

Notice of Cabinet

Date: Wednesday, 15 December 2021 at 10.00 am

Venue: Committee Suite, Civic Centre, Poole BH15 2RU



Membership:

Chairman:

Cllr D Mellor

Vice Chairman:

Cllr P Broadhead

Cllr M Anderson
Cllr B Dove
Cllr B Dunlop
Cllr M Greene

Cllr N Greene
Cllr M Iyengar
Cllr K Rampton
Cllr M White

Lead Members

Cllr H Allen
Cllr S Baron
Cllr N Brooks

Cllr L Fear
Cllr J Kelly
Cllr T Johnson

All Members of the Cabinet are summoned to attend this meeting to consider the items of business set out on the agenda below.

The press and public are welcome to view the live stream of this meeting at the following link:

<https://democracy.bcpCouncil.gov.uk/ieListDocuments.aspx?MId=4839>

If you would like any further information on the items to be considered at the meeting please contact: Sarah Culwick (01202 817615) on 01202 096660 or email democratic.services@bcpCouncil.gov.uk

Press enquiries should be directed to the Press Office: Tel: 01202 118686 or email press.office@bcpCouncil.gov.uk

This notice and all the papers mentioned within it are available at democracy.bcpCouncil.gov.uk

GRAHAM FARRANT
CHIEF EXECUTIVE

26 November 2021



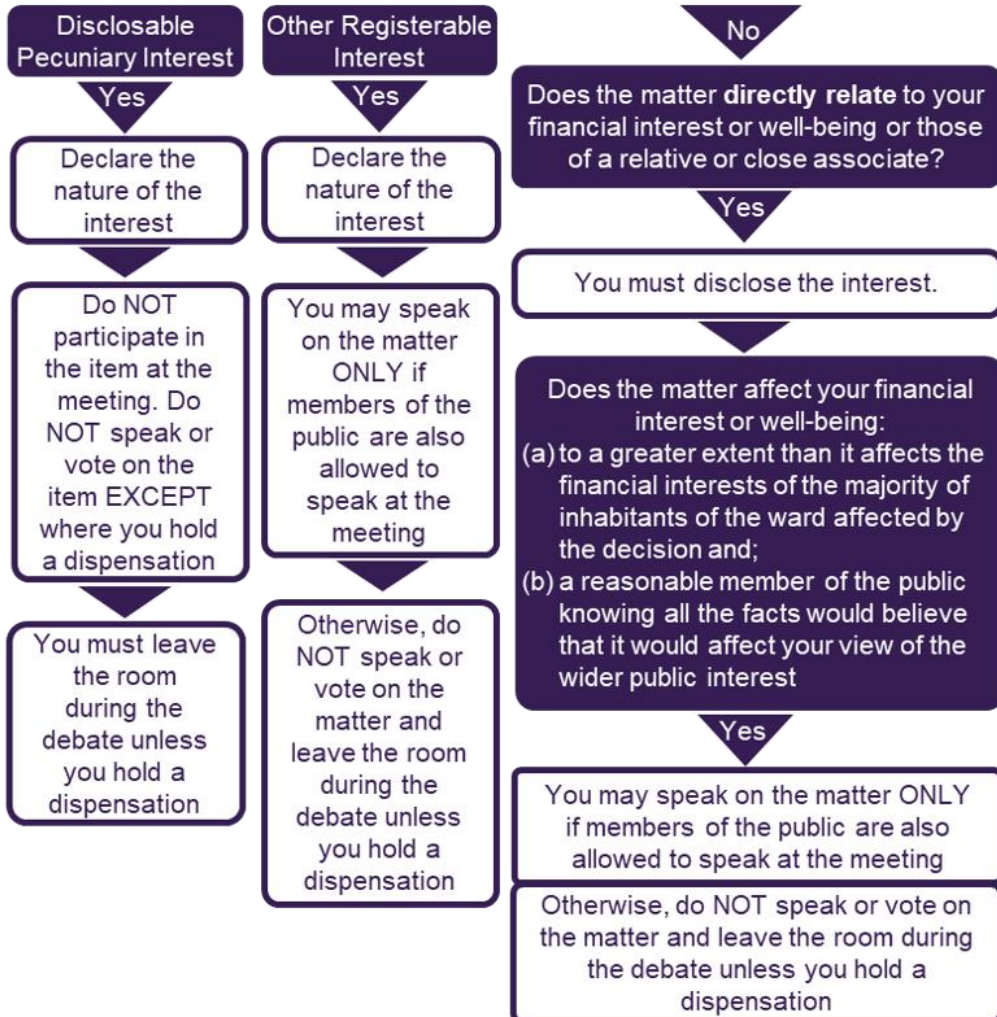
Maintaining and promoting high standards of conduct

Declaring interests at meetings

Familiarise yourself with the Councillor Code of Conduct which can be found in Part 6 of the Council's Constitution.

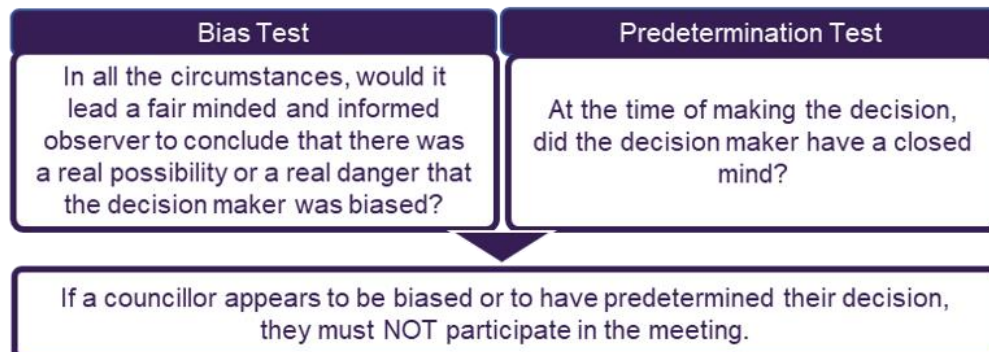
Before the meeting, read the agenda and reports to see if the matters to be discussed at the meeting concern your interests

Do any matters being discussed at the meeting directly relate to your registered interests?



What are the principles of bias and pre-determination and how do they affect my participation in the meeting?

Bias and predetermination are common law concepts. If they affect you, your participation in the meeting may call into question the decision arrived at on the item.



For more information or advice please contact the Monitoring Officer
(susan.zeiss@bcpcouncil.gov.uk)

Selflessness

Councillors should act solely in terms of the public interest

Integrity

Councillors must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships

Objectivity

Councillors must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias

Accountability

Councillors are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this

Openness

Councillors should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing

Honesty & Integrity

Councillors should act with honesty and integrity and should not place themselves in situations where their honesty and integrity may be questioned

Leadership

Councillors should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs

AGENDA

Items to be considered while the meeting is open to the public

1. Apologies

To receive any apologies for absence from Councillors.

2. Declarations of Interests

Councillors are requested to declare any interests on items included in this agenda. Please refer to the workflow on the preceding page for guidance.

Declarations received will be reported at the meeting.

3. Confirmation of Minutes

To confirm and sign as a correct record the minutes of the Meeting held on 24 November 2021.

7 - 14

4. Public Issues

To receive any public questions, statements or petitions submitted in accordance with the Constitution. Further information on the requirements for submitting these is available to view at the following link:-

<https://democracy.bcpccouncil.gov.uk/ieListMeetings.aspx?CommitteeID=151&Info=1&bcr=1>

The deadline for the submission of public questions is 4 clear working days before the meeting.

The deadline for the submission of a statement is midday the working day before the meeting.

The deadline for the submission of a petition is 10 working days before the meeting.

5. Recommendations from the Overview and Scrutiny Board

To consider recommendations from the Overview and Scrutiny Board on items not otherwise included on the Cabinet Agenda.

6. Quarter Two Budget Monitoring 2021/22

15 - 54

This report includes 2021/22 budget monitoring information as at the end of September 2021. The projected outturn for the revenue account can be balanced by allocating a further £4.2 million from the Covid pressures grant tranche 5.

The projection for the 2021/22 revenue account is an overspend of £10.2 million within services and the transformation programme. The application of largely one-off central resources can balance this position, including the release into the revenue account of further Covid pressures grant tranche 5, leaving £4.0 million available to support Covid pressures next year. The updated 2021/22 projections for reserve movements, the capital programme and housing revenue account (HRA) are also included.

7.	Medium Term Financial Plan (MTFP) Update	55 - 80
	This report details the progress made in the development of a robust balanced budget for 2022/23. The report also sets out. • The latest Medium Term Financial Plan (MTFP) position. • An update on the key assumptions being applied to the 2022/23 budget and MTFP process. • An update of the key financial risks faced by the Council. • Details of the Government's Spending Review (SR21). In addition, the report proposes not to change the Local Council Tax Support Scheme (LCTSS) for 2022/23 and therefore the council will continue to operate the same scheme that it has operated since April 2019.	
8.	Biodiversity Net Gain	81 - 86
	Biodiversity Net Gain is an approach to development and / or land management that aims to leave biodiversity in a measurably better state than before. Biodiversity Net Gain in the development process is now a statutory requirement following Environment Act coming into force in November 2021. The Act proposes to require all development to deliver a mandatory 10% biodiversity net gain to be maintained for at least 30 years. Further resources and work are required for BCP Council to be ready for the implementation of biodiversity net gain on a much wider scale than at present. This paper advises on the actions envisaged to do this including the need to appoint 2 additional ecology officers to support the planning process once the mandatory net gain requirements are brought into force.	
9.	Make Ashley Road Safe Petition	87 - 100
	At the Council meeting on 14 September 2021, a petition was presented entitled "Make Ashley Road Safe Petition". The petition stated that "Drug use, drug dealing, theft, fighting, intimidation, abuse and public indecency on Ashley Road has been causing residents, shoppers and shop workers misery over the last few of years." The petition called for "BCP Council and Dorset Police to take action and end the serious anti-social behaviour issues and illegal activity that residents witness every day on Ashley Road, Poole." This report sets out the Community Safety Partnerships approach to tackling place based anti-social behaviour and the specific work that has been done in Ashley Road to date	
10.	School Admissions Arrangements 2023/24 for community and maintained schools	101 - 116
	This report authorises consultation on the admissions arrangements for community and maintained schools for the school year 2023/2024. The only significant change is a proposal to consult on the reduction of the published admission number at Burton Primary School from 60 to 45 from the school year 2023/24 at the request of the governing body.	

11.	Home to School Transport Policy	117 - 154
	BCP Council is legally required to have a single home to school transport policy. A BCP Council Policy has been drafted to replace the three existing policies. The draft policy has been developed to ensure consistency across the conurbation. It will provide a single point of reference for families and officers regarding eligibility and how it is assessed. Permission to publicly consult in January-February 2022 is being sought from cabinet. The consultation will be held in accordance with the requirements of the Department for Education's statutory guidance. Key stakeholders will be targeted during the consultation period.	
12.	Capital expenditure to enable bulge classes at the Avonbourne Schools	155 - 158
	The report proposes that Cabinet approve up to £500,000 capital expenditure to enable the Avonbourne Schools to undertake remodelling so that they can take up to two bulge classes. Pupil place planning projections suggest there may be insufficient places available in the local area in the admissions years 2022 and 2023. Providing for bulge classes would ensure that the council meets its statutory responsibility to provide sufficient school places for all school age children living within the area.	
13.	Concessionary Fares Bus Operator Reimbursement	159 - 196
	To seek approval to continue to maintain statutory concessionary travel reimbursement payments to local bus service operators at pre-COVID levels in line with government expectations. To note the government's implementation of a concessionary travel recovery strategy at the start of the next financial year (2022/23) which will facilitate Travel Concession Authorities (TCAs) to return to making payments to meet the actual patronage levels.	
14.	Housing scheme at Herbert Avenue, POOLE.	197 - 252
	The Herbert Ave scheme is also known as site 10 (of 24) that is in the Council New build Housing and Acquisition Strategy (CNHAS) Programme approved by Cabinet on the 29th September 2021. At that time officers were undertaking a new construction tender process for Herbert Ave and therefore it could not be incorporated within the CNHAS paper. The decision by the preferred bidder from the original 2019 procurement process, not to execute the agreement offered to them by withdrawing in January 2021 - has determined the need to engage the marketplace again. The results from this new 2021 procurement activity generates the necessity for a revised Cabinet approval in respect of an increase in said construction costs - from that which was approved previously. This paper therefore brings forward the recommendation for the award of a contract to the new preferred bidder for the delivery of critical works at Herbert Ave. These works will deliver the construction of 24 new temporary	

accommodation units for families, relieving to a significant degree, the existing Bed and Breakfast reliance.

They will be built using Passive House design principles which the planning approval requires, to ensure they provide high levels of thermal efficiency and minimise the need for expensive space heating systems.

The report also provides the background to the market procurement constraints that have previously impacted on the delivery of this development project and presents the evaluation outcome of the recent competitive market procurement exercise for the selection of preferred bidder and award of contract for the construction of the temporary accommodation buildings.

15. Urgent Decisions taken by the Chief Executive in accordance with the Constitution

The Chief Executive to report on any decisions taken under urgency provisions in accordance with the Constitution.

Verbal
Report

16. Cabinet Forward Plan

To consider the latest version of the Cabinet Forward Plan for approval.

To Follow

No other items of business can be considered unless the Chairman decides the matter is urgent for reasons that must be specified and recorded in the Minutes.

BOURNEMOUTH, CHRISTCHURCH AND POOLE COUNCIL
CABINET

Minutes of the Meeting held on 24 November 2021 at 10.00 am

Present:-

Cllr D Mellor – Chairman

Cllr P Broadhead – Vice-Chairman

Present: Cllr M Anderson, Cllr B Dunlop, Cllr M Iyengar, Cllr K Rampton and Cllr M White

Present virtually: Cllr B Dove, Cllr M Greene and Cllr N Greene (Councillors Dove, M Greene and N Greene attended virtually and were therefore unable to participate in the voting on the items listed below)

Lead Members: Cllr H Allen, Cllr N Brooks, Cllr L Fear and Cllr J Kelly

Also in attendance virtually: Cllr S Bartlett, Cllr R Burton and Cllr G Farquhar

82. Declarations of Interests

There were no declarations of interest made on this occasion.

83. Confirmation of Minutes

The Minutes of the Cabinet meeting held on 27 October were confirmed and signed as a correct record.

84. Public Issues

The Leader advised that there had been no questions, statements or petitions received from members of the public on this occasion.

85. Recommendations from the Overview and Scrutiny Board

Cabinet was advised that there were no additional recommendations from the Overview and Scrutiny Board on items not otherwise included on the Cabinet Agenda on this occasion.

86. Estates and Accommodation - BCP Civic Space

The Leader of the Council presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'A' to these Minutes in the Minute Book.

Cabinet was advised that the creation of the BCP Council Civic Centre is part of the first phase in the council's Estates and Accommodation Strategy, which aims to establish a 'fit for purpose' corporate estate that can effectively support council's services and the delivery of its priorities.

In relation to this Cabinet was informed that the November 2020 Estates & Accommodation Cabinet Report focussed on the remodelling of the officer accommodation areas of the former town hall complex as a priority, and that it also proposed setting up a Members' Working Group to consider and lead on the development of the Civic accommodation, as a subsequent phase.

Further to this Cabinet was advised that a Members Working Group had been established in early 2021, to identify the needs of the civic space in the BCP Council Civic Centre, and that this report responds to the working group's considerations and proposes additional investment in the BCP Council Civic Centre to ensure that the building provides fit for purpose accommodation to support the council's democratic processes as well as the other functions that are typically delivered from the building's civic spaces.

Councillor Filer addressed the Cabinet as Chairman of the Working Group which highlighting the work which had been carried out.

Cabinet was informed that works would include improved accessibility and the adoption of technology solutions that support transparency and wider engagement in the council's decision making, and that whilst the original town hall presents challenges in terms of making changes or adaptations to the building's heritage features, a pragmatic and prudent approach to cost has been taken to ensure value for money.

RESOLVED that: -

- a) the remodelling of the BCP Civic Space as outlined in this report be approved;**

RECOMMENDED that: -

- b) the Phase 1 project budget set out in Appendix 3 of £1.067 million, of which £0.611 million will be funded from prudential borrowing, for onward recommendation to Council**

RESOLVED that: -

- c) Cabinet authorises the commencement of the procurement process and delegates authority to award contracts to implement the remodelling project to the Chief Executive, in consultation with the Leader, and Corporate Director Resources, in accordance with delegated authorities and the council's financial regulations**

Voting: Unanimous

Portfolio Holder: Leader of the Council

87. BCP Futures – a new Economic Development Strategy for BCP

The Portfolio Holder for Development Growth and Regeneration presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'B' to these Minutes in the Minute Book.

Cabinet was informed that Bournemouth, Christchurch and Poole Council (BCP Council) has recently created BCP Futures which is a concept and a

brand to unite our work to shape the future strategic direction of our city region, and that this ambitious and forward-thinking BCP economic development strategy (Appendix 1) is a key part of this work.

In relation to this Cabinet was advised that the strategy outlines our Prosperity Deal with businesses: the council will remove the barriers to productivity and invest in the environment for growth in return for businesses improving their productivity, raising wages and therefore living standards, and that an essential feature of the deal will be an enhanced concierge service for businesses provided by the economic development team with the overarching aim of the strategy being to become a top 20 ranked city region in terms productivity by 2026 (measured by Centre for Cities).

Cabinet was further informed that this report highlights the main elements of the strategy and seeks cabinet's approval for it and that the strategy sets the objectives and forms the framework for a project-specific action plan which is already in development.

The Chairman of the Overview and Scrutiny Board addressed the Cabinet advising that at their recent meeting the Board had recognised this as a good piece of work and had advised that they were looking forward to the outputs coming from it.

RESOLVED that Cabinet support and adopt the BCP Economic Development Strategy (EDS).

Voting: Unanimous

Portfolio Holder: Development, Growth and Regeneration

88. An overview of the government's forthcoming Waste Strategy; impacts and opportunities for BCP Council

The Portfolio Holder for Environment and Place presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'C' to these Minutes in the Minute Book.

Cabinet was advised that April 2020 saw the creation of a fully merged BCP Council waste authority following Local Government Reorganisation in 2019. Since then, significant work has been carried out to align policies and services.

Cabinet was further advised that the emergence of the Government's Our Waste Our Resources Strategy, associated national consultations and the imminence of the Environment Bill (anticipated Autumn 2021) have highlighted the potential need for significant changes to how current waste services are managed and funded going forward, and will greatly influence the development of a local Waste Strategy for BCP Council, and that the report summarises the latest consultation themes and outlines the likely impacts for the Council.

In relation to this Cabinet was informed that supportive waste infrastructure is key to both delivering the Council's statutory waste responsibilities and achieving the most financially advantageous operational and contractual arrangements, and that consequently, ahead of 2027, and the tendering of

BCP Council's waste disposal contracts, it is prudent to review the Council's waste assets and provision to bring forward business cases to deliver service efficiencies, security and wider transformational ambitions of the organisation. Cabinet was further informed that the report seeks approval to use existing grant funding to undertake a comprehensive feasibility review and supporting business cases to identify how best to meet the challenges ahead.

Cabinet was advised that in order for BCP Council to respond to the challenges of the national waste landscape and legally comply with the requirements of the forthcoming Environment Bill, the report identifies a required growth in employee resource to evaluate, deliver and embed the required changes across the conurbation, by the Government's proposed implementation deadline of 2023 through to disposal contract tendering in 2027.

RESOLVED that Cabinet: -

- (a) approves up to £300,000 of an available £6.5m DCLG Waste Infrastructure capital fund, is utilised to undertake a feasibility study and develop a business case for disposing of, or repurposing existing operational depots across the Council, and building a modern single operational depot to meet future demand;**
- (b) supports the £260,000 of ongoing revenue funding requested from 2022/23 onwards, to sufficiently resource the Strategic Waste Team within Environment Services to meet statutory requirements;**
- (c) supports the £176,000 of ongoing revenue funding requested from 2022/23 onwards, to sufficiently resource the Commercial Waste Team within Environment Services to ensure there is no business failure;**
- (d) notes that £260,000 and £176,000 per annum from 2022/23 onwards will formally be recommended to Council as part of the 2022/23 budget and Medium-Term Financial Plan Update report in February 2022; and**
- (e) approves that, a comprehensive service review of commercial waste services is undertaken to identify priority areas for service growth, likely income contributions and associated resource requirements.**

Voting: Unanimous

Portfolio Holder: Environment and Place

89. Planning Service Improvement Update

The Portfolio Holder for Development, Growth and Regeneration presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'D' to these Minutes in the Minute Book.

Cabinet was advised that the report provided an update on measures being implemented to deliver a step change in the reputation and performance of

the BCP Planning Service in order to support the delivery of the Big Plan and other corporate priorities, and that it follows a previous report on the Planning Service considered by Cabinet in April 2021 and provides a 6-month update on progress since and actions for the next 6 months.

In relation to this Cabinet was informed that the key improvement activities underway since the last report were as follows:

- Ongoing governance by Planning Improvement Board
- Appointment of interim Planning Service Director and Development Management Manager
- Improved use of data to run service
- Task force approach to dealing with out of time applications and reducing on hand demand
- Use of outsourcing companies to deal with volumes of work needing to be determined
- Validation process review
- Single system and process project moving forward
- Improved engagement with staff and customers
- Major recruitment campaign due to start
- Increased focus on Local Plan progression
- Structural review to begin

The Chairman of the Overview and Scrutiny Board addressed the Cabinet advising that at their recent meeting the Board had been understanding of the work which had been carried out and appreciative of the effort which has been made. In addition, the Chairman stressed the importance of the reputation of the council and whilst acknowledging that the council is meeting government targets in respect of dealing with applications in a timely manner that the Board would like data in respect of the numbers of applications and time taken to deal with them. In closing the Chairman of the Board advised that the Board would seeking an update in February/March 2022.

In addition the Chairman of the Overview and Scrutiny Board advised that there had been some discussion at the Board with regards to

A member of the Cabinet questioned whether there had been any further discussion with regards to the possibility of moving towards there being three planning committees in future.

In relation to this Cabinet was advised that whilst this wasn't included within the agenda that there had been some discussion regarding this matter at the recent Overview and Scrutiny Board meeting, and that at the meeting there had largely been cross party support for not progressing this at this time whilst dealing with the service improvements. Cabinet was informed that when this was previously brought before Cabinet that the move to three committees had been turned down and that it was felt to be too early to bring the matter back.

RESOLVED that Cabinet:-

- (a) note and endorse the measures underway to improve and transform the planning service;**

- (b) approve the actions required for the next 6 months as set out in the report;**
- (c) endorse the additional in-year expenditure required to deliver ongoing service improvements for this financial year as shown in the financial implication section;**
- (d) agree the proposed funding for the additional expenditure as shown in the financial implication section, with delegated authority to the Section 151 Officer to alter the final funding arrangements once the actual figures at the end of the financial year are known; and**
- (e) delegate authority to the Director of Planning in consultation with the Portfolio Holder for Planning to review and deliver improvements to the process around planning application publicity.**

Voting: Unanimous

Portfolio Holder: Development, Growth and Regeneration
Community Safety and Regulatory Services

90. Pokesdown Railway Station Improvement

The Portfolio Holder for Sustainability and Transport presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'E' to these Minutes in the Minute Book.

Cabinet was advised that the report sought the recommendation of Cabinet to Council for allocation of up to £2.6m from BCP's Future Fund to improve Pokesdown Railway Station through a jointly agreed financial arrangement with South Western Railway (SWR) and Network Rail (NR).

In relation to this Cabinet advised that subject to approval of the business case with the Department for Transport (DfT) both SWR and NR are committed to sourcing £3.1M towards the overall project cost of £5.7m to deliver this essential and long-awaited infrastructure with the Council then covering the shortfall up to a maximum of £2.6m.

Cabinet was informed that the anticipated scope of work is shown in the outline business case included within this report at Appendix 1, and that the content is subject to further detailed design and legal consideration.

Cabinet was further informed that this investment shall provide essential access benefits to all users but especially for wheelchair users.

The Chairman of the Overview and Scrutiny Board addressed the Cabinet advising that at their recent meeting the Board had comprehensively discussed the report expressing their concern and questioning why council tax payers should provide finance for such a scheme for which the asset isn't owned by the Council. In relation to this the Chairman of the Overview and Scrutiny Board advised that the Board had proposed the following recommendation in respect of this item:

- 1. The Overview and Scrutiny Board recommended to Cabinet that it approves the following recommendation as part of the Pokesdown Railway Station Improvement Report:*

“That funding options with the Dorset LEP in terms of infrastructure funding are considered and failing that, that BCP Council fully investigates the option of a long term loan to SWR before committing to making this funding allocation”.

2. *The Overview and Scrutiny Board recommended to Cabinet that it does not proceed with recommendations as outlined in the report.*

The Portfolio Holder advised that he appreciated the depth of discussion at the recent Board meeting but stressed that this was a good idea and urged the Cabinet to reject the recommendations of the Board.

In relation to this the Portfolio Holder advised that alternative ways in which this could be funded had been explored and that there were no funds available from the LEP and no option of providing a loan to SWR.

Councillor Farquhar addressed the Cabinet as Ward Member and expressed that whilst he was supportive of the proposed improvements to Pokesdown Railway Station he had serious concerns with regards to the council financing the improvement and providing the funding to SWR who have failed to fulfil their requirement. In relation to this Councillor Farquhar highlighted that it had been indicated that the council should be the funder of last resort and that there had been no documentation provided by officers demonstrating that all other avenues had been explored, and that this would prove helpful particularly for the debate at Council.

Cabinet and Lead Members spoke in support of the item stressing the importance of the improvements.

A statement of support was submitted on behalf of Councillor Jones as Ward Member, Councillor Jones expressed his support of the use of the money to part fund the scheme.

RECOMMENDED that Council: -

- (a) approve £2.6m from BCP’s Future Funds be allocated towards the improvement of Pokesdown Railway Station;**
- (b) approve that delegated joint authority be given to the Director of Transport and Engineering and the Monitoring Officer in consultation with the Portfolio Holder for Transport and Sustainability to finalise a legal agreement with partners to cover the forthcoming arrangement;**
- (c) approve that governance is delegated to the Regeneration Board to monitor and manage project progress including decision making related to any minor variation; and**
- (d) note that the Future funds allocation if approved shall include for any BCP costs to progress the technical, financial and legal work required.**

Voting: Unanimous

Portfolio Holder: Sustainability and Transport

91. Written statement of action for special educational needs and disabilities (SEND).

The Portfolio Holder for Priorities and Delivery presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'F' to these Minutes in the Minute Book.

Cabinet was advised that following a local area SEND inspection by Ofsted and the Care Quality Commission (CQC) in late June 2021, the local authority (LA) and Dorset Clinical Commissioning Group (CCG) must produce and submit a Written Statement of Action (WSOA) by 7 December.

In relation to this Cabinet was informed that the WSoA is being co-produced by a partnership process involving families, schools, Health, the Council and other partners.

The Chairman of the Children's Services Overview and Scrutiny Committee addressed the Cabinet advising that at their meeting the previous evening the Committee had discussed the item and whilst there were no formal recommendations the committee had been supportive of the paper and its recommendations.

RESOLVED that Cabinet: -

- (a) endorse the partnership approach to radically improving special educational needs and disabilities across the BCP area; and**
- (b) delegate authority to the Director of Children's Services in consultation with the Portfolio Holder for Council Priorities and Delivery to sign off the WSoA on behalf of the Council.**

Voting: Unanimous

Portfolio Holder: Council Priorities and Delivery

92. Cabinet Forward Plan

The Leader advised that the latest Cabinet Forward Plan had been published on the Council's website.

The meeting ended at 11:45 am

CHAIRMAN

CABINET



Report subject	Quarter Two Budget Monitoring 2021/22
Meeting date	15 December 2021
Status	Public Report
Executive summary	This report includes 2021/22 budget monitoring information as at the end of September 2021. The projected outturn for the revenue account can be balanced by allocating a further £4.2 million from the Covid pressures grant tranche 5. The projection for the 2021/22 revenue account is an overspend of £10.2 million within services and the transformation programme. The application of largely one-off central resources can balance this position, including the release into the revenue account of further Covid pressures grant tranche 5, leaving £4.0 million available to support Covid pressures next year. The updated 2021/22 projections for reserve movements, the capital programme and housing revenue account (HRA) are also included.
Recommendations	It is RECOMMENDED that Cabinet: 1. Agree the £0.84 million allocation from the contain outbreak management fund (COMF) for additional adult social care expenditure as set out in paragraph 70 and appendix A3. 2. Request that Council delegates the final decisions in spending the COMF allocations for winter planning to the director of public health in consultation with the chief executive, and leader of the council as urgent decisions may be required as considered in paragraph 72. 3. Request that Council approve the use of £4.2 million of the Covid pressures grant to support the net unavoidable pressures within services as set out in paragraph 67. 4. Request Council approve the capital virement to accept new grant funding as set out in paragraph 94.
Reason for recommendations	To comply with accounting codes of practice and best practice which requires councils to regularly monitor the annual budget position. To comply with the council's financial regulations regarding budget virements.

Portfolio Holder(s):	Councillor Drew Mellor, Leader, Finance & Transformation
Corporate Director	Graham Farrant, Chief Executive
Report Authors	Adam Richens, Chief Finance Officer and S.151 Officer Adam.richens@bcpcouncil.gov.uk
Wards	Council-wide
Classification	For Decision

Background

1. In February 2021 Council agreed the annual general fund net revenue budget of £241 million, a capital programme of £125 million and the net use of reserves of £41 million. Budgets were also agreed for the housing revenue account (HRA).
2. At quarter one the projected revenue budget overspend was £12.6 million within services due to one off Covid pressure (£3 million), on-going Covid pressures (£5.5 million) and ongoing service pressures (£4.1 million).
3. This was offset by central savings and one off surpluses within the 2021/22 accounts of £5 million, reducing the net projected overspend to £7.6 million.
4. This position included full delivery of the budgeted £7.5 million transformation savings target for 2021/22 of which £2.4 million had been confirmed as delivered.

Revenue budget monitoring - September 2021

5. The quarter two projection for the 2021/22 revenue budget outturn is an overspend of £10.2 million within services and transformation. The reasons can be summarised as follows:
 1. £3.0 m Covid pressures potentially one-off in nature
 2. £5.1 m Ongoing Covid related pressures
 3. £3.5 m Ongoing service pressures
 4. (£2.7m) Ongoing carparking income recovery (but still below pre Covid)
 5. (£2.4m) Grants received to replace base budget or overspend
 6. £3.7 m Transformation programme net savings shortfall
6. There is an interest saving of £0.6 million outside of services. The resulting net overspend can be offset by the application of the following resources that naturally fall as one-off surpluses with the 2021/22 accounts:
 - £2.9 m Refinancing of the capital programme resources (2020/21 outturn)
 - £1.4 m Extra sales, fees and charges grant income confirmed for 2020/21
 - £0.5 m Extra sales fees and charges grant income estimated for 2021/22
 - £0.4 m Dividend from the local authority trading company (Tricuro)
 - £0.2 m Net other changes
 - £4.2 m Drawdown of Covid pressures grant tranche 5 (leaving £4.0 million for transfer to earmarked reserves)

7. A summary of the revenue outturn position as projected at the end of quarter two is shown in the table below. This includes the proposed use of the covid pressures grant to balance the budget due to unavoidable net pressures, with the remaining level of grant that would be transferred to reserves shown as a surplus at the bottom of the table.

Figure 1: General Fund – Summary projected outturn as at 31 March 2022

Directorate	Working Budget	Forecast Outturn	Forecast Variance
Adult Social Care	209,431	227,866	18,436
	(94,086)	(111,096)	(17,010)
Adult Social Care Total	115,345	116,771	1,426
Children's Services (excl. DSG)	81,300	91,924	10,623
	(12,051)	(13,426)	(1,375)
Children's Services Total	69,250	78,498	9,248
Operations	165,556	168,546	2,990
	(95,284)	(102,906)	(7,622)
Environment & Community Total	70,272	65,640	(4,632)
Resources & Chief Executive Office	151,214	152,436	1,222
	(111,909)	(112,693)	(785)
Resources & Chief Executive Office Total	39,306	39,743	438
Net Cost of Services	294,172	300,652	6,480
Transformation (including target savings)	22,015	25,705	3,690
	(23,590)	(23,590)	0
Transformation Total	(1,575)	2,115	3,690
Net Position	292,597	302,767	10,170
Covid Pressures Grant Committed	(1,700)	(1,700)	0
Release of Residual Covid Grants Tranche 5	0	(8,193)	(8,193)
Refinancing of Capital Expenditure	0	(2,900)	(2,900)
Sales, fees and charges compensation 2021/22	(1,649)	(2,149)	(500)
Reserves use Covid Sales, Fees and Charges	0	(1,402)	(1,402)
Other Corporate Items	(289,249)	(290,462)	(1,213)
Total Budget	(0)	(4,038)	(4,038)

8. The overspend at service level has reduced from £12.6 million at quarter one to £6.5 million at quarter two. This is largely due to place operations which has moved into a £4.6 million budget surplus, compared with a projected overspend

of £0.3 million at quarter one. The improvement is from increased income, particularly car parking and seafront, and reduced costs of waste disposal.

9. This improved position in place operations has been partially offset by recognising the delay in achieving the target transformation savings this year along with the reprofile of related expenditure, with a net £3.7 million budget shortfall now reflected. There may be some further savings in the transformation programme in the second half of the year from staff restructuring underway and activity to reduce expenditure through enhanced commissioning activity.
10. The approach continues to be the management of the financial position by expecting services to deliver within the envelope of their original 2021/22 budget as far as possible. However, for children's services there is recognition that further budget support is needed from measures to improve the service. The projected overspend compared with quarter one has reduce by £0.4 million due to the award of government grant to support unbudgeted improvement activity. In addition, for adult social care (ASC) services there are unavoidable market pressures related to the Covid hospital discharge scheme arrangements with processes also requiring additional staff resources. ASC during quarter two has reduced its projected overspend by £0.6 million largely from additional income.
11. The mitigation strategy to balance the budget proposed in this report is to drawdown further allocations of £4.2 million from the tranche 5 covid pressures grant to support net overall budget pressures. This is in addition to the specific allocations to services already made of £1.7 million from this grant for expenditure related to the pandemic. This leaves a balance of £4.0 million available from the £9.9 million grant to carry forward into next year. This is the surplus showing in the above table which would be transferred into reserves.
12. The detail of projected variances is included in Appendix A1. A general fund summary forecast outturn is included in Appendix A2.

Summary of 2021/22 projected outturn by directorate

13. The following paragraphs summarise the projected 2021/22 budget position for each directorate.

Adult Social Care - net overspend £1.4 million (1.2%)

14. The ASC overspend has reduced by £0.6 million overall compared with quarter one. Covid pressures on care costs have increased alongside growth in other care service demands over quarter two. There is offset from additional income from the NHS and client contributions with new savings reported from employee vacancies.
15. The highest contributor to the overspend is related to extra Covid costs, with £1.5 million from higher cost care packages due to the hospital discharge scheme introduced by the government during the pandemic. Residential care costs continue to be above budget because of market forces and home care packages of increasing size. Not all clients can recover and regain independence within the 4 weeks of leaving hospital, as specified in national guidance, because of capacity shortages in NHS therapy services. Packages of care that are picked up to be funded by BCP after the 4 week NHS funded period will be larger and of higher cost because patients are discharged earlier, more dependent, and often without the recovery services they need. Although the hospital discharge scheme

is due to end on 31 March 2022, it is likely that higher market costs and higher hospital discharge demand will continue from Covid infections and the enduring impact of the pandemic on the health and social care system

16. The additional committed cost of managing the hospital discharge scheme this year is anticipated to be £0.16 million with the existing level of progress being made. However, this is not sufficient to adequately manage the scheme processes. The forecast includes the recruitment of additional staff to administer the scheme and catch up with the backlog of cases accumulated during the pandemic with this further cost of £0.4 million funded by tranche 5 of the Covid pressures grant to complete all process after the end of the scheme.
17. Not directly linked to Covid, is a £0.8 million projected overspend in packages of care mainly due to demands from older people. The projections for older people remain volatile as costs continue to increase. Residential fees are now 3% above budget, 10% higher than the same time last year and 16.6% higher than pre-pandemic.
18. The medium term financial plan is being updated to allow for the level of exceptional increase in residential fees and additional demand for both care home placements and larger home care packages following hospital discharge
19. The £0.5 million projected additional refunds from the NHS for clients eligible for continuing health care (CHC) are due to more people with learning disabilities being found to be CHC eligible. As the backlog for CHC applications, which accumulated due to a pause in NHS CHC activity during the pandemic, begins to be cleared, the overall impact of these refunds will become more apparent.
20. There is £0.2 million over recovery projected for service user contributions.
21. Projected employee savings of £0.1 million are projected from vacancies which have not been filled due to workforce shortages.
22. The shortage of home care workforce capacity is leading to a higher number of residential care placements and more people waiting for domiciliary care to become available, adding uncertainty to the projections

Workforce capacity and winter plan fund

23. On the 4 November the council was notified of the provisional allocation of £1.183 million workforce capacity fund for the winter plan as announced on 25 October. The detail is as follows:
 - a. This grant must only be used to deliver measures that address local workforce capacity pressures in adult social care between 21 October 2021 and 31 March 2022 through recruitment and retention activity. Councils are expected to work closely with their provider partners to think innovatively about the measures they put in place individually and collectively, including passporting funding directly to providers where appropriate. It will be important to retain existing staff capacity as well as encourage new and returning entrants.
 - b. It is paid in two instalments, 60% (£0.71 million in November 2021 and 40% (£0.473 million) in January 2022.
24. The funding should be spent only on time-limited activity during the 21 October 2021 to 31 March 2022. If a local authority chooses to make payments to providers, where possible, they should endeavour to passport funds as early as

possible during the grant period to ensure providers have time to use the resources to maximum effect. Due to the short timescale to deployment the chief executive will make an urgent decision to accept the grant and agree the spending plan in consultation with the portfolio holder for ASC.

25. There are prescriptive and discretionary elements to the fund. Due to the short timescale to deployment the chief executive will make an urgent decision to accept the grant and agree the spending plan in consultation with the portfolio holder for ASC.

Infection control grant round 3 fund

26. On 21 October the Department of Health and Social Care (DHSC) published the guidance and allocation of round 3 of the Infection Control Fund. It comprises three distinct allocations of funding for infection prevention and control, vaccines, and testing. The fund is split in two categories
- a. A mandatory allocation of £2.672m strictly prescribed by the grant conditions to be distributed to care providers within 20 days of receipt. The fund is paid in two instalments, 60% (£1.603 million) in November 2021 and 40% (£1.069 million) in January 2022. The council has no discretion over the method of distribution.
 - b. A discretionary allocation of £1.093 million which will require specific approval. This element is also paid in two instalments, 60% (£0.656 million) in November and the remaining 40% (£0.437 million) in January 2022.
27. As for the workforce capacity fund, due to the need to allocate funding quickly the chief executive will make an urgent decision to accept the grant and agree the spending plan in consultation with the portfolio holder for ASC.

Children's Services - net overspend £9.2 million (13.4%)

28. The overall forecast position has reduced by £0.4 million reflecting the award of funding from the Department of Education for service improvement in children's social care, with activity already underway and included in the projected overspend at quarter one.
29. The projected overspend relating to the cost of care has decreased from quarter one of £4.3 million to £3.7 million for quarter two. This includes new placements made but more than offset by successful reunifications home for some children together with other demand strategies relating to placement costs. There are still clear national, regional, and local cost pressures that reflect increased demand for all placement types, specifically for children with very complex needs, and with rising costs for individual packages but these pressures continue to be scrutinised and managed at pace.
30. The other area of significant pressure is staffing. This has increased since quarter one and the total forecast variance is now £5.2 million net of government grant (57% of the overspend). There continues to be considerable market difficulties in the recruitment of permanent workers causing the continued and increased use of higher cost agency staff against established posts within social care.
31. In addition to the agency use against established posts there are several extra agency social workers over establishment to cover current levels of increased demand. The planned reduction of these over establishment agency staff has

commenced with the service identifying a number of agency staff to end from the end of November onwards to reduce the overspend. A proportion of this reduction is already reflected in the current forecast variance.

32. The recruitment and retention strategy has been refreshed along with the campaign. Two specialist recruitment agencies are working with the council to enhance our impact within this extremely competitive market which reflects the national challenge for the recruitment of experienced social workers.
33. Within the staffing overspend is the cost of commissioned teams to carry out essential work to ensure appropriate timescales are met for the assessment of cases with the highest safeguarding risks. This has been necessary to prevent significant service deterioration due to a trebling of the statutory requirement, a high element of which can be directly traced to higher post-Covid demand levels.
34. There is also an element of non-achievement of the budget allowance for a level of vacancies in establishment posts as prompt recruitment in front line services continues to be essential to maintain service stability and improvements. In addition, savings have not been realised due to the delay corporately in restructuring business support functions and system support teams across the council.
35. There is a forecast £1 million pressure for special education needs (SEN) transport. This budget is traditionally volatile and challenging to project as it is demand led and impacted by numerous variables outside of the control of the council. Despite an increase in the budget from last year, there is further demand from the rising caseload of education, health, and care plans (EHCPs), from pupils with medical conditions and from those with challenging behaviour. The impact of places created locally in satellite special schools to cope with the rising EHCP demand has increased the number of journeys.
36. Other variances include the additional cost in the SEN team of legal support for work on tribunals of £0.1 million.
37. A saving of £1 million has been agreed by Council from the quarter one monitoring report by switching the family investment fund budget to the contain outbreak management fund (COMF) ring-fenced grant.

Place Operations – net underspend £4.6m (6.6%)

38. The overall position for operations for quarter two is a net underspend of £4.6 million which is 6.6% of the £70 million net budget. Parking and waste services account for much of the total, but there are also significant contributions from seafront services and telecare. Although a significant net underspend, there are some service pressures within place operations.
39. Covid pressures within environment services are income losses greater than allowed for in the budget. The projection includes a budget shortfall for cremations income of £0.8 million, due to reduced demand for services.
40. In addition, the reduction in trade waste income experienced last year from periods of lockdown and reduced commercial activity is on-going, the forecast is little changed from June.
41. The cost of emergency accommodation placements, principally within local hotels and B&B accommodation, is currently expected to be managed from a combination of in-year revenue budget resource allocation, government grant allocations and one-

off utilisation of £0.35 million from the contain outbreak management fund (COMF). Next year's budget will likely recognise a £0.35 million budget pressure as COMF funding will no longer be available. The current forecast will continue to be reviewed as it is highly dependent on estimated numbers, which are subject to change.

42. Communities have been allocated additional grants in year of £0.950 million to support vulnerable residents in self-isolation and this has released eligible expenditure from the COMF.
43. Several smaller pressures across the services are anticipated at £0.1 million.
44. The main changes from the June report are in business-as-usual areas, although some surpluses are in services where income expectations had been reduced in the budget for 2021/22 because of the Covid pandemic.
45. Parking services are anticipating a net overachievement against budget of £2.7million. This is a significant improvement but is still much lower than would have been anticipated in a pre-pandemic year. The MTFP has been updated to reflect a delayed return to income budget levels pre-Covid as town centre carparks have not recovered well. Members are due to consider winter seasonal parking and travel offers and any agreed above those given in previous years will impact the current forecast.
46. Concessionary fares are forecasted to underspend by £0.3 million. The council continues to support bus travel across the conurbation and are compensating the two local bus companies in line with government guidance. The historic trend of reduced bus use has been reflected in maintaining pre Covid funding levels and this has brought down the amounts expected to be paid for the year.
47. Communities are forecasting an overspend of £0.2 million in respect of the community safety service review. Staff costs are overspent by £0.2 million due to budgeted restructuring delays from the smarter structures project. There is also an additional £0.1 million pressure in relation to potential costs associated with community centres.
48. Environment are forecasting a net saving of £1.5 million in residual waste collection and disposal. The increase from June is mainly down to improving recycle prices, and the re-tendering of waste contracts costing less than anticipated. The take up of the garden waste service is performing well with a forecast surplus of £0.5 million. The estimated income for drop kerbs is consistent with June's position.
49. There are budget pressures within environment services. The forecast position regarding greenspace, concessions and trading has worsened due to the inclusion of a bad debt provision in relation to a sporting concession. The pressure in respect of arboriculture works remains. The highways operational cost pressures include preparations for the winter service. There is also an estimated overspend of £0.3 million on the cost of the council's fleet because of increased fuel prices and parts for older fleet vehicles.
50. Now the summer season is mostly over it is possible to forecast with some certainty the position for seafront services. Seafront operations and trading, most notably catering, has been especially successful over the summer period, and is expected to achieve a position ahead of budget by £0.4 million, Beach hut income is also estimated to be ahead of budget by £0.2 million.
51. Telecare net income continues to forecast £0.3 million additional income to budget. Neighbourhood Services (comprising net income from garages and photovoltaic

panels) continues to project an overall £0.1 million improved position to budget. In-year Housing Delivery spend to support the 5-year Council Newbuild Housing & Acquisitions Strategy (CHNAS) is forecast to be £0.1 million lower than budget.

52. Libraries expect an underspend against staffing budgets of £0.1 million due to vacancies within the service. Smaller savings and pressures across the services are anticipated in the region a net underspend of £0.1 million.

Resources & Chief Executive Office - net overspend £0.4 million (1%)

53. The combined position for both the resources and chief executive office is a net overspend of £0.4 million down from £0.6 million presented for the June update.
54. The largest ongoing Covid pressures is the loss of income in relation to council tax and business rates summons income. During lockdown courts were closed and although operating now there is backlog in court dates for the council which impedes the process of raising summons to taxpayers. This represents a total pressure of £0.4 million.

Transformation Savings

55. Transformation savings of £7.5 million have been built into the budget for 2021/22. At the end of quarter two £5.1 million of savings have not yet been identified for delivery and have been factored into the projected overspend for the year along with related expenditure reductions of £1.4 million.
56. The corporate smarter structures project should deliver some savings towards the residual target and work is underway to confirm the level of savings this year and the MTFP impact of a full financial year.
57. The third party spend project has indicated initial areas for savings opportunities and the deliverability and timing of these will be established during the next phase of work. Most of the potential savings identified will take some time to deliver with the benefit in future years.

Central Items - net surplus £14.2 million

58. This includes a forecast underspend on interest payable of £0.6 million due to having higher cash balances than anticipated meaning the requirement for short term borrowing has been reduced. It also includes an expected one off dividend payment from Tricuro of £0.4 million.
59. Set out in the financial outturn report 2020/21 presented to Cabinet on 23 June 2021 there were a series of actions undertaken by the finance team to release revenue resources earmarked for capital to support the 2021/22 budgetary position. The total amount released is £2.9 million with the decision made at Council in September when the outturn report was considered.
60. Government compensation for lost sales, fees, and charges (SFC) during 2020/21 outturn totalled £12.6 million. After meeting the first 5% loss of income in full, losses above this level are funded by government at 75%. The outturn figure was based on an estimate where there remained some ambiguity in the calculation. Therefore, a risk factor was transferred to reserves of £1.4 million in case an amount needed to be repaid to government. Now the scheme for 2020/21 has concluded this amount can be released back into revenue for 2021/22.

61. The SFC scheme is continuing for the first quarter of 2021/22, and the initial estimate of the grant is ahead of the £1.6 million budget by £0.5 million.
62. The balance of central items is the further use of the Covid pressures grant tranche 5 to underpin the overspend within services.

Covid pressures grant 2021/22 - £9.9 million

63. Tranche five of the Covid pressures grant was allocated to councils to manage the extra costs from the pandemic. Funding is not ring fenced and it is for the council to decide how to support services. The government note that it is expected to be spent on the same priority areas as last year. These are: adult social care, children's services, public health services, household waste services, shielding the clinically extremely vulnerable, homelessness and rough sleeping, domestic abuse, managing excess deaths, and support for re-opening the country.
64. The 2021/22 budget allocated £1.03 million from the grant to support specific service pressures. In other service areas, such as where demand was already rising before the pandemic and the specific impact not easy to quantify, allocations were expected to be made during the year with the use of the grant brought into the projected outturn at the same time.
65. Since the budget was set in February new allocations were agreed for resort management and summer resilience and some originally budgeted expenditure agreed to be funded instead by the contain outbreak management fund (COMF). The amount left uncommitted at the end of quarter one was £8.35 million.
66. The updated quarter two position includes funding returned from unspent summer resilience allocations with a portion repurposed for winter resilience, plus new allocations to increase ASC staffing to manage the hospital discharge scheme.
67. It is **recommended that Council approve a further £4.2 million is used to balance the net overspends** projected across all budgets at quarter two. The then unallocated balance of £4.0 million would be added to reserves. A summary of the tranche 5 funding is in the table below:

Figure 2: 2021/22 Covid Pressures Grant Tranche 5

Allocations	£000's
Total Grant 2021/22	(9,893)
Budgeted amount not transferred to the COMF	350
Post budget allocations - resort management / summer resilience	1,193
Unallocated balance of tranche five at quarter one	(8,350)
Summer resilience under spend	(335)
Winter resilience allocation	53
Adult social care additional staffing for hospital discharge scheme	439
Grant released into the revenue account at quarter two	(8,193)

Contain Outbreak Management Fund (COMF)

68. The unspent COMF from 2020/21 has been carried forward and amalgamated with the previously separate test and trace grant. The amounts brought into 2020/21 as uncommitted are £1.8 million for the original COMF and £0.97 million for the test and trace grant. The director of public health has authority to commit expenditure within normal delegated limits and has committed further expenditure in 2021/22. In addition, Council in November approved that the £1 million family investment fund should be paid for from the COMF instead of charged to the base revenue budget.
69. During the quarter two budget monitoring process any approved COMF budgets no longer required have been returned to the fund with the balance of unallocated COMF from 2020/21 £2 million.
70. It is proposed that **additional adult social care expenditure** of £0.84 million is approved to support care providers and the wider system with pressures related to Covid 19. This includes supporting efficient and safe hospital discharges, monitoring infection status, supporting the booster programme, other plans to protect public health and provide additional brokerage capacity. The details are included in Appendix A3. This expenditure meets the criteria of the COMF and is supported by the director of public health. As it is a virement less than £1 million but greater than £0.5 million it requires the **approval of Cabinet**.
71. The 2021/22 COMF allocation of £2.553 million is currently held in contingency for winter planning. The director of public health has identified that continuing the interventions under the local outbreak plan may require contingency spending of up to £1.176 million. The details are included in Appendix A4. This is based on the updated contain [framework](#) published in October as part of the government's Autumn and Winter Plan launched by the new UK Health Security Agency (UKHSA). It sets out how national, regional, and local partners should continue to work with each other, the public, businesses, and other partners in their communities to prevent, manage and contain outbreaks.
72. The updated framework applies to the autumn and winter period and will be reviewed and updated as necessary in spring 2022. **As all contingency spending may be required at short notice it is proposed that the decision is delegated to the director of public health in consultation with the chief executive and leader of the council.**

Reserves monitoring 2021/22

73. Earmarked reserves have been set aside for specific purposes and these were reconsidered in June 2020 in the light of the new financial environment and need to fund the transformation programme which is fundamental to delivering savings at scale.
74. Councils nationwide received significant Covid related grants during 2020/21 which have artificially increased all reserve holdings. Grants received in relation to business rates have particularly obscured the true reserve position due to the intricacies of collection fund accounting. The Council received £40.4 million for business rates in 2020/21 which will be paid back to the collection fund in 2021/22. In addition, £18.5 million was carried over from specific grants to be applied to pandemic spend.

75. Figure 3 below summarises the projected movement in reserves during the current financial year but without making any assumptions about how the estimated surplus for the year is applied. This is considered further in the MTFP update report on the meeting agenda.

Figure 3: Summary of projected movements in reserves

	Balance 1 April 2021	Balance 31 March 2022	Movement
	£m	£m	£m
Un-earmarked reserves	15.3	15.3	0.0
Earmarked reserves*	153.8	43.1	(110.7)
Total reserves	169.1	58.4	(110.7)

*These reserves do not include revenue reserves earmarked for capital or school balances. They do include:

- £60.1 million specifically in relation to Covid.
- £30.1 million to support the 2021/22 budget and £2.1 million towards the 2022/23 budget.

The main **movement** on other earmarked reserves during the year are as follow:

Financial Resilience Reserves

- a) £25,106k **Refinancing of the Capital Programme Reserve – phase 1**
As per the approved 2021/22 budget reserve to be fully draw down
- b) £4,748k **Refinancing of the Capital Programme Reserve – phase 2**
As per the approved 2021/22 budget reserve to be fully draw down
- c) £4,432k **MTFP Mitigation Reserve**
As per approved Cabinet report £3.4m to support accelerated regeneration, £0.3m for SEND, £0.2m for Climate Change and £0.5m Clean Green Safe

Transition and Transformation Reserves

- d) £10,188k **Transformation Mitigation Reserve**
Drawn down as per the approved 2021/22 budget
- e) £2,000k **Transformation – Contribution from outside General Fund**
Drawn down as per the approved 2021/22 budget

Government Grants

- f) £40,409k **Covid 19 NNDR Section 31 Grants**
Monies received in 2020/21 to offset collection fund deficit payable in 2021/22
- g) £1,402k **Covid 19 Sales, Fees and Charges Grant 2020/21**
Draw down of risk factor previously set aside in the outturn for 2020/21

h) £15,004k

Other Covid 19 Grants

Assumed spend of all Covid related grants except in relation to Council Tax and NNDR

Dedicated Schools Grant (DSG) 2021/22

76. The 2021/22 budgeted high needs funding shortfall is £10.8 million, reducing to £9.7 million after a £1.1 million (0.5%) transfer of funding from the school block. Other DSG blocks have been set with balanced budgets with no surplus available to reduce the overall funding gap.
77. This budget is being monitored through the High Needs Block Deficit Recovery Board. The report to the Board in October reflecting the quarter two position indicated an overspend of £1.3 million, resulting in an annual funding gap for 2021/22 of £11 million. The most significant budget variance is the level of placements made in the independent and non-maintained special schools. The budget was set based on the target to reduce these placements but there is no indication yet that this can be achieved.
78. As always, the forecast is based on assumptions for future caseload and placements with now more confidence in data quality with additional resources in place in the services to improve record keeping and query resolution timescales.
79. The accumulated deficit is expected to increase from £7.8 million at 1 April 2021 to £18.6 million by the end of the year as shown in the table below:

Figure 4: Summary position for dedicated schools grant

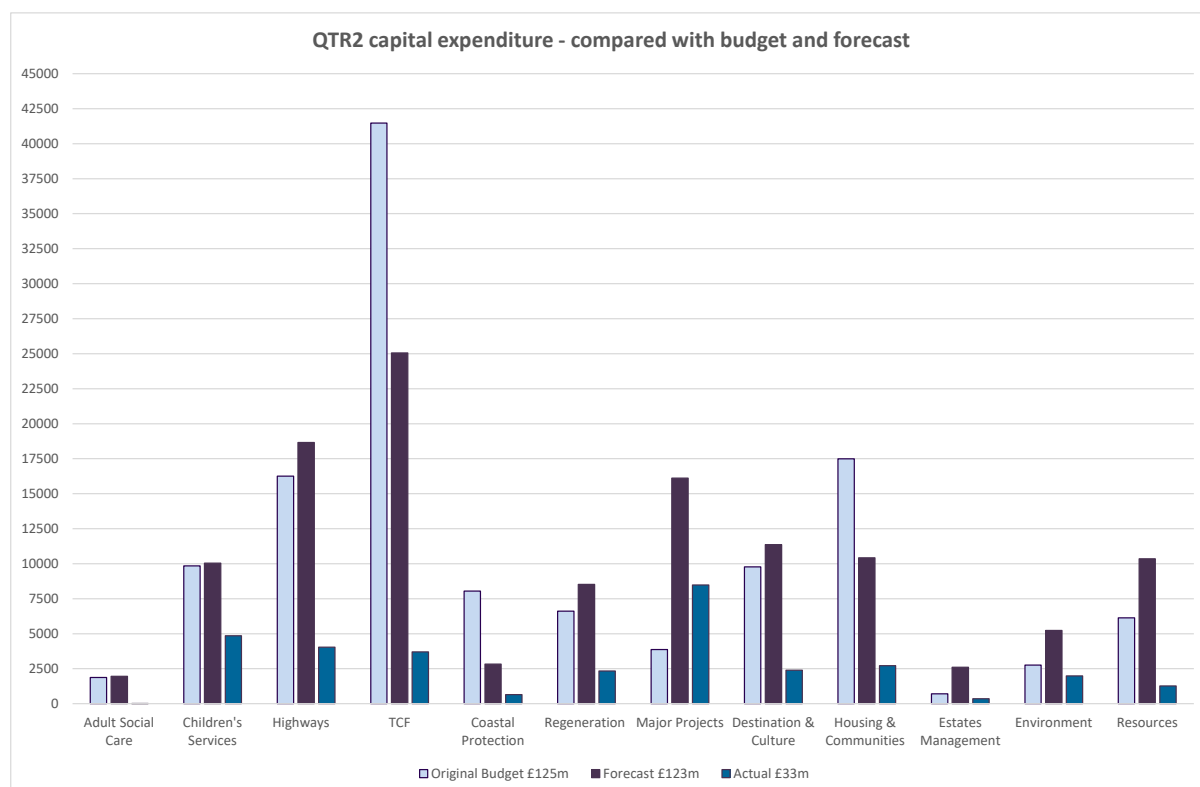
Dedicated Schools Grant	£m
Accumulated deficit 1 April 2021	7.8
Budgeted high needs shortfall 2021/22	9.7
Projected in-year over spend on high needs	1.3
Projected in-year savings on other blocks	(0.2)
Projected accumulated deficit 31 March 2022	18.6

Capital budget monitoring

80. This section covers the council's budgeted capital investment programme (CIP) in respect of general fund capital expenditure only. Housing Revenue Account (HRA) related capital spend is reported separately within this report.
81. The original capital investment programme (CIP) budget approved by Council in February 2021 was £124.8 million. Amendments to the programme since include new approved schemes, increases to existing scheme budgets, reprofiling of approved capital budget to later years as well as the carry forward of unspent capital budget brought forward from 2020/21. These changes have resulted in a revised budgeted capital programme as at end of September of £123.1 million.
82. The capital programme excludes the £50 million from the Futures Infrastructure Fund and £10 million SEND infrastructure loans until such time as specific capital projects to utilise this funding are approved and included within the CIP.

83. Figure 5 below reflects first half year spend against the latest full year forecast and original budget.

Figure 5: Capital Budget Monitoring as at 30 September 2021



84. At £32.8 million, actual capital expenditure to date at end of September is 27% of the full year forecast of £123.1 million. Covid-19 and Brexit continue to have significant impact on market conditions. This includes increases in raw materials prices, construction cost increases, and labour and material supply chain issues. This has impacted on delivery of the capital programme in various ways. There have been increases in tendered prices compared with original estimates across capital projects, reduced capacity to undertake works to planned timeline because of labour shortages and in some cases fewer than expected responses for tendered works. Some cost increases can be absorbed within risk / contingency allowance within approved capital budgets. Other price variations will require capital budget increases –to be funded from either BCP funds (for example S.106 / community infrastructure levy (CIL), external grant or additional prudential borrowing.

85. Project managers will, as with every year, be encouraged to review scheme progress on an ongoing basis throughout the year and advise where there are significant revisions. Based on this information reprofiling will continue to be undertaken where necessary to reflect these changes within the CIP.

Financial risks in the capital investment programme (CIP)

86. Salix Funding – grant £2.5 million

The CIP includes £2.5 million of Salix government grant funded capital works that are required to complete within a specified timeframe. The council is working with Salix to extend original planned programme timeline to 31 March 2022 at the earliest. Failure to deliver within the agreed revised timeframes would require the council to underwrite the costs of any expenditure incurred after the agreed deadline. The potential risk exposure to the council is estimated to be £0.6 million. However, Salix have indicated that they would accept committed spend to be set off against the grant funding. Other risk mitigation options being explored include the potential to swap prudential borrowing on other energy improvement capital schemes for Salix funding, provided the alternative schemes meet Salix funding eligibility requirements. Legal Services are also providing support around the interpretation of grant conditions as stipulated in the Salix agreement letters, and the position is being kept under review.

87. Transforming Cities Fund £11.5 million

The Council was awarded TCF grant to deliver a strategic programme of highway improvements to better facilitate sustainable means of travel across the conurbation. The TCF grant was awarded on the assumption that £11.5 million of third-party contributions from bus companies would form part of the local contribution requirement. This consisted of bus operator investment in new vehicles, engine upgrades and investments in new routes. Discussions are ongoing with bus operators to confirm the ongoing availability of this funding. The council is reviewing what additional local contributions could be attributable to the TCF Programme to mitigate the potential impact. This issue has already been raised with the DfT. At this stage there is no indication from the DfT that this would impact on the overall TCF grant award.

88. Princess Road £0.5 million

The CIP includes development of private rented sector housing and hostel accommodation within the general fund. The capital budget benefits from £0.5 million of Homes England grant funding, provided the key milestone of completing foundations (piling) works to blocks C and D by 31 March 2022 is achieved. Whilst the tender process for build works has now completed, and preferred bidder selected, the timescale to achieve this milestone remains very tight.

89. Fleet Replacement

In September 2021 council approved the 3 year fleet replacement plan (FRP). Post Covid market conditions have resulted in significant additional lead-in times for new vehicle orders, which has meant that the majority of vehicles originally planned to be replaced in 2021/22 are not likely to be received until 2022/23. The profile of planned capital spend for 2021/22 and resulting annual borrowing repayments has been adjusted within the MTFP accordingly. There is also financial risk that further capital budget could be required to deliver the FRP in full. This is because trade discounts originally assumed within FRP vehicle replacement costs may not be available to the same extent in the current market. This position will continue to be monitored.

90. Inflationary Financial Pressures

Some schemes are expected to come under inflationary financial pressures, with ten projects having increases less than £0.5 million with a total value of £2.4 million and four projects expected to have larger increases. Of these, the increase for the Princess Road housing development project was approved by Council in November. Other projects, such as the Bistro redevelopment project, which is still at planning stage, are not yet certain enough to come forward for additional funding.

Capital investment programme – financing.

91. The CIP has been adjusted to incorporate capital refinancing adjustments approved by Council in September.
92. There has been a marked move towards greater use of prudential borrowing to fund capital spend. The council's projected capital financing requirement (CFR) for 31 March 2022 is £536.6 million. This includes allowance for all capital projects approved within the capital programme (including HRA), the £50 million Futures Infrastructure Fund and £10 million SEND infrastructure fund. Based on benchmarking with other local authorities, there is capacity to further increase the level of borrowing taken out (CFR) without becoming an outlier, provided borrowing remains affordable and annual borrowing repayments (principal and interest) can be repaid.

Capital budget virements and acceptance of capital grants 2021/22

93. In accordance with the council's financial regulations the following rules associated with capital virements and acceptance of grants apply (after advice from the Chief Finance Officer):
 - Acceptance of grants greater than £100,000 and up to £1 million require Cabinet approval
 - Virements over £1 million require prior Council approval.
 - Virements over £500,000 and up to £1 million require prior Cabinet approval.
 - Corporate Directors can approve virements over £100,000 up to £500,000.
 - Service Directors can approve virements up to £100,000.
94. The following capital virement to accept new grant requires **Council approval**, as it is above £1 million:

Directorate: Operations

Purpose: Accept further £1.6 million of Towns Fund (MHCLG) grant

MHCLG have awarded and paid over to the council a total sum of £2.7 million this year from the Towns Fund grant allocation. An amount of £1.1 million of this was accepted by Council in November. This funding will be used to help develop businesses cases for each of the proposed Towns Fund schemes within the programme and to fund project delivery. Additional Towns Fund capital grant could be secured pending MHCLG approval of the individual scheme business cases.

Housing revenue account (HRA) monitoring

95. The HRA is a separate account within the council that ring-fences the income and expenditure associated with the council's housing stock. The HRA does not therefore directly impact on the council's wider general fund budget.
96. Within the HRA the council operates two separate neighbourhood accounts. The Bournemouth account comprises 5,100 tenanted properties and is directly managed in-house by the council. The Poole account comprises 4,517 tenanted properties and is managed by Poole Housing Partnership (PHP). PHP operate as an arm's length management organisation (ALMO) in line with a management agreement with the council.
97. Appendix C1 provides the detail of revenue budget monitoring across both neighbourhood accounts and Appendix C2 provides the same for capital budget monitoring across both neighbourhood accounts.

Bournemouth and Poole Neighbourhoods - Revenue account

98. Budgeted income from rents (dwelling rents and non-dwelling rents) across both neighbourhoods is broadly in line with budget. Bournemouth neighbourhood forecasts additional £0.2 million recharges of housing development team staff costs to the HRA capital programme. This reflects growth in the team and appropriate recognition of resources required to deliver capital schemes. There is no significant variance to budget in either HRA neighbourhood on other income. Repairs and maintenance spend in the Bournemouth neighbourhood HRA is forecast to be £0.2 million under budget. This arises from vacant posts within the grounds maintenance service. Forecast supervision and management staff costs for the Bournemouth neighbourhood are also forecast to be £0.5 million under budget this financial year. Poole neighbourhood HRA will now also incur an additional £0.2 million (to budget) interest cost on PWLB loans, as part of a Public Works Loans Board (PWLB) loan swap between the general fund and HRA.
99. The overall impact of quarter two revenue budget variances is that the combined forecast annual contribution to new build capital programmes of £6.0 million (£5.5 million budgeted). This consists specifically of £2.7 million contribution from the Bournemouth neighbourhood and £3.3 million from the Poole neighbourhood.

Bournemouth and Poole Neighbourhoods - Capital programme

100. Work on major capital projects across both neighbourhoods continues – including Sterte Court and Project Admiral in the Poole neighbourhood, and Moorside Road, Luckham Road / Charminster Way and Ibbertson Way in the Bournemouth neighbourhood. Both neighbourhood capital programmes have required (and are likely to require further) approval of additional capital budget to deliver approved schemes. This is a result of inflationary pressures on materials and labour – the impact of Covid / Brexit on the market. Longer lead in times for goods, materials and services have also had an impact on timelines for capital project delivery, with significant capital spend not now expected until the second half of the year, (for example, Moorside Road, Luckham Road in the Bournemouth neighbourhood) and further capital spend now reprofiled into 2022/23 (for example, Craven Court and Herbert Avenue).
101. In quarter one there was reduced property access arising from Covid related restrictions, and this impacted delivery of the kitchen and bathroom replacement

programmes across both neighbourhoods. The position was significantly improved over quarter two with the backlog of works reduced.

102. As a result of Covid, as with the general fund, the HRA capital programmes for each neighbourhood have evolved significantly since originally approved by Council in February 2021.

Financial risks in the HRA capital programme

103. The Wilkinson Drive capital budget within the Bournemouth neighbourhood was approved by council on the basis that 13 new housing units would be developed. As a result of design revisions required as part of the planning application process (permission obtained September 2021), the number of new units to be developed has reduced from 13 to 11. The capital budget, however, is maintained at original approved levels. This is a reflection of inflationary market pressures, which have resulted in the build cost per m2 increasing from £2,441/m2 to £2,712/m2. The revised build price has been verified by the council's employers agent as market comparable. In addition, the funding profile of approved capital budget has been modified to increase the level of RTB and reduce the level of prudential borrowing allocated to the scheme.
104. There is potential delay to one other capital scheme within the Bournemouth neighbourhood starting on site this financial year due to a potential leasehold access issue. This position will continue to be monitored over the next quarter.

Scenarios

105. Services consider previous and current year trends in estimating budget requirements over the remainder of the financial year with the most likely scenario taken forward in year-end financial projections.

Summary of financial implications

106. This is a financial report with budget implications a key feature of the above paragraphs.

Summary of legal implications

107. The recommendation in this report are to ensure the council remains financially viable over 2021/22 with an improved prospect of balancing future year budgets.

Summary of human resources implications

108. There are no human resources implications from the recommendations in this report other than additional staffing related to grant funding within ASC.

Summary of sustainability impact

109. There are no sustainability impacts from the recommendations in this report.

Summary of public health implications

110. The council is seeking to maintain appropriate services for the vulnerable as well as improve the sustainability of services important for the wellbeing of all residents.

111. The proposed allocation from the contain outbreak management fund earmarked reserve will continue support for the well-being of our residents during the on-going pandemic.

Summary of equality implications

112. Budget holders are managing their budgets with due regard to equalities issues.

Summary of risk assessment

113. There remains significant uncertainty in the length and depth of impact from the Covid-19 pandemic over the autumn and winter of 2021/22 and this may impact on the year end projections in this report.
114. Budget recovery meetings are taking place to review the financial position of children's services, but it is unlikely that expenditure can be reduced to the extent needed to balance the budget in the current year with on-going pressures expected over the medium term. There is no evidence yet that demand for the service or costs of provision are reducing. Significant concerns remain therefore for the in-year financial position and the future sustainability of the council.

Background papers

Cabinet papers:

February 2021 – papers for budget 2021/22

[http://ced-pri-cms-02.ced.local/ieListDocuments.aspx?CId=285&MId=4260&Ver=4&\\$LO\\$=1](http://ced-pri-cms-02.ced.local/ieListDocuments.aspx?CId=285&MId=4260&Ver=4&LO=1)

29 September 2021 – 2021/22 quarter one budget monitoring report

[http://ced-pri-cms-02.ced.local/ieListDocuments.aspx?CId=285&MId=4836&Ver=4&\\$LO\\$=1](http://ced-pri-cms-02.ced.local/ieListDocuments.aspx?CId=285&MId=4836&Ver=4&LO=1)

Appendices

- Appendix A1 Projected variances greater than £100,000 for 2021/22
- Appendix A2 Revenue summary position 2021/22
- Appendix A3 Adult Social Care proposed allocation from the 2020/21 COMF
- Appendix A4 Public Health Contingency Allocations from the 2021/22 COMF
- Appendix B Schedule of forecast movement in reserves for 2021/22
- Appendix C1 Summary of HRA revenue budget monitoring for 2021/22
- Appendix C2 Summary of HRA capital budget monitoring 2021/22

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Appendix A1: 2021/22 - Budget Variances Greater than £100,000

Adult Social Care & Public Health

Budget		Explanation	June Variance 2021/22 £000s	Sept Variance 2021/22 £000s	Change Variance 2021/22 £000s
Covid Pressures					
Care packages		Increased cost of packages of care as a result of legacy hospital discharge arrangements during the pandemic.	1,100	1,482	382
Employees		Additional resources to manage the discharge to assess scheme at existing pace	316	161	(155)
Other Pressures and Savings					
Care packages		Demand for care above budget and increasing residential fees.	748	835	87
CHC		Continuing Health Care refunds	0	(450)	(450)
Client Contributions		Client contribution surplus	0	(216)	(216)
Employees		Employee savings due to vacancies	0	(127)	(127)
Tricuro main contract		Savings in the provision of services delivered by Tricuro.	(202)	(202)	0
Other		Other miscellaneous variances	37	(57)	(94)
Total Adult Social Care & Public Health			1,999	1,426	(573)

Children's Services

Budget	Explanation	June Variance 2021/22 £000s	Sept Variance 2021/22 £000s	Change Variance 2021/22 £000s
Covid Pressures				
Care Packages	Social Care high-cost care placements and associated expenditure	4,372	3,760	(612)
Employees	Agency - international recruitment	350	350	0
Employees	Innovate contract - additional social workers	940	940	0
Other Pressures and Savings				
Employees	Social care staffing pressures - high use of social work agency and interim staff for service improvement net of DfE grant of £0.4 million	1,637	2,073	436
Employees	Quality & performance team staffing pressures for service improvement	335	335	0
Employees	Director of Education other staffing including vacancy budget allowance not achieved due to prompt recruitment	300	250	(50)
Employees	SEND additional staff following inspection and pressures in team	380	511	131
Employees	Business support (£0.4 million) and case management system team (£0.7 million) from delayed staff restructuring	1,055	1,005	(50)
Transport	SEND and Mainstream	1,080	1,080	0
Other	SEND legal costs from tribunals and other payments	121	116	(5)
Other	Other smaller miscellaneous items	83	(172)	(255)
Other	Family investment fund - alternative funding method (contain outbreak management fund)	(1,000)	(1,000)	0
Total Children's Services		9,653	9,248	(405)

Place Operations

Budget		Explanation	June Variance 2021/22 £000s	Sept Variance 2021/22 £000s	Change Variance 2021/22 £000s
Covid Pressures					
Environment - Bereavement		Reduced demand impacting cremation income	741	794	53
Environment - Waste		Reduced demand impacting cremation income	406	429	23
Environment		Sports & leisure facilities lost income	100	0	(100)
Housing		Emergency accommodation placements	350	0	(350)
Communities - grant		Self-isolation support already budgeted within the COMF	(478)	(950)	(472)
		Other Items Below £100k.	117	128	11
Other Pressures and Savings					
Communities		Regulatory services delayed restructure largely to next year	208	259	51
Communities		Community Safety service delayed restructure	0	233	233
Communities		Community Engagement	0	110	110
Environment		Fleet Costs	0	277	277
Environment		Greenspace income pressures concessionaires and trading activities	186	281	95
Environment		Arboriculture contract pressure	169	179	10
Environment		Highways Operational cost pressures	147	111	(36)
Environment		Tonnages and disposal price below budget	(761)	(1,510)	(749)
Environment		Drop kerb income	(247)	(266)	(19)
Environment		Additional subscriptions garden waste	(145)	(468)	(323)
Transport & Engineering		Parking Services	0	(2,672)	(2,672)
Transport & Engineering		Concessionary Fares	0	(350)	(350)
Housing		Telecare income (identified at 2020/21 outturn)	(300)	(342)	(42)
Housing		Garages & photovoltaic income (identified at 2020/21 outturn)	(130)	(100)	30
Destination & Culture		Seafront - Beach huts	0	(189)	(189)
Destination & Culture		Seafront - Operations & Trading	0	(404)	(404)
Destination & Culture		Libraries - underspend on staffing due to vacancies	(190)	(101)	89
		Other Items Below £100k.	158	(81)	(239)
Total Operations			331	(4,632)	(4,963)

Resources & Chief Executive Office & Transformation

Budget	Explanation	June Variance 2021/22 £000s	Sept Variance 2021/22 £000s	Change Variance 2021/22 £000s
Covid Pressures				
Tax Collection	Reduction in court summons income from Council Tax and NNDR	281	421	140
Other Pressures and Savings				
Various	Other Items Below £100k (including £80k for Consultant Director - Childrens Services offsetting savings in other areas)	292	17	(275)
Transformation Savings	Shortfall in Transformation savings target of £7.5m	0	5,090	5,090
Transformation Expenditure	Reprofile of Transformation planned for 2021/22	0	(1,400)	(1,400)
Total Resources & Chief Executive Office & Transformation		573	4,128	3,555

Central Items

Budget	Explanation	June Variance 2021/22 £000s	Sept Variance 2021/22 £000s	Change Variance 2021/22 £000s
Covid Pressures				
Covid Pressures Grant	Release of more Covid 19 grant by using COMF (different presentation at quarter 2)	(513)	0	513
Covid Pressures Grant	Release of residual Covid 19 grant (after further net allocations in quarter 2)	(8,350)	(8,193)	157
Reserves	Release of sales, fees and charges grant reserve 2020/21	(1,402)	(1,402)	0
Covid Pressures Grant	Release of sales, fees and charges grant 2021/22	0	(500)	(500)
Other Pressures and Savings				
Dividend Income	Expected amount to be received from Tricuro dividend	0	(387)	(387)
Interest on borrowings	Higher cash balance than anticipated coming into the year with requirement for short term borrowing reduced.	(171)	(626)	(455)
Release of provision	Release of part of previous provision in relation to dilapidation works on Council Assets	0	(200)	(200)
Capital Programme	Decision taken in the 20/21 outturn report to release a further £2.9 million from capital resources and replace with borrowing	(2,900)	(2,900)	0
Reserves Contribution	Contribution to reserves for the uncommitted Covid pressures tranche 5 grant.	8,350	0	(8,350)
Total Corporate Items		(4,986)	(14,208)	(9,222)
Total	All Services and Central items	7,570	(4,038)	(11,608)



BCP Council - General Fund Summary 30 September 2021

Directorate	Revenue	Working Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Adult Social Care	Expenditure Total	209,431	227,866	18,436
	Income Total	(94,086)	(111,096)	(17,010)
Adult Social Care Total		115,345	116,771	1,426
Children's Services (excl DSG)	Expenditure Total	81,300	91,924	10,623
	Income Total	(12,051)	(13,426)	(1,375)
Children's Services Total		69,250	78,498	9,248
Operations	Expenditure Total	165,556	168,546	2,990
	Income Total	(95,284)	(102,906)	(7,622)
Operations Total		70,272	65,640	(4,632)
Resources & Chief Executive Office	Expenditure Total	151,214	152,436	1,222
	Income Total	(111,909)	(112,693)	(785)
Resources Total		39,306	39,743	438
Transformation (inc target savings)	Expenditure Total	22,015	25,705	3,690
	Income Total	(23,590)	(23,590)	0
Transformation Total		(1,575)	2,115	3,690
Total Net Cost of Service		292,597	302,767	10,170
Corporate Items				
Provision for repayment (MRP)		11,802	11,802	0
Pensions		5,163	5,163	0
Interest on borrowings		3,181	2,555	(626)
Contingency		2,053	2,053	0
Contingency for pay award		3,101	3,101	0
Movement to reserves		688	688	0
Levies (Environment Agency / Fisheries)		599	599	0
Apprentice Levy		565	565	0
Revenue expenditure on surplus assets		171	171	0
Corporate Items	Expenditure Total	27,323	26,697	(626)
Corporate Items				
Investment property income		(6,194)	(6,194)	0
Income from HRA		(949)	(949)	0
Other Grant Income		(504)	(504)	0
Interest on cash investments		(45)	(45)	0
Dividend Income		(100)	(487)	(387)
Refinancing of Capital Programme		(25,078)	(25,078)	0
Refinancing of Capital Expenditure - 20/21 outturn decision		0	(2,900)	(2,900)
Review of inherited resources		(4,738)	(4,738)	0
Movement from reserves - S31 NNDR Grant - offsets NNDR Deficit below		(39,512)	(39,512)	0
Movement from reserves - Council Tax / NNDR Losses Grant		(1,021)	(1,021)	0
Movement from reserves - Covid Sales, Fees and Charges		0	(1,402)	(1,402)
Release of provision		0	(200)	(200)
Corporate Items	Income Total	(78,141)	(83,030)	(4,889)
Net Budget Requirement		241,779	246,433	4,655
Funding				
Council Tax Income		(214,541)	(214,541)	0
Business Rates Income		(56,375)	(56,375)	0
Revenue support grant		(3,022)	(3,022)	0
New Homes Bonus Grant		(2,563)	(2,563)	0
Collection Fund Deficit Distribution (Council Tax)		2,027	2,027	0
Collection Fund Deficit Distribution (NNDR)		40,322	40,322	0
LCTS Grant 2021/22		(3,833)	(3,833)	0
Lower Tier Service Grant 2021/22		(445)	(445)	0
Sales, fees and charges compensation 2021/22		(1,649)	(2,149)	(500)
Top Slice Covid Pressures Grant 2021/22		(1,700)	(1,700)	0
Release of Residual Covid Grants Tranche 5		0	(8,193)	(8,193)
Total Funding		(241,779)	(250,472)	(8,693)
Net Position		(0)	(4,038)	(4,038)

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COMF Grant - ASC Requested Allocation

Area		Activity	Criteria	Evidence	Budget
LTC/D	Compliance - NHS Capacity Tracker	Resources to support ASC provider compliance and completion of NHS Capacity Tracker including recording, promoting, and collating feedback from engagement events, arranging targeted support workshops, addressing issues and non-completion, providing general advice and support. Funding to allow extension of current post until 31.03.2022. This is temporarily funded under the Infection Control Funding. Cap on administration recharge from ICF and uncertainty about extension of fund after current round ends on 30.9.21 means the funding for this post will not be continued.	Targeted interventions	Monitoring of infection status and vaccine take up as reported via NCT, liaising with providers to explore and address pressures that are reported.	£20,000
			Targeted interventions	Support communication and co-ordination required for any further booster programme.	
SIT	Health protection/ improvement	Dedicated resource to support ASC providers in relation to service delivery including enquiries and issues related to testing, vaccination and infections and reinfections.	Targeted interventions	To allow the continuation of officer time to monitor and oversee existing mailboxes, providing advice, support, and guidance. Funding would allow continuation of existing temporary staff contracts to be extended for a 6 month period	£40,000

Area		Activity	Criteria	Evidence	Budget
Brokerage	Health Protection/ Improvement	Resources to support and facilitate faster hospital discharges and the analytics of flow and demand to inform future commissioning of short-term services needed to meet the increased demand related to the covid pandemic. 3 x additional temporary staff would be secured within 4 weeks and deployed until 31.03.2022 to increase resilience in existing resource.	Targeted interventions	Additional resources to enable prompt hospital discharge and admission avoidance, ensuring acute resources available to support Covid and System pressures. Mitigating risks of further exposure to Covid / infection, of which number of Covid positive patients in hospital is growing.	£100,000
LTC	Health Protection/ Improvement	To operate a Trusted Assessor 12-month Pilot which would support and facilitate faster hospital discharges. This pilot will be based on similar schemes in the country that have delivered good outcomes and achieved speedier discharges for the Home First model.	Targeted interventions	2 full time workers to be linked with each acute in BCP. Release Provider resources to facilitate faster discharges and reduce post discharge issues (seeking a way to use funding over 2022/23 to achieve a full year).	£200,000
Disabilities	Health Protection/Emergency Response	Additional resource whilst existing emergency accommodation for people with a learning disability, autism and/or mental health continues to manage at reduced capacity to ensure infection control measures are adhered to and where containment of infections further reduce access to existing provision.	Targeted interventions	Maintaining pre-covid capacity for emergency placements for vulnerable clients with LD, autism and mental health who are at risk of homelessness/require safe and appropriately supported temporary accommodation	£200,000

Appendix A3

Area		Activity	Criteria	Evidence	Budget
Disabilities	Maintaining Market Capacity/Health protection.	To provide additional staffing resources to support the safe access and exit from day services as part of safeguarding clients with LD and/or Autism against potential covid infection.	Targeted interventions	Maintaining financial viability of the day services marketplace by supporting cost of staggered entry and exit to reduce contact between vulnerable clients.	£100,000
LTC/D	Health Protection/Improvement	Support and advise Care Providers on the new and possible extension of ruling regarding vaccinations of social care workforce.	Targeted interventions	Support the uptake of vaccines for social care workforce. Providers are reporting the significant impact this will have on care delivery. The care market is already facing increased pressures and requires support to incentivise its workforce to have the vaccine. Other systems are offering payment incentives to encourage a better uptake. This approach will aim to reduce the impact on the social care market, improve vaccine rates and reduce infections.	£200,000
				TOTAL	£840,000

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Appendix A4: COMF 2021/22 - Detail on the continued interventions requiring contingency funding under the local outbreak management plan

BCP Council has provided an effective response to COVID-19 through the Our Dorset Health Protection Board, Local Outbreak Engagement Board, and Local Outbreak Management Plan (LOMP).

The LOMP is now being updated following publication of the Government's Autumn and Winter Plan, and the refreshed Contain framework – now called Local Engagement and Response Framework (Contain is no longer being used).

The following paragraphs set out the main interventions under the local outbreak management plan that will continue to be required under the plans, along with provisional estimates for contingency spend required to continue provision. Please note that this is subject to change at short notice and is also dependent in some cases on the local employment market.

1. Test, Trace, Isolate - local tracing partnerships will continue through autumn and winter. The team currently contact traces around half of the cases and is funded until December 2021. If the service were to continue until March 2022 and pick up increasing cases, estimate is an additional £226,000 in total. Note recruitment challenge if no certainty of funding beyond March 2022.
2. Asymptomatic (lateral flow) testing including community testing continues until December 31st under a separate funding agreement with the Department of Health and Social Care. There are ongoing project management costs for Councils in requiring a single point of contact for liaison about testing sites. Recommended contingency of £50,000.
3. Local outbreak response will continue with clear local authority and DPH responsibility. Public Health operates a day response team, that has needed additional short term capacity from interims with health protection skills from time to time. Recommendation is to set aside contingency for interim roles of £100,000.
4. Additional support to regulatory services / businesses to manage COVID safely and help clear backlog of growing food hygiene inspections and non-COVID work - £50,000.
5. Support for enduring transmission / Enhanced response if needed through rapid community swabbing. Currently undertaken by Dorset Healthcare. Recommend additional contingency of £100,000.
6. Surge testing of COVID variants of concern - covered by previous COMF allocations – reconciliation underway to see how much has been spent and whether future allocation required.
7. Communications - several COMF bids underway but recommend setting aside contingency of £100,000 in case urgent door drop was required again, similar to last winter.
8. Possible implementation of Plan B - LA role in compliance and enforcement of face coverings, COVID certification unclear but could be approximately £100,000 per council.
9. Local support to assist people with COVID certificate queries – £200,000 to cover possible additional support via customer services in each Council.
10. Employer lateral flow testing costs focused on employees least likely to undertake testing independently of £250,000 to provide 12 bi-weekly tests for 1,000 employees over the period.

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Appendix B - BCP Council - Earmarked Reserves

Detail	31/03/21 Actual Balances £000's	Estimated movement £000's	31/03/22 Estimated Balances £000's
(A) - Financial Resilience Reserves	(53,114)	34,336	(18,778)
(B) - Transition and Transformation Reserves	(16,334)	12,373	(3,961)
(C) - Asset Investment Strategy Rent, Renewals and Repairs	(2,215)	0	(2,215)
(D) - Insurance Reserve	(3,500)	0	(3,500)
(E) - Held in Partnership for External Organisations	(3,685)	2,129	(1,556)
(F) - Required by Statute or Legislation	(547)	(145)	(692)
(G) - Planning Related	(1,064)	500	(564)
(H) - Government Grants	(8,619)	2,696	(5,923)
(I) - Maintenance	(1,452)	577	(875)
(J) - ICT Development & Improvement	(1,009)	400	(609)
(K) - Corporate Priorities & Improvements	(2,096)	394	(1,702)
Sub Total Earmarked Reserve Balance	(93,635)	53,260	(40,375)
(Hi) - Government Grants (Covid)	(18,448)	16,406	(2,042)
(Hii) - NNDR Covid Grants	(40,409)	40,409	0
(Ki) - Covid recovery resources	(1,318)	613	(705)
Sub Total Covid Earmarked Reserve Balance	(60,175)	57,428	(2,747)
Total Earmarked Reserve Balance	(153,810)	110,688	(43,122)

(A) - Financial Resilience Reserves

	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Designed to provide the Council with the ability to manage any emerging issues recognising the Council has been operating for two financial years, of which one was significantly impacted by Covid. Includes reserves to enable the management of the MTFP and resources which provide mitigation against the pandemic relating expenditure.			
Refinancing of the Capital Programme Reserve - step 1	(25,106)	25,106	0
MTFP Mitigation Reserve	(13,228)	4,432	(8,796)
Covid 19 Financial Resilience Reserve	(9,982)	0	(9,982)
Financial Services Capacity system development	(50)	50	0
Refinancing of the Capital Programme Reserve - step 2	(4,748)	4,748	0
Financial Resilience Reserves	(53,114)	34,336	(18,778)

(B) - Transition and Transformation Reserves

	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Resources set aside to support the one-off change costs of associated with creating the new council and meeting the Councils costs associated with the transformation programme.			
Transformation mitigation Reserve	(14,149)	10,188	(3,961)
Contribution from outside the General Fund towards transformation	(2,000)	2,000	0
BCP Programme Resources Pay & Reward Strategy	(185)	185	0
Transition and Transformation Reserves	(16,334)	12,373	(3,961)

(C) - Asset Investment Strategy Rent, Renewals and Repairs

	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Resources set a side as part of the process of managing annual fluctuations in the rent, landlord repairs and costs associated with the councils commercial property acquisitions as set out in the Non Treasury Asset Investment Strategy.			
Asset Investment Strategy Rent, Renewals and Repairs	(2,215)	0	(2,215)

(D) - Insurance Reserve

	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Reserve to enable the annual fluctuations in the amounts of excesses payable to be funded without creating an in-year pressures on the services. Subject to ongoing review by an independent third party.			
Insurance Reserve	(3,500)	0	(3,500)

(E) - Held in Partnership for External Organisations

	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Amounts held in trust on behalf of partners or external third party organisations.			
Dorset Waste Partnership	(202)	30	(172)
Dorset Adult Learning Service	(564)	57	(507)
Stour Valley and Poole Partnership	(1,055)	1,055	0
CCG Emotional Wellbeing and Mental Health	(408)	250	(158)
Local Economic Partnership	(1)	0	(1)
Flippers Nursery	(89)	0	(89)
Adult Safeguarding Board	(44)	42	(2)
Dorset Youth Offending Service Partnership	(409)	100	(309)
Music and Arts Education Partnership	(348)	75	(273)
Youth Programme	(50)	50	0
Bournemouth 2026 - West Howe Bid	(45)	0	(45)
Better Care Fund	(270)	270	0
Brain in hand (Sec 256 with Health)	(74)	74	0
Charter Trustees	(126)	126	0
Held in Partnership for External Organisations	(3,685)	2,129	(1,556)

(F) - Required by Statute or Legislation

	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Amounts which the council is required to hold as a reserve in line with current accounting practice or legislative requirements.			
Building Regulation Account	(128)	0	(128)
Bournemouth Library Private Finance Initiative (PFI)	(538)	(145)	(683)
Carbon Trust	119	0	119
Required by Statute or Legislation	(547)	(145)	(692)

(G) - Planning Related

	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Reserves designed to support planning processes and associated planning activity where expenditure is not incurred on an even annual basis.			
Local Development Plan Reserve	(644)	140	(504)
Planning Hearing and Enforcement Reserve	(123)	100	(23)
Other Planning Related Reserves	(297)	260	(37)
Planning Related	(1,064)	500	(564)

(H) - Government Grants

	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Amounts which the council is required to hold as a reserve in line with specific grant conditions.			
Government Grants	(8,619)	2,696	(5,923)
COVID 19 Government Grants	(18,448)	16,406	(2,042)
NNDR Covid Grants	(40,409)	40,409	0
Total Unspent Grants	(67,476)	59,511	(7,965)

(I) - Maintenance

	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Reserves and sinking funds designed to support maintenance investments in specific services or assets.			
Corporate Maintenance Fund	(251)	251	0
Other Maintenance Related Reserves	(1,201)	326	(875)
Maintenance	(1,452)	577	(875)

(J) - ICT Development & Improvement

	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Resources set aside to meet various ICT improvement projects			
ICT Development & Improvement	(1,009)	400	(609)

(K) -Corporate Priorities & Improvements

	31/03/21 Actual £000's	Estimated Movement £000's	31/03/22 Estimated £000's
Purpose: Amounts set a side to deliver various priorities, some of which will be of a historical natured inherited from the predecessor authorities.			
Capital Feasibility and Small Works Fund	(107)	67	(40)
Local Elections Reserve	(357)	(170)	(527)
Other Corporate Priorities & Improvements	(1,632)	497	(1,135)
Covid recovery resources	(1,318)	613	(705)
Corporate Priorities & Improvements	(3,414)	1,007	(2,407)

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Appendix C1

HRA Bournemouth Neighbourhood - Revenue Account 2021/22

	Full year budget £000	YTD budget £000	YTD actuals £000	Full year forecast £000	Full year variance £000
Income					
Dwelling rents	(22,879)	(11,440)	(11,446)	(22,879)	0
Non-dwelling rents	(149)	(75)	(80)	(149)	0
Charges for services and facilities	(747)	(374)	(594)	(922)	(175)
Contributions to expenditure	(60)	(30)	(75)	(95)	(35)
Other income	0	0	0	0	0
Total income	(23,835)	(11,917)	(12,194)	(24,045)	(210)
Expenditure					
Repairs and Maintenance	5,782	2,726	3,005	5,590	(192)
Supervision and Management	6,381	2,055	1,910	5,908	(473)
Rent, rates, taxes and other charges	220	110	96	240	20
Bad or doubtful debts	188	0	0	188	0
Capital financing costs (debt management costs)	75	0	0	75	0
Depreciation	6,878	0	0	6,878	0
Net interest payable	2,487	1,100	1,078	2,444	(43)
Total expenditure	22,011	5,991	6,089	21,323	(688)
Net operating (surplus) / deficit	(1,824)	(5,926)	(6,105)	(2,722)	(898)
Appropriations to reserves					
Contributions to new builds	1,824	0	0	2,722	898
Transfer to/from HRA reserve	0	0	0	0	0
Total appropriations	1,824	0	0	2,722	898
(Surplus) / deficit	0	(5,926)	(6,105)	0	(0)

HRA Poole Neighbourhood - Revenue Account 2021/22

	Full year budget £000	YTD budget £000	YTD actuals £000	Full year forecast £000	Full year variance £000
Income					
Dwelling rents	(20,357)	(10,993)	(11,042)	(20,376)	(19)
Non-dwelling rents	(43)	(23)	(17)	(37)	6
Charges for services and facilities	(1,390)	(716)	(665)	(1,387)	3
Contributions to expenditure	(54)	0	0	(54)	0
Other income	(273)	(86)	(68)	(272)	1
Total income	(22,117)	(11,818)	(11,792)	(22,126)	(9)
Expenditure					
Repairs and Maintenance	4,031	1,836	1,837	4,031	0
Supervision and Management	6,235	2,577	2,592	6,321	86
Rent, rates, taxes and other charges	162	11	12	162	0
Bad or doubtful debts	197	0	0	197	0
Capital financing costs (debt management costs)	107	0	0	107	0
Depreciation	4,665	0	0	4,665	0
Net interest payable	3,072	1,589	1,277	3,359	287
Total expenditure	18,469	6,013	5,718	18,842	373
Net operating (surplus) / deficit	(3,648)	(5,805)	(6,074)	(3,285)	364
Appropriations to reserves					
Contributions to new builds	3,642	0	0	3,279	(364)
Transfer to/from HRA reserve	6	0	0	6	0
Total appropriations	3,648	0	0	3,285	(364)
(Surplus) / deficit	0	(5,805)	(6,074)	0	0

Appendix C1

HRA Bournemouth Neighbourhood - Capital programme 2021/22

	Original estimate £000	Budget adjustment £000	Forecast spend £000	YTD spend £000	Budget remaining £000
Major projects - construction					
Moorside Road	2,873	(873)	2,000	636	1,364
Templeman House	2,750	(2,084)	666	23	643
Craven Court	1,750	(1,750)	0	0	0
Duck Lane Phase 2	1,600	(1,250)	350	5	345
Wilkinson Drive	1,450	(901)	549	5	544
Cabbage Patch Car Park	1,400	(900)	500	0	500
Northbourne Day Centre	1,388	(738)	650	0	650
Luckham Road/Charminster Road	1,212	(60)	1,152	693	459
Princess Road	750	0	750	0	750
Mountbatten Gardens	433	(107)	326	6	320
Ibbertson Way	264	(145)	119	119	0
Clifford Road Garages	117	(41)	76	1	75
Major projects - feasibility					
Constitution Hill	130	(50)	80	0	80
Barrow Drive Garages	99	(99)	0	0	0
Heart of West Howe SRT	60	(40)	20	0	20
31 Alma rd	30	0	30	2	28
Chesildene Drive Play Area	0	10	10	7	3
Godshill Close	0	1	1	1	0
Beaufort Park/Cranleigh road	0	20	20	0	20
Urgent Feasibility works	40	30	70	34	36
Other					
Purchase and Repair - generic code	1,324	(324)	1,000	187	813
Capitalised salary costs	0	420	420	357	63
sub-total major projects	17,670	(8,881)	8,789	2,076	6,713
Planned maintenance					
External standard doors	350	0	350	18	332
Fire safety programmes	600	0	600	59	541
Kitchen replacement programme	850	0	850	373	477
Heating & hot water systems	650	0	650	15	635
Bathrooms	900	0	900	343	557
Building envelope	0	0	0	0	0
Electrical and lighting works	150	0	150	51	99
Door entry system	50	0	50	12	38
Structural repairs and works	35	0	35	10	25
Lift improvements & replacements	140	0	140	77	63
Outbuildings (inc garages)	65	0	65	0	65
Asbestos	0	0	0	0	0
Insulation / Energy conservation / Environmental	110	0	110	32	78
Windows	1,000	0	1,000	495	505
Building external works	665	0	665	193	472
Boundaries, communal areas, hardscapes, etc	0	0	0	0	0
Roofing	300	0	300	44	256
Bedroom extensions	200	0	200	0	200
Plastering	0	0	0	0	0
Housing & Health Safety Cat 1 & 2	0	0	0	0	0
Disabled adaptations	550	0	550	391	159
Minor works	145	0	145	21	124
Sheltered sites	0	0	0	0	0
Contingency	350	0	350	0	350
Capitalised salaries	336	0	336	0	336
sub-total planned maintenance	7,446	0	7,446	2,134	5,312
total capital programme	25,116	(8,881)	16,235	4,210	12,025

Percentage capital programme spend to date

26%

HRA Poole Neighbourhood - Capital programme 2021/22

	Original budget £000	Budget adjustment £000	Forecast spend £000	YTD spend £000	Budget remaining £000
Major projects - construction					
Cladding	3,079	172	3,251	956	2,295
New Build - Infill Projects	1,100	(1,000)	100	0	100
New Build - Extra Care	0	0	0	0	0
New Build - Montacute	0	0	0	1	(1)
Old Town Tower Block Works	13,552	1,703	15,255	4,913	10,342
Herbert Avenue Modular	2,335	(2,305)	30	0	30
Cynthia House	2,175	(500)	1,675	177	1,498
Sprinkler Installations	213	(33)	180	125	55
Hillborne School Development	75	65	140	40	100
Moorview Garages Development	0	0	0	0	0
Egmont Road	0	0	0	5	(5)
Sopers/Cavan Crescent Development	0	0	0	0	(0)
58 Denmark Lane Works	0	0	0	0	0
Other					
Small Projects/Acquisitions	1,500	1,294	2,794	1,888	906
New computer system	250	0	250	39	211
sub-total major projects	24,279	(605)	23,675	8,144	15,530
Planned maintenance					
External standard doors	172	0	172	63	109
Fire safety programmes	481	77	558	224	333
Kitchen replacement programme	863	0	863	379	484
Heating & hot water systems	1,219	0	1,219	452	767
Bathrooms	272	0	272	78	194
Building envelope	318	0	318	102	216
Electrical and lighting works	405	110	515	250	265
Door entry system	27	0	27	7	20
Structural repairs and works	8	0	8	2	6
Lift improvements & replacements	18	0	18	0	18
Outbuildings (inc garages)	45	(20)	25	8	17
Asbestos	95	0	95	55	40
Insulation / Energy conservation / Environmental	155	(55)	100	12	88
Windows	637	0	637	97	540
Building external works	290	(289)	1	1	0
Boundaries, communal areas, hardscapes, etc	150	(55)	95	41	54
Roofing	305	0	305	181	124
Bedroom extensions	0	0	0	0	0
Plastering	79	0	79	28	51
Housing & Health Safety Cat 1 & 2	138	(88)	50	12	38
Disabled adaptations	360	(10)	350	99	251
Various programmes (under £100k)	154	96	250	151	99
Sheltered sites	100	0	100	7	93
Contingency	250	(250)	0	0	0
Capitalised salaries	611	0	611	306	305
sub-total planned maintenance	7,151	(484)	6,667	2,555	4,112
total capital programme	31,430	(1,089)	30,342	10,699	19,643

Percentage capital programme spend to date

35%

CABINET



Report subject	Medium Term Financial Plan (MTFP) Update
Meeting date	15 December 2021
Status	Public Report
Executive summary	This report details the progress made in the development of a robust balanced budget for 2022/23. The report also sets out. • The latest Medium Term Financial Plan (MTFP) position. • An update on the key assumptions being applied to the 2022/23 budget and MTFP process. • An update of the key financial risks faced by the Council. • Details of the Government's Spending Review (SR21). In addition, the report proposes not to change the Local Council Tax Support Scheme (LCTSS) for 2022/23 and therefore the council will continue to operate the same scheme that it has operated since April 2019.
Recommendations	It is RECOMMENDED that Cabinet: a) Agree the current budget position for 2022/23 and the further improved MTFP position. b) Approve the continuation of the current Local Council Tax Support Scheme (LCTSS) into 2022/23. c) Acknowledge the update on the key financial risks.
Reason for recommendations	To comply with accounting codes of practice and best practice which require councils to have a rolling multi-year medium term financial plan. To provide Cabinet with the latest high-level overview of the medium-term financial plan. To ensure Members develop a balanced budget for 2022/23. To ask Cabinet to approve the continuation of the current LCTSS.
Portfolio Holder(s):	Councillor Drew Mellor, Leader and Portfolio Holder for Finance & Transformation
Corporate Director	Graham Farrant, Chief Executive

Report Authors	Adam Richens: Chief Finance Officer and Director of Finance 01202 123027 adam.richens@bcpcouncil.gov.uk
Wards	Council-wide
Classification	For Decision

Background

1. Cabinet at its meeting on the 27 October 2021 received its latest MTFP Update report. In receiving the report, the councils MTFP was extended to cover the 5-year period to 31 March 2027. This report provided the detail of the latest position as summarised below.

Figure 1: October 2021 Medium Term Financial Plan position

Net additional investment into services	22/23	23/24	24/25	25/26	26/27	Total
	£m	£m	£m	£m	£m	£m
Annual – Net Funding Gap	25.1	6.0	15.1	18.9	21.5	86.6
Cumulative MTFP – Net Funding Gap	25.1	31.1	46.2	65.1	86.6	

2. It was also acknowledged that this position would materially alter if any of the key financial planning assumptions, currently being adopted to underpin the financial planning framework, were to change. These key assumptions were listed as.
 - a) A 4.99% increase in council tax for 2022/23 (equivalent to £10.9m in extra revenue) and a 1.99% increase in 2023/24 (£4.3m in extra revenue). It was emphasised that the 2022/23 potential council tax increase includes the 3% Adult Social Care precept deferred from 2021/22 and that a decision on the use or not of the Adult Social Care precept will be made in the budget for 2022/23 in February 2021.
 - b) A 1.5% increase in the councils taxbase (number of band D equivalent properties) for 2022/23 and a 1% increase for 2023/24. The standard assumption has historically been 0.5% per annum but where the tax base decreased during the Covid-19 pandemic it is felt correct to build in some recovery by moving to 1.5% and then 1%.
 - c) Pay awards based on the inflation rate estimate for the September preceding the year in question. At that stage the Consumer Price Index forecast for September 2021 was 3.4% with the 2% target set for the Monetary Policy Committee (MPC) used for future years.
 - d) The 1.25% increase in employers' national insurance which from 2023/24 will become the Health and Social Care Levy.
 - e) The harmonisation of BCP Council's pay and grading structures within a cost neutral framework.
 - f) Fundamental rebase of resource requirements for children's services recognising the in-year 2021/22 pressures and the 10% year-on-year growth in education, health, and care plans (EHCPs).

- g) An additional £0.22m investment in 2022/23 in SEND as agreed by Council on 14 September 2021.
 - h) Impact of the increasing cost of energy (electricity and gas), and fuel which will impact on the operational costs of numerous services. In addition, cost increases associated with certain raw materials will put pressure on the finances of certain capital schemes particularly those housing related.
 - i) The doubling of the support of the Climate Change and Ecological Emergency from £0.24m per annum to £0.48m per annum as per the 23 June 2021 MTFP update report to Cabinet
 - j) A reduction in the assumed level of recovery of the council's sales, fees, and charges income base from the impact of the global pandemic. Although there are some pockets of very good performance, originally it had been assumed that the majority of income streams would recover for 2022/23. Indications are that all such income streams will not be back to pre-covid levels until the end of 2023/24.
 - k) Inclusion of £2.8m of non-transformation, service-based savings, and efficiencies.
 - l) Total cumulative transformation savings of £25m per annum underpinning the 2022/23 budget and £42.4m per annum underpinning the 2023/24 budget.
 - m) Redistribution, as a one-off in 2022/23, of a £4.8m surplus in the collection fund associated with the government arrangements for spreading 2020/21 collection fund deficits over a 3-year period and the relationship between the December 2020 estimate for 2020/21 used in the 3-year phasing and the actual outturn for the year.
 - n) The drawdown of £2.1 million from the MTFP Mitigation Earmarked Reserve in 2022/23.
3. The position was underpinned by the basic assumption that no adjustments will be needed because of 2021/22 actual activity of the council as services are expected to be delivered within the parameters of the February 2021 approved budgets for the current financial year.

Financial Strategy

- 4. The Council's financial strategy in support of the 2022/23 budget was approved by Cabinet at its meeting on the 23 June 2021. This document set out the material workstreams and considerations that the council would further explore to enable it to set a balanced budget for 2022/23 and to reduce the medium-term funding gap. As a strategy it outlined the following two key elements.
 - a) Consideration of opportunities afforded to the Council by having relatively low levels of borrowing compared to similar size authorities. The exploration of the opportunity will enable the council to consider how best to support its housing and regeneration ambitions as expressed through its Big Plan. It should always be emphasised that local authorities can only borrow to support capital expenditure. During 2020/21 and 2021/22 the council has also materially refinanced its capital programme from borrowing and in doing so released any revenue resources previously used as the source of financing.
 - b) A shift away from a service-based savings approach and towards delivering savings at an enterprise level, as scheduled as part of the council's transformation programme.
- 5. Associated with these two key elements the financial strategy went on to set out the following programme of activity.

- a) Considering the extent to which, within the local government capital accounting framework, it is feasible to capitalise any of the costs the council will need to incur in support of its regeneration ambitions.
- b) Driving out value from land and building assets, including work led by the council's new Urban Regeneration Company (Future-Places).
- c) Considering the extent to which additional capital receipts can be generated which under the flexible use of capital receipts can be used to fund transformation. Currently the council is having to use its £14.1m Transformation Mitigation earmarked reserve to provide the necessary funding, over the assumed and delivered levels of capital receipts, to fund its transformation programme commitments.
- d) Delivering the £25 million annual transformation programme savings target for 2022/23. This is a £17.5m increase from the £7.5m budgeted for 2021/22. The MTFP assumes a further £17.4m annual increase in 2023/24 bringing the cumulative annual savings target to £42.4m from 2023/24 onwards.
- e) As part of the transformation programme there is a requirement to deliver the separate £6.6 million transformation estates and accommodation project on time, on budget and contributing the assumed level of savings (which form part of the itemised transformation savings towards the £42.4m target).
- f) Considering the £44.53m previously approved expenditure programme associated with the transformation programme and the ability to reprofile, redirect or extend this programme to increase the level of assurance around the currently assumed savings. A view will also need to be given to the extent to which the pace and value of these assumed savings can be increased.
- g) Establish if the £4m currently budgeted to cover the additional revenue costs associated with the transformation programme is sufficient and if it accords with the latest implementation profile for the programme.
- h) Further review, test and challenge by Cabinet, Corporate Management Board, service directors, and budget holders of the amounts included in the refreshed MTFP and the ability to drive down the assumed cost increases.
- i) Delivering further non transformation service-based savings and efficiencies and driving down the cost of services and pressures included in the MTFP.
- j) Financial monitoring of the 2021/22 approved budget with emphasise on the extent to which sales, fees and charges income streams are recovering as assumed.
- k) Delivering the councils pay and grading harmonisation project within a cost neutral framework.
- l) Monitoring of national and sector specific announcements including those associated with the Fair Funding Review, 75% business rates retention, future funding of social care and the pay award.
- m) Consider the extent to which assistive technology can improve service delivery and reduce the ongoing associated costs for example in adult social care.
- n) Develop a deficit recovery plan for the Dedicated Schools Grant (DSG) with specific reference to the high needs budget.
- o) Consider the extent to which it is possible and appropriate to further support the 2022/23 Budget by the application of financial resilience reserves. By doing so this will enable a further period of recovery to prevent unnecessary adjustments to service delivery

standards being made. Any such allocation will need to reflect on the risks and uncertainty in the MTFP over its entire 5-year period.

2021/22 In-year position

6. A separate item on this Cabinet's agenda is the council's second quarter budget monitoring report for the financial year 2021/22. This forecast for the entire year is based on the activity between 1 April 2021 and 30 September 2021. The estimate is that services are now predicted to overspend by £4.2m. This forecast reflects one-off and ongoing Covid19 related pressures, alongside non-Covid ongoing service pressures and the position in respect of assumed transformation savings. The ongoing pressures are most notably those within children's services which remains a significant priority area for the council.
7. Overall, there has been a significant improvement from the quarter one position which has been delivered through strong financial management and higher forecast levels of income compared to the prudent position adopted in the 2021/22 budget in relation to the impact of Covid19. Additionally, improving prices for recycle materials and a reprofiling of annual transformation revenue costs have also made significant contributions to the variation between quarters.
8. The 2021/22 quarter two budget monitoring report also proposes the formal mitigation of this net pressure by the application of the council's residual £8.2m Covid19 Tranche 5 2021/22 government grant. Once applied the application of these resources will create a forecast underspend for the year of £4m. It would be worth emphasising that this forecast does not release the £2m 2021/22 base budget revenue budget contingency which remains as available to cover any further adverse variations in the financial year.

Government announcements since the October MTFP Update report to Cabinet

9. On the 27 October 2021 the Chancellor of the Exchequer Rt Hon Rishi Sunak MP, presented the 2021 Autumn Budget. In addition, as part of the announcement, he also confirmed the government's intention to complete a multi-year Spending Review (SR21) setting revenue and capital budgets for the period for 2022/23 to 2024/25.
10. After one-year spending plans were issued in support of the 2020/21 and 2021/22 local government finance settlements confirmation of a multi-year settlement would be helpful in reducing future uncertainty. In turn this would enable the council to undertake more effective medium-term planning associated with the delivery of the local services upon which our local community relies.
11. As part of the announcement the government made several key announcements which are relevant to local government and the council's budget for 2022/23 onward. Principal amongst these was confirmation that they intend to continue with the strategic approach they have taken since their 2015 spending review being that local councils should be increasing council tax as the principal mechanism for funding cost and demand pressures in local services. Government will therefore be assuming that Unitary Authorities who did not take the social care precept in 2021/22 will be increasing their council tax in 2022/23 by the combination of the 3% deferred precept, plus a basic annual referendum threshold of 1.99% plus an annual 1% social care precept. The annual framework post 2022/23 is anticipated to be the 1.99% basic referendum limit with an additional 1% per annum flexibility by way of a social care precept.
12. This approach underpinned the government's intention to make available to local government an extra £1.6bn per annum for three years amounting to a £4.8bn increase in total, the largest increase in core funding for more than a decade. The details of how

this funding will be distributed and how it is expected to be applied were not disclosed. Confirmation is expected in the local government finance settlement due in December 2021. This increase in funding is on top of the extra funding that will need to be allocated to local government to meet the additional commitments announced in September by the Prime Minister in respect of the government's plan for health and social care.

13. Other announcements pertinent to local government included in the Autumn Budget.
 - a) The Office Budget Responsibility (OBR) are forecasting continued high inflation, with CPI expected to average 4% over the coming year before falling back to 2.6% in the 2023. The government consider that this high inflation relates to demand exceeding supply (as demand has recovered from Covid19 quicker than suppliers can re-mobilise, as the economy reopens). There has also been a surge in demand for energy, despite continuing disruptions to supply.
 - b) Economic recovery from Covid19 is now expected to be quicker than previously anticipated, with a return to pre-Covid levels expected at the turn of the current year (earlier than was expected in March). The estimates of the impact from Covid have been reduced from 3% to 2%, and the peak unemployment is now expected to be 5.2% (down from the 12% predicted in March).
 - c) The Business Rates multiplier will, again, be frozen, rather than rising by inflation, as in 2021/22. The impact of this freeze would ordinarily lead to lower levels of resources to local government however it is anticipated that government will continue to offer compensation via a grant arrangement.
 - d) Publication of the review of business. This includes provision for 3-yearly revaluations from 2023, and a new business rates improvement relief, which, from 2023, will allow businesses to make improvements and pay no extra business rates for 12 months. It is currently anticipated that local government will not be compensated for this relief so in effect it will take longer for any growth in business rates to be recognised.
 - e) The Retail, Hospitality and Leisure relief first introduced in 2020/21 and previously extended into 2021/22 will be further extended at 50% for 2022/23, subject to a £110,000 cash cap. It is expected that this will continue to be fully funded for the implications for local government.
 - f) A reduction in the Universal Credit (UC) taper. Currently that taper starts at 63 pence, so for every £1, after tax, a person earns their UC payment is reduced by 63 pence. This taper has been reduced to 55 pence.
14. One item not included in the announcement was reference to local government funding reforms and the wholesale reform of how councils are funded. It was therefore deduced that the Fair Funding Review (FRR) and the associated business rates changes had been pushed back to at least 2023/24.

Latest Medium Term Financial Plan

15. The development of a medium-term financial planning process is designed to provide sound financial management and control arrangements which are integral to the delivery of good governance for the council. Such arrangements will help in supporting service delivery, accountable decision making and safeguarding stewardship whilst optimising the use of available resources.
16. The MTFP and budget for 2022/23 should be seen in the context of a rolling, evolving process structured to enable the proactive management and prioritisation of the council's

resources. To support its development Cabinet agreed the following high-level budget cycle as part of the 23 June 2021 Cabinet report.

Stage One: April to June

- Closure of the accounts for the 2020/21
- High level budget planning process as set out in this June 2021 MTFP Update report to Cabinet.
- Approval of a financial strategy to support the delivery of a balanced budget for 2022/23.

Stage Two: June to September

- Initial detailed bottom-up refresh of the baseline financial resource requirements for each service. This included a reflection on previous year's actual performance and forecast in-year performance to evaluate the realism of future year plans. The intent being to move the MTFP to a five-year time horizon (31 March 2027) was noted.
- Portfolio Holders consideration of the updated position with Cabinet and Corporate Management Board colleagues.
- Quarter One 2021/22 Budget Monitoring report.

Stage Three: October to December

- Fundamental budget test and challenge session. Included a review of the evidence base for service pressures including the underlying activity, trend analysis and costing estimates. Consideration of associated income strategies and any proposed mitigation strategies.
- Refinement stage including councillor consideration of the implications of any proposed transformation and service-based savings proposals.
- MTFP Update reports to Cabinet in both October and December.
- Budget Café (all councillor) presentations on the 26 November 2021.
- Quarter Two 2021/22 Budget Monitoring report.

Stage Four: January to February

- Taxbase report.
- Statutory consultation with representatives of Commerce and Industry.
- Quarter Three 2021/22 Budget Monitoring report
- Finalise the 2022/23 Budget.

17. Stages one to three are now substantially complete. Figure 1 below sets out the current MTFP updated in the context of its five-year timeline to 31 March 2027 and a materially improved position from the last iteration of this report both in terms of year 1 and year 5 positions. It should be emphasised that the table shows the incremental changes, positive and negative, from the preceding year. It does not show the absolute amounts. These are included as Appendix A to the report.

Figure 2: 5-year Medium Term Financial Plan 2022 to 2027

Additional Investment into Services	22/23	23/24	24/25	25/26	26/27	Total
	£m	£m	£m	£m	£m	£m
Adult social care inc public health	12.7	11.0	10.8	8.1	8.5	51.1
Children's services	10.4	5.9	8.4	9.0	9.6	43.3
Environment and communities	1.7	3.2	2.6	1.2	1.3	9.9
Regeneration and economy	0.1	0.9	0.6	0.8	0.5	2.9
Resource services	0.2	0.2	(0.1)	0.0	(0.0)	0.2
Transformation - ongoing revenue costs	0.5	0.5	0.0	0.0	0.0	1.0
Income impacted by COVID-19	(7.2)	(2.1)	(1.7)	0.0	0.0	(11.1)
Pay Award 2022/23 onwards	5.5	3.5	3.6	3.6	3.6	19.8
Pay Award additional 0.75% 21/22	1.3	0.0	0.0	0.0	0.0	1.3
Pension fund – tri-annual revaluation impact	(0.1)	0.2	0.2	0.2	0.2	0.8
Increase in employers NICs to fund cap on social care	1.4	0.0	0.0	0.0	0.0	1.4
Contingency - reduced to reflect lower Covid related uncertainty	(1.9)	0.2	0.1	0.0	0.0	(1.6)
Debt - Additional Capital (MRP & interest repayments)	1.3	0.9	1.4	0.7	0.3	4.5
Carters Quay Regeneration Scheme	0.1	0.1	(0.1)	(0.3)	(0.1)	(0.2)
Corporate priorities (one-off items in original 2021/22 allocation)	(1.4)	0.0	0.0	0.0	0.0	(1.4)
Total Additional Investment into Services	24.6	24.5	25.8	23.2	23.9	121.9
Cumulative Investment into Services	24.6	49.1	74.9	98.1	121.9	

Additional Resources	22/23	23/24	24/25	25/26	26/27	Total
	£m	£m	£m	£m	£m	£m
Council tax – revenue	(10.7)	(6.9)	(7.2)	(7.5)	(7.7)	(40.0)
Council tax - taxbase	(5.2)	(3.1)	(2.6)	(1.3)	(1.3)	(13.5)
Collection fund – (surplus) / deficit distribution net of S31 grant	(4.1)	4.8	(3.5)	0.0	0.0	(2.8)
Use of reserves - inc 75% loss drawdown	(4.0)	4.0	1.0	0.0	0.0	1.0
Core government funding changes	(8.0)	3.5	2.2	0.0	0.0	(2.3)
Local council tax support scheme grant 2021/22	3.8	0.0	0.0	0.0	0.0	3.8
Sales, fees and charges compensation 2021/22	1.6	0.0	0.0	0.0	0.0	1.6
Top slice covid pressures grant 2021/22	1.0	0.0	0.0	0.0	0.0	1.0
Investment income	(0.5)	(0.1)	(0.1)	(0.1)	0.0	(0.7)
Refinancing of capital programme	25.1	0.0	0.0	0.0	0.0	25.1
Review of inherited resources	4.7	0.0	0.0	0.0	0.0	4.7
Transformation savings	(17.5)	(17.5)	0.0	0.0	0.0	(34.9)
Service based savings	(3.1)	(4.7)	(6.7)	(3.0)	(2.8)	(20.4)
Total annual extra resource & savings	(16.7)	(19.9)	(16.9)	(11.9)	(11.9)	(77.3)
Cumulative extra resources & savings	(16.7)	(36.6)	(53.5)	(65.4)	(77.3)	

Annual – Net Funding Gap	7.8	4.6	8.9	11.3	12.0	44.6
Cumulative MTFP – Net Funding Gap	7.8	12.4	21.3	32.7	44.6	

18. At this stage members are reminded that they have a legal responsibility to balance the 2022/23 budget in a manner which reflects the needs of both current and future taxpayers. In essence this is a direct reference to ensuring that Council sets a financially sustainable budget which is mindful of the long-term consequences of any short-term decisions. Care will need to be taken with any deployment of reserves in support of the budget to ensure any previous or new services can sustainably be funded into the future.
19. The key matters for consideration in the updated MTFP particularly pertinent to the 2022/23 position can be listed as.
- a) Further review, test and challenge by Cabinet, Corporate Management Board, service directors, and budget holders of the amounts included in the refreshed MTFP and the ability to drive down the assumed cost increases. The particular emphasis of these reviews being the justification and evidence supporting the proposed changes and any accompanying mitigation strategies.
 - b) For financial planning purposes only, tying in assumed future council tax increases included within the MTFP, with those announced by the government as part the October 2021 Budget Statement. The only exception being the increase for 2022/23 which remains consistent with the previous assumption.
 - c) Increases in the assumed future cost of care to reflect the increase to the National Minimum Wage announced alongside the October budget statement. The rate for those aged over 23 will increase to £9.50 per hour from April 2022. This is a 6.6% increase from the current £8.91 per hour and was higher than previously assumed.
 - d) Alignment of the assumed 2022/23 pay award based on the published inflation rate for September 2021. On the 20 October the Office for National Statistics published the Consumer Price Index (CPI) for September as 3.1% which was a slight reduction on the 3.4% estimate used in the previous reiteration of the MTFP.
 - e) Provision for the extra resources for local government announced by government as part of the October 2021 Autumn Budget. It is assumed the councils share of £1.6bn in 2022/23 will equate to an extra Revenue Support Grant (RSG) of £1.173m and an extra specific grant of £8.519m. The indications are that these extra resources will be reduced in 2023/24 and 2024/25 on account of the assumed social care council tax precept increases.
 - f) Additional increases in the councils, council tax base in reflection of a reduced forecast around the impact of the Local Council Tax Support Scheme (LCTSS) alongside improvements in collection rates.
 - g) As a consequence of the materially improved in-year position and the expectation of delivering a budget surplus for 2021/22, the council can deliver now on its ambition of moving its unearmarked reserves to the mid-point compared to other upper tier authorities rather than be phased over the five years of the MTFP. This removes the requirement to set-aside the previous £0.7m annual contribution from 2022/23 previously assumed.
 - h) Inclusion as a one-off for 2022/23 £1.9m from the annual review of earmarked reserves and from reserves no longer needed for their original purpose.

20. In respect of financial years beyond 2022/23 it has been assumed that all fees and charges will be increased annually in line with the government's 2% inflation target. The council will also be lobbying government that any statutory set fees and charges should be periodically increased with inflation.

Ongoing Workstreams

21. Appendix B presents an update on some of the key financial planning assumptions being used to underpin the latest reiteration of the MTFP. At this stage ongoing workstreams are particularly focused on confirming the profile of the transformation programme savings and associated revenue expenditure, the ability to capitalise costs associated with regeneration, consideration of models through which it may be possible to deliver additional capital receipts, delivering the pay and grading harmonisation project, and determining the extent to which it is appropriate to further support the 2022/23 budget using the financial resilience reserve. Consideration will also need to be given to the extent to which it is possible to fund additional resource requests for 2022/23.

Strategy to close the residual MTFP funding gap

22. To close the residual funding gap of £53m across the five financial years to 31 March 2027 the following areas will be examined to further reduce the councils cost base or to generate further sources of revenue.
- **Transformation programme.** Opportunities to outperform the current approved enterprise level transformation business case and the £42.4m savings already included in the MTFP. This workstream is clearly premised on savings in the number of staff employed, in expenditure spent on third party contractors, and on increasing cost recovery. This third workstream in essence is from the commercialisation of services or via such work as the ongoing benchmarking of our fees and charges levels with other local authorities.
 - **Non-transformation savings.** Ongoing commitment from services to challenge traditional service delivery methods and seek opportunities for service-based savings, and efficiencies outside of the transformation programme.
 - **Estates and accommodation strategy.** Reduce exposure to a large and inefficient office accommodation estate, whilst at the same time supporting the development of a single council identity where staff work in modern and flexible ways, delivering services that are transformed to be as customer focused and as financially efficient as possible. In addition, the council will consider options for taking a more commercial approach to its asset base.
 - **Growth in council tax and business rates revenue.** This workstream will relate to the ambition to rejuvenate and increase investment within the area. The approach will need to be cognisant that extra homes and businesses can lead to extra demand for council services (adult and children's social care, new waste collection rounds etc.) as well as requirements for additional infrastructure investments, such as schools. The approach will also need to be cognisant of the assumed increases in the council's taxbase already included in the MTFP.
 - **Commercial approach** with specific reference to the opportunities afforded by.
 - Increasing returns/dividends from council owned companies and other third-party arrangements. This includes the council further utilising its low levels of borrowing compared to similar size authorities (debt headroom) to support regeneration, the delivery of new homes, or service delivery-based assets.

- Investing in our award-winning seafront, parks, cultural and leisure offer.
- **Investment in infrastructure.** Taking opportunities which are available to the council through its upfront investment in key infrastructure projects via the £50m Futures Fund.
- **Investment in communities.** Asset Based Community Development. Connected communities and empowering a community led response to certain service requirements.
- **Investing in the physical and digital infrastructure.** Considering opportunities afforded by the council's investment in digital connectivity such as the Smart Places workstream.
- **Investment in technology.** An example being investment in assistive technology to improve service delivery and reduce the ongoing associated costs in adult social care.
- **Consideration of new government requirements:** A good example being the Government Resources and Waste Strategy and the associated resources generated from the extended producer responsibility scheme for packaging.
- **Investment in the climate change and ecological emergency.**
- **Government/contributions:** Continue to seek out opportunities for government and other third-party contributions to the delivery of local services. An example would be a bid to the government's Future Prosperity Fund.

Dedicated Schools Grant (High Need Block Funding)

23. A key consideration in assessing the council's overall financial health is the risk associated with the deficits on its Dedicated Schools Grant (DSG) with specific reference to the high needs budget. The table below sets out the current and forecast position.

24. **Figure 3:** Actual/Projected High Needs Budget deficits

DSG Funding	Balance 1 Apr 19 £m	Balance 1 Apr 20 £m	Balance 31 Mar 21 £m	Balance 31 Mar 22 £m	Balance 31 Mar 23 £m	Balance 31 Mar 24 £m	Balance 31 Mar 25 £m	Balance 31 Mar 26 £m	Balance 31 Mar 27 £m
Annual Shortfall		1.0	3.3	10.8	18.1	27.5	38.7	52.2	68.5
Deficit	(3.6)	(4.6)	(7.8)	(18.6)	(36.7)	(64.2)	(102.9)	(155.1)	(223.6)

25. This forecast is based on the current pattern of provision and growth, no new state funded places being created and actions to educate a greater proportion of pupils in mainstream schools being unsuccessful. The forecast could be reduced to the following if all these actions were successful.

26. **Figure 4:** Actual/Projected High Needs Budget deficits

DSG Funding	Balance 1 Apr 19 £m	Balance 1 Apr 20 £m	Balance 31 Mar 21 £m	Balance 31 Mar 22 £m	Balance 31 Mar 23 £m	Balance 31 Mar 24 £m	Balance 31 Mar 25 £m	Balance 31 Mar 26 £m	Balance 31 Mar 27 £m
Annual Shortfall		1.0	3.3	10.8	15.0	16.6	16.1	12.1	6.5
Deficit	(3.6)	(4.6)	(7.8)	(18.6)	(33.6)	(50.2)	(66.3)	(78.4)	(84.9)

27. The change is based on some significant assumptions. This includes the creation of 56 special school and resource-based places in each of the 5 years. The growth in Education, Health and Care plans (EHCPs) reducing from 10% per annum in 2021/22 to 5% by 2026/27 and the proportion of the growth in pupils educated in mainstream schools from 10% now to 50% in 5 years with the change profiled evenly over the 5 years. For 2022/23 there is a high probability that the figure quoted could be reduced by £1.1m to reflect the 0.5% transfer between the school's block and the high needs block of the DSG. This may also be possible in 2023/24, however, the expectation is that beyond that the DfE will fund all schools nationally without any local decision making.
28. These growing deficits are considered a direct consequence of the 2014 Children and Families Act, which increased the age range of children and young people with Special Educational Needs and Disabilities (SEND) that councils are required to support as well as significantly raising the expectations of parents across all age ranges without providing the necessary financial support. In summary since 2014 the council or its predecessors has experienced 10% year on year increases in EHCPs without consistent increases in funding. This growth is reflected nationally. The budget projection assumes this trend will continue each year and that no further places are created in state special schools. The creation of additional places would reduce the budget growth shown in the above table but not eliminate the annual deficit or stop the accumulated deficit from continuing to grow.
29. Currently the council is not required to set aside any of its own resources, for example as an earmarked reserve, to specifically offset this accumulating deficit. This position is based on the CIPFA bulletin for the closure of the 2019/20 financial statements which stipulated that the reserve did not need to be in place from the 1 April 2020 onwards. This position was reinforced by a Department for Education statutory instrument which became law at the end of November 2020 which stated.

Where a local authority has a deficit in respect of its school's budget for a financial year beginning on 1st April 2020, 1st April 2021 or 1st April 2022, the authority—

- (a) must not charge to a revenue account an amount in respect of that deficit; and*
 - (b) must charge the amount of the deficit to an account established, charged and used solely for the purpose of recognising deficits in respect of its school's budget.*
30. This means that the council cannot now contribute to the deficit, cannot hold a reserve to act as a counterweight and has been required to move the deficit to an unusable reserve where it will sit as though it did not exist. It does though mean that the council is required to cash flow the deficit and continue to prioritise the work needed to reduce the deficit as the statutory instrument was silent on what the position will be from 1 April 2023 onwards.
 31. A High Needs Recovery Board chaired by the Chief Executive and attended by, amongst others, the Leader, the relevant Portfolio Holder, and the Chair of the Schools Forum has operated since April 2021. This Board has the specific aim of trying to better understand the position and develop options for its management.
 32. Currently there is a key risk associated with the expectations of government once the period of the statutory instrument comes to an end, namely the position for the 2023/24 financial year. If the council is required to act as previously and set aside resources to act as a counterweight, then the financial sustainability of the council would be challenged at that point based on the availability of reserves as set out in the reserves section below.

33. This risk will however first crystallise as part of the formal assessment that the council's Chief Finance Officer (CFO) will need to provide as part of the 2022/23 budget report, on the adequacy of the council's reserves. The challenge will be the extent to which it is possible to provide such assurance knowing that the day after the financial year in question, 1 April 2023, that the Council should be setting aside £33.6m of its own resources to act as a counterweight to the accumulated DSG deficit.
34. The council continues to work with the Local Government Association and other local authorities to seek clarification on both the position once the statutory instrument expires and a sustainable funding strategy for the high needs budget.

Review of Reserves

35. Councils generally hold two main forms of reserves.

Unearmarked Reserves are set aside to help manage the risk to the council's financial standing in the event of extraordinary or otherwise unforeseen events and to mitigate the underlying operational risk associated with the operation of the council and the management of service expenditure, income, and the council's funding.

Earmarked Reserves are set aside for specific purposes including those held in support of various partnerships, reserves designed to help deliver the challenges in the Medium-Term Financial Plan, key major projects of the council, reserves held on behalf of third parties and several reserves the council is required to hold in line with statute or its own governance requirements

36. As part of the financial strategy supporting the development of the 2022/23 budget the council has agreed, as a matter of prudence, to improve the level of its unearmarked reserves. The agreed strategy is to increase these reserves from their current level of 5.4% of the council's net revenue expenditure to 6.1%. This will position these reserves at the mid-point when compared to all upper tier authorities including unitary, county, and metropolitan authorities at £18.9m. This approach was coterminous with the council taking the opportunity afforded by low levels of borrowing compared to similar size local authorities.
37. The forecast financial outturn as set out earlier in this report will enable the council to move to the mid-point as at the 31 March 2022 rather than phased over the five years of the medium-term financial plan
38. **Figure 5:** Profile of council unearmarked reserves

	Balance 1/4/19 £m	Balance 1/4/20 £m	Balance 31/3/21 £m	Balance 31/3/22 £m	Balance 31/3/23 £m	Balance 31/3/24 £m	Balance 31/3/25 £m	Balance 31/3/26 £m	Balance 31/3/27 £m
Un-earmarked Reserves	17.4	15.4	15.4	18.9	18.9	18.9	18.9	18.9	18.9
Total Unearmarked reserves	17.4	15.4	15.4	18.9	18.9	18.9	18.9	18.9	18.9

39. In addition, as part of the annual budget process the Chief Finance Officer undertakes an annual fundamental review of earmarked reserves to determine the extent to which further resources can be released to better support the council's priorities and key financial risks. As part of this process, and as previously referenced earlier within this report, £1.9m has been redirected in support of the 2022/23 Budget from earmarked reserves no longer required for their original purpose.

40. Figure 6: Profile of council earmarked reserves

	Balance 1/4/19 £m	Balance 1/4/20 £m	Balance 31/3/21 £m	Balance 31/3/22 £m	Balance 31/3/23 £m	Balance 31/3/24 £m	Balance 31/3/25 £m	Balance 31/3/26 £m	Balance 31/3/27 £m
Financial Resilience Reserves	11.0	13.1	53.1	20.7	16.7	16.7	16.7	16.7	16.7
Transition & Transformation Reserves	12.9	3.5	16.3	12.5	3.4	0.0	0.0	0.0	0.0
Held in Partnership for External Organisations	4.1	3.1	3.7	1.6	1.1	1.0	0.9	0.9	0.9
General Earmarked Reserves	17.1	15.9	11.8	10.3	9.7	9.3	8.5	8.7	8.9
Government Grants	7.6	7.0	8.7	5.9	3.8	2.7	1.7	1.7	1.7
Covid Government Grants	0.0	11.2	18.5	2.0	1.0	0.0	0.0	0.0	0.0
Covid recovery resources	0.0	0.0	1.3	0.6	0.3	0.0	0.0	0.0	0.0
NNDR Covid Grant	0.0	0.0	40.4	0.0	0.0	0.0	0.0	0.0	0.0
Total Earmarked Reserves	52.7	53.8	153.8	53.6	36.0	29.7	27.8	28.0	28.2

Please note: The above table assumes that £2.1m of the Financial Resilience Reserves are used to support the 2022/23 budget as per the Budget and MTFP originally approved by council in February 2021 as well as the extra £1.9m from the review of earmarked reserves. It also assumes the Transformation Reserve is used to fund the current predicted shortfall in the value of capital receipts that will be generated to support the transformation programme.

Local Council Tax Support Scheme (LCTSS)

41. No changes are proposed to the Local Council Tax Support Scheme for 2022/23 which will mean a consistent policy has been applied by the Council from 1 April 2019 onwards.
42. During 2022/23 a consultation will be undertaken to consider changing the existing LCTSS to a 'banded scheme' reflecting current best practice to reduce the burden of administration for both claimants and the council.
43. Any changes proposed would not be to reduce expenditure on LCTSS but to deliver operational and administration efficiencies and better meet the needs of residents.

Council Tax and Business Rates reviews

44. Once the council has aligned its administrative databases for Council Tax and Business Rates the revenues service will seek to engage an external partner to review discounts and to review where income may be being lost through premises not being rated or banded.

Options Appraisal

45. This report considers current and future financial sustainability. Any consequential savings and efficiency plans that are developed will each need to be tested to determine the extent to which alternative options exist

Summary of financial implications

46. The financial implications of the MTFP and budget work now in hand are as outlined within the report. The work is progressed within base budget resources.

Summary of legal implications

47. Council has a fiduciary duty to its taxpayers to be prudent in the administration of the funds it holds on their behalf and an equal duty to consider the interests of their community which benefit from the services it provides.
48. It is the responsibility of members to ensure the Council sets a balanced budget for the forthcoming year. In setting such a budget members and officers of the council have a legal requirement to ensure it is balanced in a manner which reflects the needs of both current and future taxpayers in discharging these responsibilities. In essence this is a direct reference to ensure that council sets a financially sustainable budget which is mindful of the long-term consequences of any short-term decisions.

Summary of human resources implications

49. There are no direct human resource implications of this report. However, the MTFP and budget will have a direct impact on the level of services delivered by the council, the mechanisms by which those services are delivered and the associated staffing establishment.

Summary of sustainability impact

50. The accommodation and business transformation programmes underlying the MTFP will make the council more environmentally friendly through a reduced estate and different ways of working, including the continued ability for staff to work effectively from home. This will reduce energy consumption and pollution levels as well as produce savings to protect services.
51. Consideration of further sustainability measures will be undertaken as individual proposals come forward as part of the budget setting process for 2022/23.

Summary of public health implications

52. The council will seek to maintain appropriate services for the vulnerable as well as improve the sustainability of services important for the wellbeing of all residents.
53. The rationalisation of the estate will continue to take account of the measures necessary to manage the pandemic for as long as considered necessary.
54. The budget will continue to include an allowance for personal protective equipment to protect staff and residents to ensure compliance with all guidance to be issued by Public Health England over time.

Summary of equality implications

55. A full equalities impact assessment will be undertaken as part of the final February 2022 report to members as part of the annual budget process.

Summary of risk assessment

56. Periodic review has identified the following key elements to the risk associated with the council's financial sustainability.

57. **2021/22 in-year financial performance.** A summary of the latest financial forecasts for 2021/22 is set out earlier within this document and as a separate report presented elsewhere on this agenda. These identified an in-year current predicated overspend of £4.2m including the impact on children's and adult social care services due to the legacy impact of the pandemic, other services pressures, and the current shortfall against the transformation programme savings target for the year. This forecast overspend then becomes a predicted saving of £4m once one-off savings and the applications of the tranche 5 government Covid19 grant funding for 2021/22 is factored into the equation.
58. **Hospital discharge programme:** In March 2020 the nationally mandated hospital Discharge to Assess (D2A) programme was rapidly implemented in BCP Council in response to the pandemic. The guidance required that all discharges, irrespective of whether they were self-funders, NHS funded, or local authority funded receive care planning and commissioning of care packages that are arranged by the local authority. The new process involves discharging patients with care and support needs earlier to free up much needed bed capacity in acute hospitals. The process assumes that little, if any, rehabilitation will take place in hospital and that patients will be supported to fully recover after discharge in either a care home or their own home settings. NHS funding is currently available to support a 4-week period of recovery for patients following discharge supported by a therapy and reablement programme. The funding available for this post-discharge recovery period will end on 31st March 2022. There are several risks associated with this arrangement. Firstly, the onus is on the council to recover any contributions from the NHS or self-funders where they are responsible for costs post the initial 4-week period. Secondly, that the local health and social care system may look for this arrangement to continue from April 2022 without making available the contribution to cover the cost of the first four weeks of care following hospital discharge.
59. **Balancing the Medium-Term Financial Plan.** The council has a five-year funding gap in its MTFP currently estimated at £45m which is down from the £87m identified in the last iteration of this report. Careful consideration will be needed in bringing forward proposals for the 2022/23 budget, especially those associated with the level of resources the council is able to generate, to ensure any current or new services can sustainably be funded into the future.
60. **Assumptions used for in-year and future year financial forecasts.** At this stage financial forecasts have been informed by numerous factors such as government announcements, economic forecasts, trend analysis, and professional judgement. Risks of variation are inherent in such a process with one good example being the potential for significant variation in the distribution of the additional funding for local government announced in the Autumn Budget. This includes any interplay with the extra resources that should be made available by government to support the costs the council will need to incur to implement the new social care reforms.
61. **High needs deficit.** Reflects a growing deficit as set out earlier within this report and the likelihood that the council will have insufficient unearmarked reserves to act as a counterweight should the current statutory instrument not be extended beyond 31 March 2023.
62. **Pay and reward project.** Council from its inception has assumed that the workstream to deliver harmonised terms and conditions of employment would be cost neutral. Consideration continues as to the deliverability of this assumption in the context of the impact on the workforce and the dialogue with trade unions.

63. **Flexible use of capital receipts.** The council's ambitious transformation programme is premised on the ability to fund transformation revenue expenditure which produces long term savings or reduced service costs via the application of capital receipts by the governments Flexible Use of Capital Receipts regulations. The standard statutory control framework specifies that capital receipts can normally only be used to fund capital expenditure. Earlier this year the government announced their intention to extend the deadline for this policy from 31 March 2022 to 31 March 2025. Currently the regulations to permit this extension have not been formally laid. There is also a risk that when these regulations are laid, they will alter the current framework.
64. **Cost pressures.** Be that demand pressure, particularly those associated with adults or children's services and those associated with the impact of inflation on the cost of services. At this moment in time there is a particular vulnerability around assumptions on utility, fuel and energy costs.
65. **Governments build back better:** our plan for health and social care reforms: On the 7 September the Prime Minister announced significant plans for the future of adult social care. This included a cap on personal care costs of £86,000 over an individual's lifetime with costs above this threshold borne by local authorities. It also set out proposals for self-funders to request their council arranges their care so they can access it at council-funded rates. This approach will clearly lead to significant additional costs to the council in administering and delivering these proposals. The 2021 Local Government finance settlement is anticipated to give an indication of the resources that the government intend to distribute to cover these additional costs with council's retaining a significant risk of any mismatch in this equation.
66. **Future local government funding models.** Significant new models of funding for local government are expected to be implemented over the MTFP time horizon. This includes implementing changes signalled well before the start of the global public health emergency, be that the Fair Funding Review or the move to a 75% Business Rates Retention (BRR) model. At this stage it is not yet possible to estimate the financial impact of these changes on the council. The risk however is that these changes will not be favourable to the council. In this regard it may be worth reflecting on a statement on the matter made by the Rt Hon Michael Gove MP, Secretary of State for Levelling Up, to the Housing, Communities and Local Government Select Committee on the 8 November 2021. In response to a question on the timeline, it was set out that the government intend to proceed with caution regarding the move to 75% BRR as they were concerned the proposals, as previously drawn up, could relatively speaking be more advantage to the South East and this was against the principle of levelling up.
67. **Financial consequences of not meeting our climate targets.** In addition to the environmental and social impacts of climate change, there is a risk to BCP Council of significant financial consequences if it fails to meet its declared climate targets. Council has pledged to become carbon neutral by 2030 as an organisation and lead the area to become net zero carbon ahead of the 2050 national target. Based on forecasts from the London School of Economics the council is likely to have to incur costs of over £3m per annum to purchase the necessary offsetting carbon credits to meet the carbon neutral pledge in 2030. Clearly this cost will act as an incentive to the council to prioritise the activity and investment necessary to meet this priority.

Background papers

February 2021 Budget report to Council

[http://ced-pri-cms-02.ced.local/mgAi.aspx?ID=3925&\\$LO\\$=1#mgDocuments](http://ced-pri-cms-02.ced.local/mgAi.aspx?ID=3925&LO=1#mgDocuments)

June 2021 Medium Term Financial Plan (MTFP) Update report to Cabinet

[http://cedpricms02.ced.local/ieListDocuments.aspx?CId=285&MId=4684&Ver=4&\\$LO\\$=1](http://cedpricms02.ced.local/ieListDocuments.aspx?CId=285&MId=4684&Ver=4&LO=1)

October 2021: Medium Term Financial Plan (MTFP) Update report to Cabinet

<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=4837&Ver=4>

Appendices

- A Updated 5-year MTFP absolute basis
- B Updated Key Assumptions

Medium Term Financial Plan 2022/27 (based on absolute budget)

	Adjusted Net Budget	MTFP	Net Budget	MTFP	Net Budget	MTFP	Net Budget	MTFP	Net Budget	MTFP	Net Budget
	2021/22 £m	2022/23 £m	2022/23 £m	2023/24 £m	2023/24 £m	2024/25 £m	2024/25 £m	2025/26 £m	2025/26 £m	2026/27 £m	2026/27 £m
Adult Social Care (Including Public Health)	117.0	10.0	127.0	8.1	135.1	8.6	143.7	6.9	150.7	7.6	158.2
Children's Services	68.1	10.1	78.2	5.9	84.1	8.4	92.5	9.0	101.5	9.6	111.0
Environment & Community	50.2	1.4	51.5	3.1	54.6	2.6	57.2	1.2	58.4	1.3	59.6
Regeneration & Economy	18.6	(6.9)	11.7	(2.4)	9.3	(5.0)	4.3	(0.5)	3.8	(0.8)	3.0
Resources	33.8	0.2	34.0	(0.4)	33.6	(0.7)	32.9	(0.5)	32.4	(0.6)	31.8
Transformation Revenue Implications	3.5	0.5	4.0	0.5	4.5	0.0	4.5	0.0	4.5	0.0	4.5
Corporate Priorities (2021/22)	6.2	(1.4)	4.8	0.0	4.8	0.0	4.8	0.0	4.8	0.0	4.8
Net cost of services	297.5	13.8	311.3	14.8	326.1	13.9	340.0	16.0	356.0	17.0	373.0
Provision for repayment borrowing (MRP)	11.9	1.2	13.2	0.8	14.0	1.2	15.3	0.3	15.6	0.1	15.7
Pensions	5.5	(0.1)	5.5	0.2	5.7	0.2	5.9	0.2	6.1	0.2	6.4
Revenue contribution to capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest on borrowing	3.2	(0.0)	3.2	0.3	3.4	0.2	3.6	(0.0)	3.6	0.1	3.7
Contingency	3.6	(1.9)	1.7	0.2	1.9	0.1	2.0		2.0		2.0
Contingency - pay award	1.8	6.8	8.6	3.5	12.1	3.6	15.7	3.6	19.3	3.6	23.0
Movement to and (from) reserves - inc unearmarked	0.7	0.0	0.7	0.0	0.7	0.0	0.7		0.7		0.7
Admin Charged to Grant Income	(0.4)	0.0	(0.4)	0.0	(0.4)	0.0	(0.4)		(0.4)		(0.4)
Use of Reserves - NNDR Section 31 Grant	(39.5)	39.5	0.0	0.0	0.0	0.0	0.0		0.0		0.0
Use of Reserves - NNDR 75% Loss Grant	(0.6)	0.0	(0.6)	0.0	(0.6)	0.6	0.0		0.0		0.0
Use of Reserves - Ctax 75% Loss Grant	(0.4)	0.0	(0.4)	0.0	(0.4)	0.4	0.0		0.0		0.0
Use of Reserves	0.0	(4.0)	(4.0)	4.0	0.0	0.0	0.0		0.0		0.0
Levies (Environment Agency / Fisheries)	0.6	0.0	0.6	0.0	0.6	0.0	0.6		0.6		0.6
Housing Benefits	0.1	0.0	0.1	0.0	0.1	0.0	0.1	0.0	0.1	0.0	0.1
Apprentice Levy	0.6	0.1	0.6	0.0	0.6	0.0	0.6		0.6		0.6
Revenue expenditure on surplus assets	0.2	0.0	0.2	0.0	0.2	0.0	0.2		0.2		0.2
Investment property income	(5.0)	0.0	(5.0)	0.0	(5.0)	0.0	(5.0)		(5.0)		(5.0)
Income from HRA	(1.2)	0.0	(1.2)	0.0	(1.2)	0.0	(1.2)		(1.2)		(1.2)
Interest on cash investments	(0.0)	(0.5)	(0.5)	(0.1)	(0.6)	(0.1)	(0.7)	(0.1)	(0.8)	0.0	(0.8)
Dividend income	(0.1)	0.0	(0.1)	0.0	(0.1)	0.0	(0.1)		(0.1)		(0.1)
Transformation Programme Costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0
Transformation Saving Target 2021/22	(7.5)	(17.5)	(25.0)	(17.5)	(42.4)	0.0	(42.4)		(42.4)		(42.4)
Refinancing of Capital Programme	(25.1)	25.1	0.0	0.0	0.0	0.0	0.0		0.0		0.0
Review of inherited resources	(4.7)	4.7	0.0	0.0	0.0	0.0	0.0		0.0		0.0
Increase in employers NICs to fund cap on social care	0.0	1.4	1.4	0.0	1.4	0.0	1.4	0.0	1.4	0.0	1.4
Net Budget	241.1	68.7	309.8	6.4	316.2	20.1	336.4	20.0	356.5	21.0	377.6
Council Tax income	(214.5)	(15.9)	(230.4)	(10.0)	(240.4)	(9.9)	(250.3)	(8.7)	(259.0)	(9.1)	(268.0)
Net income from Business Rates	(56.4)	0.0	(56.4)	0.0	(56.4)	0.0	(56.4)		(56.4)		(56.4)
Revenue Support Grant	(3.0)	(1.2)	(4.2)	0.0	(4.2)	0.0	(4.2)		(4.2)		(4.2)
New Homes Bonus Grant	(2.6)	1.3	(1.3)	1.3	0.0	0.0	0.0		0.0		0.0
New Social Care Grant (SR 2021)	0.0	(8.5)	(8.5)	2.2	(6.3)	2.2	(4.1)		(4.1)		(4.1)
LCTS Grant 2021/22	(3.8)	3.8	0.0	0.0	0.0	0.0	0.0		0.0		0.0
Lower Tier Service Grant 2021/22	(0.4)	0.4	0.0	0.0	0.0	0.0	0.0		0.0		0.0
Sales, fees and charges compensation 2021/22	(1.6)	1.6	0.0	0.0	0.0	0.0	0.0		0.0		0.0
Top Slice Covid Pressures Grant 2021/22	(1.0)	1.0	0.0	0.0	0.0	0.0	0.0		0.0		0.0
Collection Fund (Surplus) / Deficit Distribution NNDR	40.3	(39.5)	0.9	0.0	0.9	(0.9)	0.0		0.0		0.0
Collection Fund (Surplus) / Deficit Distribution Council Tax	2.0	(4.1)	(2.1)	4.8	2.7	(2.7)	0.0		0.0		0.0
Total Funding	(241.1)	(60.9)	(302.0)	(1.7)	(303.8)	(11.2)	(315.0)	(8.7)	(323.7)	(9.1)	(332.8)
Annual – Net Funding Gap	0.0	7.8	7.8	4.7	4.7	8.9	8.9	11.3	11.3	12.0	12.0
Cumulative MTFP – Net Funding Gap			7.8		12.5		21.3		32.6		44.6

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BCP Medium Term Financial Plan

Key Financial Planning Assumptions

The MTFP as presented is based on several key assumptions that although they have been informed by numerous factors such as government announcements, economic forecasts, and trend analysis, are also based on professional judgement. These can be listed as follows;

1. Adult Social Care

The MTFP makes provision for an additional gross £40.7m million investment in adult social care services over the 5-year period to March 2027. This pressure is a combination of;

- 1) Assumptions around inflationary pressures within the care market. These pressures mainly relate to increases for providers in staffing costs where a significant driver will be the consequential impact of increases in the national living wage.
- 2) Demographic growth within the learning disability and mental health client group.
- 3) Demographic growth in demand for care packages for people with long-term conditions including those to support the NHS urgent and emergency care system as well as preventing delayed discharges from hospital.
- 4) Loss of rental income from a care home closure.
- 5) Increased cost of community equipment.
- 6) Increased cost in respect of people with no recourse to public funds.

On 31 December 2019 the government published their response to the Low Pay Commission's recommendation on the national minimum (NMW) and national living (NLW) wages which promised that the NMW for those aged over 25 will reach £10.50 per hour in 2024. The National Living Wage will be increased by 6.6% from £8.91 per hour to £9.50 per hour from April 2022 for individuals aged over 23.

The NMW remains a key driver for the cost of care services and has been factored into the cost pressures increasing 5% per year to reach £10.50 by 2024 then 2% per year for subsequent years.

Costs associated with the Home First (Discharge to Assess) programme are assumed to be fully funded by the NHS for both care and administrative burdens.

The social care grant provided since 2020/21 is assumed to continue along with all other social care funding.

In the 2021 spending review, the Chancellor announced that additional funding will be made available for social care reform (£3.6bn over 3 years to implement "the cap on personal costs and changes to the means test"). It is assumed that this funding will cover the additional burden and therefore nil impact to the council's pressures.

Further £1.7bn will be allocated over 3 years “to improve the wider social care system” and £500m will be made available to “improve” the social care workforce. BCP await confirmation of the detailed allocation and eventual funding conditions.

The MTFP assumes that the government will continue to provide an infection control grant for the care sector to support restrictions of staff movement between care providers, paying full wages for staff isolating and funding the cost of PPE for Covid-19 on an ongoing basis. The assumption therefore continues to be that the council do not need to provide for and fund such costs.

While there have been specific NHS funding schemes, extended to March 2022, to cover the costs of care following hospital discharge, there is a longer-term cost burden to BCP beyond the initial 4-week post-discharge period funded by the schemes. The average cost of care home placements commissioned since the beginning of the pandemic under emergency hospital discharge arrangements have increased significantly during 2020/21 and 2021/22. The increases in average costs are as a consequence of market conditions and the intensity of needs of many people who are being placed in residential and nursing care. Home care packages are higher after the 4-week hospital discharge funded period because not all clients can fully recover independence after leaving hospital.

Although the hospital discharge scheme is due to end on 31 March 2022, it is likely that higher market costs and higher hospital discharge demand will continue as a result of Covid infections and the enduring impact of the pandemic on the health and social care system.

It should also be noted that a Mental Capacity (Amendment) Bill has replaced the Deprivation of Liberty Safeguards (DoLS) with a scheme known as the Liberty Protection Safeguards (LPS) expected to commence in April 2022. These arrangements describe the procedures necessary to deprive people of their liberty as a result of lack of capacity to consent to their care arrangements. The council will commit spending on this activity up to any amount funded by the government.

2. Children's Services

The proposed budget for children's services 2022/23 makes provision for an additional £10.1 million. There are 3 main categories:

1. Cost of care:

- a) rebasing of the budget to allow for the increased numbers of young people requiring higher cost residential settings seen during the beginning of the calendar year 2021 and continuing into financial year 2021/22.
- b) growth to fulfil the staying put legislation. This is where fostered young people have the right to stay with their foster families when they reach 18 (up until the age of 21).
- c) growth to allow for cases in addition to the current children in care numbers, split between various care type settings (residential/independent fostering agency).
- d) assumes further work will be undertaken with Health organisations to seek contributions where appropriate.

2. Staffing:

- a) allowance of £3m for agency staff, £2m of which represents agency cost for 20 team managers full time equivalent (FTE) and 40 social workers FTE. The additional £1m is to cover the current higher than average use of agency in social care whilst the service continues along its improvement journey.
- b) an additional front door team is required (22/23 only) to continue to manage the significant increase in referrals and assessments following the pandemic.

- c) there is a required adjustment of £1 million to offset historic pressures in various teams within children's services (specifically business support and the team managing the care recording system pending migration to one system following LGR).

3. *Transport:*

- a) cost of SEND transport is directly linked with the increasing number of EHCPs and the pressure that continues in the high needs block of the DSG. SEND transport is however not funded by the DSG and instead the responsibility falls to the general fund. The service is reviewing how this service is delivered and the MTFP assumes a reduction in the cost base of providing the transport element.

Following confirmation from DfE the MTFP reflects improvement funding to offset an element of agreed staffing within the base establishment. This has been awarded for 2021/22 & 2022/23 only.

There is also an increase in budget for SEND (agreed by Cabinet) to develop the service following the local area inspection of SEND and the required written statement of action.

3. Place Operations

The proposed place operations budget for 2022/23 makes provision for £5.5 million reduction in budget compared to 2021/22.

Assumed Service Pressures

Recent issues with the national supply chain and the shortage of qualified staff has resulted in a need to increase salary budgets by an estimated £0.57 million in order to retain and recruit into business-critical roles.

The council's waste contracts require an additional £0.65 million to cover inflation pressures. The increasing cost of electricity and gas will have a significant impact on place operations, and across the service there is an estimated £0.43 million pressure. Fuel inflation has resulted in a pressure of £0.24 million in relation to the council's fleet. There is an additional item in relation to the switch from diesel to hydrotreated vegetable oil (HVO) for the council's fleet which will increase costs by £0.05 million.

In May Cabinet approved the establishment of a multi-disciplinary team and a homeless health hub, the annual revenue running costs of this are £0.1 million.

As part of last year's budget setting process a provision of £0.28 million was made in 2022/23 for re-tendering contracts for the disposal of organic and residual waste. These contracts have now been completed and this provision is no longer needed. The final agreed tender has resulted in an estimated cost saving against current budget of £0.26 million.

Due to the anticipated reduced number of eligible journeys the budget for concessionary fares is being reduced by £0.35 million.

There are various other smaller service pressures totalling £0.4 million across place operations services.

Covid Pressures and Savings

In setting the budget for 2021/22 many services across the whole of place operations were allocated one-off reductions in income targets or increases in expenditure. In 2022/23 these one-off allocations are being removed. In some cases, the return to pre-pandemic budgets is being re-profiled as recovery is expected to take more than one financial year. Overall, the re-

profiling or removal of Covid related provisions will reduce the net budget requirement of Place Operations by £7.24 million. A significant element of this total relates to car park income.

Assumed Service Savings

A number of small, assumed service savings or increases in income have resulted in a reduced budget requirement of £0.48 million.

The increased pension rate for 2022/23 generates a pressure of £0.33 million across place operations services.

4. Pay award

Local government agreed pay awards for 2018/19, 2019/20 and 2020/21 were 2%, 2% and 2.75% respectively.

The budget for 2021/22 made no provision for a pay increase in 2021/22. This reflected the position at the turn of the year which saw big falls in wages amid lower pay for furloughed employees, reduced bonus in the wider economy and the likely impact of rising unemployment in a recessionary economy.

The position also accorded with the announcement by the Chancellor of a public sector pay freeze as part of his November 2020 spending review in which he emphasised that in order to protect jobs and ensure fairness, pay rises in the public sector will be restrained and targeted in 2021/22. That said, it should always be borne in mind that this has no formal bearing on the decisions around any annual local government pay increase as these are developed through negotiations with the trade unions. The 2021/22 base revenue budget contingency considered the risk associated with this assumption and specifically the likelihood of a £250 increase for employees earning less than £24,000 which was also a feature of the spending review. Therefore, the contingency provided the equivalent of a 1% pay award.

UNISON, GMB and Unite lodged their 2021 pay claim for local government employees which sought a substantial increase with a minimum of 10% for all staff, a shorter working week, additional annual leave, alongside other changes to terms and conditions.

On the 17 May 2021 the National Local Government Employers organisation made an offer to the unions of a pay increase of 1.5% from 1 April 2021. Subsequently this was increased to 1.75%, which the trade unions have rejected. The latest position is that the employers have confirmed that their offer remains at 1.75%.

The separate 2021/22 budget monitoring report to December Cabinet reflects on the potential consequences of the requirement to make a further provision for 2021/22 of 0.75%. This extra amount is also included as a base budget pressure for 2022/23 onwards.

Assumed pay awards for future years are based on the inflation rate estimate for the preceding September. The Consumer Price Index for September 2021 was 3.1% and will therefore be used for 2022/23. Future year estimates is based on the 2% inflationary target set for the Monetary Policy Committee (MPC) by the government.

In addition, budgetary provision is made for between 95% and 98% of each service's employee establishment to allow for the impact of turnover and other matters on the actual cost of the service. Services are expected to manage the impact of any incremental drift in their pay base.

The council continues to have a workstream working to deliver a harmonised pay and grading structure. The current assumption continues to be made that this new pay and grading structure for BCP Council will be cost neutral.

5. Pension Fund

BCP Council is a member of the Dorset Local Government Pension Scheme administered by Dorset Council. The funds actuary Barnett Waddingham is required to revalue the fund every three years (tri-annual revaluation) to determine both the value of its assets and liabilities and the contributions rates for each employer in the fund. The fund was last revalued as at April 2019 with the impact as follows;

Figure 6: BCP Pension Fund – funding levels

Local Authority	31 March 2019 Funding level	31 March 2016 Funding level
Bournemouth Council		79%
Christchurch Council		88%
Dorset Council		80%
Poole		86%
BCP Council	92%	82%

As at 31 March 2019 BCP Council has a funding deficit of £86.6 million with a resulting funding level of 92%. The improvement was a combination of the good asset performance of the fund with a slowdown in mortality improvement, negated to some extent by an assumption of higher future inflation and a lower discount rate compared to the 2016 valuation.

As part of the process agreement was reached with the pension fund actuary in respect of the profile of primary rate and back-funding contributions over the three-year period which are then fixed until the next tri-annual revaluation. This approach offers a degree of protection to the council in respect of the consequences of the pandemic as any impact will be deferred until the 2023/24 financial year. That said, it should also be recognised that recent changes in legislation state that the actuary can now request an employer changes their contribution rates/levels between formal valuation dates although this ability has not yet been used.

Figure 7: BCP Pension Fund contributions agreed with the Actuary

	2019/20	2020/21	2021/22	2022/23
Ongoing (primary) rate	15.6%	16.2%	16.8%	17.4%
Back-funding (secondary) rate	£9.428m	£5.887m	£6.101m	£6.324m

Generally, in respect of the 2019 revaluation, the increase on the ongoing rate was offset by the reduction in the back-funding element although it should be acknowledged that agreement was reached with the actuary to taper the ongoing rate increases over the three-year period.

6. Exit payment cap and redundancy costs

The Restriction of Public Exit Payments Regulations 2020 came into force on 4 November 2020. This limited the value of exit payments, resulting from redundancy or efficiency of the service retirements for members over the age of 55, made by the council to £95,000.

In a surprise move in February 2021, HM Treasury published a Treasury direction which disapplied these regulations and issued guidance on how exit payments which were capped during the period when it was in force should be handled. It appears that after an extensive review of the cap it became clear that there was a risk that it may have unintended consequences which were out of line with the Government's original policy intent.

In a renewed commitment to meet the original policy objective fairly and effectively the Government requested details all redundancy payments, pension strain costs and other special payments made as a consequence of termination of employment or loss of office from 2014/15. They then arranged for this information to be published which is additional to its inclusion in the Council's Annual Statement of Accounts.

The council's average redundancy cost (including pension strain costs), per full time equivalent, since its inception is £55,284.

The transformation programme budget makes provision for £12.9 million in redundancy costs in reflection of the anticipated reduction in the staffing establishment over the next few years.

7. Inflationary costs

Inflation is only provided for in service directorate budgets where it can be demonstrated that it will be needed due to either market or contract conditions. Inflation as at September 2021, which is applied or factored into several contractual uplifts, was 3.1% as measured by the (CPI) Consumer Price Index.

The government inflation target is 2% on an annual basis.

CABINET



Report subject	Biodiversity Net Gain
Meeting date	15 December 2021
Status	Public Report
Executive summary	Biodiversity Net Gain is an approach to development and / or land management that aims to leave biodiversity in a measurably better state than before. Biodiversity Net Gain in the development process is now a statutory requirement following Environment Act coming into force in November 2021. The Act proposes to require all development to deliver a mandatory 10% biodiversity net gain to be maintained for at least 30 years. Further resources and work are required for BCP Council to be ready for the implementation of biodiversity net gain on a much wider scale than at present. This paper advises on the actions envisaged to do this including the need to appoint 2 additional ecology officers to support the planning process once the mandatory net gain requirements are brought into force.
Recommendations	It is RECOMMENDED that Cabinet: (a) Support the principle of biodiversity net gain and endorse the planning service using available tools to deliver the forthcoming statutory requirements where possible at the present time; (b) Note the formation of the officer Task Force between Planning and Environment and ask for a report of their work and recommendations within 6 months of the December 2021 Cabinet; (c) Support the £93,000 of ongoing revenue funding requested from 2022/23 onwards, to sufficiently resource the services outlined in this report; (d) Notes that the £93,000 per annum from 2022/23 onwards will formally be recommended to Council as part of the 2022/23 budget and Medium-Term Financial Plan Update report in February 2022.
Reason for recommendations	To ensure the Council is ready for and at the forefront of the biodiversity net gain requirements set out in the Environment Act.

Portfolio Holder(s):	Councillor Bobbie Dove, Portfolio Holder for Community Safety and Regulatory Services Councillor Mark Anderson, Portfolio Holder for Environment and Place Councillor Philip Broadhead, Deputy Leader and Portfolio Holder for Development, Growth and Regeneration.
Corporate Director	Kate Ryan, Chief Operations Officer
Report Authors	Nicholas Perrins, Head of Planning
Wards	Council-wide
Classification	For Decision

Background

1. Biodiversity net gain is an approach to development and / or land management that results in the net improvement to biodiversity of that land when compared to its state beforehand.
2. It is not a new concept, but one that has gained increased political importance in recent times as part of a wider focus on the environment and sustainability. It comes from the growing recognition that the natural environment has often been negatively impacted by development. Whilst there are various designations across some land other less protected habitats have shrunk over the generations. Biodiversity net gain provides an opportunity to redress this and support a recover in nature to the benefit of existing and future generations.
3. In response, the government is seeking to raise the bar on biodiversity net gain through including within the Environment Act 2021 a mandatory requirement for all development requiring planning permission to achieve a 10% biodiversity net gain that can be maintained for at least 30 years. The Environment Act came into force in November 2021.
4. In term of current practice, existing development plan policy across BCP recognises the importance of biodiversity and seeks enhancements from development where possible. The Poole Local Plan already includes a specific requirement to achieve a biodiversity net gain albeit not to any prescribed level.
5. Evidently, however, a mandatory requirement for all development requiring planning permission to achieve a 10% net gain will have significant implications on the planning service and its users. It is understood there is a transition period of up to two years within the Act. With the Environment Act now in force it is considered timely for BCP Council to consider how to prepare and be ready for the mandatory requirements in order to be at the forefront of net gain and operate at pace with the implementation of this important national objective.
6. At the heart of the biodiversity net gain principle is the ambition to improve the environment where possible through the development process. This aligns closely to the Council's corporate commitment to a rich and sustainable environment in its

Corporate Strategy, Big Plan and Cleaner, Greener, Safer campaign. The new mandatory requirement for biodiversity net gain will underpin and support the Council's commitments to the environment, particularly helping the implementation of its Cleaner, Greener, Safer work.

7. This report sets out a proposed approach to prepare for net gain and seeks Cabinet approval to continue with its implementation.

Operating Biodiversity Net Gain in Practice

8. The practical application of biodiversity net gain in the development process requires an assessment to be undertaken of a site's baseline to establish the existing biodiversity state before any new development takes place. An assessment is then undertaken to establish the biodiversity position after the development has taken place including any measures to be included in order to achieve an uplift in biodiversity when compared to the baseline.
9. The prevailing method of documenting and assessing this process at present is through the Biodiversity 3.0 metric toolkit developed by Natural England. This was brought into effect in July 2021 and is considered to be most up to date way of assessing a development's contribution to net gain.
10. Natural England have also produced the Small Sites Metric and the Environmental Benefits from Nature Tool. These measures are available to use now within the planning process and designed to assist with preparing for the imminent statutory requirements for net gain.
11. In August 2021 the new British Standard for biodiversity net gain, BS 8683, was published partly to assist landowners and managers to deliver off-site net gains where development sites are unable to provide sufficient gain within their development.
12. It is also expected that following the Environment Act 2021 coming into force, secondary legislation and regulations will be released to set out more detail on how biodiversity net gain will be delivered and monitored.

Preparing for Biodiversity Net Gain

13. The concept of biodiversity net gain is understood within the local planning process but not applied any near to the proposed 10% levels included within the Environment Act 2021. Requiring a biodiversity net gain of at least 10% across all new planning applications is clearly going to have a significant impact on how applicants prepare their schemes and then how the local planning authority assesses them. To put this into context the BCP local planning authority currently processes around 4,500 planning applications per annum of which only a small proportion currently require any form of biodiversity assessment and mitigation.
14. Once the mandatory 10% requirement is in operation there will be a clear impact on both the industry and planning service response in both policy making and resourcing. In preparation for this and to service the anticipated demand from planning applications the Environment service has submitted a growth bid for 2 x additional ecology officers (1 x Senior and 1 x officer).
15. The additional officers will require an annual budget of around £92,000 per annum; this request has been submitted for consideration within the MTFP setting process. Cabinet is asked at this stage to endorse this request given the imminent statutory requirement for net gain. Once the budget has been agreed the recruitment process

will begin to add the required resource. There remains a need to agree whether the additional resource should sit within the Environment service or the Planning service.

16. In addition to needing to add officer resource to assess net gain through the planning process on every planning application, there are wider policy and delivery issues to consider.
17. In terms of policy there is a need for the BCP Local Plan to develop a standard and consistent policy approach to how development should deal with net gain. To support policy there will likely be a requirement for more detailed guidance to provide specific advice for how to calculate net gain based on proposed design responses on the ground. One option that some councils are pursuing are to bringing forward supplementary planning documents establishing expectations on how sites can incorporate net gain. The planning service are currently looking at this option to consider how quickly such guidance can be adopted to assist with the wider implementation of the Environment Act 2021.
18. Along with a clear need to develop policy and guidance, the Council also needs to consider a more strategic response to delivery as it is likely to be the case that large development sites will be unable in practical terms to achieve a 10% net gain in biodiversity on their own sites. Faced with such practical issues there is a need to consider alternative ways to deliver a net gain using off site measures. For example, there is emerging work nationally to look at credit schemes where areas of alternative land are set aside to deliver significant increases in biodiversity net gain that then development can buy into to be able to achieve their statutory 10% net gain requirement.
19. The Environment Act also requires net gain to be sustained for at least a 30-year period. This implies that there will also be a long-term monitoring role to check on the efficacy of biodiversity measures and possible take enforcement action where biodiversity deteriorates below the 10% uplift achieved at the start of the development. This again needs to be understood in terms of how monitoring will work and how it will be resourced.
20. The issues around resources, policy, guidance and delivery need further work in order to be able to advise the Council on how the Environment Act 2021 measures will be affected at the local level. In response, a Task Force is being set up including officers from the Planning and Environment services to develop the proposals further. It is proposed in this paper that the Task Force provides a report back to Cabinet within six months to set out a specific implementation plan including how the additional staff resources are to be deployed.
21. In the interim there are several significant developments emerging through the planning system that may provide immediate opportunity to deliver biodiversity net gain. This is particularly the case in Poole where achieving biodiversity net gain is a specific policy requirement in the Local Plan. Cabinet is asked to endorse the planning service continuing to seek biodiversity net gain on appropriate sites at the present time to start the process of being able to implement the Environment Act 2021 measures with pace and establish BCP Council as vanguard authority on this issue. It is recommended that the planning service use tools such as Biodiversity Metric 3 and others being developed and endorsed by Natural England to secure biodiversity net gain in the here and now.

Options Appraisal

22. The alternative option at this stage is to do nothing and wait for the Environment Act and wait until later in the transition period to respond to the new mandatory requirements.

Summary of financial implications

23. There is the implication of the growth bid request for 2 x ecology officers that will require budget of £93,000. It is considered that as it will be a statutory requirement this budget will need to be found although understand that it being considered through the MTFP process at present. The Planning service will work with finance to consider other opportunities to potentially fund these officers in the longer term through the planning obligations and CIL regimes.

Summary of legal implications

24. None identified

Summary of human resources implications

25. Net gain will add requirements on staff in terms of both policy development and additional application work to service. This is understood and part of the rationale for the staff growth bid.

Summary of sustainability impact

26. The delivery of biodiversity net gain will have a positive impact on sustainability. It will help support range of Council sustainability objectives including the Cleaner, Greener, Safer campaign.

Summary of public health implications

27. An improved natural environment as a result of net gain will have positive public health implications with more people being able to benefit from it.

Summary of equality implications

28. None identified

Summary of risk assessment

29. The risks of not preparing for biodiversity net gain at this stage will be a slower implementation of the mandatory requirements when they are established through the Environment Act 2021.

Background papers

None

Appendices

None

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CABINET



Report subject	Make Ashley Road Safe Petition
Meeting date	15 December 2021
Status	Public Report
Executive summary	At the Council meeting on 14 September 2021, a petition was presented entitled “Make Ashley Road Safe Petition”. The petition stated that “Drug use, drug dealing, theft, fighting, intimidation, abuse and public indecency on Ashley Road has been causing residents, shoppers and shop workers misery over the last few of years.” The petition called for “BCP Council and Dorset Police to take action and end the serious anti-social behaviour issues and illegal activity that residents witness every day on Ashley Road, Poole.” This report sets out the Community Safety Partnerships approach to tackling place based anti-social behaviour and the specific work that has been done in Ashley Road to date
Recommendations	It is RECOMMENDED that: Cabinet notes the contents of the report and the further actions being undertaken to address crime and anti-social behaviour in the area
Reason for recommendations	To respond to the petition presented to Full Council on the 14 th September
Portfolio Holder(s):	Councillor Bobbie Dove, Portfolio Holder for Community Safety and Regulatory Services
Corporate Director	Kate Ryan, Chief Operating Officer
Report Authors	Andrew Williams, Head of Safer Communities Sophie Sajic, Head of Street Based Response
Wards	Alderney & Bourne Valley; Newtown & Heatherlands; Parkstone; Penn Hill;

Classification	For Decision
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Background

1. At the Council meeting on 14 September 2021, a petition was presented entitled "Make Ashley Road Safe Petition". The petition stated that "Drug use, drug dealing, theft, fighting, intimidation, abuse and public indecency on Ashley Road has been causing residents, shoppers and shop workers misery over the last few of years."
2. The petition called for "BCP Council and Dorset Police to take action and end the serious anti-social behaviour issues and illegal activity that residents witness every day on Ashley Road, Poole."
3. The petition was considered by Full Council and the meeting resolved that the petition be referred to the Cabinet for a joint report, to be commissioned between the Council and Dorset Police, and that all Councillors will be invited to attend the meeting when the report is presented.
4. This report details the approach taken to place based anti-social behaviour within BCP whilst also outlining the action and delivery for Ashley Road, the responses by relevant agencies and stakeholders to date, and considers potential next steps following the petition.

Community Safety Partnership Approach to Place-based Issues

5. The BCP Community Safety Partnership, membership of which includes the Council, Police, Probation, Fire and Health services, oversees the partnership work and projects to tackle anti-social behaviour. ASB is a strategic and operational priority of the CSP and a new multi-agency Safer Communities Strategic Group has been established to oversee this work and the development of an ASB Strategy (Terms of Reference attached).
6. The Safer Communities Group also oversees the work of the Partnership Co-ordinating Group (PCG) which is a monthly multi-agency tactical group to oversee hotspot areas relating to crime and disorder across BCP.
7. The PCG also has oversight of the deployment of the Council's Community Safety Accredited Scheme (CSAS) as well as police led targeted operations. At present there are four main areas of focus for the CSAS service: Bournemouth Town Centre, Boscombe, Poole Town Centre and Ashley Road. At Cabinet on 29 September, £500,000 investment was approved for the CSAS team, meaning expansion from 14 officers to 24 officers. New officers will be recruited in the new financial year and tasked on an evidence-based approach to areas with street related ASB.
8. Police targeted operations are also reviewed by the PCG. Operations are generally area focused but can also focus on specific behaviours. For example, in Summer 2021 there have been area focused operations in Bournemouth Town Centre (Operation Fireglow,) Sandbanks and Canford Cliffs (Operation Sandman,) Ashley Road (Operation Nova). These operations are police led, however, attract support from the wider partnership organisations based in the areas or behaviour of focus. Operation Relentless is the force wide response to anti-social behaviour, initiated by the Police and Crime Commissioner. The operation looks to have a visible uniformed presence, multi-agency approach and targeted focus on many forms of

anti-social behaviour. This also includes the development of a “toolkit” for all Police Officers to use to manage incidents of anti-social behaviour, which are prioritised based on risk.

Ashley Road

9. Ashley Road is designated as a secondary shopping area, containing a mix of retail, service sector premises and hospitality venues. The area contains a number of national retailers, alongside many smaller independent stores.
10. As in many areas, incidents of anti-social behaviour in Ashley Road are not always reported through to the Council or Dorset Police. Between April 2021 and September there were 12 reports, relating to street drinking and associated anti-social behaviour, came directly into the Council's ASB Team. Police data shows a 12.03% reduction in crime and ASB reports since 2019, with total recorded ASB and Crime between 1 January 2019 and 30 September 2019 as 449 records compared to 395 records for the same period in 2021. (2020 data is not included as large numbers of reported Covid breaches were recorded as ASB and therefore the figures are not comparable.)

Action to Date

11. In 2019 a community and traders group was established to provide a platform for discussing and tackling issues of crime and disorder with Police and Council Officers. Regular meetings were held, pre-Covid, which were successful in co-ordinating actions amongst agencies to reduce the problems in the area.
12. Subsequently the Ashley Road Traders Association were instrumental in developing a successful bid for the Community Infrastructure Levy (CIL) for a dedicated Community Safety Accredited (CSAS) Officer for the area. This officer was appointed in late 2020, and following their training and induction, regular patrols of Ashley Road commenced in January 2021.
13. The CSAS officer covers the Ashley Road area to act as a uniformed presence and address street based anti-social behaviour. This Officer is now funded by the Council and has been made permanent, following the initial period funded by CIL. Since January 2021 the officer has undertaken 575 engagements (many of these will be repeat engagements). 477 of these engagements were self-generated through visible uniformed pro-active patrols. Demonstrating the effective nature of this response, on only 27 occasions has there been a requirement for police escalation, when the behaviour being addressed has warranted this intervention. The Officer has made 25 separate referrals to support services, which include mental health services and St Mungos.
14. In cases of street related anti-social behaviour, many of those committing such acts are vulnerable. Vulnerabilities can range from mental health, street homelessness or addiction and it is important to address the root cause of the behaviour as well as the behaviour itself, in order to establish long term interventions. The balance of enforcement and support is key to this, with outreach and referrals as much of a requirement as enforcement methods. The CSAS role also includes a significant amount of community and business liaison, with officers regularly visiting to encourage correct reporting and to address key nominals and their behaviours.

15. Other work to tackle crime and anti-social behaviour in the area in recent months has included:
- 2 ASB Injunctions have been granted by the court for individuals causing ASB in the area.
 - Recently BCP Council has replaced 2 CCTV cameras in the Ashley Road area with new high-definition cameras. These are now linked to the BCP public spaces CCTV system, which is monitored 24 hours a day.
 - Multi-agency meetings with Housing, CSAS, Pivotal, Police, Street Pastors, Ashley Road Traders Association and Economic Development to discuss concerns and share the actions to target crime and ASB. The importance of reporting issues in the correct way has been a regular message from all agencies.
 - Working specifically with supported housing providers to ensure they are providing appropriate support to their residents
 - A Public Spaces Protection Order (PSPO) covers the area and allows CSAS and Police Officers to remove alcohol from anyone acting, or likely to act, in an anti-social manner.
 - Dedicated days of action from Dorset Police (Operation Nova) has seen both overt and plain clothes policing targeting those causing disorder or committing crimes.
16. The Council and the Police recognise the community concerns expressed in the Make Ashley Road Safe petition and there is additional work planned to ensure that the issues of anti-social behaviour are dealt with and reassurance is provided to the local community. This planned work will include:

Action	Who	When
Deliver a reporting campaign and engagement with the Ashley Road community to raise awareness of the importance of reporting, how to do so, what the Police and the Council can do to address issues and how to engage with agencies through the existing community groups in place.	BCP Council – ASB/CSAS Teams Dorset Police	November 2021
Further engagement with the Traders Association and local residents. The CSAS Officer will be producing a local newsletter and visiting businesses in the area. Community engagement will be key to addressing issues around under-reporting of anti-social behaviour to the Police and BCP Council.	BCP Council – ASB/CSAS Teams Dorset Police	November 2021

An Environmental Visual Audit by Police Crime Prevention Officers and promotion of the StreetSafe app by which members of the public can report areas where they don't feel safe.	Dorset Police	December 2021
Additional days of action & joint patrols between Police, CSAS and ASB Team.	BCP Council – ASB/CSAS Teams Dorset Police	Monthly
Consideration of the removal of benches, closing of alleyways in ASB locations and other environmental improvements, subject to the outcome of the visual audit.	BCP Council – Environmental Services/ASB team	January 2022
Deployment of addiction support workers into the area to engage with street drinkers.	BCP Council – ASB/CSAS Teams We Are With You	November 2021
Continue to monitor ASB incidents and crimes through the Partnership Co-ordinating Group (PCG)	BCP Council – ASB Team Dorset Police	Monthly
Review of SARA groups & agreement as to which carry on or if any new groups are needed	PCG	November 2021

17. This links to our Cleaner, Greener, Safer programme to reignite pride in our high streets and create spaces that are welcoming to all who visit and enjoy. It is also in line with the new Police & Crime Plan outlined in the attached response from the Police & Crime Commissioner.

Options Appraisal

18. Do nothing – this would gradually see an increase in crime and disorder, if no further activities from the Council or police were undertaken.
19. The PCG could review existing multi-agency area based groups.
20. Undertake planned work as detailed in paragraph 16 above.

Summary of financial implications

21. A dedicated CSAS officer is already funded within the Communities Directorate at a cost of around £40,000 per year, which is now included in the base budget. As there is no additional dedicated resource requirement within the actions proposed, there is no financial implication to this report. If an enhanced response is required at a future date, additional resource may be required.

Summary of legal implications

22. Section 17 of the Crime and Disorder Act 1998 states that all local authorities have a duty to consider the impact of all their functions and decisions on crime and disorder in their local area. Through ongoing work of the Council and the Community Safety Partnership, BCP Council can clearly demonstrate how it meets this duty.

Summary of human resources implications

23. The implementation of Smarter Structures within the Communities Directorate will see an investment in two additional ASB Officers, with one Senior ASB Officer and one Youth ASB Officer being recruited. This is alongside the continued expansion of the CSAS scheme previously approved by Cabinet. Posts are currently subject to recruitment.

Summary of public health implications

24. Some of the anti-social behaviour complained about in the area is caused by street drinking and the use of illegal substances. Many of those who street drink will be dependent alcoholics, where removing alcohol may pose a medical risk. Any enforcement action of this type will always take a balanced and proportionate response.
25. Under the new structures being developed by the Community Safety Partnership a new Reducing Harm from Substance Misuse Strategic Group has been convened to ensure there is a cohesive system wide approach to meet the wide-ranging needs of drug and alcohol misusers and people in recovery across the BCP area, which addresses the community safety implications as well as health issues in relation to substance misuse

Summary of equality implications

26. As the work being proposed within Ashley Road is effectively business as usual, it is not considered necessary to undertake a full Equalities Impact Assessment. An initial Conversation Screening Tool has been completed which records no negative impacts from the proposed actions. The Screening Tool will go the Quality Assurance Panel on 25th November 2021 and any recommendations will be implemented as this work progresses.

Appendices

Appendix 1 - Terms of Reference for the Community Safety Partnership Safer Communities Strategic Group

Appendix 2 – Response from the Dorset Police & Crime Commissioner

Background Papers

None

Safer Communities Strategic Group (BCP CSP)

Terms of Reference

Date/version: May 2021 v.3.0	Revision Date: March 2023
Accountable to: BCP CSP Executive Board	Responsible for: Partnership Coordinating Group, the ASB Coordinating Group, and the Public Safety Coordinating Group

1. Introduction

- 1.1 These Terms of Reference set out the ground rules for the operation of the Safer Communities Strategic Group, which is a sub-group of the Bournemouth, Christchurch, and Poole Community Safety Partnership, (BCP CSP). They apply equally to all members of the group, unless otherwise stated, and are designed to support members in understanding their roles and responsibilities. They are also to support the business of the group and to ensure effective, professional, and transparent working.
- 1.2 The BCP CSP is the statutory community safety partnership in the Council area of Bournemouth, Christchurch, and Poole. It is the lead partnership body in the conurbation with statutory obligations to reduce crime, anti-social behaviour, and disorder, including re-offending, and substance misuse, and to promote community confidence. The CSP is a statutory partnership with duties under the Crime & Disorder Act 1998 and as amended by the Police & Justice Act 2002, the Domestic Violence, Crime and Victims Act 2004, the Police and Justice Act 2006, Policing and Crime Act 2009, the Police Reform and Social Responsibility Act 2011 and the Health and Social Care Act 2012.
- 1.3 The Partnership's vision is **“to make Bournemouth, Christchurch and Poole a safer and healthier place where communities and businesses thrive and where residents and visitors feel safe and welcomed.”**
- 1.4 The Partnership's mission is to provide clear strategic vision and leadership in improving safety in the conurbation for residents, businesses, and visitors. It will work to address crime and anti-social behaviour, using data, insight, and a combination of communication, engagement, prevention, early intervention, and enforcement, and will work closely with the community to provide support to victims, especially those who are vulnerable.

2. Purpose and scope of the Safer Communities Strategic Group

- 2.1 The Safer Communities Strategic Group is a medium-term strategic management board of BCP CSP, to which it will provide performance updates as directed. The Group is a multi-agency partnership, working to enable the sharing of knowledge and ensuring early intervention with prompt, positive action to tackle local community safety concerns and address vulnerabilities.
- 2.2 The purpose of the Group is to develop strategies and direct tactical plans that are:
 - Evidence-based and intelligence-led
 - Supported by appropriate skills and knowledge
 - Sustainably resourced and locally appropriate
 - Engaging and involving communities
 - Preventative and intervening as early as possible
 - Focussed on long-term improvements and benefits
- 2.3 The responsibility of the Group is to identify and coordinate responses to reduce harm, including anti-social behaviour, cybercrime and fraud, hate crime, criminal exploitation, criminal damage,

and road and fire safety. Key to the work of the group is the coordination of community engagement, including consultation and participation.

- 2.4 The Group will work closely with the Community Safety Analyst to conduct deep dive assessments of community safety issues so that relevant strategies may be developed. Issues will be analysed to understand the impact on victims, communities and the environment; the likelihood, based on frequency, volume, trend forecast; and partnership agencies' reputation and politics, capacity and capability.
- 2.5 The Group will deliver its responsibility in the following ways:
- By promoting the appropriate sharing of information for the purpose of reducing crime and disorder
 - By identify patterns of victimisation or offending behaviour and developing short-term strategies and action plans to address them
 - By engaging communities to understand their concerns and facilitating their involvement in improving safety in the community
 - By commissioning activities that are preventative and intervening early, through the pooling of resources, joint planning, and joint commissioning. This could include identifying funding opportunities, supporting bid-preparation and commissioning services.
 - By agreeing tactical plans, in support of Task and Finish groups, problem-solving groups or other delivery mechanism, in accordance with the priorities, objectives and targets of the CSP
 - By monitoring the proportional impact of crime and disorder, including victimisation, and develop strategic approaches to address identified disproportionalities.
 - By commissioning the annual strategic assessment of levels and trends of crime and anti-social behaviour
 - By working with other CSP Strategic Groups to approve the annual crime reduction plan, for discussion and agreement by the BCP CSP Executive Board

3. Group Membership

- 3.1 The membership of the Group will include senior service-representatives of the responsible agencies in the CSP and other partner agencies. The multi-agency membership brings together senior leaders to achieve effective strategic co-ordination in improving safety and reducing crime. The Group will operate in line with values of fairness, dignity, and respect, will be inclusive and collaborative, and will take collective ownership of decisions made.
- 3.2 All members have the responsibility to:
- Attend each meeting or assign an appropriate deputy in their absence
 - Work together towards safer communities in Bournemouth, Christchurch, and Poole
 - Make decisions on behalf of the organisation they represent (incl. deputies)
 - Promote the work of the BCP CSP within their organisation
 - Promote the adoption of a 'whole systems approach,' and effective practice
 - Apply a public health approach to addressing issues
 - Encourage mainstreaming of community approaches under Section 17 of the Crime and Disorder Act, 1998.
- 3.3 Standing members: (service representatives)
- Community Safety Service
 - Police
 - Housing
 - Fire & Rescue services
 - Mental Health services

- Adults and Children Safeguarding services
- Victim Support/Mediation services
- Supporting People services (e.g., drugs/alcohol)
- Environmental Enforcement services
- Street Enforcement services
- Trading Standards and Licensing services

3.4 This group often deals with confidential matters and membership is not generally opened to members of the public. If members of the public are invited in response to agenda items, the group will ensure confidentiality is maintained, with such matters discussed in closed sitting involving the standing members, before or after members of the public are in the meeting.

4. Meetings

- 4.1 The Police will chair the meeting.
- 4.2 The agenda items will be generated from the work plan and emerging community safety issues. Verbatim minutes will not be recorded, and the actions log will be circulated by email at least 5 working days in advance of each meeting. Group members are required to act on their assigned actions and report at the following meeting of the group.
- 4.3 Incomplete actions will be reviewed at the following meeting.
- 4.4 The quorum for meetings of the Group will be half the membership. The absence of representatives from individual partner agencies will therefore not halt business proceedings. However, inclusion of agencies in any formal agreement or resource commitment will not be confirmed without the prior agreement of the specific agency concerned.
- 4.5 The Group's work may result in the formation of Task & Finish groups to tackle specific issues as requested by the Group chair. Task & Finish groups will be required to provide an update at the Group meetings.

5. Accountability

- 5.1 The Group is accountable to the BCP CSP Executive Board. The Chair of the group will complete a quarterly brief reporting template with updates on the group's activities, progress, and challenges. The group's Chair may be invited to provide verbal commentary to the CSP as directed by the CSP Chair.
- 5.2 Agencies and services are required to assign a permanent representative to attend the Group meetings. Representatives are expected to have appropriate authority to make decisions and allocate resources relevant to the work of the Group.

6. Review

- 6.1 The ongoing relevance of the group will be reviewed annually to ensure congruence with the CSP's priorities for the upcoming period. The CSP's priorities may change on a cyclical basis, depending on national, regional or local government policies, crime statistics and available resources.

7. Information sharing and confidentiality

- 7.1 The following key principles guide the sharing of information among members of BCP Community Safety Partnership and consequently members of the Group.

- a. Partner agencies endorse, support, and promote the accurate, timely, secure, and confidential sharing of both person identifiable and anonymised information for the sole purpose of reducing crime and anti-social behaviour, reducing illegal use and distribution of illicit substances, reducing re-offending and in preventing terrorism.
- b. Agencies are fully committed to ensuring that if they share information, it is in accordance with their legal, statutory, and common law duties, and, that it meets the requirements of any additional guidance.
- c. All agencies have in place policies and procedures to meet the national requirements for GDPR, Data Protection, Information Security, and Confidentiality. The existence of, and adherence to, such policies provide all agencies with confidence that information shared will be transferred, received, used, held, and disposed of appropriately.
- d. Agencies acknowledge their 'Duty of Confidentiality' to the people they serve. In requesting release and disclosure of information from other agencies, employees and contracted volunteers will respect this responsibility and not seek to override the procedures which each organisation has in place to ensure that information is not disclosed illegally or inappropriately. This responsibility also extends to third party disclosures; any proposed subsequent re-use of information which is sourced from another agency should be approved by the source organisation.
- e. An individual's personal demographic information will only be disclosed to facilitate the process of making or modifying and implementing plans to support the reduction of future harm for very high-risk adults, for example, those who would not necessarily come to attention or may not meet criteria for statutory services. For all other purposes, information must be anonymised.
- f. Where information is shared, to facilitate safety planning and risk-reduction, only that which is needed and relevant will be shared. This will be on a "need to know" basis.
- g. Partner agencies will ensure that all relevant staff are aware of, and comply with, their responsibilities in regard both to the confidentiality of information about people who are in contact with their agency and to the commitment of the agencies to share information.
- h. All staff will be made aware that disclosure of personal information, which cannot be justified on legal or statutory grounds, whether inadvertently or intentionally, could be subject to disciplinary action.
- i. Partner agencies are responsible for putting into place effective procedures to address complaints relating to the disclosure of information, and information about these procedures should be made available to service users.

2 November 2021

Kelly Ansell
Service Director – Communities
Environment and Community
(via email only)

Dear Kelly,

Make Ashley Road Safe Petition

Thank you for the opportunity to review and add comment to the report that Andrew Williams and Sophie Sajic, of BCP Council have constructed for the Cabinet meeting on 24 November 2021, following the “Make Ashley Road Safe Petition”. I am aware that Dorset Police provided information for the report to assist the Cabinet’s wider perspective on the background, action taken, and action proposed in Ashley Road, Poole.

The report clearly articulates the concerns that have been reflected in the petition, which has sought public and business proprietors’ signatures, and which has challenged the partnership response from BCP Council and Dorset Police.

It is pleasing to note from the report that partnership collaboration is robust and that strong, strategic oversight between partners occurs following a structured process through the newly formed Multi-agency Safer Communities Strategic Group and which the Partnership Coordination Tactical Group (PCG) feeds into.

I acknowledge that, despite the public concerns raised through the petition, crime and anti-social behaviour (ASB) in the area has shown a reduction and provides a comparative perspective against nearby Poole town. Although the report reflects that “the current levels of reported ASB and crime do not warrant priority status for Ashley Road”, I would like to assure members that this does not mean that Dorset Police should be complacent and that I am reassured that the SARA groups are under review through the PCG process in light of the holistic picture and any review would naturally include Ashley Road.

It is important to understand that such a partnership collaboration is essential to make a difference to communities’ safety and their perception of residing and working within a safe and pleasant locality, and this forms the vision of my new Police and Crime Plan which has been just been published. For members ease I attach a link to the plan.

<https://www.dorset.pcc.police.uk/delivering-the-police-and-crime-plan/the-police-and-crime-plan/>

As the members will be aware and as reflected in my plan, I have had the pleasure of speaking with, and hearing from, thousands of people who live and work across Dorset throughout the last three and a half years, to identify and understand the community priorities and assist me in developing my plan. It has been clear that the public support my vision that this county should be the safest in England and Wales and such a vision is ambitious, and it will only be achieved through bold and transformative activity. Some of this activity will take time, and skilful collaboration with partner agencies locally, regionally and nationally to realise. I have developed the plan to cover two terms of office and delivery of such a plan will not be completed overnight. Members should not underestimate the partnership work involved but be reassured that as stated, strong collaboration exists and has considered Ashley Road in its delivery plans.

My campaign also placed me in a strong position to develop the plan in just over five months of office and, broadly speaking, several months earlier than other Police and Crime Commissioners, reflecting my intent and knowledge of the issues to push on with and to bring about the change that the public has asked for.

The plan is set around six priority areas, following extensive consultation with members of the public. These are:

- Cut Crime and ASB
- Make Policing More Visible and Better Connected
- Put Victims and Communities First
- Fight Violent Crime and High Harm
- Fight Rural Crime
- Make Every Penny Count

It is also appropriate to point out that because I had campaigned for over three years and engaged with many individuals, businesses and stakeholders, following my election, I was in a position to also implement a 100-day plan by working with the Chief Constable to commence immediate action around issues of concern, and in parallel the development of the Police and Crime Plan.

Without rehearsing the detail of the plan which members can read, there are several points that are worth highlighting.

- Members should be reassured that following my taking up post, I promptly visited priority areas across the county including Ashley Road in June, with the BCP Council Community Safety portfolio leader, neighbourhood policing supervision and governance to jointly understand the local issues and any action required.
- As a result of priority area visits members should be aware that the Chief Constable launched “Operation Relentless” to provide a robust focus on tackling the problem of anti-social behaviour wherever it occurs and provide a clear reminder to everyone that the Force takes a tough approach to this pernicious issue and sends a sharp message that it will not be tolerated.
- I also launched the “Operation Relentless Community Fund” which made grants of up to £5000 available to help Dorset community groups and charities act in their local areas. It is disappointing that despite a strong petition regarding issues affecting the community of Ashley Road, no applications for funding were received by my office.
- With regard to the concern relating to shops and businesses, I have worked extensively with business related stakeholders both locally and nationally to explore mechanisms to enable staff to feel safe in their working day and the public safe to visit such premises. I have appointed a business lead within my Office to jointly explore with the Force, innovative approaches to assist the reporting of business-related crime and am hosting a business-related stakeholder round table before the end of this year to develop this further.
- As the petition mentions drugs misuse, members should be aware that I have taken on the joint national portfolio responsibility for addiction and substance misuse and this allows me to strongly lead and influence national change in the area of this business to the benefit of Dorset. I have worked with South West Police and Crime Commissioners on this issue and

we have agreed that the vision for the region is to make it a hostile place to deal drugs. This joined up approach will see collaboration across the county boundaries focus on taking the fight to individuals who impact on the fabric of our communities.

- I have also ensured that the additional growth of officers that Dorset Police are receiving as a result of the Police Uplift programme, will be predominantly deployed to Neighbourhood and patrol front line policing teams to promote that visibility and problem solving occurs within the communities, and Poole will see growth alongside other force areas.

I would like to again reassure members that, as the elected voice of the public, my Police and Crime plan is a vehicle to bring about the change that residents and businesses have requested, but this will not be overnight and will remain dynamic. It will also have the ability to flex should new threats emerge.

Please be assured that the public voice counts and, it can be said, has counted in Ashley Road as reflected in the report.

It is important to reiterate that there is no place for complacency with what could be seen as business as usual, and partner agencies should welcome public challenge to consider whether their plans consider the current intelligence picture, as has been asked through the petition.

Yours sincerely

A handwritten signature in black ink, reading 'D.J. Sidwick'. The signature is written in a cursive, flowing style with a large 'S' at the end.

David Sidwick
Police and Crime Commissioner

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CABINET



Report subject	School Admissions Arrangements 2023/24 for community and maintained schools
Meeting date	15 December 2021
Status	Public report
Executive summary	This report authorises consultation on the admissions arrangements for community and maintained schools for the school year 2023/2024. The only significant change is a proposal to consult on the reduction of the published admission number at Burton Primary School from 60 to 45 from the school year 2023/24 at the request of the governing body.
Recommendations	It is RECOMMENDED that: (a) Cabinet approves the draft admissions arrangements for maintained school set out in Appendices 1 and 2 of this report and the draft consultation on the reduction of the published admission number (PAN) at Burton Primary School set out in Appendix 3 of this report. (b) Cabinet agrees that the Director Children's Services commence consultation on the proposal in Appendix 3.
Reason for recommendations	The Council is legally required to have admission arrangements in place for its community and maintained school. Public consultation is required when there are changes to arrangements. A reduction in the Published Admission Number from 60 to 45 at Burton CE Primary School has been requested.
Portfolio Holder(s):	Cllr Nicola Greene, Portfolio Holder for Council Priorities and Delivery
Corporate Director	Elaine Redding, Interim Corporate Director, Children's Services
Report Authors	Sarah Rempel, Director of Education, Children's Services
Wards	Council-wide
Classification	For recommendation

Background

1. The Council and those schools which are deemed to be an 'admission authority' are required each year to set arrangements explaining how and when they will decide to whom they will offer a school place. The Council is admission authority for community schools and voluntary controlled schools. All other categories of school including academies, free schools, voluntary aided schools are their own admission authority. The Council must also set an administrative scheme setting out for parents and schools how the application and offer process will be co-ordinated.
2. The Council and all other school admission authorities are required to operate their admission arrangements in accordance with the [Department for Education's School Admissions Code \(2021\)](#).
3. The Council is required to publicly consult on the arrangements that will apply across the whole area for the 2023/24 academic year.
4. The Council is required to have an admission policy for community and voluntary controlled schools located in Bournemouth Christchurch and Poole.

Admissions Arrangements and Published Admission Numbers

5. The admissions policy must explain how to apply for a place and once an application is received how it will be processed. It must contain clear oversubscription criteria should there be more applications for places than there are places available. The number of places available at a main point of entry for each school – the published admission number (PAN) – must also be set and included in the policy for parents.
6. The proposed arrangements are attached at appendix one. There are no proposed changes to how the policy operates or its oversubscription criteria. Associated policies in relation to admission out of year group and admission of Looked After Children also remain unchanged.
7. The proposed PAN for 2023/24 for each of the maintained primary schools are attached at appendix two. The proposed change that has triggered the requirement to consult is a reduction in PAN at Burton CE Primary School. There are no changes to the PAN for other schools from those set for the 2022/23 year. by the preceding local authorities as there are sufficient school places.
8. Reducing its PAN to 45 will enable Burton Primary School to organise its class groupings efficiently, and ensure that the class size limit of 30 in Reception to Year 2 can be maintained. Forecasts show primary numbers dropping in West Christchurch over the next five years, so this will not result in a shortage of places. As the physical capacity of the school will not change the PAN can be increased to 60 at some future point if there are rising numbers in the area.
9. The school governing body has requested that a reduction of PAN is consulted on.

Options Appraisal

10. The reduction in the published admission number at Burton Primary School could have been rejected without consultation, however the school has made a case that a reduction would help it organise its classes more efficiently. It is therefore proposed that the reduction is put forward for consultation.

11. Other changes could be proposed to the admission policies for community and voluntary controlled schools, however there is currently no case for making such changes. It is therefore proposed that the existing admission policy is confirmed.

Summary of financial implications

12. There are no direct financial implications to this report. There is a cost to the administration of the admission system, however this will not be affected by confirming the admission policy. School budgets are driven by the number of pupils on roll to a considerable extent. The setting of published admission numbers assists schools in planning their budgets and organising class groupings.

Summary of legal implications

13. Sections 13, 13A and 14 of the Education Act 1996 require councils that are Education Authorities to: ensure that efficient primary, secondary and further education is available to meet the needs of their population; ensure that their education functions are exercised with a view to promoting high standards ensuring fair access to opportunity for education and learning, and promote the fulfilment of learning potential; and secure that sufficient schools for providing primary and secondary education are available for their area.
14. The Education and Inspections Act 2006 requires an Education Authority to publish any proposed alterations to existing school places provision and the process for consultation on such proposals is governed by Regulation.

Summary of human resources implications

15. There are no human resources implications to this report. No changes to the staffing of the admissions team will be required as a result of confirming the admissions policy.

Summary of sustainability impact

16. The admissions policy gives high priority to parental preference, however the use of catchment areas and home to school distance tends to encourage parents to seek places in local schools, thus reducing home to school travel.

Summary of public health implications

17. There are no direct public health implications arising from this report. Children with education health and care plans naming a particular school and looked after children are given the highest possible priority in the admissions process,

Summary of equality implications

18. The admissions policy of all state funded schools, whether maintained by the local authority or by the Secretary of State for Education must be set in accordance with the School Admissions Code (<https://www.gov.uk/government/publications/school-admissions-code--2>). This provides detailed guidance on what over-subscription criteria may be used.
19. No adverse impacts on applicants with protected characteristics under the Equality Act arise as a direct result of the proposed admissions arrangements.

Summary of risk assessment

20. There are few risks associated directly with this report. The school admissions process generally runs smoothly every year. An admissions policy is required by law. In the event that a parent is not offered a place at a school there is an appeals process organised by the relevant admissions authority. Where there are complaints about admissions policies in general these may be referred to the Office of the Schools Adjudicator, an independent official appointed by the Secretary of State for Education.
21. Pupil number forecasts indicate that there will be sufficient places in the primary phase for the Council to be able to fulfil its statutory duty to offer a place to all applicants in 2023/2024.
22. A bulge in secondary numbers will be at or just past its peak in 2023/34. Mitigation has already been put in place to ensure that the Council will be able to offer a place to all applicants as the bulge goes through the school system. All secondary schools in BCP are their own admission authority.

Background papers

School Admissions Code (Department for Education 2021)

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1001050/School_admissions_code_2021.pdf)

Admission of Children of Crown Servants (Department for Education 2021)

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/461481/Admission_of_children_of_crown_servants.pdf)

Fair Access Protocols Guidance for school leaders, admission authorities and local authorities (Department for Education 2021)

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1012993/FAP_Guidance.pdf)

Appendices

Appendix 1: Draft Coordinated Admissions Scheme

Appendix 2: List of maintained schools in Bournemouth Christchurch and Poole and their published admission numbers (PANs)

COMMUNITY AND VOLUNTARY CONTROLLED INFANT, JUNIOR AND PRIMARY SCHOOLS



COORDINATED ADMISSION SCHEME FOR 2023/24

All schools in Bournemouth, Christchurch and Poole together with the Local Authority have, in accordance with statutory requirements, agreed to coordinate the main entry admission and transfer process for 2023-24. The agreed scheme enables an application to be made on a single application form.

The coordinated scheme applies to the following admission points of entry:

Point of Entry	National Closing Date (Applying on Time)
Entry in Reception at all First, Infant Primary and All-Through schools	15 January 2023
Entry into Year 3 at Junior schools	15 January 2023
Entry into Year 5 at Broadstone Middle School	15 January 2023
Entry into Year 7 at all secondary schools with the exception of Corfe Hills School and LeAF Studio School	31 October 2022
Entry into Year 9 at Corfe Hills School and LeAF Studio School	31 October 2022

BCP Council will coordinate with other local authorities to ensure that a child receives only a single offer of a school place. It will seek to offer the highest preference able to be agreed subject to the receipt of information in sufficient time and the other local authorities' schemes providing for this.

Parents/carers should complete an application and name four different schools in the order they would like their child to attend. Parents/carers must submit their application to their home local authority by the published closing date specified in the table above.

Preferences on faith grounds

Parents/carers expressing a preference on faith grounds must check the relevant school policy to find out how to provide evidence of religious faith and practice. Parents/carers will be required to complete a Supplementary Information Form and submit the Form before the published closing date. Where baptismal evidence is required, parents/carers must check how this is provided to the school. All relevant evidence must be submitted before the published closing date. The Supplementary Information Forms can be downloaded from the BCP website or from the relevant school website.

Changes or applications received after the closing date

Applications or any change of preference received after the national closing date for applications will be considered as a late application unless otherwise specified within the school's admissions policy.

Applications that are considered late will be processed after all on-time applicants have been notified of their result. Late applications received before the published late closing date will be processed in accordance with the timetable (see below).

Any applications received after the published closing date for late applications will be processed as quickly as possible after the timetable (see below) has been completed. Once processed, they will be immediately added to the waiting list(s) if a place is not available.

Living or applying for schools outside BCP Council

Parents/carers who live outside BCP Council who wish to apply for a school will need to complete their home local authority's application form in accordance with timescales published in that Local Authority's scheme.

BCP Council will send a list of all applicants to all school Admission Authorities within the council's area. It will send applications for schools in other local authorities to the relevant local authority to administer.

Information from other admission authorities

Where a parent/carer lists a school which is its own admission authority, or a school in another local authority as one of their preferences, information is electronically transferred to the relevant school or local authority. The admission authority will then be required to rank in order, the applications they received in accordance with their admission arrangements and decide whether they can offer the child a place.

Once the decisions have been made by the relevant admission authority, they are returned to the Local Authority by the deadline specified (see timetable below). The LA then compares the provisional offer lists; if a child's name appears on more than one offer list, the LA will then refer to the preference order on the parent/carer application to see which school the family wants the most. Then, in accordance with the order of preference on the application form, the child's name will be retained on the list of the highest preference school able to offer a place and removed from the lower preference school(s) offer list(s).

Places freed up by this process will then be offered to applicants who are next on a school's ranked order of priority.

When preferences cannot be met

For those applicants who are not able to be offered any of their preferred schools:

- if they are resident in BCP Council, they will be offered a place at the nearest school to their home address which still has places available with agreement from the relevant admissions authority; or
- if they are resident outside of BCP Council, they will be referred to their own local authority to discuss schooling.

Those applicants who apply after the national closing date go through a similar process again, resulting in further offers being made in accordance with the agreed late application timetable.

Outcome of application

BCP Council will advise parents/carers who applied online by uploading the outcome to the online system. Parents/carers will be able to view the outcome of their application online on the relevant national offer date. BCP Council will issue letters to all parents on the national offer dates.

Waiting list

The length of time a child's name is on the waiting list cannot be taken into account when places become available. Places are offered in accordance with the oversubscription criteria in the school's published admissions policy.

Waiting lists for the point of entry must be held until 31 December 2023. Not all schools hold waiting lists after this time. Parents will receive information in their notification letter about how the waiting lists are managed.

All waiting lists held for the academic year 2023/24 will expire on 31 August 2024. Parents/carers must submit a new school application form for 2024/25 and any subsequent years. Applications can be submitted from 1 June 2024.

Appeals

School Admission Authorities will inform BCP Council of the outcome of any appeals within 2 working days.

Timetable for On Time Applications 2023/24

	Secondary	Junior/Middle	Reception
Closing date for applications	31/10/22	15/01/23	15/01/23
BCP Council (BCP) to exchange applicant information with other local authorities (LAs) by BCP to exchange applicant information with other school Admission Authorities (AAs) in Council's area, with the exception of any applications received from outside the area, by	18/11/22	03/02/23	03/02/23
BCP sends a list of all applicants from outside the area to other AAs in BCP	25/11/22	20/02/23	20/02/23
AAs to send electronically a list of pupils to BCP in the order to be considered, together with the relevant criteria for each applicant	06/01/23	03/03/23	03/03/23
First exchange of offers between BCP and other LAs for applicants resident in their respective areas by	20/01/23	17/03/23	17/03/23
Deadline for final exchange of offers between LAs for applicants resident in their respective areas	03/02/23	31/03/23	31/03/23
BCP to inform other AAs of final allocation of places by	24/02/23	13/04/23	13/04/23
BCP issues notification letters to all applicants and on-time notifications to be uploaded on	01/03/23	17/04/23	17/04/23
Parents accept/decline offer by	15/03/23	02/05/23	02/05/23

	Secondary	Junior	Reception
Closing date for late applications	27/01/23	10/02/23	10/02/23
BCP Council (BCP) to exchange applicant information with other school Admission Authorities (AAs) in BCP	10/02/23	10/03/23	10/03/23
AAs to send electronically a list of pupils in the order to be considered, together with the relevant criteria for each applicant	03/03/23	24/03/23	24/03/23
BCP to inform other AAs of final allocation of places	17/03/23	10/05/23	10/05/23
BCP issues notification letters to all applicants on	24/03/23	12/05/23	12/05/23
Parents accept/decline offer by	07/04/23	26/05/23	26/05/23

Please note

At the end of the above timetable, BCP Council will continue to coordinate the allocation on a regular basis until the end of the school year.

With the agreement of the school admission authorities, BCP Council coordinates all applications for school places in the council's area except Highcliffe School. Parents are advised to contact Highcliffe School directly for an application form.

One application form will be available for parents/carers wishing to apply for any school located in BCP Council. The application will invite parents to list up to four schools ranked in the order they would like their child to attend. The parents/carers should then submit the application to the BCP Council.

Parents/carers applying for a church school who request a place on faith grounds must provide a completed Supplementary Information Form. The Supplementary Information Form (SIF) is available from the school or a copy can be downloaded from the BCP website. Details of where to return the SIF are set out in the information on each school's websites regarding their admission arrangements.

For applications for schools in the council's area (with the exception of Highcliffe School who process their own applications), BCP Council should aim to notify the parents of the outcome of their application in writing within 10 school days. All parents must receive a notification in writing within 15 school days. The exception to this is where a parent applies for a place in a Grammar School. In these cases, the school must notify the parent in writing within 15 school days of the date for the assessment.

Admission Authorities will inform BCP Council within 3 school days of the outcome of the application. BCP Council will send out an offer or refusal letter (except for Highcliffe School which will send the letter to the parent, copied to the Local Authority).

Information regarding schools that do not process applications in a timely manner may be passed on to the Schools Adjudicator and/or relevant Department for Education agencies (e.g. RSC, EFSA). The need to request direction may also be considered.

All Admission Authorities will inform BCP Council of the results of any appeal hearings within 2 working days of the appeal outcome.

Applications to start in September 2023 for places in a year group different to the point of entry

With the exception of applications for Grammar Schools, these applications will not be processed until after 1 June 2023.

Any applications received prior to 1 May 2023 will be too early to be processed and the parent will be asked to submit a new application after 1 June 2023. Applications received between 1 May and 1 June 2023 will be retained by the School Admissions Team and processed after 1 June 2023.

Applicants applying before 1 June 2023 will be informed that their application will not be processed until after this date. This does not constitute a refusal to offer a school place at any of the preferred schools and therefore there will be no right of appeal until such time as the application has been processed.

Grammar School applications will need to be processed early to allow sufficient time for testing and, if appropriate, to allow appeals to be heard before the end of the Summer Term. Therefore applications for grammar school will be processed as and when received.

A “Looked After Child” means any child who is in the care of a local authority in accordance with Section 22 (1) of the Children Act 1989. BCP Council has adopted a Protocol for dealing with In Year applications for Looked After Children. All applications will be processed in accordance with the Protocol.

Waiting lists

New waiting lists are normally created from September each year.

Where waiting lists are held, BCP Council will ensure any places that become available are offered in accordance with the oversubscription criteria within the published admissions policy of the school.

The waiting list for 2023/24 will expire on 31 August 2024. Parents/carers must submit a new application for 2024/25 and any subsequent years. Applications for the new waiting list can be submitted from 1 June 2024. Any children for whom a new application has not been received by 31 August will be removed from the waiting list on this date. Parents can apply at any point after 1 September to have their child placed back on any school’s waiting list.

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**COMMUNITY AND VOLUNTARY CONTROLLED
INFANT, JUNIOR AND PRIMARY SCHOOLS**



PUBLISHED ADMISSION NUMBERS 2023/24

School Name	Published Admissions Number 2023/24
Burton CE Primary School	45
Christchurch Infant School	120
Hillbourne Primary School	60
Mudeford Community Infant School	60
Mudeford Junior School	66
Somerford Primary School	30

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Burton Primary School is a community school maintained by BCP Council. This means that BCP Council is the admissions authority for the school.

Burton Primary School has requested a reduction of its published admission number (PAN) from 60 to 45. This means that a maximum of 45 children would be admitted to Reception in the school year 2023/24 and thereafter. No other change is proposed to the admission arrangements for the school.

Pupil numbers are falling in the West Christchurch Primary Planning area and across BCP as a whole. This is as a result of falling birth numbers over the last five years. In order to organise class groups efficiently and comply with the requirement that class sizes for pupils in Reception to Year 2 are thirty or below the school takes the view that a PAN of 45 would be helpful. It is not proposed that any physical accommodation would be removed from the school. This means that the PAN could be increased in the future if numbers in the area rise.

The consultation is public and anyone is welcome to submit views and comments on the proposed changes. In addition, there are specific stakeholders whose views and comments are sought. These are:

Families of all pupils who attend Burton Primary School
Families of all pupils at other schools in West Christchurch and neighbouring areas
The Governing Body for Burton Primary School
School staff at Burton Primary School
Head Teachers across the BCP Council area
Local Members of Parliament
Trade Union representatives
Local Children's Centres

We would be grateful if you would consider responding to the consultation. The deadline is 31 January 2020 at 23.59pm.

This proposal can be found at www.bcpCouncil.gov.uk/haveyoursay or you can request a copy by emailing ppp.consultations@bcpCouncil.gov.uk

Within from the date of publication of this proposal, any person may object to or make comments on the proposal using the link below:

https://wh1.snapsurveys.com/SURVEY_PREVIEW.asp?k=158806419000 [link to be updated as required]

or by sending them to BCP School Organisation Team, BCP Council, Town Hall, Bourne Avenue, Bournemouth BH2 6DY ppp.consultations@bcpCouncil.gov.uk [postal address to be confirmed]

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CABINET



Report subject	Home to School Transport Policy
Meeting date	23 November 2021
Status	Public Report
Executive summary	BCP Council is legally required to have a single home to school transport policy. A BCP Council Policy has been drafted to replace the three existing policies. The draft policy has been developed to ensure consistency across the conurbation. It will provide a single point of reference for families and officers regarding eligibility and how it is assessed. Permission to publicly consult in January-February 2022 is being sought from cabinet. The consultation will be held in accordance with the requirements of the Department for Education's statutory guidance. Key stakeholders will be targeted during the consultation period.
Recommendations	It is RECOMMENDED that: (a) Cabinet agrees for officers to go out to public consultation on the draft Home to School Transport policy. (b) Delegates authority to the Director of Education, Children's Services to commission a public consultation of the draft policy.
Reason for recommendations	The Council is legally required to have a home to school transport policy. A single policy will provide one point of reference for families and officers when requesting and agreeing transport assistance.

Portfolio Holder(s):	Cllr Nicola Greene, Portfolio Holder for Council Priorities and Delivery
Corporate Director	Elaine Redding, Interim Corporate Director, Children's Services
Report Authors	Sarah Rempel, Director of Education, Children's Services
Wards	Council-wide
Classification	For Decision

Background

1. BCP Council has a statutory duty to make home to school transport arrangements for all eligible children.
2. Currently there are three policies that are referred to when making decisions regarding eligibility – one for each of the three predecessor local authorities.
3. To simplify the process for BCP Council residents and ensure that all decisions are made with consistency across the conurbation, a single home to school transport policy has been drafted. The draft policy is attached at appendix one.
4. Home to school transport assistance is normally made available for eligible children and young people who attend a qualifying school in the following circumstances:
 - a. they live beyond the statutory walking distance,
 - b. or cannot walk to school because of their special educational needs, disability or mobility difficulties;
 - c. or are on a route that is within the statutory walking distance (where a child/young person is accompanied by an adult as necessary) that is considered to be unsafe;
 - d. or receive free school meals, or whose parents/carers receive the maximum working tax credit. Normally assistance will only be provided if the family live beyond the statutory walking distance.
5. The nearest qualifying publicly funded school is the nearest or catchment school with places available that provides education suitable for the age, ability and aptitude of the child/young person, and any special educational needs or disability the child/young person may have. This means that when seeking transport assistance, a qualifying school is typically the nearest or the catchment school with vacancies unless a low income family is seeking transport assistance for attendance at their nearest secondary faith school for evidenced religious reasons.
6. A reasonable distance is legally defined as:
 - a. Up to two miles walking distance from home to school for statutory school age children under eight years old
 - b. Up to two miles walking distance from home to school for statutory school age children and young people aged eight-16 years old and receiving the maximum working tax credit or the child/young person is eligible for free school meals

- c. Up to three miles walking distance from home to school for all other statutory school age children and young people aged eight-16 years old
- 7. There are some exceptions where home to school transport assistance may be provided and details are included in the policy.
- 8. BCP Council decides the most appropriate means of supporting children and young people to travel to and from school linked to the aims of promoting independence and sustainability, while ensuring cost efficiency. The following types of travel assistance are provided:
 - a. Issue of a travel pass for use on bus and/or train networks, supported by independent travel training, if needed.
 - b. Personal travel budgets for children and young people with an education, health and care plan (EHCP).
 - c. Minibus
 - d. Taxi
 - e. Fuel, wear and tear contribution if it is shown to be a cost-effective solution and/or there are no suitable or appropriate alternative arrangements available.
- 9. The opportunity to appeal the decision of the eligibility assessment and the form of travel assistance offered is available to families.

Consolidation of existing policies

- 10. Eligibility for home to school transport assistance in all three existing policies is assessed using the statutory minimum requirements for most applications. The statutory minimum requirements are prescribed in the Department for Education's [Home to School Travel and Transport Guidance: Statutory Guidance for Local Authorities \(July 2014\)](#).
- 11. A single policy for BCP Council has been developed to ensure statutory minimum requirements are met whilst providing a single document that all families and officers can reference.
- 12. Differences in the existing policies have been reviewed during development of the draft policy. Changes to the policy and which residents the changes affect, are highlighted in the draft. In summary, the changes are:
 - a. Transport assistance for year 10 and year 11
 - b. Transport assistance for 16–19-year-olds
 - c. Transport assistance for 19–25-year-olds
 - d. Stage one appeals

Transport assistance for year 11

- 13. The Bournemouth Borough Council policy provided transport assistance for families with children and young people in year 10 and year 11 if families moved home and their new address was over three miles away from the school. The Dorset County Council policy provided transport assistance for families in exceptional circumstances (an unavoidable move or where a new school would not be appropriate). The Borough of Poole policy did not provide transport assistance due

to moves in year 11 and parents/carers were expected to request an appeal to consider exceptional support.

14. The draft policy expects parents/carers to consider the location and distance of their child or young person's school from their new home when deciding to move. Parents/carers can submit an appeal detailing the circumstances of their move and reasons for requesting transport assistance. Stage one and stage two appeals will have authority to agree transport assistance if appropriate.

Transport assistance for 16–19-year-olds

15. All three existing policies provide information on transport assistance for 16–19-year-olds. The draft policy adopts the eligibility criteria defined in the Poole policy.
16. To support more flexibility and choice for children and young people with an EHCP, the draft policy has reduced the qualifying distance from five miles to three miles.
17. The draft policy has adopted the existing charge for transport that was in place for Poole residents. The charge will only apply to families who do not qualify for maximum working tax credit or free school meals.

Transport assistance for 19–25-year-olds

18. All three existing policies provide information on transport assistance for 19–25-year-olds. The draft policy adopts the eligibility criteria defined in the Poole policy.
19. To support more flexibility and choice for children and young people with an EHCP, the draft policy has reduced the qualifying distance from five miles to three miles.
20. The draft policy has adopted the existing charge for transport that was in place for Poole residents. The charge will only apply to families who do not qualify for maximum working tax credit or free school meals.

Stage one appeals

21. The Department for Education's (DfE) [Home to School Travel and Transport Guidance: Statutory Guidance for Local Authorities \(July 2014\)](#) requires local authorities to provide a two stage appeal process for families to access if they are dissatisfied with the outcome of their transport application.
22. The DfE recommends a senior officer undertake the review, the draft policy proposes that a senior officer undertakes the review in the following circumstances:
 - a. Appeals for children and young people with EHCPs; and
 - b. Appeals regarding the distance measurement or safety of the route.
23. It has been identified that senior officer(s) involved in the development of an EHCP will have the knowledge and expertise regarding the needs of the child or young person in relation to their special educational needs or disability (SEND) to appropriately assess the stage one appeal submitted.
24. For appeals regarding distance measurement or safety of the route, a senior Children's Services officer who has knowledge and understanding of the home to school transport policy and supported by relevant transport officer(s) when required, will be able to appropriately assess the stage one appeal submitted.
25. When families submit stage one appeals requesting review due to their circumstances or other needs, the draft policy proposes referral of the appeal to the school transport appeal review (STAR) panel. The STAR panel is modelled on the

education awards review panel that was established under the Poole home to school transport policy.

26. The STAR panel will comprise of three senior officers from Children's Services supported by a senior officer from the school admissions team and/or the SEND team. Including Children's Services senior officers in the stage one appeal will ensure a child/young person and family focussed approach to the review. The STAR panel will have discretion to make a range of decisions including upholding the family's appeal, providing temporary transport assistance and signposting/referral to appropriate support.
27. Following both senior officer or STAR panel review, the family will receive a detailed decision letter and the opportunity to request a stage two appeal. The stage two appeal will be heard by a panel of council members.

New additions to the policy

28. The draft policy proposes the following additions:
 - a. Temporary housing
 - b. Children in Care
 - c. Fuel, wear and tear rate.
29. Providing transport assistance for families in temporary housing and for Children in Care where appropriate will support education continuity for vulnerable children and young people.
30. The fuel, wear and tear rate has been recommended at 45 pence per mile in line with the HMRC expected rate for employee travel claims. It will only be agreed where other assistance options are unable to be commissioned and it is best value to the Council. Cost effective and sustainable options including bus/train passes, minibuses and shared taxis will be explored in the first instance.

Consultation

31. The DfE's guidance requires local authorities to publicly consult on changes to its arrangements for at least 28 working days.
32. The recommended public consultation is proposed to start on Tuesday 4 January 2022, ending on Friday 18 February 2022.
33. The consultation will be available online for anyone to respond and will be promoted using appropriate communications channels to raise awareness. Paper copies will be made available in BCP Council libraries and children's centres. Key stakeholders will be targeted including, but not limited to:
 - a. Families in receipt of transport assistance.
 - b. Families with children and young people with an EHCP.
 - c. Families applying for school place(s) to start in September 2022.
 - d. Schools, academies and their governors, trustees and stakeholders.
 - e. Early years providers.
 - f. Professionals who work with children, young people and their families including but not limited to social workers, health visitors and early help officers.

- g. Parent and family support and advocacy groups including Parent Carers Together.
- 34. A suitable communications plan will be developed to promote the consultation to the wider public. Schools and early years providers will be asked to help promote the consultation.
- 35. Media relations, website, social media, e-newsletters, internal communications and communication will be made through children and families channels.
- 36. The consultation will be available at haveyoursay.bcpCouncil.gov.uk.

Options Appraisal

- 37. The existing legacy policies cannot continue as the council has a statutory requirement to ensure policies and processes are in place for BCP Council. Taking no action is therefore not an option.
- 38. Adoption of one of the three existing policies would require public consultation because there are differences in each of the policies that would affect residents assessed using either of the discarded policies.
- 39. The draft policy has been co-produced with colleagues from the SEND team and the passenger transport team, reflecting on Children's Services' child-centred practice approach. It has been developed with advice and support from the communications team.
- 40. It is recommended that the council consult on the new draft policy.

Summary of financial implications

- 41. The SEND home to school transport budget for 2021/22 is £6,485,200 with a projected overspend of £845,500. This reflects the home to school transport needs resulting from the placement of increased numbers of children and young people with EHCPs in specialist provision.
- 42. The mainstream school home to school transport budget for 2021/22 is £853,800 with a projected overspend of £19,163.
- 43. Transport assistance is demand-led by its statutory obligations and forecasting of expenditure is impacted by factors that are difficult to control or predict including location of appropriate school setting, location of home, behavioural needs, medical needs requirement for a passenger assistant and more recently pressure on the supply market leading to price inflation. Nationally there is a trend of home to school transport costs increasing in large part due to the rise in identification of children requiring EHCPs.
- 44. There remains continued financial risk to the budget due to the unpredictability of the transport needs. The draft policy is not anticipated to impact on the council's home to school transport expenditure because overall it provides for the minimum statutory requirements.

Summary of legal implications

- 45. If a policy were not in place, the council would not meet its legal duty and would be at risk of legal challenge from families regarding how eligibility and transport mode decisions are made.

46. A single home to school transport policy will resolve existing differences in the three current policies. This will prevent legal challenge from families citing differences in decision-making, policy and outcomes.

Summary of human resources implications

47. There are no anticipated changes to human resources from introducing the policy.

Summary of sustainability impact

48. BCP Council is committed to encouraging children and young people to walk, cycle or scoot to school. The conurbation has an extensive network of safe walking routes (where accompanied by an adult if necessary) using footpaths and shared use paths that are included when assessing eligibility based on home to school distance.
49. The draft policy supports the council's climate change emergency and officers will continue to promote and support sustainable travel to school including on foot, cycling, scooting and public transport in line with the [Transforming Travel](#) agenda.

Summary of public health implications

50. Providing home to school transport assistance for eligible children and young people supports their health and wellbeing by enabling them to regularly attend school.
51. Transport assistance in itself can improve the health and wellbeing of eligible children and young people by removing obstacles to attending school and, where appropriate, developing independent travel skills.

Summary of equality implications

52. An equality impact assessment screening tool has been completed and is attached at appendix two
53. A single policy will be accessible online for all BCP Council residents and paper copies will be provided on request.
54. Transport requests will be assessed using the policy criteria. Where the child/young person and/or their family have additional needs or requirements these will be considered during the assessment.
55. Transport for eligible children and young people will be provided based on the individual needs of the child/young person and/or their family using the criteria in the policy.
56. Families will have the opportunity to access a two stage appeal process if they are unhappy with either the decision or the transport offer.
57. For eligible young people who are 16+, the charge for transport can be waived if the young person and/or their family are in receipt of maximum working tax credit or eligible for free school meals.

Summary of risk assessment

58. The council cannot continue to operate using the existing policies and could be subject to challenge by discrepancies between the three policies. A single policy will help prevent legal challenge from families and meet the council's legal obligations.

Background papers

[Bournemouth Residents Home to School Transport Policy and associated advice and guidance](#) (published works)

[Christchurch Residents Home to School Transport Policy and associated advice and guidance](#) (published works)

[Poole Residents Home to School Transport Policy and associated advice and guidance](#) (published works)

The Department for Education's [Home to School Travel and Transport Guidance: Statutory Guidance for Local Authorities \(July 2014\)](#) (published works)

The Department for Education's [Post-16 Transport and Travel To Education and Training Guidance \(January 2019\)](#) (published works)

[The Education Act 1996 sections 508A, 508B, 508C, 508D, 509AD](#) (published works)

[The Education Act 1996 Schedule 35B](#) (published works)

Appendices

Appendix one – Draft home to school transport policy

Appendix two – Equality impact assessment conversation screening tool



Home to School Transport

For academic year 2022/23 onwards

Draft for Public Consultation

Forward

To be composed in liaison with Cllr Nicola Greene and BCP Communications Team. Will include details of the consultation and how to respond.

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Is my child eligible for home to school transport assistance?

Most children and young people living in the BCP Council area are not eligible for home to school transport assistance because they have access to a suitable school within a reasonable distance from their home.

A reasonable distance is legally defined as:

- Up to two miles walking distance from home to school for statutory school age children under eight years old (Years R-3).
- Up to two miles walking distance from home to school for statutory school age children and young people aged eight-16 years old (Years 4-11) and receiving the maximum working tax credit or the child/young person is eligible for free school meals.
- Up to three miles walking distance from home to school for all other statutory school age children and young people aged eight-16 years old (Years 4-11).

There are some exceptions who may be provided home to school transport assistance which are further detailed in this policy.

There are schools near our home, but we want our child to go to a school that is further away. Will we get home to school transport assistance?

No, a family would not normally receive home to school transport assistance.

All children and young people have a right to a place at a publicly funded school but will not normally have a right to a specific publicly funded school. The nearest qualifying publicly funded school is the nearest or catchment school with places available that provides education suitable for the age, ability and aptitude of the child/young person, and any special educational needs or disability the child/young person may have.

This means that when seeking transport assistance, a qualifying school is typically the nearest school or the catchment school with vacancies.

For families seeking transport assistance to attend their nearest faith secondary school, they will need to qualify under low income criteria in addition to providing evidence of their religious reasons. Further information can be found later in this policy.

Is my child eligible for home to school transport because they have an Education, Health and Care Plan (EHCP)?

Eligibility for children and young people with an EHCP will be the same as for all other children. We provide travel assistance suitable to a child/young person's needs and will review arrangements every year. This could mean that a child/young person's type of travel support may change or that longer term plans are discussed and agreed during a review so that a child/young person can gradually increase their level of independence over the medium to long term.

Who is eligible for home to school transport assistance?

Eligible children and young people who are of statutory school age, who attend a qualifying school, and:

- live beyond the statutory walking distance
- cannot walk to school because of their special educational needs, disability or mobility difficulties
- are on a route that is within the statutory walking distance (where a child/young person is accompanied by an adult as necessary) that is considered to be unsafe
- receive free school meals, or whose parents/carers receive the maximum working tax credit. Normally assistance will only be provided if the family live beyond the statutory walking distance.

Secondary aged children and young people receiving free school meals or whose parents/carers receive the maximum working tax credit

Where families are entitled to free school meals or receive the maximum working tax credit, transport assistance will be provided to a school between two and six miles from home if the child/young person is aged between 11-16 years old and there are not three or more suitable nearer schools.

What is a qualifying school?

Qualifying mainstream schools are publicly funded maintained, community, voluntary community, voluntary aided, foundation, trust, academy, studio, university technical colleges and free schools, regardless of whether they are within the BCP Council conurbation.

For children and young people with an Education, Health and Care Plan (EHCP) or have otherwise been directed to a school by the local authority, the identified school is recognised as a qualifying school. Qualifying schools can include special schools and alternative provision and are normally publicly funded schools. If your preferred school is a different school to the one allocated by the local authority, it is unlikely you will be entitled to home to school transport assistance.

How do I apply for transport assistance?

You can apply online or request a paper application form. To ensure your application is considered fully, make sure you include relevant additional information to support it.

What will happen to my application?

Your application will be carefully considered, including making checks on distances, school vacancies and, where appropriate, speaking to other professionals (for example, council tax, social care, SEND team and the NHS).

You will normally receive an outcome within three weeks of receipt of your application. Certain times of the year (the start and end of the academic year in particular) are very busy which may cause delays.

Can I appeal a decision to refuse transport assistance?

Yes. Further information can be found later in this policy.

Late application for a school place

If you apply after the national closing date for a reception, junior or secondary school place, there may not be enough time for us to process your transport application ready for the new academic year.

You are responsible for arranging and providing school transport if you applied late for a school place in the normal year of entry and an alternative school has been provided on the grounds of a year group being full.

We have a duty to offer an alternative school place if we cannot offer a preferred, catchment or nearest school. We will not provide transport to the alternative school if there is a closer school in a neighbouring local authority which is under the qualifying distance. In this case we will inform parents/carers of the space/s available in closer neighbouring school(s).

Moving to a new home and transport assistance

It is important to check the availability of school places before moving to a new home because there are no guarantees places will be available at the new catchment or nearest school. If you move to new accommodation and want your child/young person to remain at their current school, we expect you to be responsible for making your own transport arrangements. The only exception to this will be if nearer schools do not have places available in the relevant year group.

Transport support provided on exceptional grounds will normally stop if a family move to an area served by a school with places available in the relevant year group. We will not provide transport support for children and young people who have been displaced from their home because of family related issues (for example, family disagreements).

If a family moves and does not inform us, they may be liable to pay back transport assistance costs.

NEW! Temporary housing (changes affect all BCP Council residents)

Occasionally, families need to move from their established home address against their will to alternative accommodation on a temporary basis. We may consider transport support to a child/young person's existing school for a maximum period of two school terms when a family has had to be temporarily re-housed by BCP Council. If there are delays in securing permanent accommodation that are not the fault of the family, transport support may be extended. This will be considered on a case-by-case basis.

Our agreement to transport support will depend on:

- the location of the temporary housing
- the age/distance criteria
- the basis of the original application (i.e. was the place secured using in area or parental preference grounds?)
- satisfactory reasons for the loss of the registered accommodation.

We will not provide transport support to those families whose main residence is in another local authority's area but who need to move to a BCP Council location on a temporary basis.

We are not able to provide transport support to families who are moved to temporary accommodation in another local authority area. If BCP Council social care team

move a family to temporary accommodation outside the area, parents/carers should approach social care to discuss support for transport assistance in the interim.

Transport support when changing school for other reasons

We will not approve applications for transport support following a parent/carer's decision to change schools (even if the decision is supported/encouraged by the existing or receiving school) unless:

- the school they transfer to is the catchment/nearest school and the minimum distance criteria is met; and/or
- all avenues of support at the current school have been pursued and
- the move is supported by a relevant BCP Council manager(s) (e.g. Inclusion manager, SEND manager, Virtual School Headteacher).

NEW! Transport support for year 10 and year 11 (changes affect Bournemouth and Christchurch residents)

If you choose to move to new accommodation when your child/young person is in year 10 or year 11, we will not normally provide transport support. We expect families to consider the location and distance of their child/young person's school place when moving.

If your circumstances change for other reasons and your child/young person is in year 11, please contact us to discuss. In most cases, we will advise families to submit an appeal request.

Transport support for children and young people with special educational needs, disability (SEND) and medical needs

Children and young people with SEND or medical needs are initially assessed using the statutory distance criteria detailed at the start of this policy.

However, some children and young people may be eligible for travel assistance even if they do not qualify on the distance criteria because they're unable to walk to school accompanied or, in some circumstances, unaccompanied.

To qualify for travel assistance for SEND or medical needs, we will always need supporting evidence through a professional assessment (this may be an EHC Plan). We will also take family circumstances into account, but an employment commitment is not in itself a reason to approve transport support. Parents/carers are legally able

to approach their employers regarding flexible hours and we would expect to see evidence of this.

We may provide additional assistance when a child/young person has a medical need or disability that would prevent them from making the usual type of accompanied journey made by other children and young people of their age. The conditions for this assistance may include:

- long-term severely restricted mobility, for example, circumstances that mean you need to use significant physical aids every day – such as a wheelchair.
- a long-term medical condition resulting in severely restricted mobility due to pain and/or extreme tiredness, for example, juvenile arthritis.
- a long-term medical condition resulting in restrictive mobility leading to serious health and safety risks, for example, epilepsy or life-threatening heart defects.
- a sensory impairment resulting in severely restricted mobility, for example, where a child/young person is severely visually impaired.
- a child/young person has a disability leading to significant social, and/or emotional immaturity in comparison with other children and young people of their age. This may mean a child/young person who is extremely vulnerable in social settings, for example, a child/young person with ASD who has very little awareness of personal danger.
- a child/young person with severe learning difficulties who has an inability to manage the complexity of the process of walking to school safely or demonstrates constant challenging behaviour suggesting that the child/young person cannot make an accompanied journey.

All professional assessments must be in the form of a written statement from a relevant (normally medical) professional who is treating the child/young person. The documentation provided must be recent (within last 12 months) and provide clear and detailed reasons why transport assistance is necessary – a diagnosis is not sufficient. An EHC Plan may be submitted but additional evidence may also be required as having an EHC Plan does not automatically provide transport assistance entitlement.

Transport assistance is provided for the normal start and finish times of the school day and only to the school. We would need professional advice and evidence to provide very specific transport that may operate to suit a reduced timetable.

Siblings of children who have transport because of SEND or a medical need

There is no guarantee that siblings of a child/young person with transport assistance provided will also be eligible. All applications are assessed individually.

Transport support and exceptional circumstances

There may be exceptions to the general criteria set out and we consider these on a case-by-case basis using the review and appeal process.

We may consider transport support where a temporary, part-time timetable is agreed due to medical needs or a reintegration programme. We would need evidence and the views of relevant professionals to support these cases (e.g. the school, local authority officer).

Transport support provided on religion or belief grounds: secondary year 7 to year 11 (aged 11 to 16)

Your child/young person is eligible for free transport to the nearest denominational secondary school if you receive the maximum working tax credit, or your child/young person is eligible for free school meals and the distance to the nearest denominational secondary school is between two miles shortest available walking route and 15 miles shortest available driven route.

You will need to provide evidence of any religion or belief.

Examples of acceptable evidence are:

- a baptismal certificate
- a statement of atheism
- a statement of adherence to a particular faith
- a letter of support from a priest or equivalent religious leader stating that the child/young person belongs to a particular congregation
- a completed Supplementary Information Form for the school used as part of the school application.

We may check this evidence with your child/young person's school, your church or other appropriate agencies.

NEW! Children in care (changes affect all BCP Council residents)

Admission authorities are required to give children in care (CiC) the highest priority and agree which school best meets the child/young person's needs and act in the best interests of the child/young person. In accordance with the normal point of entry admission allocations process for reception, year 3, year 5 and year 7, transport eligibility arrangements for CiC will be the same as for all other children and young people.

We will consider providing transport support for in year applications using the following principles:

- successful applications for catchment/nearest/parental preference schools will reflect the arrangements that apply to all other children and young people.
- where a school admits on the recommendation of the CiC Virtual School (subject to the age/distance criteria) irrespective of the location of and space availability at other schools.

where remaining at their current school placement has been recommended by the CiC Virtual School irrespective of the location of and space availability at other schools.

In Year Fair Access

BCP Council's in year fair access protocol ensures school placement allocation for children and young people who meet the protocol and are considered hard to place. CiC and children and young people with EHCPs are not included in the protocol.

We will consider transport support for applications considered under BCP Council's in year fair access protocol following these principles:

- successful applications for catchment/nearest/parental preference schools will reflect the arrangements that apply to all other children and young people.
- where a place is allocated by the panel for an alternative to the applicants preferred/catchment/nearest school, transport support may be provided (subject to the age/distance criteria) irrespective of the location of and space availability at other schools.

Transport support for out of school activities and work experience

We will normally only provide transport support to and from the allocated school at the beginning and end of the school day only. You are normally responsible for supplying transport for your child/young person when they are:

- involved in work experience programmes
- attending before school activities such as breakfast clubs
- attending after school activities, such as sports clubs.

Childcare arrangements

We normally only provide transport support to and from your child/young person's school at the beginning and end of the school day to a nominated stop relevant to the home address.

Examples of when we will not provide transport assistance

We will not normally provide transport support (defined as transport which is provided, or commissioned by us, such as taxis and minibuses) for these journeys (apart from in exceptional circumstances):

- journeys to and from breakfast or after school clubs
- trips and journeys during the school day which are in the curriculum
- to facilitate part time timetables
- to or from a venue that is not your normal home address, for example the address of a childcare provider or a short break placement
- if your child/young person is unwell and needs to be collected from school during the school day
- if your child/young person is excluded during the school day
- medical appointments or other approved activities during the school day or affect the start or end of the school day
- if a child/young person has missed the contracted transport
- transitional/integration placements in schools/colleges
- attendance at work experience programmes
- to/from childcare addresses where they are not on an established route
- to childcare arrangements where they are not on recognised transport routes
- if a child/young person is withdrawn from school by their family and placed in an alternative education setting
- other family members travelling in the same direction
- to support working arrangements for parents/carers and/or children and young people
- where parents/carers of children and young people receive the higher mobility component (HRMC) of the Disability Living Allowance (DLA). This is the gateway to the Motability Scheme that supplies vehicles, adapted or not, in return for the DLA, usually on contract hire terms. If a child/young person is the HRMC recipient and the family obtains a vehicle through the Motability scheme, then the vehicle is expected to be used for the benefit of the disabled child/young person and we will offer contributions to fuel, wear and tear to allow the family to use that vehicle to take their child/young person to and from school. This will be part of a discussion with the parent/carer around travel assistance and will include options for a Personal Travel Budget (PTB).

Modes of transport

BCP Council will decide the most appropriate means of supporting children and young people to travel to and from school linked to our aim of promoting independence, while ensuring cost efficiency.

We consider the following types of travel assistance provided using:

- issue of a travel pass for use on bus and train networks, supported by independent travel training, if needed. If you and/or your child/young person are already in receipt of concessionary travel pass(es), we may ask you to make use of your existing pass instead of providing a new one.
- Personal Travel Budgets (PTB): these are only applicable to children and young people with an EHC Plan. As parents/carers, you can use PTB in any reasonable way to get your child/young person to school
- minibus
- taxi
- fuel, wear and tear contribution, if it is shown to be a cost-effective solution. Families should be prepared to use their own vehicle where there are no suitable or appropriate alternative arrangements in place. The 2022-23 rate is 45p per mile (new rate for all BCP Council residents).

While we understand the importance of maintaining routine and continuity for children and young people, we cannot guarantee that your child/young person will have the same driver for the entire time they receive transport assistance.

Cost

Where a child/young person is eligible for transport assistance then we will meet those requirements. We will always offer the most cost-effective solution on a case-by-case basis, bearing all factors in mind. We will not authorise alternative transport provision if you (as the parent/carer of an eligible child/young person) reject the type of transport support we are offering.

BCP Council or their contracted operator is responsible for the assessment and provision of transport support considering best use of resources. We will not normally contribute the costs of the approved transport provision to a proposed alternative.

Back-dated payments to families who organise alternative transport arrangements whilst awaiting eligibility assessment will not normally be paid by BCP Council. If you are looking at alternative options whilst awaiting assessment, please contact us to discuss.

You will have to pay a charge of £15 if you lose your contract vehicle bus pass. This is to cover administration for the replacement. We review this charge regularly. This charge may be different if your pass is provided directly by the bus company charges may differ.

Transport support clarification points

It is your responsibility to find information about schools and transport provision and/or arrangements. Lack of awareness is not a reason for us to provide transport support.

A school place can only be based on one address; the home address will normally be identified by whoever receives Child Benefit for the child/young person. If a child/young person has split residency between two or more parents/carers, we will provide transport support from the nominated home address, subject to meeting the criteria for transport support to be provided as identified above.

Where this is unclear, disputed, Child Benefit is not received, or care is split equally and there is no agreement between the parents/carers, we will consider the application made by the parent/carer at the address identified on the child/young person's registered general practitioner (GP) record.

Measurement of routes

We consider all transport assistance routes measured from our geographical information system (GIS). We will not consider measurements from other systems outside our own.

The system follows the shortest, safe and practicable walking route. We assess this using appropriate:

- roads
- pavements
- footpaths
- bridleways.

We measure from an appropriate point from the home to the nearest approved access to the school. The GIS maps follows information provided by Ordnance Survey. We can give you a map showing the measured route if you request it.

NEW! Transport assistance for 16-to-19-year-olds (new changes affect Bournemouth and Christchurch residents with a change in minimum distance for Poole residents)

Students will qualify for transport assistance if they are starting a new course and are aged between 16-19 and if they meet either all of criteria one or all of criteria two.

Criteria one:

- are a BCP Council resident
- studying a full-time course (a minimum of three full days or 16 hours per week)
- are aged between 16-19 at the beginning of the academic year in which they are applying. In some circumstances it may be possible to support students up to the age of 25 if they are continuing an existing course of study
- have a current EHCP
- studying at a school or college that is more than three miles from where the student lives
- attending the nearest suitable school or college offering a course that is compatible with their employment or educational objectives. It will be for the local authority to decide if a course is compatible.

Criteria two:

- are a BCP Council resident
- studying a full-time course (a minimum of three full days or 16 hours per week)
- are aged between 16-19 at the beginning of the academic year in which they are applying. In some circumstances it may be possible to support students up to the age of 25 if they are continuing an existing course of study
- has previously had an EHCP
- has an ongoing significant disability or medical condition. The application must be supported by appropriate recent (dated within the last two years) documentary evidence, e.g. a letter from a GP, specialist or consultant detailing the nature of the condition and how it impacts on travel
- studying at a school or college that is more than three miles from where the student lives
- attending the nearest suitable school or college offering a course that is compatible with their employment or educational objectives. It will be for the local authority to decide if a course is compatible.

Eligible students or their families are asked to contribute towards the cost of their transport. For the 2022/23 academic year this is £525 per annum which can be paid in three instalments if preferred.

This contribution can be waived for families on a low income, that is, meeting the eligibility criteria for pupil premium or receiving working tax credit at the maximum level.

NEW! Transport assistance for 20-to-25-year-olds (new changes affect Bournemouth and Christchurch residents with a change in minimum distance for Poole residents)

For students aged between 20 and 25 assistance with transport may be extended if they meet all the following criteria:

- are a BCP Council resident
- are aged between 20 and 25 at the beginning of the academic year
- have a current EHC Plan
- live three miles or more from their school or college
- attend the nearest school or college offering an appropriate course, that is, one that enables the student to meet his or her employment objectives or is designed to meet the student's special educational needs. This will be determined by the local authority
- studying a full-time course (a minimum of three full days or 16 hours per week).

Eligible students or their families are asked to contribute towards the cost of their transport. For the academic year 2022/23 this is £525 per annum, which can be paid in three instalments if preferred.

This contribution can be waived for families on a low income, that is, meeting the eligibility criteria for Pupil Premium or receiving Working Tax Credit at the maximum level.

16-19 Bursary Fund

If you are 16 to 19 years old, you can apply to your place of study for a bursary through the [16-19 Bursary Fund](#) if one of the following applies:

- you are in or recently left local authority care
- you get Income Support or Universal Credit in your name
- you are disabled and get both Employment and Support Allowance and either Disability Living Allowance or Personal Independence Payment in your name.

You can contact your school or college for more details.

If you are in receipt of Disability Living Allowance, there may be an element within your allowance that relates to transport already.

If you have a disability you may be entitled to a [Connect Pass](#) for off-peak travel on local bus services.

Schools, colleges, and training providers may also be able to award bursaries to young people on a discretionary basis. Please contact your school or college for further information.

Transport appeals

You have the right of appeal against the transport assistance decision under the following grounds:

- the transport arrangements offered
- your child/young person's eligibility
- the distance measurement in relation to statutory walking distances
- the safety of the route.

Stage one of the appeal process

Applicants can submit a [Transport Appeal form](#) with full supporting evidence. You need to submit this within 20 days of receiving the letter advising you that your child/young person is not eligible to school transport assistance.

NEW! How your stage one appeal will be considered (changes affect Bournemouth and Christchurch residents)

A senior officer will evaluate the category your appeal will be considered using the following categories:

- Appeals for children and young people with EHCPs
- Appeals regarding the distance measurement or safety of the route
- All other appeals

Regardless of the category for appeal, checks will be made by officers that your application was correctly considered using this policy.

If your appeal meets more than one category, it will be considered using the relevant categories.

NEW! Appeals for children and young people with education, health and care plans (change affects all BCP Council residents)

Any appeal for a child/young person with an EHCP will be passed to the relevant senior officer(s) within the SEND team to ensure that the needs of your child/young person are assessed in line with their plan. If required, it will then be forwarded to the school transport appeal review (STAR) panel.

NEW! Appeals regarding the distance measurement or safety of the route (change affects all BCP Council residents)

If your appeal is regarding the distance measurement or safety of the route, it will be passed to a senior officer who can review it using BCP Council's geographical information system (GIS) and/or [Road Safety GB walked routes to school guidelines](#).

NEW! All other appeals (change affects Bournemouth and Christchurch residents)

If you are appealing on other grounds, your appeal will be referred to the school transport appeal review (STAR) panel.

NEW! School transport appeal review (STAR) panel (previously education awards review panel for Poole residents, new for Bournemouth and Christchurch residents)

Cases will be reviewed by the STAR panel, which usually meets on a fortnightly basis and consists of three senior officers from Children's Services. These officers will not have had any involvement in the original decision.

Outcome of your stage one appeal

We will notify the family or young person in writing within 20 days of the result of the appeal review. If you are still not satisfied with the outcome of this review you have 20 days to request that your appeal moves to stage two of the appeal process. Stage two is where the evidence is reviewed by the BCP Council school transport appeal committee.

Stage two of the appeal process

If you request a further appeal following the outcome of your stage one appeal, you will need to complete and submit an appeal form if you have not already done so. When the completed form is received, it will be submitted to the BCP Council school transport appeal committee with the local authority's statement providing the reasons for the decision, the original application and other supporting documents.

The school transport appeal committee comprises of three BCP councillors.

The applicant can attend to present the case and may be accompanied at the hearing. The committee's decisions are binding on all parties (but do not necessarily set precedence) and the clerk to the panel will inform you of the outcome. If you feel there has been an error in the way the committee made its decision, you may make a complaint to the Local Government Ombudsman.

Transport appeals will only be heard for BCP Council residents. If you live in a neighbouring authority you will need to appeal to your home authority. Only one transport appeal for the same journey is permitted in each academic year.

Safety of the route between home and school

We take the criteria ruling all road safety assessments from national guidance. We will disregard a route if it is deemed unsafe for a child/young person to walk accompanied by an adult. If you disagree with the safety of a route, you can request for it to be reviewed and/or request an appeal.

Journey times

We follow the government guidance recommending maximum journey times wherever possible:

- the recommended maximum each way length of journey for a child of primary school age is 45 minutes
- the recommended maximum each way length of journey for a child/young person of secondary school age is 75 minutes.

The recommended maximum journey times are from 'gate to gate' for travelling to and from school. 'Gate to gate' means where the property meets public paths and roads. For those families living on islands in Poole Harbour, this will be an appropriate point on the mainland.

Pick-up and drop-off points

We make every effort for children and young people to be collected and dropped at a point close to their home. Some pupils may have to walk a reasonable distance to and from their home/school to meet the vehicle.

Parents/carers and children/young people are responsible for being at the pick-up point in good time to access the service.

Parents/carers are responsible for their child/young person's safety in getting to and from the notified pick up/drop off points (including awaiting or leaving transport) or to and from the vehicle if they are picked up at home. Younger children should be accompanied, and parents/carers must make sure that they carry their bus passes (if applicable).

Accompanied children and young people

We may make bus passes available for adults who wish to accompany their children to and from school on local public bus services. This applies to primary-aged children only (up to the end of year 6).

We do not normally provide bus passes for adults who want to accompany secondary age children and young people to school.

We normally restrict bus passes for parents/carers accompanying primary-aged children (up to end of year 6) to home to school return journeys on school days only, term time only.

Passenger assistants

We do not normally provide passenger assistants on transport unless there are exceptional circumstances for doing so. We may provide a passenger assistant if a child/young person has a significant disability, medical or special educational need. We will consider written information from the school, the SEND team and appropriate health professionals when making decisions to provide passenger assistance.

Parents/carers are responsible for getting their own child/young person on and off the vehicle at the pick-up/drop-off points, not the passenger assistant.

Parents/carers cannot accompany their child/young person in shared vehicles to ensure the safeguarding needs of all children and young people in the transport are met.

Medication

We would not normally be responsible for assisting with medication on a vehicle. If there are occasions when your child/young person may need medication administered due to an underlying health condition, you need to contact us to provide further information. Where appropriate, we will obtain guidance and training from appropriate medical professionals.

Personal luggage

It may not be possible to carry large amounts of personal luggage for individuals. This depends on the capacity of the vehicle, type of luggage and whether it can be secured on the vehicle. The driver reserves the right to refuse to carry excessive luggage or personal belongings.

Seatbelts

Your child/young person must wear a seatbelt if they are fitted in the vehicle. We could withdraw transport assistance if your child/young person continues to travel without using a seatbelt.

Behaviour

Schools have a key role in supporting how children and young people behave when travelling to and from school on transport we have arranged and organised.

The school should initially deal with unacceptable behaviour by children and young people when travelling as part of their discipline policy.

We will work with schools, other professionals, and families to support appropriate behaviour on vehicles.

Families and schools are expected to support any steps necessary to ensure appropriate behaviour on provided transport. Behaviour that endangers others will not be tolerated. Parents/carers may be responsible for the cost of any damage to the vehicle or property of other passengers caused by their child/young person.

Incidents of serious or persistent inappropriate behaviour can lead to us suspending transport support for your child/young person. We will inform parents/carers in writing of any such incidents, outlining any action needed. In such cases it will be the responsibility of parents/carers to make sure their child/young person attends school.

Advice for children and young people

All children and young people should behave in a way that is respectful of other transport users. They must not:

- play at the vehicle's stop
- go near the vehicle's wheels
- go near the vehicle before it stops
- cross the road in front of the vehicle
- eat or drink on the vehicle
- distract the driver.

Reapplying for transport

You will need to reapply annually.

Keeping in touch

If your circumstances change, please contact us as soon as possible. Changes to your child/young person's address, medical, disability or EHCP may affect their eligibility for transport assistance, and we will discuss this with you as soon as we are aware of any changes.

Transport support decisions made in error

If we approve an application for transport support in error, we will withdraw the transport support. We will provide transport support up to the next school holiday where appropriate to support you to make alternative arrangements.

Fraudulent or intentionally misleading applications

Applying for transport assistance must be a fair and transparent process for everyone. It is important that parents/carers provide the correct information on their form.

By applying, parents/carers declare that the information on the form is correct.

If you think a family is making a fraudulent or misleading application, please contact BCP Council. You do not have to provide your personal details (if you wish, you can remain anonymous). We will follow up all allegations of potentially fraudulent

applications.

We can withdraw transport assistance should an application or other information provided be found to be fraudulent or misleading, even if transport assistance has already been provided.

BCP Council carries out spot checks on applications and addresses. We can ask applicants to provide additional evidence to verify addresses and/or other details provided. Checks are made with other council departments and with other local authorities for the purposes of verification of details including residence.

Applications can also be referred to the council's audit team for further investigation. Investigations may include arranging for credit reference checks to be undertaken.

These processes are in place to ensure fairness and transparency for all families living within the BCP Council area.

Complaints

A complaint is a way to let us know if you are not happy with some aspect of our service.

First, please contact the [School Admissions Team](#). We may be able to resolve your concern quickly and avoid you having to go through the formal complaints process. It's helpful if you explain why you are unhappy and what you think should be done to resolve the problem. We'll investigate and try to put things right where we can.

How we deal with complaints

We:

- let you know we have received your complaint within three working days
- let you know who will be handling your complaint and make sure we understand what your complaint is about
- find out what you want to happen to put things right
- investigate and respond to you within 20 working days
- let you know if we need more time to investigate your complaint and when we hope to provide a final response
- apologise if we find we have failed to provide the level of service you should expect and look to put things right
- welcome your view of what needs to be done to resolve any problem
- arrange for a review of your complaint if you remain unhappy and aim to respond to you within 15 working days.

Generally, we do not investigate complaints about something you knew about more than 12 months before contacting us for the first time. More information is available within our complaints handling guide.

If things are still not right

You can refer your complaint to the [local government and social care ombudsman](#) (LGSCO) who will carry out an independent review.

Please note the LGSCO will not normally accept a complaint which has not been considered under a council's complaint processes first.

To make a complaint to the ombudsman:

- Go to www.lgo.org.uk
- Call 0300 061 0614
- Text phone users using next generation text can text call back to 0762 481 1595.

Contact us

School admissions

01202 127963

school.admissions@bcpcouncil.gov.uk

SEND statutory services team

01202 128880

SENDbso@bcpcouncil.gov.uk

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Equality Impact Assessment: Conversation Screening Tool

What is being reviewed?	Home to School Transport Policy
What changes are being made?	Amalgamation of three existing policies (currently one for each town)
Service Unit:	Children's Services
Participants in the conversation:	Angie Hill, Acting Team Manager, School Admissions, Children's Services David Harrop, Passenger Transport Manager, Transport and Engineering Carly Williams, Team Leader, School Admissions, Children's Services Emma Clarke, Acting Team Leader, Free School Meals and Education Transport Team
Conversation date/s:	27 September 2021
Do you know your current or potential client base? Who are the key stakeholders?	Parents and carers of children and young people aged 4-16 Young people and their families aged 16-25
Do different groups have different needs or experiences?	The policy continues to ensure that transport assistance requests are considered based on the statutory minimum requirements for transport assistance. When transport assistance is agreed, assistance will be arranged that meets the identified needs of the specific child/young person and their family.
Will this change affect any service users?	Additional support for Children in Care and families in temporary housing has been provided within the new policy. The policy will not affect most service users because it continues to provide the statutory minimum for transport assistance.
What are the benefits or positive impacts of the change on current or potential users?	Introducing a single BCP Council policy will benefit all families who apply for transport assistance as it aligns all three existing policies and provides consistency when assessing transport assistance applications.
What are the negative impacts of the change on current or potential users?	There are two changes within the policy that negatively impact on some residents: Bournemouth residents will no longer be eligible for Year 10 and Year 11 transport assistance due to moving home. However, they can submit an appeal to review the decision.
Will the change affect employees?	A single policy will simplify and align processes by all employees who seek to support families applying for transport assistance and for employees who process applications.
Will the change affect the wider community?	A single policy will be positive for all BCP Council residents as it will provide consistency for all residents across the conurbation when assessing eligibility and providing home to school transport.

What mitigating actions are planned or already in place for those negatively affected by this change?	A public consultation of the draft policy will take place from 4 January 2022 until 18 February 2022. Key stakeholders will be targeted during the consultation. Responses from the consultation will be considered and where appropriate, amendments to the policy will be made.
Summary of Equality Implications:	A single policy will be accessible online for all BCP Council residents and paper copies will be provided on request. Transport requests will be assessed using the policy criteria. Where the child/young person and/or their family have additional needs or requirements these will be considered during the assessment. Transport for eligible children and young people will be provided based on the individual needs of the child/young person and/or their family using the criteria in the policy. Families will have the opportunity to access a two stage appeal process if they are unhappy with either the decision or the transport offer. For eligible young people who are 16+, the charge for transport can be waived if the young person and/or their family are in receipt of maximum working tax credit or eligible for free school meals.

CABINET



Report subject	Capital expenditure to enable bulge classes at the Avonbourne Schools
Meeting date	15 December 2021
Status	Public Report
Executive summary	The report proposes that Cabinet approve up to £500,000 capital expenditure to enable the Avonbourne Schools to undertake remodelling so that they can take up to two bulge classes. Pupil place planning projections suggest there may be insufficient places available in the local area in the admissions years 2022 and 2023. Providing for bulge classes would ensure that the council meets its statutory responsibility to provide sufficient school places for all school age children living within the area.
Recommendations	It is RECOMMENDED that: Cabinet approves expenditure of up to £500,000 to facilitate the provision of bulge classes at the Avonbourne Schools
Reason for recommendations	To ensure the council can meet its statutory obligation to provide sufficient school places for school age children resident in the borough.
Portfolio Holder(s):	Councillor Nicola Greene, Portfolio Holder for Covid Resilience, Schools and Skills
Corporate Director	Elaine Redding, Corporate Director, Children's Services
Report Authors	Andrew Hind; Sarah Rempel; Terry Reynolds
Wards	All Wards
Classification	For Decision

Background

1. The council has a statutory obligation to provide sufficient places for school age children resident within the borough.
2. To facilitate this duty, there is a well-established process to forecast pupil numbers for the whole of the statutory school age. Forecasts are regularly updated as data change.
3. For the secondary cohort, transferring at age 11 (for Year 7), this relies on the known number in primary schools and historic trends of take-up, including pupil movements in and out of the borough.
4. This is then mapped onto the existing school estate to ensure there is sufficient capacity within local schools, including 'headroom' to provide options for parental preferences. This modelled on high, medium and low take-up scenarios, where parental preferences are used as a variable.
5. This is done within planning areas to ensure no pupils are forced to travel long distances to access a school place.

2022 Secondary transfer

6. Pupil number forecasts show that there will be a "bulge" in demand for secondary school places from 2021 to 2023. The total number of Year 7 children in BCP is forecast to rise from 4053 in 2020 (Jan 2021 Census figure) to a peak of 4278 (4395 high take-up scenario) in 2022 before falling back to 4082 in 2024.
7. The planning areas with the greatest pressure on places will be Poole Central and Christchurch. The Christchurch Planned Admissions Number (PAN) is decreasing from 2022. This is because schools that are their own admissions authority can set their own PAN.
8. The actual numbers will reflect parental preference in future admissions rounds. Over 1,500 secondary age pupils living in Dorset and Hampshire attended secondary schools in BCP in 2020/21, and 950 BCP pupils attended schools in neighbouring authorities.
9. There are 4416 Year 7 places currently available in BCP for 2022. In order to optimise parental preference, it is intended to add temporary places in 2022 and further temporary places in 2023. These additional places will move through the school system with the associated cohort.
10. Discussions have been taking place with schools since before local government reorganisation in April 2019. It was originally thought that as many as 300 (including 150 at the new Livingston Free School) temporary places would be required to accommodate the bulge. That figure has now been reduced to 150. The United Learning Trust (ULT) has agreed in principle to the temporary expansion of Avonbourne Boys Academy and Avonbourne Girls Academy. A feasibility study has established that no new building is required to accommodate the bulge classes; however, some remodelling and refurbishment is required to ensure that the correct teaching and ancillary spaces are available.
11. In order to deliver the remodelling, it is proposed to provide up to £500k to support construction works to be managed by ULT at the academies, on the understanding that:

(a) that the sum will be spent exclusively on remodelling to add capacity

- (b) that a full account of expenditure will be provided
 - (c) that all relevant public procurement regulations will be followed
 - (d) that up to 30 temporary Year 7 places in 2022 and a further 30 temporary Year 7 places in 2023 will be made available. These additional places will move through the school system with the associated cohort.
12. The sum of £977m for the bulge expansion is included in the Children's Services capital programme for 2021-22
 13. The BCP client side project manager will report progress on the project through the Children's Capital Projects Board to the Director of Education and the Director of Children's Services, the High Needs Board and to elected members as required.
 14. There will be a legal agreement with ULT setting out the requirements.

Options Appraisal

15. Options to meet the statutory responsibility are:

- (a) Make no provision for bulge classes. The advantage of this is that there will be no requirement for capital expenditure and no additional revenue funding (payable from the DSG). The disadvantages are that there may be insufficient places, or that those places that are available will occasion considerable travel for young people. This will contribute to road congestion and possible statutory home to school travel costs for the council, and some children may not be able to attend the same school as their siblings. This will also constrain considerably parents' preferences for secondary schooling. Therefore, this option is not recommended.
- (b) Make larger provision for bulge classes. The advantage of this is that it will increase opportunities for parents to gain places at the Avonbourne Schools and would not only ensure sufficient places but give considerable headroom. The disadvantages are that the capital costs will be greater (although provision for supported borrowing of £900,000 is in the capital programme), as will revenue costs to the DSG. On past trends, it is unlikely that the Avonbourne Schools are sufficiently popular with parents to fill additional places. Therefore, this option is not recommended.
- (c) Invest up to £500,000 in the Avonbourne Schools to ensure provision for up to two bulge classes. The advantage of this is that it will, on current pupil forecasts, ensure sufficient provision is available to meet the statutory duty and those places are available in a location to minimise pupil travel. The disadvantages are that there will be a requirement for up to £500,000 capital expenditure, funded through supported borrowing and revenue costs, funded by the DSG. This option is recommended.

Summary of financial implications

16. This would require up to £500,000 capital expenditure from supported borrowing spread over the fiscal years 2021-22 and 2022-23.
There would be an additional revenue demand on the growth funding element of the schools block of the DSG. The formula for this is agreed by Schools Forum. A two form expansion is forecast to cost £138,320 over the fiscal years 2022-23 and 2023-24

Summary of legal implications

17. The proposal for building works at the Avonbourne Schools would be the subject of a legal agreement between the council and ULT prior to the commencement of works.

Summary of human resources implications

18. The legal agreement with the ULT would be processed by legal services as part of their usual business.
The School Estate Development team leader would act as the client side project manager for the council as part of her usual business.
Processing applicants for the bulge class places would be part of the usual business of the admissions team.

Summary of sustainability impact

19. Creating extra capacity at the Avonbourne Schools will reduce the potential for longer journeys to school for young people resident in the surrounding areas.

Summary of public health implications

20. Increasing access to schools parents prefer reduces the stress accompanying transition from primary to secondary school, as does the reducing the necessity for longer journeys to school. Reducing traffic in this way also reduces air pollution, and encouraging children to walk or cycle to their local school has health benefits

Summary of equality implications

21. There is no EIA as increasing the capacity of the Avonbourne Schools simply ensures that existing requirements on the council to provide sufficient school places are discharged.

Summary of risk assessment

22. The risk with building projects is that they may not be delivered on budget, on time or according to specification. The risk will be mitigated by specifying a total budget for the projects and passing the responsibility to the ULT to manage the delivery of the project while the client side project manager would monitor that the project was on track. Payment would only be made on receipt of invoices for completed work checked by the project manager
There is also a risk that there will insufficient applicants to fill the bulge places. However, the revenue finance risk is borne by the growth fund of the schools block of the DSG, as agreed by Schools Forum, and would not fall to the council.

Background papers

School Place Planning Strategy Cabinet report.

Appendices

None.

CABINET



Report subject	Concessionary Fares Bus Operator Reimbursement
Meeting date	15 December 2021
Status	Public Report
Executive summary	To seek approval to continue to maintain statutory concessionary travel reimbursement payments to local bus service operators at pre-COVID levels in line with government expectations. To note the government's implementation of a concessionary travel recovery strategy at the start of the next financial year (2022/23) which will facilitate Travel Concession Authorities (TCAs) to return to making payments to meet the actual patronage levels.
Recommendations	It is RECOMMENDED that: (a) For the current 2021/22 scheme year Cabinet recommends to Council support for the continued concessionary travel reimbursement of bus operators at the adjusted pre-COVID levels with an expected saving of £350k. (b) Cabinet acknowledges the government's published Covid-19 Recovery Guidance for the start of the next financial year (2022/23) and recommends to Council that concessionary travel reimbursement payments and associated budget allocation to bus operators are adjusted in accordance with the guidance.
Reason for recommendations	The COVID-19 pandemic continues to impact on bus travel including concessionary passenger journeys. The recovery has been slower than expected and journeys undertaken remain at between 60 and 70 per cent of pre-COVID levels. Government guidance continues to be for Travel Concession Authorities to maintain concessionary travel reimbursement at adjusted pre-COVID levels in support of vital local bus service providers so that they can continue to play a central role in our community after the pandemic.

	Without this reimbursement there would be a substantial loss of bus services across the BCP area. This would have the greatest impact on young people, older people and families from lower income households, disabled people and women. All these groups rely more on bus services than the general population. A phased move towards reimbursement again being based on concessionary journeys alone is recommended by government through its Covid-19 Recovery Guidance. This is intended to get bus services back on a healthy path to recovery.
Portfolio Holder(s):	Councillor Mike Greene, Portfolio Holder for Sustainability and Transport
Corporate Director	Kate Ryan, Chief Operations Officer
Contributors	John McVey, Sustainable Transport Policy Manager Richard Pincroft, Head of Transportation including Sustainable Travel
Wards	All BCP Council Wards
Classification	For Decision

Background

1. The Council, as a Travel Concession Authority (TCA), is required to reimburse operators of eligible local bus services for journeys undertaken by passengers holding English National Concessionary Travel Scheme (ENCTS) bus passes. Bus passes are issued to permanent residents who meet either the age criteria (currently pensionable age for women) or the disability criteria (based on DfT Guidelines). This is a statutory requirement.
2. The objective is to reimburse bus operators so they are 'no better or worse off' than they would be if the scheme didn't exist. In practice this is compensating them for the revenue lost from passengers who would have travelled even if no concession existed (the lost fares revenue) and for the costs sustained by carrying the extra passengers (generated trips) as a result the concessionary fare scheme.
3. Payment is based on the number of concessionary journeys undertaken on each service per month as well as the average fare paid by adult non-concessionary passengers. Journey numbers fluctuate seasonally and are impacted by the weather. The amount paid is reduced by a 'generation factor' to take account of the generated trips.
4. Prior to the formation of the new Council, external transport specialist consultants were employed to recommend an appropriate concessionary fares bus operator

reimbursement rate. This was the subject of an LGR BCP Programme Decision Record in November 2018 which was approved. BCP bus operator reimbursement in 2019/20 amounted to £8.13m. The budget for the current year, 2021/22 is £8.02m.

5. Since March 2020 COVID-19 has had a significant impact on bus travel, particularly following government advice to avoid using public transport. Bus use initially dropped to around 10-15% of pre-COVID levels. It has since recovered but remains at around 60-70%.
6. Throughout 2020/21 the Department for Transport (DfT) urged local authorities to continue to pay bus operators for concessionary fares at pre-COVID levels. Public Procurement Notices PPN 02/20 and PPN 04/20 were used to justify concessionary fares payments to bus operators and in March 2021 a Statutory Instrument was laid to temporarily change the legislation to allow pre-COVID concessionary payments to continue.
7. The DfT published guidance in November 2020 for TCAs on pre-COVID concessionary payments which suggested taking into account the current local bus service mileage operated as well as the general decline in concessionary travel that had commenced prior to the pandemic. Locally, an average decline in concessionary patronage of 1.96% per annum has been calculated for the years just prior to the pandemic.
8. In the light of this the BCP Council resolved to approve the 2020/21 reimbursement of bus operators based on adjusted pre-COVID levels and for 2021/22 endorsed the formation of a Recovery Partnership with the bus operators to seek a local solution to bus service provision and funding arrangements to include concessionary fares reimbursement.
9. As with most areas across the UK, the local recovery from the pandemic has been much slower than anticipated and this is reflected in the number of bus passenger journeys being undertaken. Throughout this period the bus operators have received financial support from the government in the form of Coronavirus Bus Service Support Grant (CBSSG). This was replaced from September 2021 by the Bus Recovery Grant (BRG).
10. In August 2021 the DfT wrote to all Travel Concession Authorities asking them to continue to contribute towards the successful working partnerships created between operators and authorities during the pandemic, by maintaining concessionary fare payments to operators at pre-COVID levels, until the end of the current financial year. The letter also said that the budget agreed with HM Treasury for bus recovery funding (BRG) has been calculated on the basis that these concessionary reimbursement payments at pre-COVID levels continue to be made.
11. The DfT letter went on to explain that government aims to implement a concessionary travel recovery strategy at the start of the next financial year (2022/23). This will allow TCAs to return from paying out concessionary

payments at pre-COVID levels, back down to making these payments to meet with actual patronage levels, at a rate that will not adversely affect other funding streams or bus services across the country.

12. Covid-19 Recovery Guidance was subsequently published on 29 October 2021 (Appendix 4). The guidance sets out the importance of continuing support for bus operators but at a gradually reducing rate whilst patronage levels improve. The proposal is, from 6 April 2022, to pay bus operators at 90% of the pre-Covid reimbursement level and then reduce this by 5% every two months. This pattern would continue until payments match reimbursement based on actual journeys undertaken. The point when this happens will depend on how quickly concessionary patronage recovers to pre-pandemic levels.

Table 1: Table showing the scale down of LTA pre-Covid concessionary reimbursement payments

Month	% scale down of LTA pre-Covid concessionary payment
06 April 2022	90%
01 May 2022	90%
01 June 2022	85%
01 July 2022	85%
01 August 2022	80%
01 September 2022	80%
01 October 2022	75%
01 November 2022	75%
01 December 2022	70%
01 January 2023	70%
01 February 2023	65%
01 March 2023	65%

13. Members are asked to support the continued application of the adjusted pre-COVID reimbursement arrangements for the remainder of the current financial year and to support payments from 6 April 2022 to be in line with the government's Covid-19 Recovery Guidance and illustrated in Table 1. To receive these levels of payment, the bus operators are expected to operate a minimum 90% service level (BCP bus operators are currently operating over 90%).

Reimbursement for the current 2021/22 year in line with DfT guidance is at adjusted pre-COVID levels as follows:

- Reimbursements based on 2019/20 but reduced by 1.96% for each of the subsequent two years to account for the assumed reduction in journey numbers.
- Reimbursement further adjusted to reflect percentage of services operated (currently at or close to 100% of pre-COVID levels).

Applying these adjustments results in a forecast outturn of £7.67m which is below the current year's budget of £8.02m (£350k underspend).

Estimated saving in 2021/22: **£350k**

14. The alternative option would be to reimburse operators based only on the numbers of concessionary passengers carried = £5m (estimate). Although this would produce an estimated saving of £3m, it would not be in accordance with government guidance, result in significant loss of bus services and put the bus operators' business at serious risk of collapse. It is therefore **not recommended**.
15. In March 2021 the government published Bus Back Better, a national bus strategy for England. The strategy supports close partnership working between Local Transport Authorities and bus operators and encourages the formation of statutory Enhanced Partnerships if not already committed to franchising. BCP Council is currently working towards a negotiated Enhanced Partnership with a commencement date of 1 April 2022.

Summary of financial implications

16. Total bus operator reimbursement in 2019/20 was **£8.13m**.
17. The bus operator reimbursement 2021/22 budget is **£8.02m**.
18. Reimbursement for 2021/22 at adjusted pre-Covid levels would be **£7.67m**, producing a saving against budget of **£350k**.
19. A yet to be determined saving is expected in 2022/23 dependent on how quickly concessionary patronage recovers. Once reimbursement returns to being based on actual journeys undertaken, it will be necessary to review the reimbursement rates applied to ensure these are still applicable.

Summary of legal implications

20. The Transport Act 2000, as amended by the Concessionary Travel Act 2007, and the Mandatory Travel Concession (England) Regulations 2011, provides a statutory basis for free off-peak travel for older and disabled people (resident in England outside London) on all local buses anywhere in England from 0930 until 2300 on weekdays and all day at weekends and on Bank Holidays.
21. Bus passengers are subsidised for concessionary travel via the bus operator and under normal circumstances there is no subsidy paid to the service providers. Any bus operator accepting an ENCTS pass for travel should be left 'no better off and no worse off' as a result. The operators are reimbursed by the TCA for revenue forgone and additional costs incurred such as extra resources to meet increased demand from passholders and administrative costs. There is no legal requirement to reimburse more than is sufficient to cover the revenue foregone and additional costs associated with the concessionary passengers carried.

Summary of human resources implications

22. The bus operators are major employers in the BCP area. Significant reductions in concessionary travel funding will result in service loss and possible business collapse.

Summary of environmental impact

23. In its Decarbonising Transport Plan, the government set out its vision for a net zero transport system which will benefit us all. In the plan, public transport and active travel will be the natural first choice for our daily activities. We will use our cars less and be able to rely on a convenient, cost-effective and coherent public transport network. The bus is the most efficient user by vehicles of road space and a vital part of an environmentally friendly local sustainable transport system. Actions taken by the council that negatively impact on bus service provision will make it more difficult to achieve this vision and would also be contrary to the Council's own 2030 zero carbon commitment.

24. A Decision Impact Assessment ID308 (Appendix 3).

Summary of public health implications

25. Urban traffic speeds are falling by on average 2% every year, causing NOx emissions to rise. Diesel cars are the single biggest contributor to NOx levels, responsible for 41% of all NOx emissions from road transport. Buses are amongst the cleanest vehicles on our roads with many now achieving Euro VI emissions standards.

Summary of equality implications

26. An Equalities Impact Assessment Screening has been undertaken (Appendix 2).

Summary of risk assessment

27. None identified.

Background papers

1. [Department for Transport Supplementary Concessionary Travel Reimbursement Guidance \(20.11.2020\)](#)
2. [Bus Back Better - A National Bus Strategy for England](#)
3. [Decarbonising Transport Plan \(2020\)](#)

Appendices

- 1 – Department for Transport letter (05.08.2021)
- 2 – Equalities Impact Assessment Screening
- 3 – Decision Impact Assessment ID308
- 4 – Covid-19 Recovery Guidance



Department
for Transport

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London
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Tel: 0300 330 3000

Web Site: www.gov.uk/dft

5 August 2021

To: Commercial Bus Operators
Local Transport Authorities/Travel Concession Authorities

Cc: Senior Traffic Commissioner, Richard Turfitt
Office of the Traffic Commissioner

Dear colleagues,

Bus Funding: Update for commercial operators and Local Transport Authorities/Travel Concession Authorities

Thank you for your combined efforts in ensuring the provision of local bus services during the pandemic.

The Coronavirus Bus Service Support Grant ('CBSSG') has provided support to the sector at unprecedented levels, however, the success of this scheme has been dependent on operators and authorities working together to meet the challenges presented in their local areas. A key element of this has been through operators maintaining high service levels throughout the pandemic, despite the fall in patronage. In turn, Local Transport Authorities (designated as Travel Concession Authorities ('TCAs')) have provided additional funding to bus operators through maintaining concessionary fares funding at pre-Covid levels despite the fall in travel from pass holders. This spirit of close cooperation has been widespread and we hope to see these close partnerships between operators and authorities continue in the long-term.

As you will be aware from recent communications, the Department for Transport has triggered the 8-week notice period for CBSSG, formally signalling the end of the scheme. Operators and LTAs will not be able to claim CBSSG beyond 31st August 2021, and the scheme is now closed to new applicants.

DfT has committed to continue providing unprecedented financial support to the sector through the announcement of the £226.5m Recovery Funding package, which will be made available from 1 September 2021 until the end of the current financial year. This has been designed to address the immediate financial challenges facing the sector. To enable this, however, DfT is asking operators to maintain high service levels and for TCAs to continue to pay concessionary fare payments to operators at pre-Covid levels, until the end of the current financial year.

Further details, including the Terms and Conditions for Recovery Funding will be shared in August.

In the longer term, the government has ambitious plans for transforming the sector, as set out within the National Bus Strategy. However, this can only be achieved once the recovery of the sector has been secured, which in turn, can only be accomplished through the continuation of the close working partnerships formed between operators and authorities.

Recovery funding and Maintaining service levels

With the removal of national restrictions, DfT is asking operators to continue their key contribution to these partnerships, through maintaining high service levels. CBSSG has funded up to 100% of pre-Covid services, and we have estimated that the Recovery Funding secured will be sufficient for funding services at up to 100% of pre-Covid levels. We are closely monitoring patronage to ensure the increase in patronage levels meet our forecasts, as the economy reopens.

Operators and LTAs should note that recovery funding will not be paid out based on bringing all operators to break-even level like CBSSG, but that it will instead be allocated on a formula basis. However, at the start of the scheme we will look to provide operators with some certainty around the level of funding they will be receiving over the course of the scheme subject to their compliance with our terms and conditions. To this end, we expect to provide a calculator to help operators estimate how much funding they could receive through the scheme shortly. LTAs will receive at least the same proportion of funding under Recovery Funding as they did through LTA CBSSG.

The coming weeks and months will be a critical period for attracting new and returning passengers back onto bus. Given the announcement of Recovery Funding, we are clear that high service levels should be maintained. Additionally, as part of the Recovery Funding Terms and Conditions, we are looking to incorporate a minimum service level of 90% of a pre-Covid mileage baseline which operators and LTAs will work together to set, DfT will provide further guidance on this. Operators will have to deliver this minimum service level in order to receive Recovery Funding. We recognise that exceptional circumstances, such as driver shortages, may also require a temporary reduction in service levels, and Recovery Funding will allow for this flexibility, whilst still encouraging operators to maintain high service levels.

In light of the government's objective in the National Bus Strategy to make bus services more frequent and more reliable, we expect that all service level changes made are in the interests of passengers and take into account the need to ensure a sustainable recovery of the bus sector. We do not expect to see widespread service level reductions but do support authorities and operators in considering how the pandemic has changed travel patterns and demand when consulting on local networks.

To support this, and given the continued uncertainty around patronage recovery, DfT plans to weight payments of our recovery funding so that at the start of the scheme operators receive a greater share of their total funding allocation, in order to give operators confidence and time to work with local authorities to adapt to any changes to patronage and travel patterns. We also plan to weight funding to provide greater financial support to those operators who maintain the highest levels of mileage.

Maintaining statutory concessionary travel reimbursement payments at pre-COVID levels

To that end, DfT is also asking TCAs to continue to contribute towards the successful working partnerships created between operators and authorities, by maintaining

concessionary fare payments to operators at pre-Covid levels, until the end of the current financial year. The budget agreed with HM Treasury for bus recovery funding has been calculated on the basis that these concessionary reimbursement payments at pre-Covid levels continue to be made.

At the same time, we also remind both operators and TCAs that within the Concessionary Travel Supplementary Guidance (20 November 2020), we suggested TCAs match pre-Covid concessionary payments to the level of service they are receiving from an operator. This will allow TCAs to make savings where operators have reduced service levels, given the pressures that are being faced currently.

This funding, combined with Recovery Funding from DfT, and the maintenance of high service levels from bus operators, will combine to ensure the continued operation of local bus services. As there is a fixed amount of recovery funding and allocations to operators and LTAs will assume continued concessionary fare payments at pre-Covid levels, DfT is unable to provide any additional funding to areas that reduce concessionary fare payments and any funding shortfall and impact on services as a result of reductions in concessionary travel payments, other than those set out above, will need to be absorbed locally.

Concessionary Travel Recovery

We recognise that concessionary reimbursement payments are an essential part of bus funding, while also being a significant share of wider local authority funding. We therefore aim to implement a concessionary travel recovery strategy at the start of the next financial year (2022/23). This will allow TCAs to return from paying out concessionary payments at pre-Covid levels, back down to paying out these payments to meet with actual patronage levels, at a rate that will not adversely affect other funding streams or bus services across the country.

It is therefore expected that DfT will continue to ask TCAs to pay out some percentage of pre-Covid concessionary payments for part of the next financial year, although not at the full rate. In March 2021, we laid an SI to temporarily change the legislation to allow pre-Covid concessionary payments to continue. This SI allows TCAs to, in principle, pay concessionary fares funding to operators at a higher level than due through actual journeys by pass-holders.

It is therefore likely that DfT would need to lay a further Statutory Instrument, to achieve the continued provision of enabling TCAs to, in principle, make pre-Covid level payments, during the new proposed recovery period of concessionary travel.

Concessionary travel reimbursement Call for Evidence

Throughout engagement with TCAs and bus operators, we have heard that the previous principles for reimbursement, including the reimbursement calculator, may no longer be fit for purpose in the current form, due to the impact of Covid-19 on travel patterns. Additionally, it was also requested that we look to review the appeals process, to ensure that stakeholders' expectations of the system continue to be met. We have listened to these views, and in response we launched a closed, industry and local authority only, call for evidence on 27 July 2021.

This exercise provides both TCAs and bus operators with the opportunity to contribute to DfT's proposed concessionary travel recovery strategy. It also invites them to set out their

views on how DfT's reimbursement guidance, reimbursement calculator and appeals process may need to be improved, particularly when interacting with the proposed recovery strategy, and also how these areas can further support the close working partnerships developed between operators and authorities.

This exercise will run for a period of 8 weeks, until 22 September 2021. Following analysis of the feedback, DfT will aim to issue Recovery Guidance, detailing the agreed concessionary travel recovery strategy, alongside any updated reimbursement guidance, in time for TCA's preparation of their new schemes for the next financial year.

You can respond to this call to evidence using the online form, which can be accessed using the following link: <https://www.smartsurvey.co.uk/s/0ESISQ/>. If you require a copy of the *consultation: call for evidence* document, please email concessionaryfares@dft.gov.uk.

Bus Service Operators Grant (BSOG)

As part of the response to mitigate the impact of the pandemic on the sector, DfT committed to paying BSOG to operators at pre-Covid levels. This has helped to provide certainty by maintaining an important revenue stream.

In line with the ending of CBSSG, BSOG will return to being paid at actual levels from 1 September 2021, including the Low Carbon Emission Bus (LCEB) incentive and the Automatic Vehicle Location (AVL) uplift payments. We hope this will provide an added incentive for operators to maintain services and their close working relationships with authorities.

Thank you once again for your efforts in supporting services in your area.

We are happy to answer your questions on the above. Please email the team at CBSSG@dft.gov.uk.

Yours faithfully,



Matthew Crane
Deputy Director, Bus Recovery, Local Transport, Department for Transport

Equality Impact Assessment: Conversation Screening Tool

What is being reviewed?	Concessionary Fares Bus Operator Re-imburement
What changes are being made?	The proposal is to continue to maintain statutory concessionary travel reimbursement payments to local bus service operators at pre-COVID levels in line with government expectations. This is not a change to the current arrangements. The change would come if approval was not granted when there could be an impact on the numbers of services operated.
Service Unit:	Transport and Engineering
Participants in the conversation:	John McVey – Sustainable Transport Policy Manager Richard Barnes - Strategic Public Transport Manager Karen Fry - Senior Passenger Transport Co-ordinator
Conversation date/s:	07.10.2021; 12.10.2021; 26.10.2021
Do you know your current or potential client base? Who are the key stakeholders?	Bus passengers. Bus operators.
Do different groups have different needs or experiences?	A reduction in bus services could result from a decision not to maintain concessionary fares reimbursement payments at the adjusted pre-Covid levels. This would affect the groups that the Equality Act is intended to protect based on the profile of bus passengers. • Age - Travel by bus is higher at both ends of the age categories (those aged 16-24 and those aged 65 and over). • Disability - People with a disability are significantly more likely to travel by bus regularly compared to those without a disability. • Race – people from 'Other white backgrounds' are significantly more likely to travel regularly by bus compared to white British people. • Sexual Orientation - travel by bus is significantly higher for 'All other sexual orientations' compared to heterosexuals. • Religion 'All other religions' travel by bus to a greater extent than Christians and people with no religion. • Deprivation - correlation between deprivation and frequent use of travel by bus with respondents living in the most deprived areas significantly more likely to frequently travel by bus compared to those in less deprived areas.
Will this change affect any service users?	Any reduction in bus services has potential to impact on all users of bus services.

What are the benefits or positive impacts of the change on current or potential users?	All bus users but in particular those in the groups listed above benefit from bus services being available. Buses provide access to essential services and facilities; education; employment; social contact and leisure.
What are the negative impacts of the change on current or potential users?	A reduction in bus services could result from a decision not to maintain concessionary fares reimbursement payments at the adjusted pre-Covid levels. All bus users, but in particular those in the groups listed above, benefit from bus services being available.
Will the change affect employees?	Employees who rely on local bus services could be impacted by any reductions. This could impact journeys to work if not working remotely as well as other journeys.
Will the change affect the wider community?	All people who use buses could be impacted.
What mitigating actions are planned or already in place for those negatively affected by this change?	The recommendation to Council is to continue to reimburse bus operators at adjusted pre-Covid levels in line with government guidance. This will still generate a financial saving against the agreed budget.
Summary of Equality Implications:	If Council accepts the recommendation to continue to reimburse bus operators at an adjusted pre-Covid level in line with government guidance, then there is no impact on bus passengers. However, should the amount of reimbursement be significantly reduced, there is potential for the bus operators to withdraw services as they would no longer be commercially viable. This would impact on all bus passengers but particularly on older people, young people, people with a disability and those unable to afford a car. Any loss of bus services is likely to affect travel to work, education, retail, healthcare and leisure, involving businesses, schools, higher education, shops, hospitals and the hospitality industry. For residents that have the alternative of private vehicles an increase in car use will have adverse environmental impacts and increase congestion. Many residents in the BCP Council area do not have access to cars – in several of our Council wards almost 50% of households do not have a car available. Bus use is particularly common for younger people aged 17-20; older people aged over 70; for women and girls; and most ethnic minority groups and people on lower incomes (National Audit Office - Improving local bus services outside London, 2/10/20)

Proposal Title: Concessionary Travel Bus Operator Reimbursement

This is an interim report for a DIA that has been requested but yet to be completed.

If there is a RAG (coloured circle) that has not had it's dependent field selected yet, it will appear as a white circle.

Impact Summary

Climate Change & Energy	Green - Only positive impacts identified	
Communities & Culture	Green - Only positive impacts identified	
Waste & Resource Use	Green - Only positive impacts identified	
Economy	Green - Only positive impacts identified	
Health & Wellbeing	Green - Only positive impacts identified	
Learning & Skills	Green - Only positive impacts identified	
Natural Environment	Yes	
Sustainable Procurement		
Transport & Accessibility	Green - Only positive impacts identified	

Answers provided indicate that the score for the carbon footprint of the proposal is: **4**

Which is a rating of: **Low**



Proposal Title: Concessionary Travel Bus Operator Reimbursement

Proposal ID: **308**

Proposal Title: **Concessionary Travel Bus Operator Reimbursement**

Type of Proposal: **Policy**

Brief description:

To continue to reimburse bus operators for concessionary travel in 2021/22 at an adjusted pre-Covid rate in accordance with government guidance. To reimburse bus operators in 2022/23 in line with the proposed government concessionary travel recovery strategy. This will protect bus passengers for service reductions and help ensure bus operators remain in business.

Proposer's Name: **John McVey**

Proposer's Directorate: **Regeneration & Economy**

Proposer's Service Unit: **Growth & Infrastructure**

Estimated cost (£): **Above OJEU threshold**

If known, the cost amount (£): **7.67m**

Ward(s) Affected (if applicable):

All Wards

Sustainable Development Goals (SDGs) supported by the proposal:

3. Good Health and Well Being 11. Sustainable Cities and Communities 13. Climate Action

Proposal Title: Concessionary Travel Bus Operator Reimbursement

Climate Change & Energy

Is the proposal likely to have any impacts (positive or negative) on addressing the causes and effects of climate change? **Yes**

If the answer was No, then the explanation is below (in this case there are no answers to subsequent questions in this section):

- 1) Has the proposal accounted for the potential impacts of climate change, e.g. flooding, storms or heatwaves? **Yes**
- 2) Does it assist reducing CO2 and other Green House Gas (GHG) emissions? E.g. reduction in energy or transport use, or waste produced. **Yes**
- 3) Will it increase energy efficiency (e.g. increased efficiency standards / better design / improved construction technologies / choice of materials) and/or reduce energy consumption? **Yes**
- 4) Will it increase the amount of energy obtained from renewable and low carbon sources? **Don't know even though may be relevant**

How was the overall impact of the proposal on its ability to positively address the cause and effects of climate change rated?

Green - Only positive impacts identified



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

The continued operation of bus services will help reduce the number of journeys being undertaken by less sustainable motor cars.

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

N/A

Proposal Title: Concessionary Travel Bus Operator Reimbursement

Communities & Culture

Is the proposal likely to impact (positively or negatively) on the development of safe, vibrant, inclusive and engaged communities? **Yes**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will it help maintain and expand vibrant voluntary and community organisations? **Yes**
- 2) Will it promote a safe community environment? **Partially**
- 3) Will it promote and develop cultural activities? **Partially**

How would the overall impact of the proposal on the development of safe, vibrant, inclusive and engaged communities be rated?

Green - Only positive impacts identified



Reasoning for the answer (details of impacts including evidence and knowledge gaps):

The continuation of bus services has a significant community benefit enabling residents to get out and about and engage with others. Bus services are also beneficial to local economies.

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

Proposal Title: Concessionary Travel Bus Operator Reimbursement

Waste & Resource Use

Is the proposal likely to have any impacts (positive or negative) on waste resource use or production and consumption? **Yes**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will it prevent waste or promote the reduction, re-use, recycling or recovery of materials? **Partially**
- 2) Will it use sustainable production methods or reduce the need for resources? **Partially**
- 3) Will it manage the extraction and use of raw materials in ways that minimise depletion and cause no serious environmental damage? **Partially**
- 4) Will it help to reduce the amount of water abstracted and / or used? **No**

How would the overall impact of the proposal on the sustainable production and consumption of natural resources be rated?

Green - Only positive impacts identified



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

A fully loaded double decker bus can remove up 74 cars from the road. Euro VI buses are cleaner than Euro 6 engined cars.

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

Proposal Title: Concessionary Travel Bus Operator Reimbursement

Economy

Is the proposal likely to impact (positively or negatively) on the area's ability to support, maintain and grow a sustainable, diverse and thriving economy? **Yes**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will the proposal encourage local business creation and / or growth?

Yes

- 2) Will the proposal enable local jobs to be created or retained?

Yes

- 3) Will the proposal promote sustainable business practices?

Partially

How would the overall impact of the proposal on it's potential to support and maintain a sustainable, diverse and thriving economy be rated?

**Green - Only positive
impacts identified**



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

Buses support the local economy. The local bus companies are also major employers in their own right.

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

N/A

Proposal Title: Concessionary Travel Bus Operator Reimbursement

Health & Wellbeing

Is the proposal likely to impact (positively or negatively) on the creation of a inclusive and healthy social and physical environmental for all? **Yes**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will the proposal contribute to improving the health and wellbeing of residents or staff?
Yes
- 2) Will the proposal contribute to reducing inequalities?
Yes
- 3) Will the proposal contribute to a healthier and more sustainable physical environment for residents or staff?
Partially

How would the overall impact of the proposal on the creation of a fair and healthy social and physical environmental for all be rated?

Green - Only positive impacts identified



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

Buses are available for all to use. 20% of households on average (and almost 50% in some wards) do not have access to private transport and rely on buses for everyday activities. They are also good for physical health as a walk is required to/from the bus stop and buses are less polluting per passenger mile than cars.

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

N/A

Proposal Title: Concessionary Travel Bus Operator Reimbursement

Learning & Skills

Is the proposal likely to impact (positively or negatively) on a culture of ongoing engagement and excellence in learning and skills? **Yes**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will it provide and/or improve opportunities for formal learning?
Yes
- 2) Will it provide and/or improve community learning and development?
Yes
- 3) Will it provide and/or improve opportunities for apprenticeships and other skill based learning?
Yes

How would the overall impact of the proposal on the encouragement of learning and skills be rated?

Green - Only positive impacts identified



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

Buses provide access to learning.

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

N/A

Proposal Title: Concessionary Travel Bus Operator Reimbursement

Natural Environment

Is the proposal likely to impact (positively or negatively) on the protection or enhancement of local biodiversity or the access to and quality of natural environments?

Yes

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will it help protect and improve biodiversity i.e. habitats or species (including designated and non-designated)? **Not Relevant**
- 2) Will it improve access to and connectivity of local green spaces whilst protecting and enhancing them? **Yes**
- 3) Will it help protect and enhance the landscape quality and character?
Don't know even though may be relevant
- 4) Will it help to protect and enhance the quality of the area's air, water and land?
Partially

How would the overall impact of your proposal on the protection and enhancement of natural environments be rated?

Green - Only positive impacts identified



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

Buses provide a means for all to get out and about and access our greenspace.

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

N/A

Proposal Title: Concessionary Travel Bus Operator Reimbursement

Sustainable Procurement

Does your proposal involve the procurement of goods, services or works? **No**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

Concessionary travel bus operator reimbursement does not require a procurement process.

Has or is it intended that the Strategic Procurement team be consulted?

If the Strategic Procurement team was not consulted, then the explanation for this is:

- 1) Do the Government Buying Standards (GBS) apply to goods and/or services that are planned to be bought?
- 2) Has sustainable resource use (e.g. energy & water consumption, waste streams, minerals use) been considered for whole life-cycle of the product/service/work?
- 3) Has the issue of carbon reduction (e.g. energy sources, transport issues) and adaptation (e.g. resilience against extreme weather events) been considered in the supply chain?
- 4) Is the product/service fairly traded i.e. ensures good working conditions, social benefits e.g. Fairtrade or similar standards?
Proc_Fairtrade
- 5) Has the lotting strategy been optimised to improve prospects for local suppliers and SMEs?
- 6) If aspects of the requirement are unsustainable then is continued improvement factored into your contract with KPIs, and will this be monitored?

How is the overall impact of your proposal on procurement which supports sustainable resource use, environmental protection and progressive labour standards been rated?



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

Proposal Title: Concessionary Travel Bus Operator Reimbursement

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

Proposal Title: Concessionary Travel Bus Operator Reimbursement

Transport & Accessibility

Is the proposal likely to have any impacts (positive or negative) on the provision of sustainable, accessible, affordable and safe transport services - improving links to jobs, schools, health and other services? **Yes**

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will it support and encourage the provision of sustainable and accessible modes of transport (including walking, cycling, bus, trains and low emission vehicles)?
Yes
- 2) Will it reduce the distances needed to travel to access work, leisure and other services? **No**
- 3) Will it encourage affordable and safe transport options?
Yes

How would the overall impact of your proposal on the provision of sustainable, accessible, affordable and safe transport services be rated?

Green - Only positive impacts identified



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

Buses form key part of the local sustainable transport network.

Details of proposed mitigation and monitoring (inc. timescales, responsible officers, related business plans etc):



Department
for Transport

Covid-19 Recovery Guidance

Concessionary Fares Funding

Department for Transport
Great Minster House
33 Horseferry Road
London
SW1P 4DR

Please contact the team at concessionaryfares@dft.gov.uk if you have any queries on this guidance.

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Introduction

DfT remains grateful to those authorities that have continued to maintain reimbursement payments at pre-Covid levels, and those operators who are continuing to provide high service levels. The success of the Coronavirus Bus Service Support Grant ('CBSSG') provided by DfT has been dependent upon operators and authorities working together to meet the challenges presented in their local areas.

This spirit of co-operation between Local Transport Authorities (LTAs) and bus operators is echoed within the National Bus Strategy '*Bus Back Better*', published 15 March 2021, by the introduction of Enhanced Partnerships. These new Franchising partnerships depend upon this close collaborative approach continuing in the long run. The collaboration between LTAs and bus operators during the pandemic has demonstrated that this is possible, and this will assist in meeting the goals contained within the National Bus Strategy to deliver an ambitious vision for the bus sector.

However, we do recognise that concessionary reimbursement payments are an essential part of bus funding, while also being a significant share of wider local authority funding. LTAs therefore require a clear transition plan to allow them to return from paying out concessionary payments at pre-Covid levels, back down to paying out these payments to meet with actual concessionary patronage levels. Throughout engagement with LTAs and bus operators, we have heard that any transition plan must balance out the needs of bus operators against those of LTAs. We have also heard that the principles for reimbursement, including the reimbursement calculator, may no longer be fit for purpose in the current form due to the impact of Covid-19 on travel patterns. We have listened to these views and launched a closed, industry only, *Consultation: Call for Evidence* on 27 July 2021, which closed on 22 September 2021.

This exercise provided both LTAs and bus operators with the opportunity to contribute to DfT's proposed concessionary travel recovery strategy. It also invited them to set out their views on how DfT's reimbursement guidance, reimbursement calculator and appeals process may need to be improved, and how these areas can further support the close working partnerships developed between operators and authorities. DfT is grateful to all those who took the time to respond to this call for evidence.

Guidance to Section 151 Financial Officers

Concessionary travel reimbursement budgets

Funding for concessionary fares is included in the annual Local Government Finance Settlement (LGFS), and councils' core spending power rose by over £3 billion in 2021-22.

As part of this year's Spending Review, we have again worked closely with the Department for Levelling Up, Housing and Communities (formerly the Ministry of Housing, Communities

and Local Government) in order to ensure local government's funding requirements have been considered in the round, which includes funding for concessionary fares.

Importance of maintaining statutory concessionary travel reimbursement payments at pre-Covid levels until the end of 2021/22 financial year

A key element of the collaborative approach between LTAs and bus operators has been through LTAs providing additional funding to operators by maintaining concessionary fares funding at pre-Covid levels, despite the fall in passholder patronage. This has, in turn, allowed operators to maintain high service levels throughout the pandemic.

DfT has committed to continue to provide unprecedented financial support to the sector, through the £226.5 million Bus Recovery Grant (BRG), which was made available 1 September 2021 until the end of the current financial year ('the Recovery Period'). This has been designed to address the immediate financial challenges facing the sector. The success of this, however, is again dependent upon the spirit of close cooperation between operators and LTAs. More specifically, it is reliant on operators continuing to maintain high service levels, and therefore **we are asking LTAs to continue to pay concessionary fare payments to operators at pre-Covid levels, at least until the end of this current financial year.**

DfT expects that any LTA in receipt of LTA BRG will comply with the Department's ask of maintaining concessionary fares funding to bus operators at pre-Covid levels, until the end of this financial year, as detailed in the Memorandum of Understanding entered into between relevant LTAs and DfT.

Subsidy Control

In providing reimbursements to operators, LTAs will need to take account of and comply with subsidy control rules. LTAs will need to keep the current position under review as the circumstances evolve.

Approaches to calculating pre-Covid levels

In line with feedback from LTAs, DfT has not prescribed an approach for LTAs to calculate pre-Covid level reimbursement payments to operators. DfT instead confirmed that the term 'pre-Covid levels' should be agreed between LTAs and bus operators.

By LTAs and operators agreeing funding, routes and service levels between themselves, they are also essentially defining what pre-Covid levels mean locally. DfT applied this logic for the duration of the provision of funding pursuant to the Covid-19 Bus Services Support Grant (CBSSG), and continue this logic throughout the Bus Recovery Grant period (until the end of this financial year 2021/22) and the Concessionary Travel Recovery period (beginning next financial year 2022/23).

Within the Concessionary Travel Supplementary Guidance (20 November 2020), we suggested LTAs may consider several principles when developing their methodology to calculating pre-Covid reimbursement payments:

1. **Seasonality of services** – (some authorities have adopted approaches to cover this, for example, averaging two lower winter and two higher summer payment methods)
2. **Decline in concessionary patronage** - (total concessionary bus journeys fell by 2.5% in England in 2018/19, however, this may vary across local areas)
3. **Decline in patronage as a whole**
4. **Operators may have ceased trading/some services**
5. **Operators may have started trading/new services**
6. **Operators may have varied their services to increase/decrease the frequency/length of journey**

LTAs may also take into consideration any other factor they consider to be significantly relevant in calculating pre-Covid level payments, however, the above six principles should create the framework for producing the methodology required. How this funding is calculated should be determined by the LTA, and DfT does not have a preferred methodology for this.

We remind LTAs that proposal (6) allows LTAs to match pre-Covid concessionary payments to the level of service they are receiving from an operator. This will allow LTAs to make savings where operators have reduced service levels, given the pressures that are being faced locally.

However, until the end of this financial year, operators are required to provide a minimum service level of 90% of pre-Covid mileage baseline, to receive BRG. Whilst we recognise that exceptional circumstances, such a driver shortage, may require temporary reductions in service levels, **we therefore expect that LTAs following proposal (6) do not drop their pre-Covid concessionary payments below 90% to a specific operator before the end of this financial year, should that operator be in receipt of BRG and maintaining at least 90% service levels.**

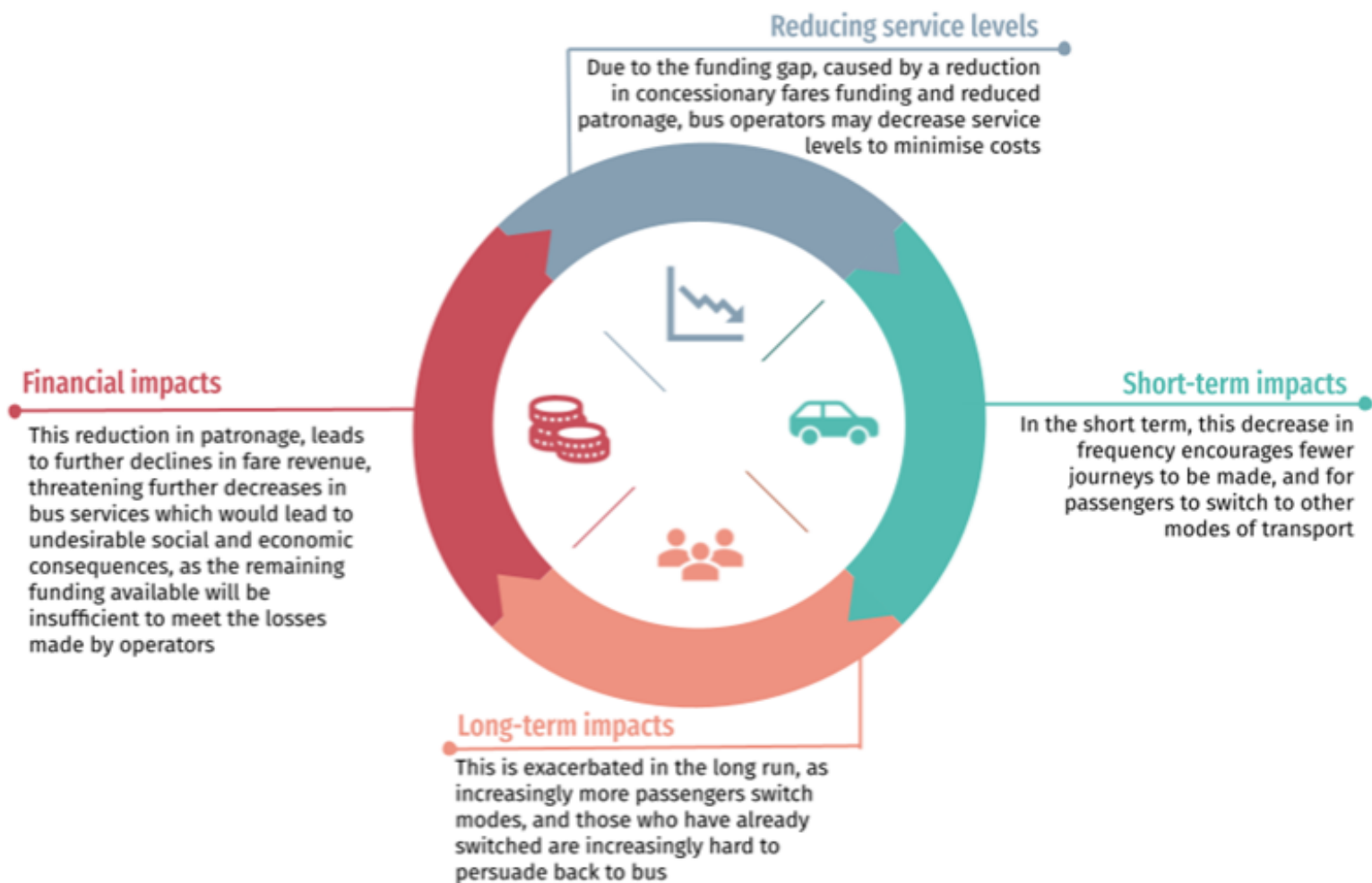
The 'Concessionary Travel Recovery period' will begin at the start of next financial year (2022/23), of which the detailed approach is contained further within this document. The Concessionary Travel Recovery period will begin at this time to avoid the potential impacts which may occur if the pre-Covid concessionary payments are cut too early. Additionally, we were grateful to find that the *Consultation: Call for Evidence* responses indicated most LTAs would continue to pay out concessionary payments at pre-Covid levels, at least until the end of the financial year. DfT are also aware that due to current engagements with additional National Bus Strategy requests, LTAs and operators may have limited resources and we therefore want to avoid putting stakeholders under unnecessary pressure to attempt to implement a recovery strategy mid-way through this current financial year.

Impact of cutting pre-Covid concessionary travel reimbursement payments early

The National Bus Strategy reaffirmed the importance of the bus sector in connecting communities, providing access to jobs, services, opportunities, and boosting economic growth and inclusion. The Strategy also highlighted the ambitious plans to better support the delivery of the Government's key objectives, such as levelling up and decarbonisation, by enabling the provision of better bus services off existing main bus routes, improving the connectivity of isolated rural communities and those with infrequent and unreliable services. The investment and changes to how the bus sector works will aim to drive improvements for passengers.

Analysis indicates that it may take some years for patronage to recover to pre-Covid levels, due to the constant decline in demand for bus services in recent years. This means that any deficit in concessionary fares funding could lead to long-term economic scarring that would have a significant impact in demand and service levels, in both the short and long term. This directly contrasts the positive cycle of growing patronage and service levels that the Strategy wishes to create.

This negative cycle follows the following steps:-



1. Reducing service levels to improve commercial viability

- There is a risk that bus operators may be forced to reduce costs quickly. Operators have indicated to DfT that the first cost they would look to reduce would be through a reduction in service levels. It is understood that many service level reductions could be made on routes in areas the Government wishes to level up. This would have a significant impact on the ability of Government in achieving its ambitions through the National Bus Strategy of levelling up and protecting bus services.

2. Short-term impacts of reduced service levels

- This will cause significant disbenefits to passengers, who may find that their travel options have been substantially reduced, or in some cases removed. This could lead to passengers accepting the reduction and continuing to travel by bus, choosing to make the trip by an alternative mode, or choosing not to make the trip at all. Evidence suggests that this reduction in service levels could lead to a modal shift to cars, which directly contradicts the environmental aims of the National Bus Strategy, and the Government's wider objectives of achieving net zero by 2050.

3. Long-term impact of reduced services on patronage

- Long-term, passengers are more likely to switch away from bus travel, and evidence indicates that once consumers have made this change away from bus, it becomes more difficult to encourage them to return to buses in the long-term, particularly if they are now travelling by car. This is likely to lead to increased traffic congestion, damaging the economic recovery from Covid-19 and causing an increased pollution risk.

4. Financial impact of reduced bus demand

- In the short term, a reduction in patronage levels could cause fare revenues to further decline, which reduces the savings made by operators cutting service levels. Evidence indicates that, in the long run, the impact of a short term decrease in service levels on patronage and fare revenue may cause a significant funding gap. This funding gap may push operators to choose whether to absorb the losses in the short term if they expect patronage to return, or to permanently reduce services if they do not expect patronage to recover.
- Analysis indicates that it could take a number of years for patronage to recover to pre-Covid levels. Smaller operators may not be able to absorb these losses, and therefore may leave the market by default, as has been the pattern in recent years following reductions in demand. For instance, the number of bus operators fell by almost 20% between 2013 and 2016. This means that operators are unlikely to decide to maintain high service levels at a loss. This would effectively create a cycle of shrinking patronage and operators having to cut services.

Minimising service disruption

DfT committed to providing £226.5m by way of BRG, to continue to fund the bus sector, and to minimise service disruption to avoid the long-term economic scarring effect detailed above. This assistance is also required at a local level, through the close co-operation of LTAs, by continuing concessionary fares payments at pre-Covid levels, and of bus operators, by maintaining high service levels. Maintaining concessionary fares funding at pre-Covid levels is a fundamental component of ensuring that the bus sector remains viable, allowing it to sustainably recover from Covid-19, and to assist in achieving the National Bus Strategy ambition of a more frequent and reliable service.

Should an LTA prematurely stop paying out concessionary fares funding at pre-Covid levels, it would risk undermining the £2 billion of CBSSG and £226.5 of BRG provided by DfT, and recovery attempts made by those same LTAs and operators to maintain service levels throughout the pandemic and recovery period.

Additionally, as detailed in the above section, cutting pre-Covid concessionary fares funding would also likely have a significant impact on the National Bus Strategy ambition to transform the bus sector. This is because we would likely see a consequential reduction in bus services and increase in ticket fares caused by any LTA's cuts to pre-Covid concessionary fares funding. As a result, the impact of the £3 billion committed by the Prime Minister to achieve the economic and environmental objectives of the National Bus Strategy would not be felt immediately. This is because it is likely this funding would need to be spent on attempting to recover the bus industry to pre-pandemic levels of profitability, rather than its intended transformational purpose. Consequently, the likely reduction in service levels and impact on bus patronage caused by the lack of pre-Covid concessionary fares funding could mean the implementation of the Strategy will be much less effective.

Concessionary Travel Recovery Strategy

DfT are grateful that the majority of LTAs who responded to the *Consultation: Call for Evidence* confirmed they had budgeted to continue to pay out concessionary payments at pre-Covid levels until the end of the financial year and would continue with this approach because of this.

The objective of the concessionary travel recovery strategy is to provide LTAs with a cost-effective way of reducing their pre-Covid concessionary payments whilst avoiding any sudden widespread reduction in these payments. This is because any sudden reduction could lead to a significant impact on operator service levels, and consequently to an effect on demand levels. We want to ensure that any reduction in pre-Covid concessionary payments is done at a rate that will not adversely affect other funding streams, the viability of the bus market, or impact the objectives and ambitions of the National Bus Strategy as detailed above.

Within the *Call for Evidence* feedback, there was a clear divide between LTAs and operators when asked about the timings for the recovery strategy. The final below concessionary travel recovery approach has been developed through the consideration of both LTA and operator feedback, estimation of operator forecast patronage levels and the cost effectiveness for LTAs.

Timing

The Concessionary Travel Recovery Period will commence on 06 April 2022 and will officially end on 05 April 2023.

LTAs will be unable to provide pre-Covid levels of concessionary reimbursement payments after this date, due to the expiration of the temporary Statutory Instrument which officials are considering extending to achieve the continued provision of enabling LTAs, in principle, to make pre-Covid level payments, during the Concessionary Travel Recovery Period. This is

discussed in more detail below – see Mandatory Travel Concession (England) Regulations 2021.

Approach

From 06 April 2022, DfT will introduce a phased approach for the transition back down to actual concessionary patronage levels. DfT will ask LTAs to steadily reduce their pre-Covid concessionary payments to operators in accordance with the below table.

Table 1: Table showing the scale down of LTA pre-Covid concessionary reimbursement payments

Month	% scale down of LTA pre-Covid concessionary payment
06 April 2022	90%
01 May 2022	90%
01 June 2022	85%
01 July 2022	85%
01 August 2022	80%
01 September 2022	80%
01 October 2022	75%
01 November 2022	75%
01 December 2022	70%
01 January 2023	70%
01 February 2023	65%
01 March 2023	65%

From **06 April 2022**, DfT suggests those LTAs who have continued to pay out concessionary fare payments at 100% of pre-Covid levels, should lower these payments to **90% of pre-Covid levels**.

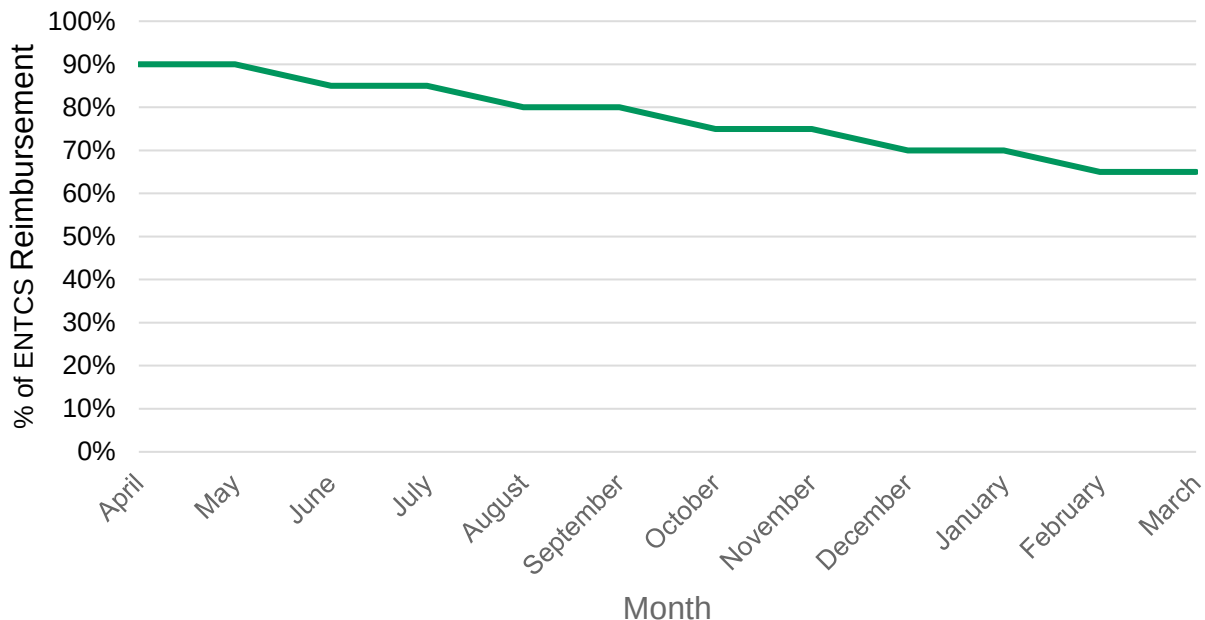
One condition of BRG, which is currently scheduled to end on 05 April 2022, is that an operator should be providing a minimum of 90% of pre-Covid service levels. This 10% initial reduction at the start of the concessionary travel recovery period will provide those LTAs who have continued to pay out at 100% of pre-Covid concessionary payments, despite a decrease in operator's service levels, with an immediate funding reduction.

Those LTAs who have already lowered their payments to 90% of pre-Covid levels or lower, should not reduce the amount they are paying out to operators.

From **01 June 2022**, LTAs who continue to pay out concessionary fare payments at 90% of pre-Covid levels should then lower their concessionary fare payments to **85% of pre-Covid levels**. Again, LTAs who's pre-Covid level payments are below 85% should not reduce the amount they are paying out to operators.

This approach should continue, with **LTAs lowering their concessionary fare payments by 5% at the start of August, October, December 2022, and February 2023**. However, when taking into account current patronage levels and average forecast patronage levels, it is expected that concessionary reimbursement payments will revert to actual patronage levels by the end of 2022, if not before.

Graph 1: Graph showing the scale down of LTA pre-Covid concessionary reimbursement payments



Throughout the Concessionary Travel Recovery Period, DfT will provide clear and early direction on the amount of pre-Covid concessionary fare payments we are asking an LTA to pay out to an operator each month, in accordance with the above. During this period, DfT may be required to amend the percentage of pre-Covid concessionary fare payments LTAs are making to operators. In the event of further Covid-19 restrictions being put in place, for example, this percentage may have the potential to increase.

In accordance with regional variations and to take account of local flexibility and circumstances, during the Concessionary Travel Recovery Period an LTA may choose to continue to pay out a higher rate of pre-Covid concessionary payments, than the percentage suggested by DfT. However, LTAs are reminded that they will be unable to continue to pay out concessionary payments at pre-Covid levels from 06 April 2022, due to the expiration of the temporary Statutory Instrument on 05 April 2022.

Reasoning

This approach is slower than the initial proposed recovery strategy, of a reduction of 5% every month, as contained within the *Consultation: Call for Evidence*.

After careful consideration of stakeholder feedback, a reduction in 5% every other month will provide operators with further additional support for longer whilst patronage is still repressed. This means the approach is less likely to impact on service and demand levels, aligning with the National Bus Strategy objectives of delivering a better bus service of growing networks and improving routes. However, this approach also aims to balance out operators' needs against the needs of LTAs, as it still enables LTAs to reduce their concessionary reimbursement payments throughout the next financial year, allowing them to create savings whilst providing a slow and steady transition back to actuals.

This method also provides operators across the country with a consistent transition approach, as they are likely to cover various LTAs. Should LTAs approach the recovery phase differently, this would have the potential to result in local capability and consistency issues. We therefore urge LTAs to reduce their concessionary payments in line with the above recovery approach.

Example

Whilst in receipt of BRG, **Operator (A)** has reduced their service levels to 90% of pre-Covid service levels. During the BRG period, and following DfT Guidance, **LTA (A)** took the decision to reduce concessionary reimbursement payments to 90% of pre-Covid levels, to match with the operator's service levels.

The Concessionary Travel Recovery period begins on 06 April 2022, and DfT suggests LTAs who continue to pay out at 100% of pre-Covid level concessionary payments should lower their payments to 90% of pre-Covid levels. **LTA (A)** should not change their level of payment and should continue to pay out at 90% of pre-Covid levels.

From 01 June 2022, DfT suggests LTAs who continue to pay out at 90% or above of pre-Covid levels should lower their payments to 85% of pre-Covid levels. Although **Operator (A)** continues to provide 90% of service levels, **LTA (A)** may lower their pre-Covid concessionary payments in line with DfT guidance, to 85% of pre-Covid levels.

LTA (A) may then continue to lower their pre-Covid concessionary payments in line with DfT guidance, until their payments re-align with actual patronage levels.

Alternatively, should local circumstances require it, **LTA (A)** may continue to pay out concessionary payments at a higher pre-Covid level than DfT suggests. However, **LTA (A)** should ensure their concessionary payments have re-aligned with concessionary patronage prior to 06 April 2023.

Appeals during the Concessionary Travel Recovery Period

Bus operators should financially be "no better and no worse off". However, as a result of TCAs providing concessionary fare reimbursement payments at pre-Covid levels, it can be argued that bus operators are "better off" in this respect.

Although legislation allows operators to appeal, DfT continues to encourage operators to take a pragmatic approach to such appeals while LTAs continue to provide funding at pre-Covid levels throughout the Concessionary Travel Recovery Period, particularly in light of the slower recovery strategy than originally proposed.

DfT expects operators to be in regular engagement with their LTA, particularly with the introduction of Enhanced Partnerships which depend upon this close collaborative approach. Any issues connected to the operation of services should therefore be discussed and resolved between the operator and the LTA. Operators should note that if LTAs are incurring time and money dealing with appeals which do not have any real prospect of success, this could affect the ability of the LTA to continue to provide funding in accordance with current and future recovery levels.

Mandatory Travel Concession (England) Regulations 2021

LTAs previously had concerns that paying out concessionary fares at pre-Covid levels was not compatible with the provisions of the Mandatory Travel Concession (England) Regulations 2011. In response to these concerns, DfT secured the necessary agreement across Government and laid a Statutory Instrument (SI) in March 2021 to temporarily change the legislation (Regulation 6(a) of the Mandatory Travel Concession (England) Regulations 2011 to temporarily remove the requirement that travel concession arrangements should aim not to leave an operator financially better off as a result of providing a concession. The Mandatory Travel Concession (England) Regulations 2021 therefore allow LTAs, in principle, to pay concessionary fares funding to operators at a higher level than due through actual journeys by pass-holders (although, as noted above, LTAs will need to take account of and comply with subsidy control rules in making such payments).

This amendment will cease to have effect at the end of the 2021/22 financial year. Accordingly, officials are now exploring laying a further temporary SI to achieve the continued provision of enabling LTAs, in principle, to make pre-Covid level payments, during the Concessionary Travel Recovery Period.

Consultation: Call for Evidence Response

Reimbursement Guidance and Calculator

The majority of respondents to the *Consultation: Call for Evidence* agreed that the Reimbursement Guidance and Calculator require updating, and regularly. There was specific focus on the need to update these due to the age of the demand data (2005/06) which respondents cite as no longer appropriate due to the impact of Covid-19 on travel patterns and the general increase in bus fares since 2005/06. However, the lack of in-depth technical feedback to these areas of the *Consultation: Call for Evidence* suggests the Reimbursement Guidance and Calculator needs to be simplified and made more accessible for smaller operators. This was echoed within the responses.

Strong feedback also stated that although it was clear travel patterns had been and are still severely impacted by Covid-19, it was unclear on what precise effect these changes will have on the reimbursement data and inputs. Although we have considered whether we can update the inputs into the Calculator to account for changes in travel patterns post-Covid, it is apparent that any changes may significantly impact the reimbursement outcomes and the LTA funding requirement. This was echoed by LTA feedback which expressed the need to delay this update to allow for proper consideration of post-Covid travel patterns.

The annual updated Reimbursement Guidance and Calculator will therefore be published shortly. There are no material changes in either for this year, as further extensive research will be required to update them.

Applications to the Secretary of State- 'appeals process'

Although under half of respondents agreed the appeals process requires improvement, 50% of respondents did not express a view. Responses indicated that notable areas for

improvement included introducing and setting stricter timeframes to deal with an appeal to reduce administrative burdens, and, as with the Reimbursement Guidance, ensuring the guidance is clear. Respondents also indicated that various sections of the Reimbursement Guidance, such as guidance on Peak Vehicle Requirements, should provide further clarity, to alleviate the need for an appeal in the first instance.

However, respondents also expressed the view that the recovery strategy should take precedence over any update to the appeals process. DfT therefore aims to review the appeals process alongside the extensive review of the Reimbursement Guidance, to enable us to address stakeholder concerns simultaneously.

Should you have any queries, please contact the team at concessionaryfares@dft.gov.uk.

CABINET



Report subject	Housing scheme at Herbert Avenue, POOLE.
Meeting date	15 December 2021
Status	Public Report
Executive summary	The Herbert Ave scheme is also known as site 10 (of 24) that is in the Council New build Housing and Acquisition Strategy (CNHAS) Programme approved by Cabinet on the 29th September 2021. At that time officers were undertaking a new construction tender process for Herbert Ave and therefore it could not be incorporated within the CNHAS paper. The decision by the preferred bidder from the original 2019 procurement process, not to execute the agreement offered to them by withdrawing in January 2021 - has determined the need to engage the marketplace again. The results from this new 2021 procurement activity generates the necessity for a revised Cabinet approval in respect of an increase in said construction costs - from that which was approved previously. This paper therefore brings forward the recommendation for the award of a contract to the new preferred bidder for the delivery of critical works at Herbert Ave. These works will deliver the construction of 24 new temporary accommodation units for families, relieving to a significant degree, the existing Bed and Breakfast reliance. They will be built using Passive House design principles which the planning approval requires, to ensure they provide high levels of thermal efficiency and minimise the need for expensive space heating systems. The report also provides the background to the market procurement constraints that have previously impacted on the delivery of this development project and presents the evaluation outcome of the recent competitive market procurement exercise for the selection of preferred bidder and award of contract for the construction of the temporary accommodation buildings.

Recommendations	It is RECOMMENDED that: 1. Cabinet support the proposed £3.486m temporary accommodation scheme budget required to deliver the development for progression to Council for subsequent approval request: a. Cabinet supports the increase in previously approved budget of £ 2.508m (Cabinet Oct 2018) plus sum of £0.28m (ODR approval June 2020) By a further £0.698m. (As detailed under paragraph 54 of the report) b. Approve the financial strategy for the scheme as set out in paragraphs 33 to 47 with specific approval for: i) £2.440m of prudential borrowing to be repaid over 50 years used to finance the Housing Revenue Account (HRA). ii) The capping of rental income to Affordable Rent levels and Local Housing Allowance. c. To award the contract for the construction of the new temporary accommodation development to the preferred bidder.
Reason for recommendations	To enable the proposed temporary accommodation scheme to progress with the agreed funding arrangements through to construction and subsequent completion to deliver the wide range of benefits to the Council and local communities.
Portfolio Holder(s):	Cllr Karen Rampton, Portfolio Holder for People and Homes
Corporate Director	Kate Ryan, Chief Operating Officer
Contributors	Su Spence, Chief Executive (PHP) Trevor Roffe, Head of Asset Development (PHP) David Hood, Asset Development Manager (PHP)
Wards	Alderney & Borne Valley:
Classification	For Recommendation

Background

Housing Market Context

1. The council has a statutory duty to support households that are at threat of homelessness. These requirements are enshrined in the Housing (Homeless Persons) Act 1977, Housing Act 1996, and the Homelessness Act 2002, with enhanced duties placed on local councils by the Homelessness Reduction Act 2017. In the main the council will seek to support households to access alternative forms of accommodation when threatened with homelessness and this is supported through various methods. If a household cannot find alternative means of housing and becomes homeless then the council has a statutory duty to provide interim accommodation if they meet certain criteria.
2. The Council currently manages circa 270 units of temporary accommodation within its portfolio, some of which is costly and not suitable for future use. The council continues to rely on B&B & hotels to provide interim accommodation which is also costly and inappropriate. The Council is currently accommodating 135 households in B&B, although this is reducing, we require more good quality temporary accommodation where people can be supported away from homelessness and receive the help they need to move to a settled home.
3. The delivery of these new temporary accommodation units at Herbert Ave will play a significant role in reducing the council reliance on expensive B&B accommodation in-line with its approach to providing more housing led-solutions.

The site and previous procurement history

4. An 'Open market' procurement exercise was carried out in the summer of 2019 to seek fixed price tender bids from contractors using various Modern Methods of Construction (MMC, sometimes known as modular). Four compliant tender bids were received from contractors using either timber panelised systems or full modular systems manufactured off-site in a factory.
5. Following the procurement evaluation exercise a provisional contract award was made to the preferred bidder, a Finnish based company. This reflected that the innovation in modular build was occurring across Europe and to be able to access and secure this cost effective and design preferred approach payments for off-site manufacturing via an Escrow were required. Due diligence to establish this approach was required and soon ran into concerns and delays relating to the impact of Brexit and then the Covid pandemic. The impact of both meant that the contractor confirmed that they were not able to deliver against the bid submitted in 2019 and withdrew in January 2021.

Recent procurement exercise and evaluation Outcome

6. As the temporary accommodation development remains a priority and a new procurement approach has been completed considering current market conditions. This includes recognition that the construction market has become much more volatile around labour capacity constraints, and particularly material supply delays and cost increases. To manage this volatility the tender scope was widened out to encourage competitive contractor bids for all forms of construction methodology – not just MMC.

7. The procurement exercise took place over the summer and 4 tenders were submitted.
8. Following a compliance review of the quality evaluation scores and tender process report, the quality / price outcomes were combined into the evaluation matrix. The combined matrix scores show:
 - a. Contractor A in first place as the preferred bidder
 - b. Contractor D in second place
 - c. Contractor C in third place
 - d. Contractor B in fourth place

Council's direct delivery of new homes

9. BCP Council and Poole Housing Partnership have well established Housing Development Teams who are well placed to help deliver the future pipeline of in-house residential new-build developments. Both teams work closely together to meet council priorities and have been involved in the approach to this project.
10. This proposed scheme will follow many others which have been successfully delivered over previous years and there is a pipeline of many additional sites going forwards to help address our housing needs locally.

Site background information

11. The site is owned by BCP within the Housing Revenue Account (HRA) and is a brownfield site and comprises of an area to the front of the site currently laid to tarmac with an area to green space to the rear.
12. The site was last used as a community centre which closed some years ago. The building which stood on the site has since been demolished.

Proposed scheme

13. The proposed development is to provide a total of 24 apartments over two floors. This development would be capable of housing 24 households, circa 94 persons. Subject to consents, the proposed commencement date is January 2022 with the scheme ideally due to be completed in March 2023.
14. It is recommended that the site is developed by the preferred bidder to provide a residential scheme comprising the following: -
 - Affordable Rent (24 homes)
15. This tenure mix has been developed after consideration of numerous factors including the need for financial viability and return, housing demands, site specifics and the need to ensure a sustainable community. The Council's Neighbourhood Management team and the Housing Options and Partnerships team have been closely involved in the development of this scheme to help ensure that it adequately meets housing needs and is designed in such a way to be sustainable and to enable good quality housing management.

16. As noted earlier, the need for Council housing, including affordable rented housing, is high across BCP.
17. The scheme will provide self-contained temporary homes comprising of 1 x one, two and three bed accessible apartments, 1 x one bed apartment and 20 x two bed apartments. Tenancies will be non-secure homeless tenancies.
18. The proposed layout is determined by the shape of the site, location of trees, access, and the existing character of the surrounding area. The proposed building is in line with the building line of the existing building. All parking is proposed to be along the side of the building, thus enabling some landscaped amenity space to the rear of the site.
19. The scheme will provide 12 car parking spaces and 3 disabled car parking spaces, which is considered appropriate given the nature of the housing units to be provided, the unallocated provision, the proximity to the town centre and excellent transport links. External cycle parking is to be provided
20. The scheme was granted planning permission in May 2020.

Environmental build standards- formal DIA assessment from para 62

21. The development will provide a highly energy efficient scheme. It will help address the 2019 BCP Council declared Climate and Ecological Emergency and future proof the new homes against the 2025 Future Homes Standard for housing. The development will contribute to the Council's commitment to achieving a net zero carbon emission target.
22. The tendered approach will build to the principles of the Passivhaus standards. This standard offers the benefit of very low carbon heating requirements and world leading levels of energy efficiency by not relying on fossil fuel heating systems. Passivhaus Principles will be followed rather than full accreditation, which will help generate carbon savings.
23. The fabric first approach which the Passivhaus standard follows for construction, minimises the need for expensive space heating systems. This will help to support those residents that have become homeless not having to budget for expensive heating bills. A saving of up to 75% on energy bills is possible, (From the Passivhaus Trust).
24. The minimal heating requirements and use of electric heat pumps for hot water generation means that expensive retrofitting, or replacement of fossil fuel heating systems will be avoided in the future. Plus the reduced energy demand from the electric hot water heat pump system will meet the Councils planning policy (PP37) requirement.
25. The scheme will be measured in terms of sustainability through carbon savings – key measures have been included in the report under paragraphs 31 and 51. Full details of the carbon reduction figures are available from the Carbon Reduction Statement produced by Energycount (Sustainability and energy Consultants).
26. The lifetime cost of the proposed development is £175 per tCO₂. This fits well below the BEIS guidance of under £500/tCO₂

Summary of key benefits

27. The following summarises the key benefits of the proposed scheme: -

- Relieving to a significant degree, the existing Bed and Breakfast reliance.
- Maximise the Council's land assets to bring about financial gains, as well as delivering the Council's housing aspirations.
- Provide much needed additional homes to meet unmet housing demands and housing needs within the BCP Poole Neighbourhood area.
- Provision of 24 self-contained homes to help address the challenging Local Plan housing targets and help meet local housing demands.
- Utilisation of £1.046m Right to Buy receipts to help fund the scheme. If these are not spent within 3 years of receipt, they cannot be used locally and need to be returned to central government.
- The scheme will bring improvements to the area with the provision of good quality and well managed temporary housing and wider environmental improvements.
- It will deliver high levels of sustainability in terms of design.
- It will generate employment during the construction phase to help grow the local economy.

Development Feasibility Work already undertaken

28. During the design and pre-construction phase, various consultants have been appointed and several surveys completed to help develop the scheme through the planning approval stage and out to competitive market procurement. This has also included some early ecology enabling work on the site.

29. The financial commitment to date (including design, surveys, planning and procurement exercises) is £91k. This is included within total project outlay of £3.486m below.

Financial overview

30. Appendix one, sets out the proposed financial profile of the scheme for the Housing Revenue Account (HRA).

**Appendix 1 – Herbert Ave Temporary Housing Development:
HRA Income and Expenditure**

Homes Prudential Borrowing Period	Housing Revenue Account
	24
	50
	Affordable Rented £000s
Scheme Costs	
Works budget tender cost	
Build & oncost contingency 5%	2,923
Fees & Other Costs	146
Interest (during Build Phase)	195
Land Acquisition costs	72
	150
Total Scheme Cost	3,486
Scheme Funding	
Homes England Grant - TBC Affordable Housing Grant	
Homes England Grant - Accelerated Construction	
Affordable Housing s106 Contributions	
Sales - Shared Ownership	
Housing Revenue Account	
- Capital Funding - 1 for 1 Right to Buy Receipts	1,046
- S106 Contributions	
Prudential Borrowing - additional borrowing	2,440
Total Scheme Funding	3,486
Net Cost	0

31. **Build cost** of £2.923 million is based on the preferred bidder's tender price submission. There is also an additional build contingency of 5%, circa £146k. These total costs equate to £2221 per sqm.
32. **Fees and other costs** of £195k allow for all the site investigation surveys, reports, pre-construction design/planning, and procurement work. The actual cost incurred to-date is £91k.
33. The total scheme costs are estimated to be £3.486m profiled over the planned 14 month period as the construction moves ahead. £1.046m of the capital outlay will be funded from Right to Buy (RTB) receipts, representing 30% of the total capital outlay. The

remaining £2.440m of capital outlay is proposed to be funded from Prudential borrowing through the HRA. The interest charge expected to be levied against this prudential borrowing during this phase is £72k. The financial appraisal model used to risk assess the project has demonstrated that the scheme can afford repayment of the borrowing costs incurred from this Loan.

34. Estimated long term cash flows presented in Appendix one forecast net annual cash surplus from first year of completion. This is after provision has been made for both capital and interest repayments as well as management, maintenance and major repair costs, and an adjustment to the rental income to cover void costs. Any potential capital growth has been ignored for the purposes of this modelling. Over the 50-year scheme life, cumulative cash surpluses of £9.772m are forecast.
35. Appendix one also sets out the financial appraisal assumptions supporting the capital outlay and 50-year cashflow forecast. The Council is also in the process of completing a wider benchmarking exercise, with the assistance of comparable local authorities, to ensure ongoing relevance and appropriateness of core assumptions applied.

Financial Strategy

36. The 24 new housing units will be designated as affordable housing. As there is ongoing demand for affordable housing, the Council has reasonable assurance over rental income streams for the next 50 years. Forecast cashflows assume modest annual increases in rental income of 2.5% (in line with Government guidance of CPI +1%). Additional provision is made for voids loss and bad debts at 2% of gross residential rent per annum.
37. Ongoing operational spend (property listing and management, service costs and general repairs and maintenance spend) are allowed for within the model on a standard £1000/unit basis. The £/unit values used are based on historic financial data and are therefore considered to be accurate. Annual inflation at 2.5% is applied to reflect increases in these costs over the 50-year period. In addition, allowance is made for major repairs across the housing development. This is an annual cost, calculated using componentised depreciation based on the composition of the properties from year 1, and represents 0.7% of housing development value, based on original capital outlay with annual inflationary increases.
44. Under s11(6) of the Local Government Act 2003, local authorities are required to spend retained Right to Buy (RTB) receipts within five years. This is limited, however, to no more than 40% of the cost of a replacement home (whether through acquisition or new build). Where a local authority is unable to spend receipts within five years they are to be returned to the Ministry of Housing, Communities and Local Government (MHCLG), together with interest of 4% above base rate. Whilst the proportion of new-build projects that can be funded from RTB receipts has recently been increased from 30% to 40% of the total capital outlay, RTB funding will be capped at 30% for this project to ensure that sufficient RTB funding remains available for other BCP new-build projects. The financial risk to the Council of having to return unspent RTB receipts is reduced by applying £1.046m (30% of £3.486m capital outlay) of RTB receipts received as funding for this scheme.
38. The tenure mix of the properties (and associated rental stream) provides a balance in terms of financial returns required by the Council and ensuring low rents. This has been considered in the context of the whole HRA development pipeline identified to date.

Prudential Borrowing

39. The Council can borrow under the Prudential Code as long as it is affordable and can be repaid over the life of the asset. The proposed scheme is predicated on £2.440m of prudential borrowing repaid over 50 years at an annual cost (including interest) of £72k. The use of 50 years reflects the estimated useful economic life of the asset.

The financial modelling assumes the use of flexible short-term funding (at an interest rate of 3.0%) during the construction period before entering a long-term arrangement (at an interest rate of 3.0%). The 3.0% interest rate has been used as a matter of prudence for the financial modelling. It has the benefit of creating additional risk premium to mitigate the risk of potential fluctuations in long term cashflow projections.

40. Furthermore, any borrowing will only be drawn down when required and not in advance of need.

Taxation

41. Any VAT incurred on construction cost will be fully reclaimable as the spend will relate to the statutory function of the Council. Generally, construction of residential accommodation that meets the required conditions to qualify as dwellings is zero rated for VAT purposes. This, however, excludes certain types of services such as architects, surveyors, consultants etc, (unless they are provided under a Design and Build Contract). Provision of residential accommodation within the Housing Revenue Account is considered as a non-business activity and therefore any VAT incurred on construction cost is fully reclaimable under Section 33 of the value Added tax Act 1994.

42. Stamp Duty Land Tax (SDLT) will not apply.

Public Sector Subsidy (State Aid)

43. State Aid has been considered and assessed as low risk, as we are not passing on funding to a third party.

Value for Money

44. The financial appraisals set out in appendices one show that the scheme is viable in the short, medium, and long term for the Council.
45. The scheme provides a surplus in the long term cumulative cashflow from year 1 to Year 50 when the loan is repaid. Beyond year 50 the surplus will be in excess of £400k per annum to the HRA.
46. The development at Herbert Ave will produce around 46.5 % less CO₂ emissions than the same building if it were built to basic housing standards (Basic Spec). Findings show that using the Fabric-First Passivhaus approach would achieve savings of 21 Tonnes of CO₂ per year over the Base Spec adopting Passivhaus design principles, and a saving of 1,571 Tonnes of CO₂ when assessed over the buildings full life compared to a building built to the basic housing standards.

47. The construction costs are based on a fixed tender price submission from the preferred bidder, the build cost tender submissions were assessed by cost consultants RLB (Rider Levett Bucknall) as part of the tender price evaluation exercise. They have confirmed that given the scope of works, the total construction costs to meet the low-energy Passivhaus Standard development represent value for money in the current construction market. This statement is supported in their vfm construction benchmarking report that compares the Herbert Ave tender price with other RLB residential tender projects as well as schemes on the Building Cost Information Service (BCIS) cost database. The vfm benchmarking report is included within appendix two.
48. The use of Passivhaus principles for design and construction allows for high reductions in energy costs for our residents. It also negates the need for expensive fossil fuel heating systems and their subsequent replacement in the future, thus helping the Council to meet the 2025 Future Homes Standard. This highly energy efficient and environmentally sympathetic fabric first construction method represents good value for money for the Council by helping to reduce its future maintenance liability.
49. The original project budget estimate of £2.508m required approval of an additional £280k funding for the appointment of the preferred bidder following a market procurement exercise in 2019. The additional funding requirement was due to small design changes in the accommodation sizes and inclusion of a building water sprinkler system. Following the tender evaluation outcome of the recent market procurement exercise, covered earlier in this report under paragraphs 9 to 13. Approval of a further £0.698M is required to support the full £3.486M budget requirement to deliver the Herbert Ave, new build project. See table of funding approval.

Initial project and Budget approval	£2.508m	Cabinet Oct 2018 and full Council Nov 2018
Additional funding approval	£0.280m	ODR June 2020
Additional funding requirement following new procurement in Aug 2021	£0.698m	Approval requested

Consultation

50. During the formal planning application process several public consultation comments were received by the Council. These were responded to and given consideration as part to the Council's Planning Committee review process.

Approval Conditions

51. The contract is based on a fixed construction tender price therefore any supply chain price increases technically remain the responsibility of the appointed contractor, although unprecedented material price increases are currently being experienced across the construction industry. The contractors tender price includes an inflationary allowance and the client 5% build & oncost sum within the budget will be used to mitigate any further material risk.

Summary of financial implications

52. Provided within the body of the report.

Summary of legal implications

53. The Housing Act 1985, section 9, empowers the Council to build and provide housing accommodation (including houses, flats, and ancillary facilities such as open space). Credits and debits in respect of such accommodation must be accounted for within the Housing Revenue Account (HRA) – section 74(1) of the Local Government and Housing Act 1989.

54. The Council also has the General Power of Competence pursuant to the Localism Act 2011, and therefore the power to borrow for the purposes set out within this Report.

55. The Council has complied with all relevant procurement requirements in undertaking the proposals contained within this Report and the Council will undertake the work in accordance with ongoing legal advice.

Summary of human resources implications

56. The existing Housing Development Team will oversee the construction phase delivery of this scheme alongside the other new build schemes in the pipeline. Other professional consultants to assist in the project management of the scheme

Summary of the decision (sustainability) impact assessment (DIA)

57. The site is within a sustainable location and the high-quality building on this site could make a positive contribution to the quality of the environment. Some ecology measures have already been taken to protect the local wildlife in preparation for the construction works.

58. Whilst the estate is increased in housing density, it is providing much more energy efficient dwellings, with greater thermal insulation and more efficient heating systems. The scheme will be built using a fabric first approach following Passivhaus design principles.

59. A copy of the Decision (sustainability) Impact Assessment is included within appendix two.

Summary of equality implications

60. The housing scheme will provide accommodation for those who are on the Housing Register and in housing need, being designed for families, couples, and single people of all ages. As such, many households will have protected characteristics and have vulnerabilities. Admission for new residents to the scheme will be by objective eligibility criteria, which will be operated by the Housing Solutions team who, undertake property allocations for the Council. The existing Allocation Policy for the BCP area will help manage allocations to the scheme for those most in need, although a new BCP Allocations Policy is being developed which may be live at the point this scheme is completed.

61. Properties will be available for all eligible applicants on the housing register. No issues regarding Sex/ Gender Reassignment/ Pregnancy and Maternity/ Marriage and Civil/ Race/ Religion or Belief/ Sexual Orientation/ Armed Forces Community and any other factors/ groups characteristics have been identified but these factors will be considered along with any service user identified needs.
62. Three of the accommodation units will be constructed to Building Control Approved Document Part M category 2 (Access and design to meet wheelchair accessible or adaptable standard)
63. The architect's design has implemented the requirements of Lifetime Homes where it is practical to do so.
64. The constrained nature of the site and accommodation use prohibits achieving Lifetime Homes or all units to achieve Part M category. However, the Council actively considers the provision of Category 2 & 3 dwellings on other schemes in the conurbation.
65. A copy of the EIA is included within appendix two.

Summary of risk assessment

66. The following key risks have been identified alongside mitigating actions:

Overall Project Risk Rating		
Key Project Risks	Gross Risk Rating	Mitigating Actions
Construction material costs render the project unaffordable	Low	Good project management will enable the close monitoring of progress and any issues that may arise to be dealt with promptly. The Build cost tender sum is an inclusive Design & Build price provided by the Preferred Bidder which includes a 3% material inflation allowance. The budget also includes a 5% build contingency.
Scheme not gaining a satisfactory planning consent	Low	The project has already achieved full planning approval and the Design & Build construction tender includes for the contractor to satisfy all planning condition requirements.
Fall in demand for temporary accommodation units during construction phase.	Low	Ongoing monitoring with the Strategic Housing Options team clearly demonstrates a demand for purpose built temporary accommodation. The New build will help reduce the use of other expensive B&B accommodation currently having to be used and move towards more sustainable housing-led solutions.
Increased fire risk during construction phase	Low	Design and construction will be closely monitored by Housing Development Team, Employers Agent and Preferred Bidder.
Independent living building delivered in compliance with Building Safety Regulator.	Low	The initial planning design has been assessed by independent fire consultants Ashton Fire and a Fire strategy document produced. The strategy includes all 'Active & Passive' fire system requirements for fire safety legislation compliance.

Overall Project Risk Rating		
Key Project Risks	Gross Risk Rating	Mitigating Actions
		The strategy forms part of the planning submission and contract design specification for the D&B contract. The contract stipulates compliance with the Building Safety Bill.
Contractor insolvency during construction.	Low/med	The contract requires the contractor to provide a Performance Bond and NHBC warranty & insolvency cover.

67. Property development activity involves inherent risks, but a cautious approach has been adopted here to minimise these risks as much as possible. Financial contingencies have been included and significant consultation has been undertaken to date to help ensure a sustainable scheme.

Background papers

- a) Refreshed Bournemouth Housing Strategy 2017 - 2020 - <https://www.bournemouth.gov.uk/Housing/help-with-housing/Documents/bournemouth-refreshed-housing-strategy-2017-2020.pdf>
- b) Housing Strategy Refresh 2018-2020 Borough of Poole <https://www.poole.gov.uk/council-and-democracy/strategies-plans-and-policies/housing-strategy-refresh-2018-2020/>

Appendices

Appendix one includes.

- Income and Expenditure Summary General Fund and HRA
- Financial Appraisal Long-term Cash flow
- Summary of Funding Assumptions

Appendix two includes:

- Equality Impact Needs Assessment (EIA)
- Decision (sustainability) Impact Assessment (DIA)
- VFM – Construction cost benchmark report

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**Appendix 1 - Herbert Avenue Development:
HRA Income and Expenditure**

<i>Homes</i> <i>Prudential Borrowing Period</i>	Housing Revenue Account
	24
	50
	Affordable Rented £000s
Scheme Costs	
Works budget cost	2,923
Build and oncost contingency 5%	146
Fees & Other Costs	195
Interest (during Build Phase)	72
Land Acquisition costs	150
Total Scheme Cost	3,486
Scheme Funding	
Homes England Grant - TBC Affordable Housing Grant	
Homes England Grant - Accelerated Construction	
Affordable Housing s106 Contributions	
Sales - Shared Ownership	
Housing Revenue Account	
- Capital Funding - 1 for 1 Right to Buy Receipts	1,046
- S106 Contributions	
Prudential Borrowing - additional borrowing	2,440
Total Scheme Funding	3,486
Net Cost	0

Appendix 2 - Herbert Avenue Development

Long-Term Cashflow	Year	1	2	3	4	5	6	7	8	9	10	11
Gross Residential Rent		(195,536)	(200,424)	(205,435)	(210,571)	(215,835)	(221,231)	(226,762)	(232,431)	(238,242)	(244,198)	(250,303)
Service Charges		(1,027)	(1,053)	(1,079)	(1,106)	(1,134)	(1,162)	(1,191)	(1,221)	(1,251)	(1,282)	(1,315)
Void Loss & Write Offs		3,921	4,019	4,119	4,222	4,328	4,436	4,547	4,661	4,777	4,897	5,019
Gross Rent after allowance for Void Loss & Write Offs		(192,642)	(197,458)	(202,394)	(207,454)	(212,641)	(217,957)	(223,406)	(228,991)	(234,715)	(240,583)	(246,598)
Management & Maintenance Costs		23,953	24,552	25,166	25,795	26,440	27,101	27,778	28,473	29,185	29,914	30,662
Major Repairs		23,985	24,465	24,954	25,453	25,962	26,482	27,011	27,551	28,102	28,664	29,238
Annual operational spend		47,938	49,017	50,120	51,248	52,402	53,582	54,789	56,024	57,287	58,579	59,900
Net Income before debt repayment		(144,704)	(148,441)	(152,274)	(156,206)	(160,239)	(164,374)	(168,616)	(172,967)	(177,428)	(182,005)	(186,698)
Repayment of Borrowing (principal + interest)		92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878
Cash outflow / (inflow)		(51,826)	(55,563)	(59,397)	(63,328)	(67,361)	(71,497)	(75,738)	(80,089)	(84,551)	(89,127)	(93,820)
Cumulative cash outflow / (inflow)		(51,826)	(107,389)	(166,786)	(230,115)	(297,476)	(368,972)	(444,711)	(524,800)	(609,350)	(698,477)	(792,298)
Long-Term Cashflow	Year	13	14	15	16	17	18	19	20	21	22	23
Gross Residential Rent		(262,974)	(269,548)	(276,287)	(283,194)	(290,274)	(297,531)	(304,969)	(312,594)	(320,408)	(328,419)	(336,629)
Service Charges		(1,381)	(1,416)	(1,451)	(1,487)	(1,524)	(1,563)	(1,602)	(1,642)	(1,683)	(1,725)	(1,768)
Void Loss & Write Offs		5,273	5,405	5,540	5,679	5,821	5,966	6,115	6,268	6,425	6,586	6,750
Gross Rent after allowance for Void Loss & Write Offs		(259,082)	(265,559)	(272,198)	(279,003)	(285,978)	(293,127)	(300,456)	(307,967)	(315,666)	(323,558)	(331,647)
Management & Maintenance Costs		32,214	33,020	33,845	34,691	35,559	36,448	37,359	38,293	39,250	40,231	41,237
Major Repairs		30,419	31,027	31,648	32,281	32,926	33,585	34,257	34,942	35,641	36,353	37,081
Annual operational spend		62,633	64,047	65,493	66,972	68,485	70,033	71,615	73,235	74,891	76,585	78,318
Net Income before debt repayment		(196,449)	(201,512)	(206,705)	(212,031)	(217,493)	(223,095)	(228,840)	(234,732)	(240,775)	(246,973)	(253,329)
Repayment of Borrowing (principal + interest)		92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878
Cash outflow / (inflow)		(103,571)	(108,634)	(113,827)	(119,153)	(124,615)	(130,217)	(135,963)	(141,855)	(147,898)	(154,095)	(160,452)
Cumulative cash outflow / (inflow)		(994,503)	(1,103,137)	(1,216,965)	(1,336,118)	(1,460,733)	(1,590,950)	(1,726,913)	(1,868,768)	(2,016,666)	(2,170,761)	(2,331,212)

Financial Appendices 1-3 Herbert Avenue Development

Long-Term Cashflow	Year	25	26	27	28	29	30	31	32	33	34	35
Gross Residential Rent		(353,671)	(362,513)	(371,576)	(380,865)	(390,387)	(400,146)	(410,150)	(420,404)	(430,914)	(441,687)	(452,729)
Service Charges		(1,857)	(1,904)	(1,951)	(2,000)	(2,050)	(2,102)	(2,154)	(2,208)	(2,263)	(2,320)	(2,378)
Void Loss & Write Offs		7,092	7,269	7,451	7,637	7,828	8,024	8,225	8,430	8,641	8,857	9,078
Gross Rent after allowance for Void Loss & Write Offs		(348,436)	(357,147)	(366,076)	(375,228)	(384,609)	(394,224)	(404,079)	(414,181)	(424,536)	(435,149)	(446,028)
Management & Maintenance Costs		43,325	44,408	45,518	46,656	47,822	49,018	50,243	51,499	52,787	54,107	55,459
Major Repairs		38,579	39,350	40,137	40,940	41,759	42,594	43,446	44,315	45,201	46,105	47,027
Annual operational spend		81,903	83,758	85,655	87,596	89,581	91,612	93,689	95,814	97,988	100,212	102,486
Net Income before debt repayment		(266,533)	(273,389)	(280,421)	(287,632)	(295,028)	(302,612)	(310,390)	(318,367)	(326,548)	(334,938)	(343,542)
Repayment of Borrowing (principal + interest)		92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878
Cash outflow / (inflow)		(173,655)	(180,512)	(187,543)	(194,754)	(202,150)	(209,734)	(217,513)	(225,490)	(233,670)	(242,060)	(250,664)
Cumulative cash outflow / (inflow)		(2,671,838)	(2,852,350)	(3,039,893)	(3,234,647)	(3,436,797)	(3,646,532)	(3,864,044)	(4,089,534)	(4,323,204)	(4,565,264)	(4,815,928)
Long-Term Cashflow	Year	37	38	39	39	40	41	42	43	44	45	46
Gross Residential Rent		(475,648)	(487,539)	(499,728)	(499,728)	(512,221)	(525,026)	(538,152)	(551,606)	(565,396)	(579,531)	(594,019)
Service Charges		(2,498)	(2,560)	(2,625)	(2,625)	(2,690)	(2,757)	(2,826)	(2,897)	(2,969)	(3,044)	(3,120)
Void Loss & Write Offs		9,538	9,776	10,021	10,021	10,271	10,528	10,791	11,061	11,338	11,621	11,912
Gross Rent after allowance for Void Loss & Write Offs		(468,608)	(480,323)	(492,331)	(492,331)	(504,640)	(517,256)	(530,187)	(543,442)	(557,028)	(570,954)	(585,227)
Management & Maintenance Costs		58,267	59,724	61,217	61,217	62,747	64,316	65,924	67,572	69,261	70,993	72,767
Major Repairs		48,927	49,905	50,904	50,904	51,922	52,960	54,019	55,100	56,202	57,326	58,472
Annual operational spend		107,194	109,629	112,120	112,120	114,669	117,276	119,943	122,671	125,463	128,318	131,240
Net Income before debt repayment		(361,414)	(370,694)	(380,211)	(380,211)	(389,971)	(399,980)	(410,244)	(420,770)	(431,565)	(442,635)	(453,988)
Repayment of Borrowing (principal + interest)		92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878	92,878
Cash outflow / (inflow)		(268,537)	(277,817)	(287,334)	(287,334)	(297,093)	(307,102)	(317,367)	(327,893)	(338,688)	(349,758)	(361,110)
Cumulative cash outflow / (inflow)		(5,343,953)	(5,621,770)	(5,909,103)	(5,909,103)	(6,206,196)	(6,513,299)	(6,830,665)	(7,158,558)	(7,497,246)	(7,847,003)	(8,208,113)

Financial Appendices 1-3 Herbert Avenue Development

Long-Term Cashflow	Year	48	49	50
Gross Residential Rent		(624,091)	(639,694)	(655,686)
Service Charges		(3,278)	(3,360)	(3,444)
Void Loss & Write Offs		12,515	12,827	13,148
Gross Rent after allowance for Void Loss & Write Offs		(614,855)	(630,226)	(645,982)
Management & Maintenance Costs		76,451	78,362	80,322
Major Repairs		60,835	62,051	63,292
Annual operational spend		137,286	140,414	143,614
Net Income before debt repayment		(477,569)	(489,812)	(502,368)
Repayment of Borrowing (principal + interest)		92,878	92,878	92,878
Cash outflow / (inflow)		(384,691)	(396,935)	(409,490)
Cumulative cash outflow / (inflow)		(8,965,557)	(9,362,491)	(9,771,981)

Appendix 3 - Herbert Avenue Development Appraisal Assumptions

Accommodation Schedule

	Number of units	Unit size m2	Unit type	Rent per week
Accessible				
Flat	1	46	1b2p	137.74
Flat	1	60	2b3p	172.03
Flat	1	73	3b5p	215.68
Standard				
Flat	2	29	1b2p	102.42
Flat	12	52	2b3p	149.10
Flat	7	60	3b5p	177.25
	24			

215

Rent Levels

This scheme will be charged at Affordable Rent level at level as per above

For comparison the LHA levels are shown below, the above rent levels have been adjusted to take account of the smaller internal floor area of the units when compared to national minimum space standards

	LHA level for info	Social Rent for information
1-bed	£137.74pw	£75.57pw
2-bed	£174.90pw	£88.26pw
3-bed	£218.63pw	£96.21pw

Financial Appendices 1-3 Herbert Avenue Development

Market rent equivalent including service charge and parking spaces

1-bed	£128.03pw, £172.18pw
2-bed	£186.73pw, £215.04pw
3-bed	£221.56pw, £269.60pw

Affordable Rent

Service Charges	£7pw additional to Social rent, included in Affordable rent
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Build costs	£2,169 m2
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Contingency	5% build contingency
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Voids and bad debts	1% each
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Management & Maintenance	12.5% of rental income
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Major Repairs	Value determined using componentised depreciation based on unit construction
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Loan interest rate %	3.0%
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Loan term and type	50 year annuity
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Financial Appendices 1-3 Herbert Avenue Development

On costs/Fees element	Amount
Architects fee (up to planning)	£38,000
Carbon reduction statement	£2,000
Development Team	£85,000
Ecological survey and associated works	£8,000
Employers Agent fee	£20,000
Ground investigation	£13,000
Legal fees	£2,500
Planning application fee & Heathland Mitigation	£8,400
Contingency - 10%	£17,690
Total	£194,590

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Equality Impact Needs Assessment

The Diversity Promise - *Better for all*



1. Title of Policy/Service/Project	Development at 56 Herbert Avenue, Poole
2. Service Unit	Poole Housing Partnership (Development)
3. Lead Responsible Officer and Job Title	Trevor Roffe, Head of Asset Development
4. Members of the Assessment Team:	
5. Date assessment started:	20 th September 2021
6. Date assessment completed:	30 th September 2021

About the Project:

7. What type of project is this?	New build housing project
8. What are the aims/objectives of the policy/service/project? (please include here all expected outcomes)	To provide additional sustainable temporary housing for the homeless. The project is located on a former community hub site (now demolished) and will provide 24 residential units and an office. The completed project will provide much needed additional temporary rented housing within the conurbation. The project will provide an increase in job opportunities within the construction sector during the construction phase.

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

9. Are there any associated services, policies or procedures? No

10. List the main people, or groups of people, that this policy/service/project is designed to benefit, and any other stakeholders involved?

This project will benefit singles/couples/families which are homeless.

11. Will this policy/service/impact on any other organisation, statutory, voluntary or community and their clients/service users?

No.

Consultation, Monitoring and Research

Where there is still insufficient information to properly assess the policy, appropriate and proportionate measures will be needed to fill the data gaps. Examples include one-off studies or surveys or holding informal consultation exercises to supplement the available statistical and qualitative data.

If there is insufficient time before the implementation of the policy to inform the EINA, specific action points will need to be clearly set out in the action plan. Steps must include monitoring arrangements which measure the actual impact and a date for a policy review.

Consultation:

12. What involvement/consultation has been done in relation to this (or a similar) policy/service/project and what are the results?

Consultation with the Housing Portfolio Holder on the strategic approach to new council owned affordable housing has been held: Ward Councillor and Portfolio Holder consultation on this individual scheme has been completed; and relevant council staff and have been briefed. Local residents had opportunity to comment during the planning application process.

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

13. If you have not carried out any consultation, or if you need to carry out further consultation, who will you be consulting with and by what methods?

N/A

Monitoring and Research:

14. What data, research and other evidence or information is available which is relevant to this EINA?

The accommodation type and mix has been informed from housing register statistics including the number of applicants on the housing register and the average waiting time. The completed apartments will be let and managed on the same basis as our existing housing stock and all EINA's and other policies which apply to our existing stock will apply to these new units.

15. Is there any service user/employee monitoring data available and relevant to this policy/service/project? What does it show in relation to equality groups?

Annual CORE data and resident surveys.

Admission for new residents to the scheme will be by objective eligibility criteria, which will be operated and monitored by Housing Solutions, who undertake property allocations for the Council to ensure that the properties are let to those in housing need.

16. If there is a lack of information, what further information do you need to carry out the assessment and how are you going to gather this?

N/A

Assessing the Impact

	Actual or potential positive benefit	Actual or potential negative outcome
17. Age	Admission for new residents to the scheme will be by objective eligibility criteria, which will be operated by Housing Solutions, who undertake property allocations for the Council to ensure that the properties are let to those in housing need.	The properties are designed for families, couples and single people. There will be no loss of existing provision for other client groups as a result of this project.
18. Disability	Three properties will be constructed to Building Control Approved Document Part M (access to and use of buildings).	The constrained nature of the site and the need for a high dwelling density to make the site viable prevents the Council building all the accommodation to achieve the Lifetime Homes standard or any alternative Part M category. However, three properties will achieve Part M (2) Category. The Council actively considers the provision of category 2 & 3 dwellings on other schemes in the conurbation. The Councils standing specification requires the architect to implement the requirements of Lifetime Homes where it is practical to do so.
19. Gender	Properties will be eligible for all eligible applicants on the housing register.	No issues regarding gender have been identified but this factor will be considered and monitored along with any service user identified needs.
20. Gender reassignment	Properties will be eligible for all eligible applicants on the housing register.	No issues regarding gender reassignment have been identified but this factor will be considered and monitored along with any service user identified needs.
21. Pregnancy and Maternity	Properties will be eligible for all eligible applicants on the housing register.	No issues regarding pregnancy and maternity have been identified but this factor will be considered and monitored along with any service user identified needs.
22.	Properties will be eligible for all eligible applicants on the housing register.	No issues regarding marriage and civil partnership have been identified but this factor will be considered

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

	Actual or potential positive benefit	Actual or potential negative outcome
Marriage and Civil Partnership		and monitored along with any service user identified needs.
23. Race	Properties will be eligible for all eligible applicants on the housing register.	No issues regarding race have been identified but this factor will be considered and monitored along with any service user identified needs.
24. Religion or Belief	Properties will be eligible for all eligible applicants on the housing register.	No issues regarding religion or belief have been identified but this factor will be considered and monitored along with any service user identified needs.
25. Sexual Orientation	Properties will be eligible for all eligible applicants on the housing register	No issues regarding sexual orientation have been identified but this factor will be considered and monitored along with any service user identified needs.
26. Any other factor/ groups e.g. socio-economic status/carers etc	Properties will be eligible for all eligible applicants on the housing register.	No other issues have been identified but these factors will be considered / monitored along with any service users identified needs.
27. Human Rights	Will facilitate Article 11 of the International Covenant on Economic, Social and Cultural Rights - the right of everyone to an adequate standard of living for themselves and their family, including adequate food, clothing and housing.	No human rights issues have been identified but these factors will be considered / monitored along with any service users identified needs.

Stop - Any policy which shows actual or potential unlawful discrimination must be stopped, removed or changed.

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

28. If impacts have been identified include in the action plan what will be done to reduce these impacts, this could include a range of options from making adjustments to the policy to stopping and removing the policy altogether. If no change is to be made, explain your decision:

The affordable rented temporary accommodation properties will be available to all eligible applicants on the housing register.

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

Action Plan

Include:

- What has/will be done to reduce the negative impacts on groups as identified above.
- Detail of positive impacts and outcomes
- The arrangements for monitoring the actual impact of the policy/service/project

29. Issue identified	Action required to reduce impact	Timescale	Responsible officer	Which Business Plan does this action link to e.g. Service Equality Action Plan/Team Plan
The properties are designed for families, couples, single people – a mix of 1 and 2 bed flats.	Limited amount of larger family accommodation on this site. This can be offset by the delivery of housing on other sites across the Conurbation. One and two bed flats can be more suitable for those occupying larger properties than they need. Subsequent downsizing will free up larger family homes. The identification of housing need for specific client groups within the neighbourhood will be monitored as part of the ongoing Housing Strategy process.	Ongoing	Affordable Housing & Resettlement Manager	Housing Strategy

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

This is an interim report for a DIA that has been requested but yet to be completed.

If there is a RAG (coloured circle) that has not had it's dependent field selected yet, it will appear as a white circle.

Impact Summary

Climate Change & Energy	Green - Only positive impacts identified	
Communities & Culture	Amber - Minor negative impacts identified / unknown impacts	
Waste & Resource Use	Amber - Minor negative impacts identified / unknown impacts	
Economy	Amber - Minor negative impacts identified / unknown impacts	
Health & Wellbeing	Amber - Minor negative impacts identified / unknown impacts	
Learning & Skills	Amber - Minor negative impacts identified / unknown impacts	
Natural Environment	Yes	
Sustainable Procurement	Amber - Minor negative impacts identified / unknown impacts	
Transport & Accessibility	Amber - Minor negative impacts identified / unknown impacts	

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

Answers provided indicate that the score for the carbon footprint of the proposal is:

Which is a rating of: **Low**



Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

Proposal ID: 315

Proposal Title: [Herbert Avenue - Construction of Temporary Accommodation - Update of DIA 235](#)

Type of Proposal: [Procurement](#)

Brief description:

[Construct 2 blocks of apartments on an empty brownfield site comprising 24 apartments and an office & laundry. There will be a range of 1, 2 & 3 bedroom apartments including apartments that are wheelchair accessible. The aim of the project is to construct environmentally efficient buildings that are cost effective for residents to run.](#)

Proposer's Name: David Hood

Proposer's Directorate: [Environment & Community](#)

Proposer's Service Unit: [Housing](#)

Estimated cost (£): [Between £25K and OJEU threshold](#)

If known, the cost amount (£): [£2,923,137.36](#)

Ward(s) Affected (if applicable):

[Alderney & Bourne Valley](#)

Sustainable Development Goals (SDGs) supported by the proposal:

[3. Good Health and Well Being](#) [6. Clean Water and Sanitation](#) [7. Affordable and Clean Energy](#) [9. Industry, Innovation and Infrastructure](#) [11. Sustainable Cities and Communities](#)

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

Climate Change & Energy

Is the proposal likely to have any impacts (positive or negative) on addressing the causes and effects of climate change? [Yes](#)

If the answer was No, then the explanation is below (in this case there are no answers to subsequent questions in this section):

- 1) Has the proposal accounted for the potential impacts of climate change, e.g. flooding, storms or heatwaves? [Yes](#)
- 2) Does it assist reducing CO2 and other Green House Gas (GHG) emissions? E.g. reduction in energy or transport use, or waste produced. [Yes](#)
- 3) Will it increase energy efficiency (e.g. increased efficiency standards / better design / improved construction technologies / choice of materials) and/or reduce energy consumption? [Yes](#)
- 4) Will it increase the amount of energy obtained from renewable and low carbon sources? [Yes](#)

How was the overall impact of the proposal on its ability to positively address the cause and effects of climate change rated?

Green - Only positive impacts identified



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

The construction the the buildings will be designed to acheive a minimum of Low Passive House standards We are proposing the use of air source heat pumps and solar PV however, as a design and build contract the suscessful contractor will be able to offer alternative solutions. The buildings will also be designed on a fabric first approach. Following planning approval there is a requirement of 20% renewables on the project. The preferred bidder had proposed the use of air source heatpumpd to provide hot water. The development will be constructed to Low PassivHaus standards, however there is an option for low PassivHaus certification at extra cost.

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

Communities & Culture

Is the proposal likely to impact (positively or negatively) on the development of safe, vibrant, inclusive and engaged communities? [Don't Know](#)

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will it help maintain and expand vibrant voluntary and community organisations? [Not Relevant](#)
- 2) Will it promote a safe community environment? [Yes](#)
- 3) Will it promote and develop cultural activities? [Don't know even though may be relevant](#)

How would the overall impact of the proposal on the development of safe, vibrant, inclusive and engaged communities be rated?

Amber - Minor negative
impacts identified /
unknown impacts



Reasoning for the answer (details of impacts including evidence and knowledge gaps):

[This development of to provide temporary accomodation for homeless people and there families. The developmnet will provide a safe and secure environment for these people to live while there needs are being assessed and permanent accomodation is being sourced.](#)

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

[There is no real community as residents of the site will have a maximum stay around 6 months.](#)

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

Waste & Resource Use

Is the proposal likely to have any impacts (positive or negative) on waste resource use or production and consumption? [Yes](#)

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will it prevent waste or promote the reduction, re-use, recycling or recovery of materials? [Yes](#)
- 2) Will it use sustainable production methods or reduce the need for resources?
[Yes](#)
- 3) Will it manage the extraction and use of raw materials in ways that minimise depletion and cause no serious environmental damage?
[Don't know even though may be relevant](#)
- 4) Will it help to reduce the amount of water abstracted and / or used?
[Don't know even though may be relevant](#)

How would the overall impact of the proposal on the sustainable production and consumption of natural resources be rated?

**Amber - Minor negative
impacts identified /
unknown impacts**



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

[The successful contractor will be required to produce a site waste management plan with the aim of 75% of waste to be recycled and the waste management is to be managed by the BRE Smartwaste software.](#)

Details of proposed mitigation/remedial action and monitoring
(inc. timescales, responsible officers, related business plans etc):

[As above](#)

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

Economy

Is the proposal likely to impact (positively or negatively) on the area's ability to support, maintain and grow a sustainable, diverse and thriving economy? [Yes](#)

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will the proposal encourage local business creation and / or growth?

[Don't know even though may be relevant](#)

- 2) Will the proposal enable local jobs to be created or retained?

[Partially](#)

- 3) Will the proposal promote sustainable business practices?

[Don't know even though may be relevant](#)

How would the overall impact of the proposal on it's potential to support and maintain a sustainable, diverse and thriving economy be rated?

Amber - Minor negative
impacts identified /
unknown impacts



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

[The Preferred Bidder will be using a mix of directly employed and agency local labour for the project. Once complete some of the labour may be redeployed onto another project.](#)

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

[The Preferred Bidder is based in Poole and has its own direct labour. Additional labour sourced via an agency will be required during the contract along with specialist trades.](#)

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

Health & Wellbeing

Is the proposal likely to impact (positively or negatively) on the creation of a inclusive and healthy social and physical environmental for all?

Don't Know

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will the proposal contribute to improving the health and wellbeing of residents or staff?

Yes

- 2) Will the proposal contribute to reducing inequalities?

Don't know even though may be relevant

- 3) Will the proposal contribute to a healthier and more sustainable physical environment for residents or staff?

Yes

How would the overall impact of the proposal on the creation of a fair and healthy social and physical environmental for all be rated?

Amber - Minor negative
impacts identified /
unknown impacts



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

The new accomodation will have an impact for those residents who have been living on the steet or sharing accomodation. It will give them a clean and warm home and there own personal space.

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

The deveopment is for a section of the population that has found itself in a homeless situation and the accomodation/development is only for those residents and the staff that maintain the site.

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

Learning & Skills

Is the proposal likely to impact (positively or negatively) on a culture of ongoing engagement and excellence in learning and skills? [Don't Know](#)

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will it provide and/or improve opportunities for formal learning?
Don't know even though may be relevant
- 2) Will it provide and/or improve community learning and development?
[Don't know even though may be relevant](#)
- 3) Will it provide and/or improve opportunities for apprenticeships and other skill based learning?
[Don't know even though may be relevant](#)

How would the overall impact of the proposal on the encouragement of learning and skills be rated?

Green - Only positive impacts identified



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

[The may be opportunites for the preferred bidder to provide apprenticeships and to provide some educational information to the local schools.](#)

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

[The amount of learning and skills that a preferred bidder will be able to provide will depend on the overall project programme and the number of different trades and their willingness to invest outside of thier contract.](#)

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

Natural Environment

Is the proposal likely to impact (positively or negatively) on the protection or enhancement of local biodiversity or the access to and quality of natural environments?

Yes

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will it help protect and improve biodiversity i.e. habitats or species (including designated and non-designated)? Partially
- 2) Will it improve access to and connectivity of local green spaces whilst protecting and enhancing them? No
- 3) Will it help protect and enhance the landscape quality and character?
Partially
- 4) Will it help to protect and enhance the quality of the area's air, water and land?
Don't know even though may be relevant

How would the overall impact of your proposal on the protection and enhancement of natural environments be rated?

Amber - Minor negative
impacts identified /
unknown impacts



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

The site has an active badger set and this has already had works undertaken to protect their environment. The sections of woodland to the south and west of the site will remain untouched.

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

The site has an active badger set and this has already had works undertaken to protect their environment. The sections of woodland to the south and west of the site will remain untouched.

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

Sustainable Procurement

Does your proposal involve the procurement of goods, services or works? [Yes](#)

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

Has or is it intended that the Strategic Procurement team be consulted?

[Yes - already underway](#)

If the Strategic Procurement team was not consulted, then the explanation for this is:

- 1) Do the Government Buying Standards (GBS) apply to goods and/or services that are planned to be bought?
[Yes](#)
- 2) Has sustainable resource use (e.g. energy & water consumption, waste streams, minerals use) been considered for whole life-cycle of the product/service/work?
[Don't know even though may be relevant](#)
- 3) Has the issue of carbon reduction (e.g. energy sources, transport issues) and adaptation (e.g. resilience against extreme weather events) been considered in the supply chain?
[Don't know even though may be relevant](#)
- 4) Is the product/service fairly traded i.e. ensures good working conditions, social benefits e.g. Fairtrade or similar standards?
[Proc_Fairtrade](#)
- 5) Has the lotting strategy been optimised to improve prospects for local suppliers and SMEs?
[Not Relevant](#)
- 6) If aspects of the requirement are unsustainable then is continued improvement factored into your contract with KPIs, and will this be monitored?
[Don't know even though may be relevant](#)

How is the overall impact of your proposal on procurement which supports sustainable resource use, environmental protection and progressive labour standards been rated?

Amber - Minor negative
impacts identified /
unknown impacts



Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

The reasoning for the answer (details of impacts including evidence and knowledge gaps):

[A procurement exercise has now taken place with this DIA replacing DIA 235 prepared prior to the tender process.](#)

Details of proposed mitigation/remedial action and monitoring (inc. timescales, responsible officers, related business plans etc):

The preferred bidder is proposing to construct the development to a minimum of Low PassiveHaus and to include the use of air source heat pumps to make up the 20% renewable planning condition requirement

Appendices 2. Includes Equalities Impact Assessment, DIA 315 Report & VFM Statement.

Transport & Accessibility

Is the proposal likely to have any impacts (positive or negative) on the provision of sustainable, accessible, affordable and safe transport services - improving links to jobs, schools, health and other services? [Yes](#)

If the answer was No, then the explanation is below (there are no answers to subsequent questions in this section):

- 1) Will it support and encourage the provision of sustainable and accessible modes of transport (including walking, cycling, bus, trains and low emission vehicles)?

Yes

- 2) Will it reduce the distances needed to travel to access work, leisure and other services? [Partially](#)

- 3) Will it encourage affordable and safe transport options?

[Partially](#)

How would the overall impact of your proposal on the provision of sustainable, accessible, affordable and safe transport services be rated?

**Amber - Minor negative
impacts identified /
unknown impacts**



The reasoning for the answer (details of impacts including evidence and knowledge gaps):

[The development will require the materials and staff to be transported to the site for the construction process. any impact on the surrounding area will be limited to operations at either end of the day and deliveries to site.](#)

Details of proposed mitigation and monitoring (inc. timescales, responsible officers, related business plans etc):

[Delivery times can be scheduled to take place outside of peak times.](#)

REPORT

Nov-2021

BENCHMARK REPORT

Herbert Avenue, Poole

for

Poole Housing Partnership

Prepared By

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BENCHMARK REPORT

Herbert Avenue, Poole
Poole Housing Partnership

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AUTHORISATION

This report has been prepared by:

Signature 
Daniel Partridge MRICS

and authorised for issue by:

Signature 
Richard Quarry MRICS

BENCHMARK REPORT

Herbert Avenue, Poole
Poole Housing Partnership



1.0 EXECUTIVE SUMMARY

The costs stated in this report are based on the tender sum submitted by AJC Homes, as adjusted and agreed during the tender evaluation.

This report has been produced to show the value for money being achieved by the Temporary Housing project at Herbert Avenue, Poole, based on the adjusted AJC Homes tender.

RLB have compared the Herbert Avenue adjusted tender sum from AJC Homes against the cost of other schemes of similar size and nature to establish where Herbert Avenue sits within the wider market in respect of construction costs.

1.1 SUMMARY OF TENDER SUM

	£	Cost / GIA £	Cost / NIA £
Dwelling Costs	1,598,287	1,156	1,246
External Works	370,415	268	289
Build Costs (Excl. On Costs)	1,968,702	1,424	1,534
Contractor Preliminaries (incl. design fees)	580,131	420	452
Contractor Overhead & Profits	301,614	218	235
Project Risk	72,690	53	57
Total Build Cost	2,923,137	2,115	2,278

The costing of this project is at 3Q2021.

This tender sum relates to build / construction cost only and excludes other development costs such as finance, sales and marketing.

1.2 PROGRAMME

Works will commence on site **1st Quarter 2022**, with a programme of 59 weeks.

1.3 KEY ISSUES / CONSIDERATIONS

This tender sum is based on the costs submitted and evaluated during the tender process, and is the proposed contract sum for the project.

Tenders were received within 3Q21, so all benchmarking costs referred to have been rebased to this quarter using the BCIS TPI indices. It should be noted however that the BCIS indices are somewhat reactive to the market conditions which are currently unusually volatile. It is the opinion of RLB that real cost inflation is currently higher than the BCIS forecasts.

BENCHMARK REPORT

Herbert Avenue, Poole
Poole Housing Partnership



1.0 EXECUTIVE SUMMARY

1.4 RLB IN-HOUSE COST BENCHMARKING DATA

Project benchmark comparisons have been made based upon Rider Levett Bucknall's database of costs together with external cost data from relevant projects.

Examples of other residential housing projects have been used, adjusted to the Poole Area and rebased to 3Q2021 using the BCIS TPI indices.

RLB apartment benchmark data based on total project cost per m2 (rebased): **£2,098/m2**.

1.5 BCIS COST BENCHMARKING DATA

Project benchmark comparisons have been made based upon the BCIS cost database, deemed by Rider Levett Bucknall as sufficiently similar in size and nature to the Herbert Avenue scheme.

Examples of other residential housing projects have been used, adjusted to the Poole area and rebased to 3Q2021. All the projects listed are new build.

BCIS apartment benchmark data based on total project cost per m2 (rebased): **£2,112/m2**.

1.6 SUMMARY & RECOMMENDATIONS

The Herbert Avenue adjusted tender sum received from AJC Homes represents a cost per m2 of **£2,115/m2**, which is marginally (within 1%) higher than both the RLB in-house and published BCIS cost data.

Whilst this is the case, it should be noted that the current market conditions are unusually volatile due to implications from Brexit and Covid-19. The BCIS inflation forecast data used to rebase all of the cost benchmark data is therefore required to be viewed with some scepticism. For example the currently BCIS forecast for 4Q2021 is greater than 3% higher than that of 3Q2021 where these costs are based.

Furthermore, the Tender sum includes a 3% sum to account for material price increases being experienced in the current market, effectively projecting the tender sum into future cost beyond 3Q2021.

It is therefore the opinion of RLB that the tender submission received by AJC Homes for the Herbert Avenue project, whilst robust, represents good value for money in the current market.

BENCHMARK REPORT

Herbert Avenue, Poole
Poole Housing Partnership

2.0 BENCHMARKING SUMMARY

HOUSING AND APARTMENT BENCHMARKING

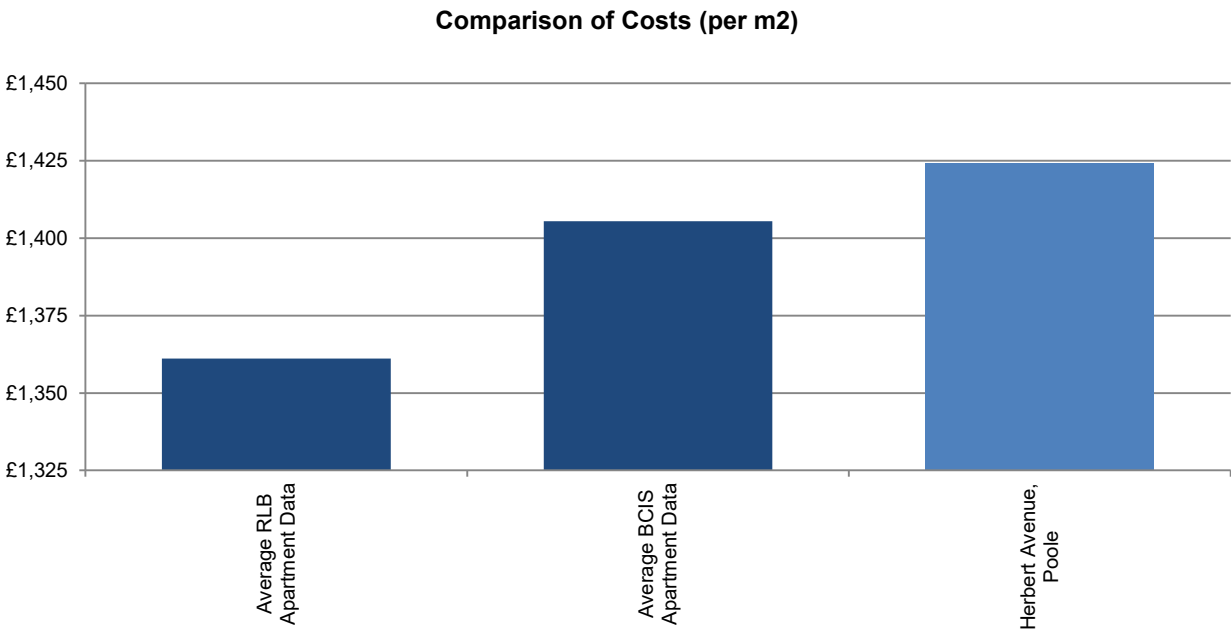
Project benchmark comparisons have been made based upon Rider Levett Bucknall's database of costs together with external cost data from relevant projects.

Project details for comparison

Examples of other residential housing projects have been used, adjusted to the Poole Area and rebased to 3Q2021. All the projects listed are new build.

2.1 BUILD COST BENCHMARKING SUMMARY

Comparison of Project Costs / m2 GIA



Project	£ Cost / m²
Average RLB Apartment Data	1,361
Average BCIS Apartment Data	1,406
Herbert Avenue, Poole	1,424

BENCHMARK REPORT

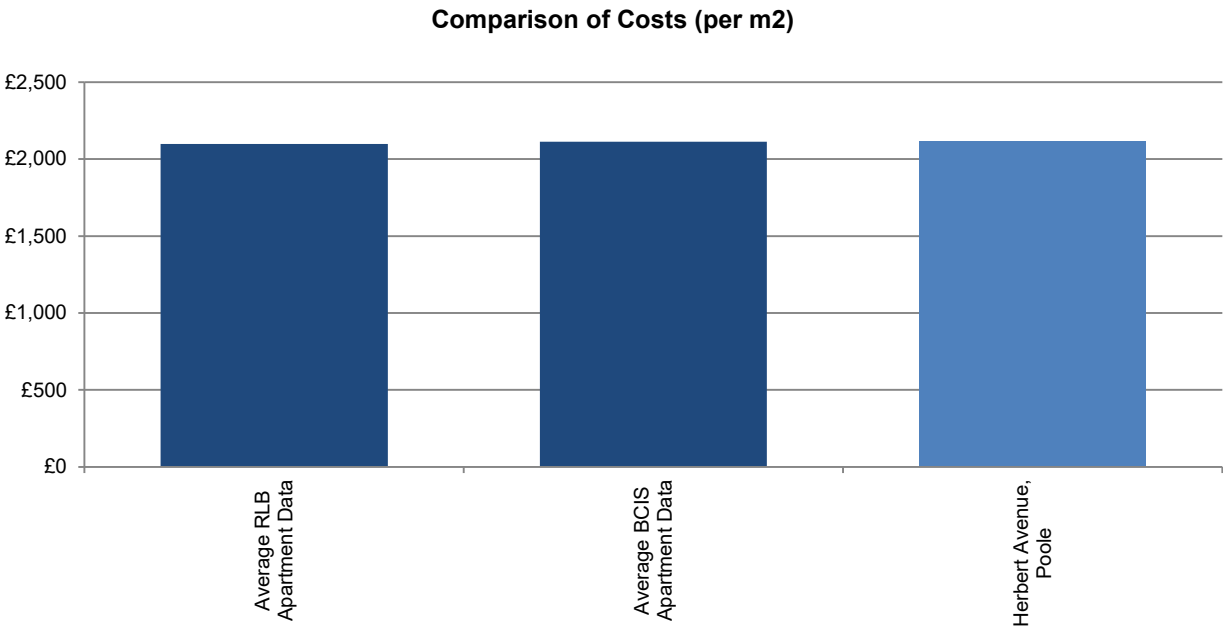
Herbert Avenue, Poole
Poole Housing Partnership

2.0 BENCHMARKING SUMMARY

HOUSING AND APARTMENT BENCHMARKING

2.2 PROJECT COST BENCHMARKING SUMMARY

Comparison of Project Costs / m2 GIA



To understand the true benchmark position of the data, consideration of project specific factors affecting the cost/m² e.g. Abnormals, needs to be undertaken.

Project	£ Cost / m ²
Average RLB Apartment Data	2,098
Average BCIS Apartment Data	2,112
Herbert Avenue, Poole	2,115

BENCHMARK REPORT

Herbert Avenue, Poole
Poole Housing Partnership

3.0 RLB APARTMENT BENCHMARK SUMMARY

RLB APARTMENT BENCHMARKING

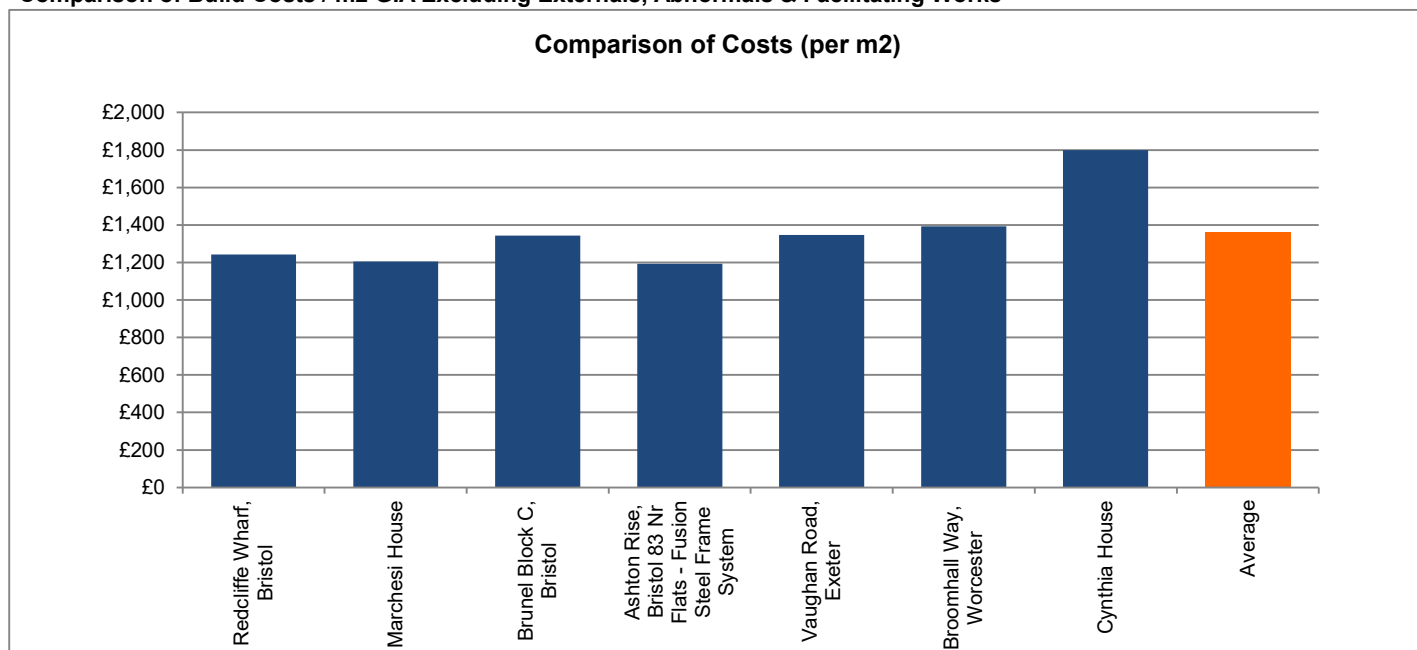
Project benchmark comparisons have been made based upon Rider Levett Bucknall's database of costs together with external cost data from relevant projects.

Project details for comparison

Examples of other residential housing projects have been used, adjusted to the Bristol area and rebased to 3Q2021. All the projects listed are new build.

3.1 BUILD COST BENCHMARKING

Comparison of Build Costs / m2 GIA Excluding Externals, Abnormals & Facilitating Works



Review and interpretation of findings to generate normalised assessment

To understand the true benchmark position of the data, consideration of project specific factors affecting the cost/m² e.g. Abnormals, needs to be undertaken.

Project	£ Cost / m ²	Locations	Date
Redcliffe Wharf, Bristol	1,244	Bristol	1Q2018
Marchesi House	1,205	Weymouth	1Q2021
Brunel Block C, Bristol	1,343	Bristol	2Q2017
Ashton Rise, Bristol 83 Nr Flats - Fusion Steel Frame System	1,194	Bristol	1Q2019
Vaughan Road, Exeter	1,349	Exeter	1Q2017
Broomhall Way, Worcester	1,394	Worcester	2Q2021
Cynthia House	1,801	Poole	3Q2020
Average	1,361		

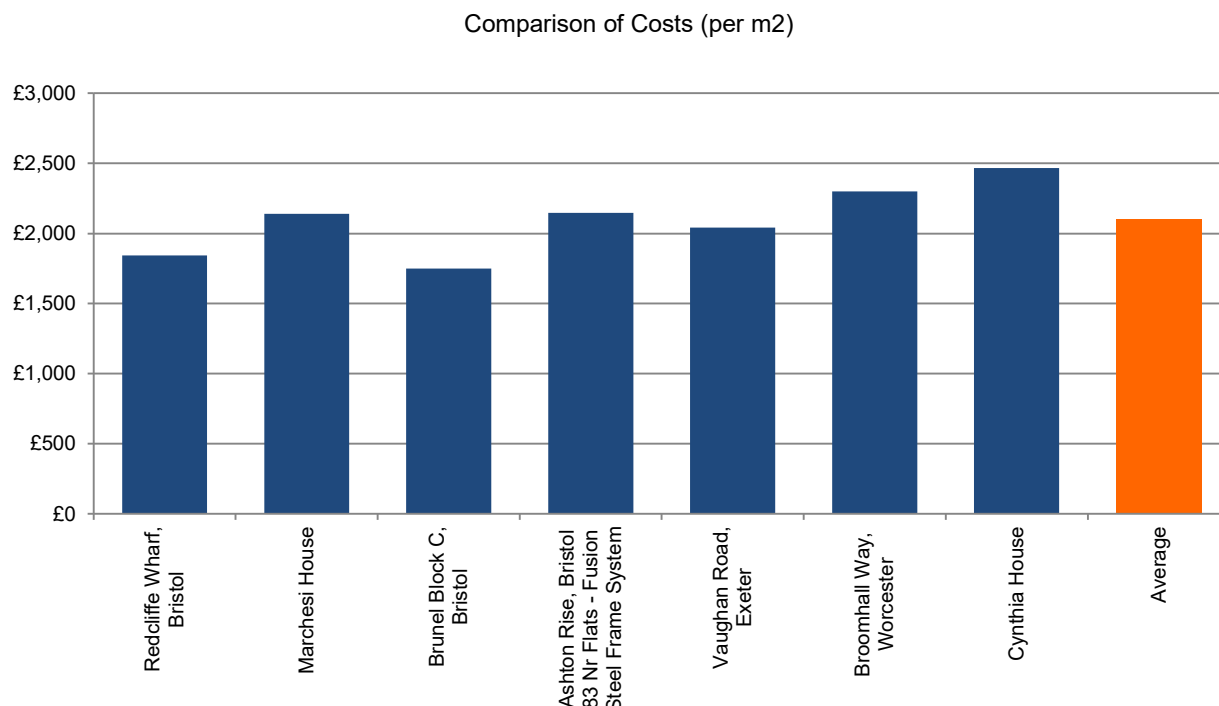
BENCHMARK REPORT

Herbert Avenue, Poole
Poole Housing Partnership

3.0 RLB APARTMENT BENCHMARK SUMMARY

3.2 PROJECT COST BENCHMARKING

Comparison of Project Costs / m2 GIA



Review and interpretation of findings to generate normalised assessment

To understand the true benchmark position of the data, consideration of project specific factors affecting the cost/m² e.g. Abnormals, needs to be undertaken.

Project	£ Cost / m ²	Locations	Date
Redcliffe Wharf, Bristol	1,843	Bristol	1Q2018
Marchesi House	2,139	Weymouth	1Q2021
Brunel Block C, Bristol	1,748	Bristol	2Q2017
Ashton Rise, Bristol 83 Nr Flats - Fusion Steel Frame System	2,147	Bristol	1Q2019
Vaughan Road, Exeter	2,041	Exeter	1Q2017
Broomhall Way, Worcester	2,299	Worcester	2Q2021
Cynthia House	2,465	Poole	3Q2020
Average	2,098		

4.0 RLB APARTMENT BENCHMARK ELEMENTAL DATA

	Redcliffe Wharf, Bristol		Marchesi House (Apartments Only)		Brunel Block C, Bristol		Ashton Rise, Bristol 83 Nr Flats - Fusion Steel Frame System		Vaughan Road, Exeter		Broomhall Way, Worcester (Apartments Only)		Cynthia House (Apartments Only)		Average
	£	£/m2	£	£/m2	£	£/m2	£	£/m2	£	£/m2	£	£/m2	£	£/m2	£/m2
	4,712 m²		674 m²		2,175 m²		4,728 m²		1,840 m²		2,828 m²		778 m²		2,534 m²
GIFA															
SUBSTRUCTURE															
Substructure / Basement	£1,073,655	£228	£73,466	£109	£270,938	£125	£757,387	£160	£113,132	£61	£301,601	£106.63	£85,998	£111	£129
SUPERSTRUCTURE															
Frame / Structural Alterations	£1,018,067	£216	£0	£0	£763,288	£351	£908,385	£192	£12,292	£7	£121,625	£43	£331,779	£426	£176
Upper Floors	Included	Included	£46,506	£69	£90,003	£41	£167,263	£35	£178,620	£97	£0	£0	£68,255	£88	£55
Roof	£353,174	£75	£55,268	£82	£134,013	£62	£228,869	£48	£205,172	£112	£484,704	£171	£29,354	£38	£84
Stairs	£88,874	£19	£12,132	£18	£53,965	£25	£41,827	£9	£60,868	£33	£71,925	£25	£3,844	£5	£19
External Walls	£750,121	£159	£210,962	£313	£328,274	£151	£613,662	£130	£163,960	£89	£932,060	£330	£117,880	£152	£189
External Doors and Windows	£506,991	£108	£47,854	£71	£208,060	£96	£215,960	£46	£109,731	£60	£98,001	£35	£66,577	£86	£71
Internal Walls	£297,486	£63	£30,330	£45	£147,858	£68	£0	£0	£198,649	£108	£316,463	£112	£148,696	£191	£84
Internal Doors	£140,113	£30	£12,806	£19	£104,686	£48	£96,944	£21	£28,116	£15	£72,147	£26	£31,989	£41	£28
FINISHES															
Wall Finishes	£258,337	£55	£42,462	£63	£79,354	£36	£691,964	£146	£198,716	£108	£203,866	£72	£14,358	£18	£71
Floor Finishes	£32,603	£7	£14,154	£21	£174,283	£80	£137,365	£29	£117,975	£64	£91,260	£32	£27,849	£36	£38
Ceiling Finishes	£124,177	£26	£34,374	£51	£78,163	£36	£156,671	£33	£43,067	£23	£52,301	£18	£9,576	£12	£29
FITTINGS AND FURNISHINGS															
Fittings and Furnishings	£190,425	£40	£37,744	£56	£250,915	£115	£311,150	£66	£76,211	£41	£102,245	£36	£53,445	£69	£61
SERVICES															
Sanitary Installations	£71,547	£15	£12,806	Included	Included	Included	£60,341	£13	£39,037	£21	Included	Included	£20,400	Included	£16
Services Equipment	Included	Included	£7,414	Included	Included	Included	Included	Included	Included	Included	Included	Included	£0	Included	
Disposal Installations	Included	Included	£10,784	Included	Included	Included	Included	Included	Included	Included	Included	Included	£17,901	Included	
Water Installations	Included	Included	£14,154	£21	Included	Included	£530,370	£112	Included	Included	Included	Included	£32,880	£42	£58
Heat Source	Included	Included	£35,048	Included	Included	Included	Included	Included	Included	Included	Included	Included	£98,726	Included	
Space Heating and Air Conditioning	Included	Included	£0	Included	Included	Included	Included	Included	£363,612	£198	£599,839	£212	£19,608	Included	£205
Ventilating Systems	Included	Included	£0	Included	Included	Included	Included	Included	Included	Included	Included	Included	£50,220	Included	
Electrical Installations	£893,748	£190	£45,832	£68	Included	Included	£332,473	£70	£165,514	£90	£213,573	£76	£52,834	£68	£94
Fuel Installations	Included	Included	£0	Included	Included	Included	Included	Included	Included	Included	Included	Included	£0	Included	
Lift and Conveyor Installations	Excluded	Excluded	£0	£0	Excluded	Excluded	£213,164	£45	Excluded	Excluded	Excluded	Excluded	£42,900	£55	£33
Fire and Lighting Protection	Included	Included	£0	Included	Included	Included	£90,397	£19	Included	Included	Included	Included	£23,645	Included	£19
Communication and Security Installations	Included	Included	£0	Included	Included	Included	£39,360	£8	Included	Included	Included	Included	£0	Included	£8
Special Installations	Included	Included	£0	Included	£24,268	£11	Included	Included	Included	Included	Included	Included	£15,000	Included	£11
Builders Work	Included	Included	£3,370	Included	£13,512	£6	£27,058	£6	£85,808	£47	Included	Included	£0	Included	£20
Building Sub-Total	£5,799,317	£1,231	£747,466	£1,109	£2,721,579	£1,251	£5,620,609	£1,189	£2,160,480	£1,174	£3,661,608	£1,295	£1,363,715	£1,753	£1,286

4.0 RLB APARTMENT BENCHMARK ELEMENTAL DATA

	Redcliffe Wharf, Bristol		Marchesi House (Apartments Only)		Brunel Block C, Bristol		Ashton Rise, Bristol 83 Nr Flats - Fusion Steel Frame System		Vaughan Road, Exeter		Broomhall Way, Worcester (Apartments Only)		Cynthia House (Apartments Only)		Average
	£	£/m2	£	£/m2	£	£/m2	£	£/m2	£	£/m2	£	£/m2	£	£/m2	£/m2
GIFA	4,712 m²		674 m²		2,175 m²		4,728 m²		1,840 m²		2,828 m²		778 m²		2,534 m²
Facilitating Works	Included	Included	£35,327	£52	Included	Included	Included	Included	Included	Included	£221,014	£78	£41,566	£53	£61
Site Works	£991,054	£210	£154,660	£229	£115,581	£53	£1,167,248	£247	£221,369	£120	£607,605	£215	£82,551	£106	£169
Drainage	£200,272	£43	£28,260	£42	£57,419	£26	£446,214	£94	£85,991	£47	£346,031	£122	£42,808	£55	£61
External Services	£273,345	£58	£2,810	£4	£24,610	£11	£458,681	£97	£163,205	£89	£89,520	£32	£26,598	£34	£46
Minor Building Works	Included	Included	£0	£0	Included	Included	Included	Included	£15,333	£8	Included	Included	£987	£1	£3
Demolition and Works Outside the Site	Included	Included	Included	Included	Included	Included	Included	Included	£31,196	£17	Included	Included	Included	Included	£17
Preliminaries	£1,151,754	£244	£358,827	£532	£420,499	£193	£1,414,543	£299	£592,367	£322	£1,115,226	£394	£308,995	£397	£340
Contingencies	£178,309	£38	Included	Included	Included	Included	£369,704	£78	Included	Included	Included	Included	Included	Included	£58
Total (less Design Fees)	£8,594,052	£1,824	£1,327,351	£1,969	£3,339,688	£1,535	£9,477,000	£2,004	£3,269,941	£1,777	£6,041,005	£2,136	£1,867,222	£2,400	£1,949
Design Fees	Included	Included	Included	Included	£204,082	£94	£652,913	Included	Included	Included	Included	Included	Included	Included	£94
Total	£8,594,052	£1,824	£1,327,351	£1,969	£3,543,770	£1,629	£10,129,914	£2,004	£3,269,941	£1,777	£6,041,005	£2,136	£1,867,222	£2,400	£1,963
Abnormal Costs			£0	£0	£0	£0	£624,354	£133	£0	£0	£0	£0	£0	£0	£22
Total	£8,594,052	£1,824	£1,327,351	£1,969	£3,543,770	£1,629	£10,754,268	£2,137	£3,269,941	£1,777	£6,041,005	£2,136	£1,867,222	£2,400	£1,982

Build Cost Only		£1,231		£1,109		£1,251		£1,189		£1,174		£1,295		£1,753	£1,286
Date Adjustment		£49		£37		£130		£29		£148		£31		£48	£68
Date Adjusted Build Cost		£1,280		£1,146		£1,382		£1,218		£1,322		£1,326		£1,801	£1,353
Location Adjustment		-£36		£58		-£39		-£23		£26		£68		£0	£8
Location & Date Adjusted Build Cost		£1,244		£1,205		£1,343		£1,194		£1,349		£1,394		£1,801	£1,361

Total Contract Sum		£1,824		£1,969		£1,629		£2,137		£1,777		£2,136		£2,400	£1,982
Date Adjustment		£73		£66		£170		£52		£224		£52		£65	£100
Date Adjusted Contract Sum		£1,897		£2,035		£1,799		£2,189		£2,001		£2,187		£2,465	£2,082
Location Adjustment		-£54		£104		-£51		-£42		£40		£112		£0	£16
Location & Date Adjusted Build Cost		£1,843		£2,139		£1,748		£2,147		£2,041		£2,299		£2,465	£2,098

BENCHMARK REPORT

Herbert Avenue, Poole
Poole Housing Partnership

5.0 BCIS APARTMENT BENCHMARK SUMMARY

BCIS APARTMENT BENCHMARKING

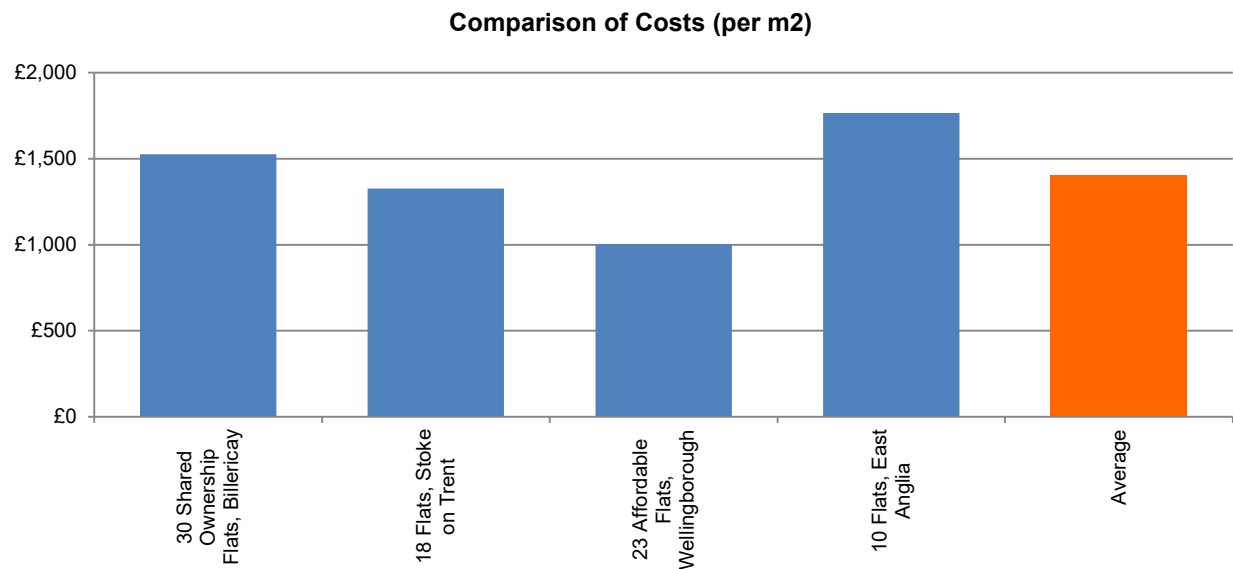
Project benchmark comparisons have been made based upon the BCIS cost database, deemed by Rider Levett Bucknall as sufficiently similar in size and nature to the Herbert Avenue scheme.

Project details for comparison

Examples of other residential housing projects have been used, adjusted to the Poole area and rebased to 3Q2021. All the projects listed are new build.

5.1 BCIS BUILD COST BENCHMARKING

Comparison of Build Costs / m2 GIA Excluding Abnormals & Facilitating Works



Review and interpretation of findings to generate normalised assessment

To understand the true benchmark position of the data, consideration of project specific factors affecting the cost/m² e.g. Abnormals, needs to be undertaken.

Project	£	Cost / m²	Locations	Date
30 Shared Ownership Flats, Billericay	£	1,526	Essex	1Q2020
18 Flats, Stoke on Trent	£	1,327	Staffordshire	1Q2019
23 Affordable Flats, Wellingborough	£	1,003	Northamptonshire	3Q2017
10 Flats, East Anglia	£	1,766	East Anglia	1Q2019
Average	£	1,406		

BENCHMARK REPORT

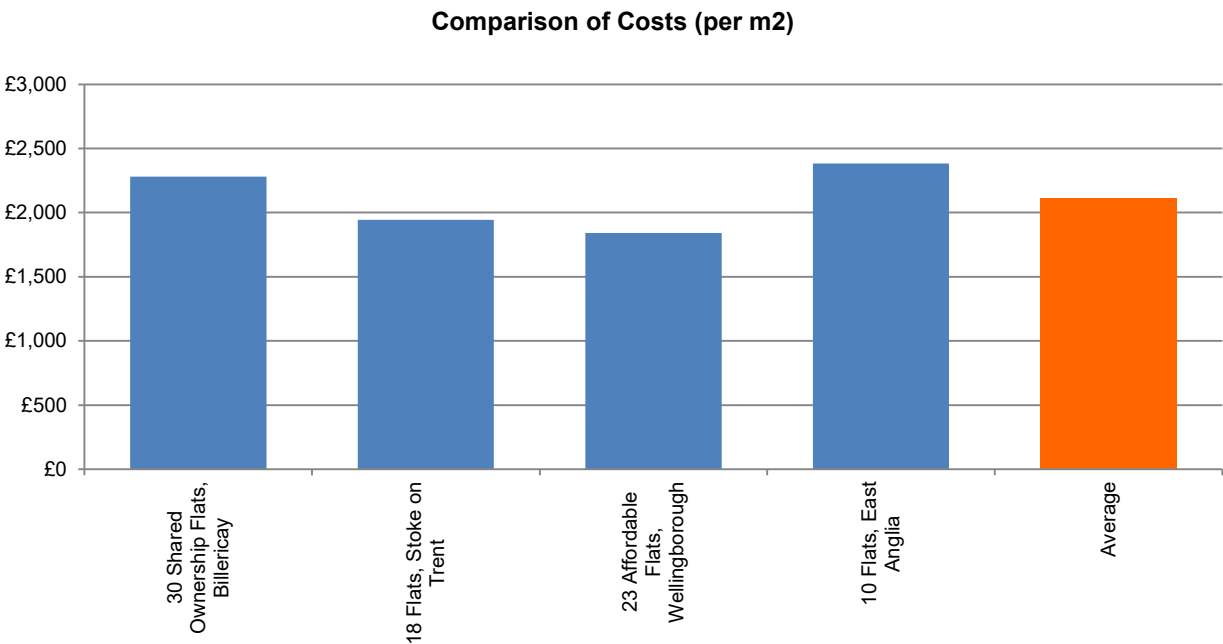
Herbert Avenue, Poole
Poole Housing Partnership

5.0 BCIS APARTMENT BENCHMARK SUMMARY

BCIS APARTMENT BENCHMARKING

5.2 BCIS PROJECT COST BENCHMARKING

Comparison of Project Costs / m2 GIA



Review and interpretation of findings to generate normalised assessment

To understand the true benchmark position of the data, consideration of project specific factors affecting the cost/m² e.g. Abnormals, needs to be undertaken.

Project	£ Cost / m²	Locations	Date
30 Shared Ownership Flats, Billericay	2,280	Essex	1Q2020
18 Flats, Stoke on Trent	1,943	Staffordshire	1Q2019
23 Affordable Flats, Wellingborough	1,842	Northamptonshire	3Q2017
10 Flats, East Anglia	2,382	East Anglia	1Q2019
Average	2,112		

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