affordability needs to be taken into account together with other changes in circumstances, for example revenue pressures, levels and timing of capital receipts, changes to capital projects spend profiles, and levels of internal cash balances.
- 3.8 The Revenue & Capital Budget Report 2026/27, which is also on February's Cabinet and Council agenda, includes appropriate provision for the revenue costs of the capital programme in accordance with this Treasury Management Strategy.
- 3.9 **Appendix 1** also details the Council's current portfolio position as at 31st December 2025, which shows, after netting off the £48.200 million investments, the Council's net debt position was £237.050 million.
- 3.10 The Treasury Investment Strategy section of **Appendix 1** sets 'outer limits' for treasury management operations. While the strategy uses credit ratings in a "mechanistic" way to rule out counterparties, in operating within the policy, Officers complement this with the use of other financial information when making investment decisions, for example Credit Default Swap (CDS) prices, Individual Ratings, and the financial press. This has been the case in previous years, which has protected the Council against losses of investment, for example in Icelandic banks.
- 3.11 The Counterparty listing in **Appendix 2** includes credit ratings from three agencies, as well as a sovereign rating for each country. Counterparties who now meet the minimum criteria as recommended in **Appendix 1** (as at 31st December 2025) are included in the listing in **Appendix 2**.
- 3.12 The Council has met the conditions to opt up to MiFID II professional status and intends for this to continue in 2026/27 in order to continue to have access to products including money market funds, pooled funds, treasury bills, bonds, shares and to continue to receive the same level of support from our treasury management advisors.

4 STATUTORY CONSIDERATIONS

- 4.1 This report fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1 The resource implications are included in the report and appendices.

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 and borrowing transactions are within approved limits and with approved institutions. Investment & Borrowing advice is provided by our Treasury Management consultants Arlingclose.

- 6.3 The 2021 edition of 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 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.

7 CLIMATE CHANGE

- 7.1 The Treasury Management Strategy Statement 2026/27 includes options for ESG (Environmental, Social and Corporate Governance) focussed investments.

8 OTHER OPTIONS CONSIDERED

- 8.1 The Director of Finance (S151 Officer), having consulted the Cabinet Member for Resources, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are the table below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times.	Interest income will be lower.	Lower chance of losses from credit related defaults, but any such losses may be greater.
Invest in a wider range of counterparties and/or for longer times.	Interest income will be higher.	Increased risk of losses from credit related defaults, but any such losses may be smaller.
Borrow additional sums at long-term fixed interest rates.	Debt interest costs will rise; this is unlikely to be offset by higher investment income.	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain.
Borrow short-term or variable loans instead of long-term fixed rates.	Debt interest costs will initially be lower.	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain.
Reduce level of borrowing.	Saving on debt interest is likely to exceed lost investment income.	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain.

9 CONSULTATION

9.1 Consultation has been carried out with the Cabinet Member for Resources, Director of Finance (S151 Officer) and Monitoring Officer.

Contact person	Jamie Whittard - 01225 477213; Claire Read – 01225 477019 Jamie_Whittard@bathnes.gov.uk ; Claire_Read@bathnes.gov.uk
Background papers	Treasury Management & Investment Strategy 2025/26
Please contact the report author if you need to access this report in an alternative format	

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Appendix 1

Treasury Management Strategy Statement 2026/27

1. Introduction

1.1 Treasury Management Overview

Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2021 Edition* (the CIPFA Code) which requires the Council to approve a Treasury Management Strategy before the start of each financial year. This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.

Investments held for service or commercial purposes are considered in the Capital & Investment Strategy document which is included as an appendix to the Council's Budget and Council Tax 2026/27 and Financial Outlook

1.2 External Context

1.2.1 Economic Background (per Arlingclose January 2026):

The most significant impacts on the Council's Treasury Management Strategy for 2026/27 are expected to include: the influence of the Government's 2025 Autumn Budget, lower short-term interest rates alongside higher medium- and longer-term rates, slower economic growth, together with ongoing uncertainties around the global economy, stock market sentiment, and geopolitical issues.

The Bank of England's Monetary Policy Committee (MPC) cut Bank Rate to 3.75% in December 2025, as had been widely expected. The vote to cut was 5-4, with the minority instead favouring holding rates at 4.00%. Those members wanting a cut judged that disinflation was established while those preferring to hold Bank Rate argued that inflation risks remained sufficiently material to leave rates untouched at this stage.

Figures from the Office for National Statistics showed that the UK economy expanded by 0.1% in the third quarter of the calendar year, this was unrevised from the initial estimate. The most recent Monetary Policy Report (November) projected modest economic growth, with Gross Domestic Product (GDP) expected to rise by 0.2% in the final calendar quarter of 2025. Annual growth is forecast to ease from 1.4% before improving again later,

reflecting the delayed effects of lower interest rates, looser monetary conditions, stronger global activity, and higher consumer spending. The view of modest economic growth going forward was echoed by the Office for Budget Responsibility in its Economic and fiscal outlook published in line with the Autumn Statement which revised down its estimate of annual real GDP to around 1.5% on average between 2025 and 2030.

Consumer Price Index (CPI) inflation was 3.2% in November 2025, down from 3.6% in the previous month and below the 3.5% expected. Core CPI eased to 3.2% from 3.4%, contrary to forecasts of remaining at 3.6%. Looking forward, the MPC continues to expect inflation to fall, to around 3% in calendar Q1 2026, before steadily returning to the 2% target by late 2026 or early 2027.

The labour market continues to ease with rising unemployment, falling vacancies and flat inactivity. In the three months to October 2025, the unemployment rate increased to 5.1%, higher than the level previously expected by the Bank of England (BoE), while the employment rate slipped to 74.9%. Pay growth for the same period eased modestly, with total earnings (including bonuses) growth at 4.7% and while regular pay was 4.6%.

The US Federal Reserve also continued to cut rates, including reducing the target range for the Federal Funds Rate by 0.25% at its December 2025 meeting, to 3.50%-3.75%, in line with expectations. The minutes of the meeting noted that most Fed policymakers judged that further rate cuts would be likely in 2026 if inflation continues to ease, however they were still divided in their assessment of the risks between inflation and unemployment.

The European Central Bank (ECB) kept its key interest rates unchanged in December for a fourth consecutive meeting, maintaining the deposit rate at 2.00% and the main refinancing rate at 2.15%. The ECB maintained that future policy decisions will remain data-dependent, that inflation is close to its 2.00% target and that the euro area economy continues to expand despite a challenging global environment, including heightened geopolitical risks and trade tensions.

1.2.2 Credit Outlook (December 2025):

Credit Default Swap (CDS) prices, which spiked in April 2025 following President Trump's 'Liberation Day' tariff announcements, have since trended lower, returning to levels broadly consistent with their 2024 averages. Although CDS prices rose modestly in October, the overall credit outlook remains stable, and credit conditions are expected to remain close to the range seen over the past two years.

While lower interest rates may weigh on banks' profitability, strong capital positions, easing inflation, steady economic growth, low unemployment, and reduced borrowing costs for households and businesses all support a favourable outlook for the creditworthiness of institutions on (the Council's treasury management advisor) Arlingclose's counterparty list. Arlingclose's advice on approved counterparties and

recommended investment durations is kept under continuous review and will continue to reflect prevailing economic and credit conditions.

1.2.3 Interest Rate Forecast (December 2025):

Arlingclose, the Council's treasury management adviser, currently forecasts that the Bank of England's Monetary Policy Committee will continue to reduce Bank Rate through 2025 and 2026, reaching around 3.25%. This forecast reflects amendments made following the Autumn Budget and an assessment of the fiscal measures and their market implications, and following the BoE MPC meeting held on 18th December 2025.

Long-term gilt yields, and therefore interest rates payable on long-term borrowing, are expected to remain broadly stable on average, though with continued volatility, and to end the forecast period marginally lower than current levels. Yields are likely to stay higher than in the pre-quantitative tightening era, reflecting ongoing balance sheet reduction and elevated bond issuance. Short-term fluctuations are expected to persist in response to economic data releases and geopolitical developments.

A more detailed economic and interest rate forecast provided by Arlingclose is in Annex A.

For the purpose of setting the Council's Budget, it has been assumed that short term treasury investments will be made at an average rate of 3.29% and long-term strategic investments will yield an average rate of 4.04%. It is forecast that new loans will be borrowed at an average rate of 4.91% during 2026/27.

1.3 Local Context

1.3.1 Council's position as at 31st December 2025: The Council held £285.250m of borrowing and £48.200m of treasury investments. This is set out in further detail in Table 1 below.

Table 1: Balance Sheet Summary

	31/12/2025	31/12/2025
	Actual portfolio	Average rate
	£m	%
External borrowing:		
<i>Public Works Loan Board</i>	225.250	3.41%
<i>Local authorities</i>	50.000	4.46%
<i>LOBO loans from banks</i>	10.000	4.50%
Total external borrowing	285.250	3.63%
Treasury investments:		
<i>Local authorities</i>	5.000	4.10%

	31/12/2025	31/12/2025
	Actual portfolio	Average rate
	£m	%
<i>Banks (unsecured)</i>	5.200	4.18%
<i>Money market funds</i>	28.000	3.91%
<i>Strategic pooled funds</i>	10.000	0.00%
Total treasury investments	48.200	3.15%
Net debt	237.050	

1.3.2 Capital Financing Requirement:

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

The Council's Capital Financing Requirement (CFR, or underlying need to borrow) excluding lease financing as at 31st March 2026 is expected to be £392.816m and is forecast to rise to £464.627m by March 2027 as capital expenditure is incurred.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. The Council expects to comply with this recommendation during 2026/27.

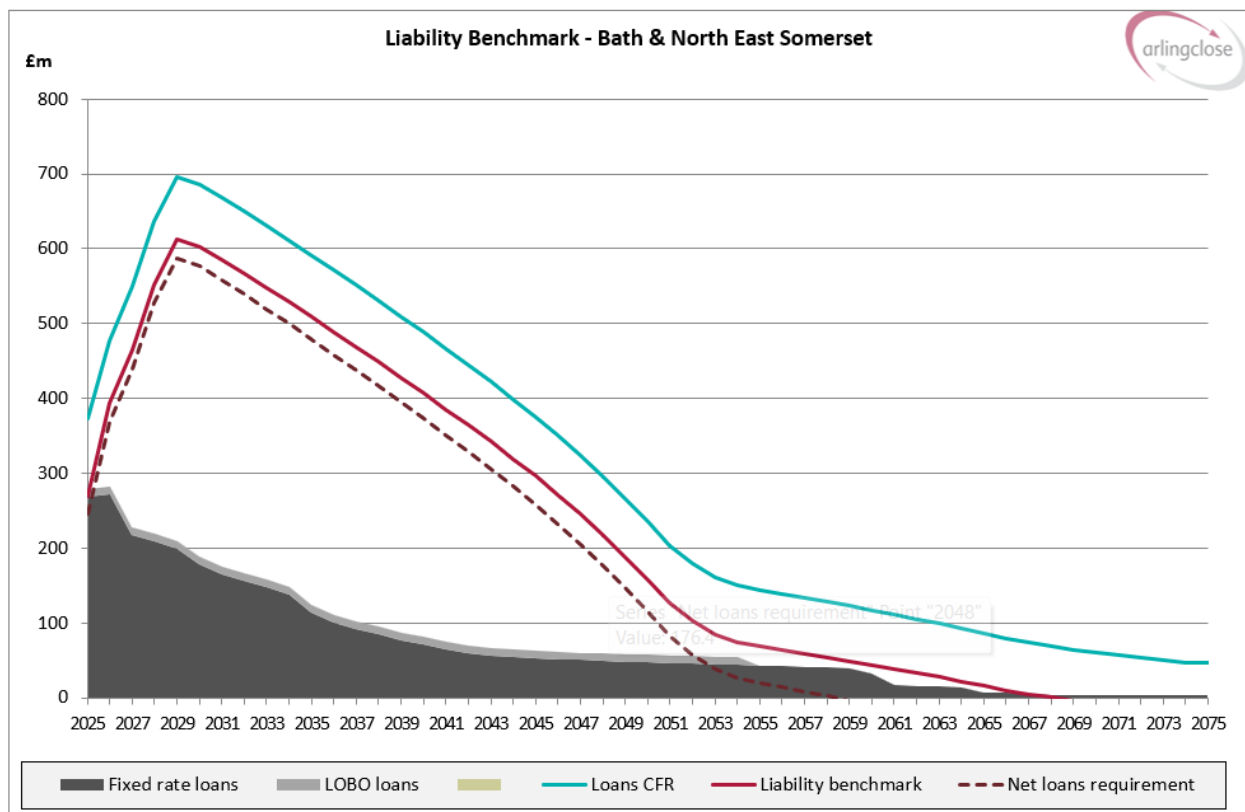
Liability Benchmark

The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

Table 2: Prudential Indicator: Liability Benchmark

	31.3.25 Actual £m	31.3.26 Estimate £m	31.3.27 Forecast £m	31.3.28 Forecast £m	31.3.29 Forecast £m
Loans CFR	373.000	392.820	464.627	552.118	611.968
Less: Balance sheet resources	(118.100)	(99.710)	(99.710)	(99.710)	(99.710)
Net loans requirement	254.900	293.106	364.917	452.408	512.258
Plus: Liquidity allowance	15.000	15.000	15.000	15.000	15.000
Liability benchmark	269.900	308.106	379.917	467.408	527.258

Following on from the medium-term forecasts in Table 2 above, the long-term liability benchmark assumes capital expenditure funded by borrowing of around £71.811m for 2026/27, minimum revenue provision on new capital expenditure based on a 25 year asset life and income, and expenditure increasing by inflation of 2% a year. This is shown in the chart below together with the maturity profile of the Council's existing borrowing:



When we compare actual borrowing (the grey slopes) to the Liability Benchmark (solid red line) the model anticipates that the Council will be in a under borrowed position between 2026 and 2066. When the Council is considering new long-term borrowing, this funding gap can be used, as a useful guide to the optimal amount and length of borrowing required in order to minimise interest rate and credit risk.

2. Borrowing Strategy

2.1 Current Borrowing

The Council currently holds £285.250m of loans, an increase £18.300m on the previous year. The Council has taken out £90.000m in new borrowing between January 2025 & December 2025, of which £65.000m was to replace maturing borrowing, £15.000m was in in order to keep cash balances in line with the Liability Indicator and £10.000m was to cover a pension prepayment. This was netted off by £6.700m in PWLB annuity loan repayments and £65.000m in repayment of maturing loans.

2.2 Objectives

The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

2.3 Strategy

Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

Short-term interest rates have fallen over the past year, and are expected to fall a little further, so it is therefore likely to be more cost effective over the medium term to borrow short term loans. The risks of this approach will be managed by keeping the Council's interest rate exposure within the limit set in the treasury management prudential indicators. By doing so, the Council is able to reduce net borrowing costs over time and overall treasury risk.

The benefits will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years. Arlingclose may assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2026/27 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

The Council has previously raised the majority of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities, and it may consider investigating the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Council intends to avoid this activity in order to retain its access to PWLB loans.

Alternatively, the Council may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Council may borrow further short-term loans to cover unplanned cash flow shortages.

2.4 Sources of Borrowing

The approved sources of long-term and short-term borrowing are:

- HM Treasury's PWLB lending facility
- National Wealth Fund Ltd (formerly UK Infrastructure Bank Ltd)
- any institution approved for investments (see below)
- any other bank or building society or insurance company authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except the Avon Pension Fund)
- capital market bond investors
- retail investors via a regulated peer-to-peer platform
- special purpose companies created to enable local authority bond issues.

Other Sources of Debt Finance: In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback

2.4.1 LOBO's: The Council has £10.000m of Lender Option Borrower Option (LOBO) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. These LOBO's have options due up in 2026/27 and it is possible that lenders will exercise their options. If they do, the Council will consider the option to repay LOBO loans after reviewing the refinancing risk in later years. Total borrowing via LOBO loans will be limited to the current £10.000m.

2.4.2 Short-term and Variable Rate Loans: These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below. Financial derivatives may be used to manage this interest rate risk (see section below).

2.4.3 Debt Rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature

redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk. The recent rise in interest rates means that more favourable debt rescheduling opportunities should arise than in previous years.

3. Treasury Investment Strategy

3.1 Current Investments

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's treasury investment balance has ranged between £28.800m and £80.100m and similar levels are expected to be maintained in the forthcoming year.

3.2 Objectives

The CIPFA Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.

3.3 Strategy

As demonstrated by the liability benchmark above, the Council expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cash flows using short-term low risk instruments in line with advice from Arlingclose.

The Council's existing portfolio of investments in strategic pooled funds, £5.000m in CCLA Local Authority Property Fund, £3.000m in FP Foresight UK Infrastructure Income Fund, and £2.000m in the VT Gravis Clean Energy Income Fund, will be maintained to diversify risk into different sectors and boost investment income, further details of this are provided in section 3.8.

Under the Markets in Financial Instruments Directive (MiFID) II, the Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Director of Finance (S151 Officer) believes this to be the most appropriate status.

To be categorised as Professional the Council must hold at least a £10.000m investment balance, the Council's three pooled investments mentioned above, which are medium – long term investments, guarantee that this balance will always be held. By placing this required £10.000m balance in these three pooled funds, the Council aims to achieve a total return that is equal or higher than the long-term average rate of inflation thus preserving the spending power of this £10.000m balance.

The CIPFA Code does not permit local authorities to both borrow and invest long-term for cash flow management. But the Council may make long-term investments for treasury risk management purposes, including to manage interest rate risk by investing sums borrowed in advance for the capital programme for up to three years; to manage inflation risk by investing usable reserves in instruments whose value rises with inflation; and to manage price risk by adding diversification to the strategic pooled fund portfolio.

The total amount borrowed will not exceed the 2026/27 authorised borrowing limit of £473.000m. The maximum period between borrowing and expenditure is expected to be three years, although loans are linked with its budgeted programme, individual items within that programme are not linked to the loans at a granular level.

Under the International Financial Reporting Standard (IFRS) 9, the accounting for certain investments depends on the Council's "business model" for managing them. The Council aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

3.4 Approved Counterparties

The Council may invest its surplus funds with any of the counterparty types in Table 3 below, subject to the limits shown.

Table 3: Treasury Investment Counterparties and Limits

Sector	Minimum Credit Rating*	Time Limit	Counterparty Limit	Sector Limit
The UK Government	N/A	5 years	Unlimited	Unlimited
Local authorities & other government entities	N/A	5 years	£10.000m	Unlimited
Secured investments	A-	5 years	£10.000m	Unlimited
Banks (secured)	A-	5 years	£10.000m	Unlimited
Banks (unsecured)	A-	13 months	£10.000m	£40.000m
Building societies (unsecured)	A-	13 months	£10.000m	£15.000m

Sector	Minimum Credit Rating*	Time Limit	Counterparty Limit	Sector Limit
Registered providers (unsecured)	A-	5 years	£5.000m	£5.000m
Money market funds	AAAmf	n/a	£10.000m	£60.000m
Strategic pooled funds	N/A	n/a	£5.000m	£10.000m
Foreign countries per country	AA+	13 months	£10.000m	£10.000m
ESG focussed short term deposits	A-	13 months	£5.000m	£5.000m
Other investments	A-	5 years	£5.000m	£5.000m

This table must be read in conjunction with the notes below.

*** Minimum Credit Rating:** Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

For entities without published credit ratings, investments may be made where external advice indicates the entity to be of similar credit quality.

3.4.1 Government: Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 5 years.

3.4.2 Local Authorities and Other Government Entities: Although most UK local authorities have not opted to obtain a formal credit rating from either Fitch, Moody's or Standard & Poors, they are considered quasi-governmental by advisors and therefore are assigned the same rating as the UK Government for the purpose of establishing credit criteria. No local authority has ever defaulted in its loan arrangements. The above withstanding the Council will consider other factors including; if a S114 Notice has been issued, if exceptional financial support is requested/granted and the status of the authorities' statement of accounts.

3.4.3 Secured Investments: Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds, secured deposits and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty

credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

3.4.4 Banks and Building Societies (Unsecured): Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

3.4.5 Registered Providers (Unsecured): Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

3.4.6 Money Market Funds (MMFs): Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. The Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

3.4.7 Strategic Pooled Funds: Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly. Note that this classification covers the Council's two ESG investments and the investment in the CCLA property fund.

3.4.8 Foreign Countries: This category covers investment with both the governments of foreign countries and banks based in foreign countries. Where a bank is domiciled in a foreign country, the bank must meet the minimum credit criteria set out in Table 3 of A- for 'Banks (unsecured)' and be domiciled in a country which meets the minimum credit rating criteria set of AA+.

3.4.9 Other Investments: This category covers treasury investments not listed above, for example unsecured corporate bonds and unsecured company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Council's investment at risk. Any investment under this category will only be made following a favourable external credit assessment and on the specific advice of the Council's treasury management adviser.

Note: Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

3.4.10 Operational Bank Accounts: The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

3.5 Risk Assessment and Credit Ratings

Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. The credit rating agencies in current use are listed in the Treasury Management Practices document. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "negative watch") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

3.5.1 Other Information on the Security of Investments: The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

The Council is aware that investing with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

3.6 Investment Limits

The Council's revenue reserves (including earmarked reserves) available to cover investment losses was £89.376m as at 31st March 2025. To limit risk from any single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £10.000m which represents 11.19% of reserves. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

3.7 Liquidity Management

The Council uses forward looking forecasting based on prior year cashflows combined with knowledge of upcoming income/spending to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.

The Council will spread its liquid cash over at least four providers (e.g. bank accounts and money market funds) to ensure that access to cash is maintained in the event of operational difficulties at any one provider.

3.8 Environment Social and Governance Investment Approach

3.8.1 The Climate Emergency: In 2019 Bath and North East Somerset Council declared a Climate Emergency reflecting the concern that the Council has over climate change, and the commitment of the Council to address the issue with regards to evaluating the climate change impact of all our decisions.

3.8.2 Background: The CIPFA Treasury Management Code and Investment Guidance issued by the Government state that the main principles in investing are Security, Liquidity and Yield in that order. However, as part of the 2021 Code, CIPFA now requires local authorities to have some consideration of ESG factors when investing.

3.8.3 Long Term ESG Investments:

In the Treasury Management Strategy 2021/22 the Council adopted an ESG investment approach as part of its 2021/22 Investment Strategy. Resulting in a long-term investment of £5.000m investment split across the following two ESG focused funds;

- £3.000m into FP Foresight UK Infrastructure fund; &
- £2.000m into VT Gravis Clean energy income fund.

3.8.4 Short Term ESG Investments:

When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.

The Council may also consider options for investment in short-term funds with institutions who ring fence the use of such funds for ESG related matters. The criteria for credit rating of security of such deposits will need to remain in line with the wider Council policy, however where appropriate and at the Council's discretion, some flexibility will be provided to allow for slightly longer durations of investment and potentially lower returns in order to support the ESG focus. Where such flexibility is used, the investment will be subject to agreement of the S151 Officer taking these factors into consideration.

Direct involvement and financing of Green energy projects is treated as capital expenditure, and as such is not covered within the remit of treasury management.

3.9 Other Matters

Avon Pension Fund Investments: The Council's Treasury Management team also manage the Avon Pension Fund's internally held cash on behalf of the Fund. The cash balance held internally is a working balance to cover pension payments at any point in time and it is estimated will be an average of £40.000m, being around 0.70% of the overall assets of the Fund. The regulations require that this cash is accounted for separately and invested separately from the Council's cash.

Investments held will operate within the framework of this Investment Strategy, but the maximum counterparty limit and investment term with any counterparty are set annually by the Avon Pension Fund Committee. These limits are in addition to the Council's limits for counterparties as set out in Appendix 2.

The Pension Fund's investment managers are responsible for the investment of cash held within their portfolios, and this policy does not relate to their cash investments.

4. Treasury Management Prudential Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators.

4.1 Treasury Borrowing Limits for 2026/27 to 2028/29

It is a statutory duty under s.3 of the Local Government Act 2003, and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. This amount is termed the 'Affordable Borrowing Limit'.

The Council must have regard to the Prudential Code when setting the Affordable Borrowing Limit. The Code requires a Council to ensure that its total capital investment remains within sustainable limits and, in particular, that the impact upon its future Council tax levels is 'acceptable'.

The Affordable Borrowing Limit must include all planned capital investment to be financed by external borrowing and any other forms of liability, such as credit arrangements. The Affordable Borrowing Limit is to be set on a rolling basis for the forthcoming year and two successive financial years.

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

The Operational Boundary for external debt is based on the same estimates as the authorised limit but without the additional headroom for unusual cash movements. This level also factors in the proposed approach to use internal cash-flow and future capital receipts as the preferred financing method for the capital programme.

Table 4: Operational Boundary and Authorised Limit

	2026/27 £m	2027/28 £m	2028/29 £m
Operational Boundary – Borrowing	438	526	587
Operational Boundary – Other Long-Term Liabilities	8	8	7
Operational Boundary – TOTAL	446	534	594
Authorised Limit- Borrowing	465	552	612
Authorised Limit – Other Long-Term Liabilities	8	8	7
Authorised Limit – TOTAL	473	560	619

4.2 Security

The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Table 5: Portfolio Average Credit Rating Criteria

Credit Risk Indicator	Target
Portfolio average credit rating	A-

4.3 Liquidity

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

Table 6: Minimum 3 Month Liquidity Limit

Liquidity Risk Indicator	Target
Total cash available within 3 months	£15.000m

4.4 Interest Rate Exposure

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Table 7. Interest Rate Risk Indicator

Interest Rate Risk Indicator	Limit
Upper limit on one-year revenue impact of a 1% rise in interest rates	+/- £0.800m
Upper limit on one-year revenue impact of a 1% fall in interest rates	+/- £0.800m

The impact of this limit is that the Council should never be holding a maturity adjusted net debt/investment position of more than £0.800m subject to variable interest rates.

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at new market rates, this includes amounts which are maturing each year in PWLB annuity loans.

4.5 Maturity Structure of Borrowing

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Table 8: Borrowing Maturity Limits

Refinancing Rate Risk Indicator	Upper Limit	Lower Limit
Under 12 months	30%	0%
12 months and within 24 months	30%	0%
24 months and within 5 years	50%	0%
5 years and within 10 years	75%	0%
10 years and within 20 years	75%	0%
20 years and within 30 years	100%	0%
30 years and within 40 years	100%	0%
40 years and within 50 years	100%	0%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment. For LOBO's this will now be shown as the date of their maturity.

4.6 Long-Term Treasury Management Investments

This indicator looks at investments that at inception are for over 364 days or with no fixed maturity date. The purpose of which is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Table 9: Investment Maturity Limits

Price risk indicator	2026/27	2027/28	2028/29	No Fixed Date
Limit on principal invested beyond year end	£20.000m	£20.000m	£10.000m	£10.000m

Long-term investments with no fixed maturity date include strategic pooled funds and real estate investment trusts but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

5. Related Matters

The CIPFA Code requires the Council to include the following in its Treasury Management Strategy.

5.1 Treasury Management Advisers

The Council has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital finance issues, although responsibility for final decision making remains with the Council and its officers. The services received include:

- advice and guidance on relevant policies, strategies and reports,
- advice on investment decisions,
- notification of credit ratings and changes,
- other information on credit quality,
- advice on debt management decisions,
- accounting advice,
- reports on treasury performance,
- forecasts of interest rates, and
- training courses.

The quality of this service is monitored by officers on a regular basis, focusing on supply of relevant, accurate and timely information across the headings above.

5.2 Financial Derivatives

Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures.

In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

5.3 External Funds

Where schools have not opted to have their own bank account, the Council manages their investment balances as part of its own. The Council treats the schools' balances in its accounts as part of the Council's investment portfolio but assigns a return at a rate of base rate less 0.25% (capped to a minimum of zero where base rate drops below 0.25%) to schools for their respective balances.

5.4 Staff and Councillor Training

The needs of the Council's treasury management staff for training in investment management are assessed every year as part of the staff performance development review process, and additionally when the responsibilities of individual members of staff change.

Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant staff are also encouraged to study professional qualifications from CIPFA, the Association of Corporate Treasurers and other appropriate organisations.

Training in treasury management is also provided to Members of the Audit Committee by the Council's treasury advisors, Arlingclose.

5.5 Financial Implications

The budget for treasury management investment income in 2026/27 is £1.077m, based on an average investment portfolio of £30m at an average interest rate of 3.54%. The budget for debt interest paid in 2026/27 is £12.819m, based on an average debt portfolio of £330.977m at an average interest rate of 3.87%. If actual levels of investments and borrowing, or actual interest rates, differ from those forecasts, performance against budget will be correspondingly different.

Where investment income from strategic pooled funds exceeds budget, then 50% of the revenue savings may be transferred to the Capital Financing Reserve to mitigate the risk of capital losses in future years should valuation losses on fair value treasury assets require recognition, or where capital losses were crystallised on the sale of treasury assets.

5.6 Other Options Considered

The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Director of Finance (S151 Officer), having consulted the Cabinet Member for Resources, believes that the above strategy represents an

appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Table 10: Alternative Treasury Strategy Options Considered

Alternative	Impact on Income and Expenditure	Impact on Risk Management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Annex A – Arlingclose Economic & Interest Rate Forecast – 22nd December 2025

Underlying assumptions:

- The Bank of England duly delivered on expectations for a December rate cut, but, despite softer economic data over the past two weeks, the minutes highlighted increased caution surrounding both the inflation outlook and the speed of future easing. With a close vote of 5-4 in favour of a rate reduction, this suggests that the bar for further monetary easing may be higher than previously thought despite the possibility of the CPI rate falling to target in 2026.
- Budget policies and base effects will mechanically reduce the CPI rate in 2026, on top of the downward pressure arising from soft economic growth and the looser labour market. However, many policymakers appear concerned that household and business inflation and pricing expectations are proving sticky following recent bouts of high price and wage growth, which may allow underlying inflationary pressure to remain elevated. While, the Bank's measure of household expectations ticked lower in December, it remains above levels consistent with the 2% target at 3.5%.
- While policymakers hold valid concerns, these appear somewhat out of line with current conditions; CPI inflation fell to 3.2% in November, private sector wage growth continued to ease amid the highest unemployment rate since the pandemic, and the economy contracted in October after barely growing in Q3. Business surveys pointed to marginally stronger activity and pricing intentions in December but also suggested that the pre-Budget malaise was not temporary. These data are the latest in a trend suggesting challenging economic conditions are feeding into price and wage setting.
- Risks to the growth and inflation outlook lie to the downside, which may ultimately deliver lower Bank Rate than our central case. However, the minutes suggest that the bar to further rate cuts beyond 3.25% is higher and the near-term upside risks to our Bank Rate forecast have increased. Having said that, we believe inflation expectations will naturally decline alongside headline inflation rates.
- Investors appear to have given the UK government some breathing space following the Budget, with long-term yields continuing to trade at slightly lower levels than in late summer/early autumn. Even so, sustained heavy borrowing across advanced economies, the DMO's move towards issuing more short-dated gilts and lingering doubts about the government's fiscal plans will keep short to medium yields above the levels implied by interest rate expectations alone.

Forecast:

- In line with our long-held forecast, Bank Rate was cut to 3.75% in December 2025.
- Continuing disinflation, rising unemployment, softening wage growth and low confidence suggests that monetary policy will continue to be loosened.
- Arlingclose expects Bank Rate to be cut to 3.25% by middle of 2026. However, near-term upside risks to the forecast have increased.
- Medium and long-term gilt yields continue to incorporate premia for UK government credibility, global uncertainty and significant issuance. These issues may not be resolved quickly, and we expect yields to remain higher.

	Current	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28	Dec-28
Official Bank Rate													
Upside risk	0.00	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central Case	3.75	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Downside risk	0.00	0.00	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
3-month money market rate													
Upside risk	0.00	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central Case	3.82	3.55	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.35	3.35	3.35
Downside risk	0.00	0.00	-0.25	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50
5yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	3.96	3.85	3.80	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.80	3.80	3.80
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
10yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.52	4.40	4.35	4.30	4.30	4.30	4.30	4.30	4.30	4.30	4.35	4.35	4.35
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
20yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	5.16	5.00	4.95	4.90	4.90	4.90	4.90	4.90	4.90	4.90	4.95	4.95	4.95
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85
50yr gilt yield													
Upside risk	0.00	0.40	0.45	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.70	0.70	0.70
Central Case	4.74	4.65	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.65	4.65	4.65
Downside risk	0.00	-0.50	-0.60	-0.70	-0.80	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85

PWLB Standard Rate = Gilt yield + 1.00%

PWLB Certainty Rate = Gilt yield + 0.80%

PWLB HRA Rate = Gilt yield + 0.40%

National Wealth Fund (NWF) Rate = Gilt yield + 0.40%

Complete Credit List as at: 31/12/2025

		ARLINCLOSE RECOMMENDS		FITCH RATINGS				MOODY'S RATINGS				STANDARD & POOR'S RATINGS					
Counterparty	Country of Domicile	Maximum Deposit/CD Duration	Covered Bonds	Short- term	Long- term	Viability	Outlook	Short- term	Long- term	Baseline Credit Assess	Outlook	Short- term	Long- term	Outlook	Banking Group	Accepts Deposits	Notes
UNITED KINGDOM: BANKS																	
BANK OF SCOTLAND PLC	GB	6 months	Yes	F1+	AA-	a+	STABLE	P-1	A1	a3	STABLE	A-1	A+	STABLE	Lloyds Banking Group	Yes	Ringfenced bank
LLOYDS BANK PLC	GB	6 months	Yes	F1+	AA-	a+	STABLE	P-1	A1	a3	STABLE	A-1	A+	STABLE		Yes	Ringfenced bank
LLOYDS BANK CORPORATE MARKET	GB	100 days	Yes	F1+	AA-		STABLE	P-1	A1	baa3	STABLE	A-1	A	STABLE			Non-ringfenced bank
BARCLAYS BANK PLC	GB	6 months	Yes	F1	A+	a	STABLE	P-1	A1	baa2	STABLE	A-1	A+	STABLE	Barclays Group	Yes	Non-ringfenced bank
BARCLAYS BANK UK PLC	GB	6 months	Yes	F1	A+	a	STABLE	P-1	A1	a3	STABLE	A-1	A+	STABLE		Yes	Ringfenced bank
CLYDESDALE BANK	GB	100 days	Yes	F1	A+	a	STABLE	P-1	A1	a3	STABLE	A-1	A+	STABLE	Nationwide	Yes	Also trades as Virgin Money
HANDELSBANKEN PLC	GB	6 months	-	F1+	AA		STABLE					A-1+	AA-	STABLE	Svenska HB	Yes	
HSBC BANK PLC	GB	6 months	Yes	F1+	AA-	a	STABLE	P-1	A1	baa3	STABLE	A-1	A+	STABLE	HSBC Group	Yes	Non-ringfenced bank
HSBC UK BANK PLC	GB	6 months	Yes	F1+	AA-	a+	STABLE	P-1	Aa3	a3	STABLE	A-1	A+	STABLE		Yes	Ringfenced bank
NATIONAL WESTMINSTER BANK	GB	6 months	Yes	F1+	AA-	a+	STABLE	P-1	A1	a3	STABLE	A-1	A+	STABLE	NatWest Group	Yes	Ringfenced bank
NATWEST MARKETS PLC	GB	6 months	Yes	F1+	AA-		STABLE	P-1	A1	baa3	STABLE	A-1	A	STABLE		Yes	Non-ringfenced bank
ROYAL BANK OF SCOTLAND PLC/T	GB	6 months	Yes	F1+	AA-	a+	STABLE	(P)P-1	A1	a3	STABLE	A-1	A+	STABLE		Yes	Ringfenced bank
SANTANDER UK PLC	GB	6 months	Yes	F1	A+	a	STABLE	P-1	A1	baa1	STABLE	A-1	A	STABLE	Santander	Yes	Ringfenced bank
STANDARD CHARTERED BANK	GB	6 months	Yes	F1	A+	a	STABLE	P-1	A1	baa2	STABLE	A-1	A+	STABLE		Yes	
UK: BUILDING SOCIETIES																	
NATIONWIDE BUILDING SOCIETY	GB	6 months	Yes	F1	A+	a	STABLE	P-1	A1	a3	STABLE	A-1	A+	STABLE	Nationwide	Yes	
UK: LOCAL AUTHORITIES																	
ABERDEEN CITY COUNCIL	GB	2 years +	-						A2	baa1	STABLE						
GREATER LONDON AUTHORITY	GB	2 years +	-									A-1+	AA	STABLE			
LANSHIRE COUNTY COUNCIL	GB	2 years +	-	F1+	A+		NEG		A2	baa2	STABLE		NR				
SUTTON LONDON BOROUGH OF	EN	2 years +	-						A1	a3	STABLE						
TRANSPORT FOR LONDON	GB	2 years	-		AA-		STABLE	P-1	A1	a2	STABLE	A-1+	AA-	STABLE			
WESTMINSTER CITY COUNCIL	GB	2 years +	-	F1+					Aa3	a1	STABLE						
UK: OTHER INSTITUTIONS																	
LCR FINANCE PLC	EN	10 years	-		AA-		STABLE		Aa3		STABLE		AA				
NETWORK RAIL INFRASTRUCTURE	GB	10 years	-		AA-		STABLE	P-1	Aa3		STABLE						
UNITED KINGDOM	GB	50 years	-		AA-u		STABLE		Aa3		STABLE	A-1+u	AAu	STABLE		Yes	
OTHER LOCAL AUTHORITIES	GB	50 years	-		AA-u		STABLE		Aa3		STABLE	A-1+u	AAu	STABLE		Yes	
WELLCOME TRUST FINANCE PLC	GB	15 years	-	F1+u					Aaa		STABLE		AAA	STABLE			
AUSTRALIA		AU	-		AAAu		STABLE		Aaa		STABLE	A-1+u	AAAu	STABLE			
AUST AND NZ BANKING GROUP	AU	6 months	-	F1+u	AA-	a+	STABLE	P-1	Aa2	a2	STABLE	A-1+	AA-	STABLE		Yes	
COMMONWEALTH BANK OF AUSTRAL	AU	6 months	Yes	F1+	AA-	a+	POS	P-1	Aa2	a1	STABLE	A-1+	AA-	STABLE		Yes	
NATIONAL AUSTRALIA BANK LTD	AU	6 months	Yes	F1+	AA-	a+	STABLE	P-1	Aa2	a2	STABLE	A-1+	AA-	STABLE		Yes	
WESTPAC BANKING CORP	AU	6 months	-	F1+	AA-	a+	STABLE	P-1	Aa2	a2	STABLE	A-1+	AA-	STABLE		Yes	
AUSTRIA	AS		-	F1+	AAu		STABLE	P-1	Aa1		NEG	A-1+	AA+	STABLE			
OESTERREICHISCHE KONTROLLBANK	AS	10 years	-	F1+u				P-1	Aa1		NEG	A-1+	AA+	STABLE		Yes	"OKB"
CANADA		CA	-		AA+u		STABLE	P-1	Aaa		STABLE	A-1+	AAA	STABLE			
BANK OF MONTREAL	CA	6 months	Yes	F1+u	AA	aa-	STABLE	P-1	Aa2	a3	STABLE	A-1	A+	STABLE		Yes	
BANK OF NOVA SCOTIA	CA	6 months	Yes	F1+	AA	aa-	STABLE	P-1	Aa2	a3	STABLE	A-1	A+	STABLE		Yes	
CAN IMPERIAL BK OF COMMERCE	CA	6 months	Yes	F1+	AA	aa-	STABLE	P-1	Aa2	a3	STABLE	A-1	A+	STABLE		Yes	
EXPORT DEVELOPMENT CANADA	CA	10 years	-	F1+				P-1	Aaa		STABLE	A-1+	AAA	STABLE		Yes	
NATIONAL BANK OF CANADA	CA	100 days	-		AA-	a+	STABLE	P-1	Aa2	a3	STABLE	A-1	A+	STABLE		Yes	
ROYAL BANK OF CANADA	CA	6 months	Yes	F1+	AA	aa-	STABLE	P-1	Aa1	a2	STABLE	A-1+	AA-	STABLE		Yes	
TORONTO-DOMINION BANK	CA	6 months	Yes	F1+	AA	aa-	NEG	P-1	Aa1	a2	STABLE	A-1	A+	STABLE		Yes	
DENMARK		DE	-	F1+	AAA		STABLE	P-1	Aaa		STABLE	A-1+u	AAAu	STABLE			
KOMMUNEKREDIT	DE	10 years	-	F1+				P-1	Aaa		STABLE	A-1+	AAA	STABLE			

Counterparty	Country of Domicile	ARLINCLOSE RECOMMENDS		FITCH RATINGS				MOODY'S RATINGS				STANDARD & POOR'S RATINGS			Banking Group	Accepts Deposits	Notes
		Maximum Deposit/CD Duration	Covered Bonds	Short-term	Long-term	Viability	Outlook	Short-term	Long-term	Baseline Credit Assess	Outlook	Short-term	Long-term	Outlook			
FINLAND	FI		-		AA		STABLE	P-1	Aa1		STABLE	A-1+u	AA+u	STABLE			
MUNICIPALITY FINANCE PLC	FI	10 years	-	F1+					Aa1		STABLE	A-1+	AA+	STABLE		Yes	
NORDEA BANK ABP	FI	6 months	-	F1+	AA	aa-	STABLE	P-1	Aa2	a2	STABLE	A-1+	AA-	STABLE		Yes	
OP CORPORATE BANK PLC	FI	100 days	-	F1+				P-1	Aa3	a3	STABLE	A-1+	AA-	STABLE		Yes	
FRANCE	FR		-		A+u		STABLE		Aa3		NEG	A-1u	A+u	STABLE			
GERMANY	GE		-		AAAu		STABLE		Aaa		STABLE	A-1+u	AAAu	STABLE			
BAYERISCHE LANDESBANK	GE	6 months	-	F1+u	AA-	bbb+	STABLE	P-1	Aa2	baa1	STABLE	NR	NR			Yes	"BayernLB"
DZ BANK AG DEUTSCHE ZENTRAL-	GE	6 months	-	F1+	AA		STABLE	P-1	Aa2	baa1	STABLE	A-1	A+	STABLE		Yes	
FMS WERTMANAGEMENT	GE	25 years	-	F1+				P-1	Aaa		STABLE	A-1+	AAA	STABLE		Yes	
KREDITANSTALT FUER WIEDERAUFBRAU (KFW)	GE	25 years	-		AAAu		STABLE	P-1			STABLE	A-1+	AAA	STABLE			"KfW"
LANDESBANK BADEN-WUERTTEMBER	GE	6 months	-	F1+u	AA-	bbb+	STABLE	P-1	Aa2	baa2	STABLE	NR	NR				"LBBW"
LANDESBANK HESSEN-THURINGEN	GE	6 months	-	F1+	AA-		STABLE	P-1	Aa2	baa2	STABLE	NR	NR			Yes	"Helaba"
LANDESKRED BADEN-WUERTT FOER	GE	25 years	-	F1+	AAA		STABLE	P-1	Aaa		STABLE	A-1+	AA+	STABLE		Yes	"L-Bank"
LANDWIRTSCHAFTLICHE RENTENBA	GE	25 years	-	F1+	AAA		STABLE	P-1	Aaa		STABLE	A-1+	AAA	STABLE		Yes	"Rentenbank"
IRELAND	IR		-	F1+	AA		STABLE	P-1	Aa3		POS	A-1+	AA	POS			
NETHERLANDS	NE		-	F1	AAAu		STABLE	P-1u	Aaa		STABLE	A-1+u	AAAu	STABLE			
BNG BANK NV	NE	5 years	-	F1+u	AAA		STABLE	P-1	Aaa	a1	STABLE	A-1+	AAA	STABLE		Yes	
COOPERATIEVE RABOBANK UA	NE	6 months	-	F1+	AA-	a+	STABLE	P-1	Aa2	a3	STABLE	A-1	A+	STABLE		Yes	"Rabobank"
NEDERLANDSE WATERSCHAPSBANK	NE	5 years	-	F1+				P-1	Aaa	a1	STABLE	A-1+	AAA	STABLE		Yes	
NORWAY	NO		-		AAAu		STABLE		Aaa		STABLE	A-1+u	AAAu	STABLE			
KOMMUNALBANKEN AS	NO	5 years	-	F1+u				P-1	Aaa	a1	STABLE	A-1+	AAA	STABLE		Yes	
SCOTLAND	SI	5 years	-						Aa3	a1	STABLE		AA	STABLE			
SINGAPORE	SI		-		AAAu		STABLE		Aaa		STABLE	A-1+u	AAAu	STABLE			
DBF BANK LTD	SI	6 months	Yes	F1+u	AA-	aa-	STABLE	P-1	Aa1	a1	STABLE	A-1+	AA-	STABLE		Yes	
OVERSEA-CHINESE BANKING CORP	SI	6 months	Yes	F1+	AA-	aa-	STABLE	P-1	Aa1	a1	STABLE	A-1+	AA-	STABLE		Yes	
UNITED OVERSEAS BANK LTD	SI	6 months	Yes	F1+	AA-	aa-	STABLE	P-1	Aa1	a1	STABLE	A-1+	AA-	STABLE		Yes	
SWEDEN	SW		-	F1+	AAAu		STABLE	P-1	Aaa		STABLE	A-1+u	AAAu	STABLE			
SVENSKA HANDELSBANKEN-A SHS	SW	6 months	-	F1+u	AA+	aa	STABLE	P-1	Aa1	a2	STABLE	A-1+	AA-	STABLE	Svenska HB		
SVENSK EXPORTKREDIT AB	SW	5 years	-	F1+				P-1	Aa1	a2	STABLE	A-1+	AA+	STABLE			
UNITED STATES OF AMERICA	US		-		AA+u		STABLE		Aa1		STABLE	A-1+u	AA+u	STABLE			
NORTHERN TRUST CO	US	100 days	-	F1+u	AA	aa-	STABLE	P-1	Aa1	a1	STABLE	A-1+	AA-	STABLE			
SUPRANATIONAL				F1+													
AFRICAN DEVELOPMENT BANK (AfDB)	IV	5 years	-		AAA		STABLE	P-1	Aaa		STABLE	A-1+	AAA	STABLE			
ASIAN DEVELOPMENT BANK	PH	5 years	-	F1+	AAA		STABLE	P-1	Aaa		STABLE	A-1+	AAA	STABLE			
COUNCIL OF EUROPE DEVELOPMENT BANK (CEDB)	FR	15 years	-	F1+	AAA		STABLE	P-1	Aaa		STABLE	A-1+	AAA	STABLE			
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD)	GB	25 years	-	F1+	AAA		STABLE	P-1	Aaa		STABLE	A-1+	AAA	STABLE			
EUROPEAN INVESTMENT BANK (EIB)	LX	25 years	-	F1+	AAA		STABLE	P-1	Aaa		STABLE	A-1+	AAA	STABLE			
INTER-AMERICAN DEVELOPMENT BANK (IADB)	US	25 years	-	F1+	AAAu		STABLE	(P)P-1	Aaa		STABLE	A-1+	AAA	STABLE			
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (THE WORLD BANK)	US	25 years	-	F1+u	AAAu		STABLE	P-1	Aaa		STABLE	A-1+	AAA	STABLE	World Bank Group		"World Bank"
INTERNATIONAL FINANCE CORP	US	5 years	-	F1+u				(P)P-1	(P)Aaa		STABLE	A-1+	AAA	STABLE			
NORDIC INVESTMENT BANK (NIB)	FI	25 years	-					P-1	Aaa		STABLE	A-1+	AAA	STABLE			