

Public Document Pack



MEETING:	Audit and Governance Committee
DATE:	Wednesday 20 March 2024
TIME:	2.00 pm
VENUE:	Council Chamber, Barnsley Town Hall

AGENDA

1. Declarations of Pecuniary and Non-Pecuniary Interest
2. Minutes (*Pages 3 - 10*)
To receive the minutes of the meeting held on 24 January 2024.
3. Review of Terms of Reference (*Pages 11 - 18*)
4. Corporate Assurance Team (Anti-Fraud) Progress Report (*Pages 19 - 26*)
5. Corporate Assurance (Internal Audit) Progress Report (*Pages 27 - 40*)
6. Corporate Anti-Fraud Framework (*Pages 41 - 136*)
7. External Audit Update (*Verbal Report*)
8. Constitution Review (*Pages 137 - 138*)
9. Strategic Risk Register (*Pages 139 - 144*)
10. Medium Term Financial Strategy (**For Information Only**) (*Pages 145 - 322*)
11. Corporate Finance and Performance Management & Capital Programme Update (**For Information Only**) (*Pages 323 - 356*)
12. Audit and Governance Committee Work Programme 2023/24 (*Pages 357 - 364*)
13. Exclusion of the Public and Press
To consider if the public and press should be excluded from this meeting during the consideration of the following items because of the likely disclosure of exempt information.
14. Draft Corporate Assurance Plan 2024-25 (*Pages 365 - 380*)
Reason restricted:
Paragraph (7) Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.
15. Special Educational Needs Performance and Finance Report Quarter 3 2023/24 (*Pages 381 - 394*)
Reason restricted:
Paragraph (2) Information which is likely to reveal the identity of an individual.

To: Chair and Members of Audit and Governance Committee:-

Councillors Lofts (Chair), Barnard, Richardson and C Wray; together with Co-opted members Dr R Adams, Ms K Armitage, Mr G Bandy, Mr P Johnson and Mr S Wragg

Sarah Norman, Chief Executive

All Executive Directors

Wendy Popplewell, Executive Director Core Services

Neil Copley, Director of Finance (S151 Officer)

Sharon Bradley, Head of Corporate Assurance

Gillian Martin, Corporate Assurance Manager

Sukdave Ghuman, Service Director Law and Governance Services (Monitoring Officer)

Michael Potter, Service Director Business Improvement, HR and Communications

Council Governance Unit – 3 copies

Please contact Daisy Thorpe on email governance@barnsley.gov.uk

Tuesday 12 March 2024

MEETING:	Audit and Governance Committee
DATE:	Wednesday 24 January 2024
TIME:	2.00 pm
VENUE:	Council Chamber, Barnsley Town Hall

MINUTES

Present Councillors Lofts (Chair), Barnard and Richardson together with Independent Members – Dr R Adams, Ms K Armitage, Mr G Bandy, Mr P Johnson and Mr S Wragg

66. DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTEREST

There were no declarations of interest from Members in respect of items on the agenda.

67. MINUTES

The minutes of the meeting held on the 15 November 2023 were taken as read and signed by the Chair as a correct record.

68. COMMITTEE EFFECTIVENESS REVIEW

The Head of Corporate Assurance submitted a report presenting the review of the effectiveness of the Committee.

The report highlighted the proposed actions to improve the effectiveness of the Committee following the review undertaken in October 2023. Such an exercise was recommended in CIPFAs guidance on audit committees.

An improvement action plan was attached at appendix A which contained a small number of actions which would be launched from the March Committee onwards.

It was noted that the new Corporate Assurance Team presented at a recent Cabinet meeting which was well received.

RESOLVED that the Committee considered the proposed actions to support the continuous improvement of the Committee's effectiveness and receive appropriate progress reports in due course.

69. LOCAL CODE OF CORPORATE GOVERNANCE

The Head of Corporate Assurance submitted a report presenting the draft Local Code of Corporate Governance.

There was no legal or statutory requirement for the Council to produce a Local Code of Corporate Governance however it remained best practice.

The code was substantially updated in 2020 and was approved by the Audit and Governance Committee in July 2020. The Code had been reviewed and continued to reflect the corporate position.

Member discussion arose regarding how organisations behave when things go wrong and whether this could be reflected in the Local Code of Corporate Governance. It was agreed that the wording of the code would be reworked to reflect this and re-circulated outside of the Committee to Members.

RESOLVED:

- (i) That the Committee considered the Local Code of Corporate Governance
- (ii) That the report be recommended for approval and publication on the Council's website (subject to the amendments noted above).

70. ANNUAL GOVERNANCE STATEMENT ACTION PLAN UPDATE

The Head of Corporate Assurance submitted a report presenting the Annual Governance Statement Action Plan Update.

The report provided the Committee with an update regarding the proposed Annual Governance Review (AGR) process that would be used to influence and assist in the preparation of the Council's Statutory Annual Governance Statement (AGS) for 2023/24. The consideration of the Council's governance and assurance framework and the preparation of the AGS were key responsibilities of the Committee.

Member discussion arose regarding actions that were included from previous financial years. It was noted that some actions were dependent on external inspectorates such as OFSTED completing a full inspection of Children's Services. External Audit has assessed the SEND action in the Value for Money (VFM) reporting in which they had assessed the Council's evidence and formed a view that the action should be downgraded from a key recommendation. This was subject to an internal Grant Thornton consistency panel in which external audit were satisfied with the progress to date.

It was noted that the format could be changed to include an extra column which provided detail on the progress made so far in completing the actions identified.

RESOLVED that the Committee noted the report and progress made against each item listed in the Action Plan.

71. ANNUAL GOVERNANCE REVIEW PROCESS

The Head of Corporate Assurance submitted a report to provide the Committee with an update regarding the Annual Governance Review (AGR) process that had been determined and used to influence and assist in the preparation of the Council's Statutory Annual Governance Statement (AGS) for 2023/24.

Members noted that the Governance and Assurance Framework and the preparation of the AGS were key responsibilities of the Committee and the proposed timescales for the Annual Governance Review Process were outlined within the report.

The process would be informed by input from the Governance and Ethics Board into the AGR process, timescales, approval of draft questionnaires and sources of assurance.

The timescales met the statutory deadlines for the publication of the Statutory Accounts and the AGS by 30th September 2024.

Member discussion arose regarding the Governance and Ethics Board and its terms of reference. It was noted that the Board was established a year ago and was designed to be an internal consultation body. The membership of the Board consisted of officers who were responsible for governance in their directorates.

RESOLVED that Members:

- (i) Considered the proposed Annual Governance Review Process for 2023/24
- (ii) Receive further reports relating to the Annual Governance Review Process for 2023/24 and how the Review will be used to inform the development of the Annual Governance Statement.

72. STRATEGIC RISK REGISTER

The Head of Corporate Assurance submitted a report that provided an update to the Committee on the current thirteen strategic risks and introduced the next scheduled strategic risks for the Audit and Governance Committee meeting.

Members were informed that when reviewing the Audit and Governance Committee work programme it was noted that the Committee had not received a full update report on the strategic risks for some time. Therefore, this report provided detail on all strategic risks with a further deep dive on Threat of Fraud/Cyber and Collaboration and Partnership Governance.

It was noted that the Strategic Risk Register was reviewed by the Senior Management Team (SMT) on 5 September 2023 and continued to contain thirteen risks. Three risks were classified as high (red response rating), ten risks were classified as medium (amber rating). No risks were classified as low (green rating).

In regard to the Threat of Fraud/Cyber strategic risk, the following key points were highlighted:

- There was a need to recognise the increasing and constant threat of fraud against the Council. This threat also included the possibility of a cyber enabled fraud attack being perpetrated against the Council.
- Action One (rag rating complete) – a specific annual fraud vulnerability questionnaire had been completed by each Business Unit.
- Action Two (rag rating green) – POD training had been reviewed to ensure practical guidance and training was available for all employees.
- Action Three (rag rating amber) – there was a need to develop POD training for specific roles where the risk of fraud is greatest.

- Action Four (rag rating amber) - A communication plan / strategy to ensure important messages are publicised across the Council and in the press as appropriate was currently being developed.
- Action Five (rag rating green) - SMT and the Information Governance Board had been provided with updates regarding the latest cyber threats and assurances regarding the technical measures in place and their effectiveness.
- Action Six (rag rating amber) – the Council had developed a Cyber Recovery Plan, and this was evaluated as part of a cyber exercise in early December 2023. A meeting was planned in February 2024 to review the plan, based on feedback from the exercise, and then further desktop internal testing within IT would be undertaken to assess the updated plan.

In regard to Partnership and Collaboration Governance, the following key points were highlighted:

- Many public services were delivered through partnerships or collaboration as well as emerging devolution arrangements. These must be robust, well governed but flexible and responsive to ensure objectives are met.
- Key partnerships of the Council included Berneslai Homes, the Integrated Care Partnership Board and Barnsley FC.
- Action one (rag rated green) – the Council had developed a corporate framework and guidance to support partnership and collaborative working.
- Action two (rag rating amber) - assurance was required regarding the arrangements in place for each partnership and collaboration covering matters such as the make-up of boards and their supporting governance.
- Action three (rag rating complete) - financial monitoring and reporting for Boards and Partnerships was included in the quarterly budget management process for DMT's/BU's.
- Action four (rag rating amber) – there was a need to ensure the new framework for the management and governance of partnerships and collaborations was woven into the annual governance review process.

Discussion arose regarding the risk in regard to cyber, it was noted that the Council were moving to the cloud-based system which provided better resilience, and the supplier would use partitions to further reduce risk.

It was also suggested by Members that the Risk of Fraud / Cyber be separated into 2 risks. The Head of Corporate Assurance agreed to discuss this with SMT at its meeting in February.

In discussions regarding Partnership and Collaborative Governance, it was noted that the Council ensured a rigorous contract management process with account managers routinely reviewing service level agreements.

RESOLVED that the Committee noted the current thirteen strategic risks and the updates from the two risks presented at the meeting.

73. CORPORATE ASSURANCE PLANNING CONSULTATION

The Head of Corporate Assurance submitted a report that set out the annual corporate assurance planning process.

The Audit and Governance Committee was requested to consider key risk and areas of concern where they feel Corporate Assurance coverage may be appropriate.

An indicative Plan would be prepared for consideration by the Committee at the March meeting with any revisions and changes to the Plan being incorporated into the quarterly Progress reports.

Discussion arose regarding planning assurance. It was noted that the Corporate Assurance team are currently consulting with the Growth and Sustainability directorate regarding the 2024-25 plan. Sometimes areas aren't included in the plan due to prioritisation of resources and the outcome of research i.e. risks, management assurance, other sources of assurance e.g. peer reviews or external inspections where a regulated service etc.

RESOLVED that:

- (i) Members noted the report and considered potential projects for consideration in the Corporate Assurance Annual Plan for 2024/25;
- (ii) Members should pass nominations for the 2024/25 Corporate Assurance Plan through the Chair for notification to the Head of Corporate Assurance;
- (iii) Members considered the proposed planning process and be satisfied that it is sufficiently robust that it will determine a value-adding assurance plan, informed by risk and through consultation with appropriate senior management; and;
- (iv) Members acknowledged the professional responsibility of the Head of Corporate Assurance (Head of Internal Audit) to ultimately determine the plan of assurance work.

74. AUDITOR'S ANNUAL REPORT ON 2022/23 VFM ARRANGEMENTS

Gareth Mills, representing the External Auditor, submitted the Auditor's Annual Report on 2022/23 Value for Money (VFM) arrangements.

Particular reference was made to the following:

- This was the third year that External Audit were required to assess the Council's VFM arrangements in particular detail.
- External Audit had downgraded the significant weakness in the Council's SEND arrangements from a key recommendation to an improvement recommendation due to the continuing progress made by the Council in this area.
- No areas of significant weakness had been identified which represented a good outcome for the Council.
- Like most Local Authorities, the Council continued to experience an increased demand for services within the context of a challenging financial climate.
- The Council had won two prestigious awards and such accolades from independent organisations provided significant recognition for the Council.

•External Audit raised two improvement recommendations. The first one was around presenting the latest and full Strategic Risk Register to the Audit and Governance Committee (which had happened in this meeting). The second recommendation was to separate the key roles of Head of Internal Audit and Data Protection Officer to eliminate any potential conflicts of interest.

Discussion arose regarding the Council's Asset Strategy. This was a key tenet of the Council's Medium Term Financial Plan and looked at running costs as well as asset disposal. Any asset disposal would result in capital receipts which would be used to reduce debt levels.

Member discussion took place regarding governance and decision making at other Local Authorities and at a national level. Members were informed that section 114 notices tended to be issued at Authorities where debt had been managed poorly including having no plan to pay back borrowing and investing in volatile commercial income schemes. At Barnsley, any significant plans were discussed with External Audit to ensure appropriate governance frameworks were in place.

It was noted that £56.6m of Lender Option Borrower Option (LOBOs) were repaid in Q2 2022-24. LOBOs were potentially volatile to interest rate fluctuations therefore repaying them had reduced the Council's exposure in this area.

RESOLVED that the Committee note the report.

75. EXTERNAL AUDIT UPDATE

Gareth Mills provided the Committee with a verbal External Audit update.

The Value for Money work had been completed and the audit certificate would be issued shortly which meant that the audit for 2022/23 was now completed.

The Committee was informed that Gareth's successor would continue the audit work and would be attending the March Committee meeting. The Committee thanked Gareth for his engagement and work over the past five years.

RESOLVED that the update be noted.

76. COMMITTEE WORK PROGRAMME 2023-24

The Head of Corporate Assurance submitted the Committee Work Programme 2023-24.

The work plan had been updated to reflect the new Corporate Assurance Team that replaces Internal Audit, Anti-Fraud and Assurance.

The two strategic risks to be considered in each future Committee meeting had been amended to ensure that the lead Executive Director can attend the meeting in person.

Members were invited to share ideas regarding training sessions, with the training session regarding the constitution to be scheduled shortly.

RESOLVED that the Committee note the updated work plan.

77. EXCLUSION OF THE PUBLIC AND PRESS

RESOLVED that the public and press be excluded from this meeting during the consideration of the following item in view of the likely disclosure of exempt information as defined by Paragraph 2 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

**78. SPECIAL EDUCATIONAL NEEDS PERFORMANCE AND FINANCE REPORT
QUARTER 2 2023/24**

The Executive Director – Children’s Services submitted the SEND Quarter 2 Performance and Finance Report.

N Sleight attended to present the report.

Two engagement events had now been held, bringing together representatives from parent/carer groups across Barnsley. Eight groups participated in the codesign and co-production of a consortium model.

There had been twenty-three whole school audits conducted in the previous academic year in both Primary and Secondary settings. SEND improvement Officers were now collaborating with the schools to deliver training relating to the needs of the schools and nine more audits took place in the Autumn term.

RESOLVED that the update be noted.

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Chair

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Audit and Governance Committee – Terms of Reference

	Function	How Discharged	Lead Officer	Frequency	A&G Action / Output
A	General Remit				
1	To provide independent assurance of the adequacy of the risk management framework and the associated control environment.	<p>Receive the Risk Management Strategy and Framework for periodic review.</p> <p>Receive an annual Risk Management report.</p> <p>Receive update reports and presentations on the Council's strategic and key other risks.</p>	<p>Head of Corporate Assurance</p> <p>Head of Corporate Assurance</p> <p>Head of Corporate Assurance / Relevant Exec. Directors</p>	<p>Every 3 years</p> <p>Annually</p> <p>At each meeting</p>	<p>Review the Risk Management Strategy and Framework and consider the assurances it provides that appropriate and effective arrangements for the management of risk are in place.</p> <p>Review the annual report and consider the assurances it provides regarding risk management activity during the year and that it aligns with the Annual Governance Statement.</p> <p>Receive presentations from the relevant Executive Directors on their strategic risks and consider the assurances they provide that the strategic risks are being managed effectively.</p>
2	To provide independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment.	Receive regular reports demonstrating the Council's financial and performance arrangements.	Director of Finance	Quarterly	Review the financial and performance monitoring reports (considered by Cabinet) and consider the assurances they provide that the arrangements are fit for purpose and effective.
3	To oversee the financial reporting process.	To receive the draft and final statement of accounts in accordance with statutory requirements.	Director of Finance	As per the statutory timescales	Review the draft and final accounts and consider the degree of assurance provided that they meet professional accounting standards and statutory timeframes.
4	To promote the application of and compliance with effective governance arrangements across the Authority and its partner organisations.	To receive reports regarding the Council's governance arrangements (assurance reports) and particularly the preparation of the statutory Annual Governance Statement.	Head of Corporate Assurance	As per the statutory timescales	Review the periodic governance assurance reports and reports regarding the preparation of the Annual Governance Statement and consider the assurances they provide that the Council's governance arrangements are in place and effective.
B	Internal Control incorporating Risk Management, Financial Probity and Stewardship				

	Function	How Discharged	Lead Officer	Frequency	A&G Action / Output
a	To consider the overall adequacy and effectiveness of the system of internal control and the arrangements for risk management, control and governance processes and securing economy, efficiency, and effectiveness (value for money).	Through a programme of reports and presentations covering the Authority's risk, control, and governance arrangements.	Head of Corporate Assurance	At each meeting / Annually	Review the Committee's workplan and consider whether it covers the necessary areas to fulfil the Committee's terms of reference and therefore provide the necessary information and assurances.
b	To ensure that the highest standards of financial probity and stewardship are maintained throughout the Authority, within policies set by the Council from time to time.	Receive for consideration and recommendation for approval the Council's Financial Regulations and supporting policies. Receive and consider relevant Corporate Assurance reports	Director of Finance Head of Corporate Assurance	As per review cycle or as required. Quarterly, within Corporate Assurance update reports.	Review the Council's Financial Regulations (and related policies) and consider whether they are fit for purpose, and therefore provide assurances to the Committee and to recommend to Cabinet / Council (as appropriate) for formal approval. Consider the assurances provided within the quarterly Corporate Assurance reports such that the Committee is assured of appropriate management action being taken to address any control weaknesses identified.
c	To consider such policies for consideration and approval by the Council.	Receive relevant draft policies for consideration and recommendation for approval.	Head of Corporate Assurance (for co-ordination)	As required	Review the draft policies and consider whether they are fit for purpose and will therefore provide the necessary control, risk, and governance framework.
d	To promote effective internal control by the systematic appraisal of the Authority's internal control mechanisms and by the development of an anti-fraud culture.	Receive regular Corporate Assurance reports (incorporating anti-fraud reports) and other governance assurance reports.	Head of Corporate Assurance and Governance Leads	At each meeting	Review the various reports and consider the degree of assurance they provide regarding the effectiveness of internal control arrangements.
e	To promote effective risk management throughout the Council in accordance with the Council's Risk Management Policy Objectives Statement.	Receive the Risk Management Strategy and Framework for periodic review.	Head of Corporate Assurance	Every 3 years	Review the Risk Management Strategy and Framework and consider the assurances it provides that appropriate and effective arrangements for the management of risk are in place.
f	To periodically review the Authority's strategic risk register and to invite, when appropriate, a Member of the	Receive update reports and presentations on the	Head of Corporate Assurance /	At each meeting	Receive presentations from the relevant Executive Directors on their strategic risks and consider the assurances they provide

	Function	How Discharged	Lead Officer	Frequency	A&G Action / Output
	Senior Management Team to meetings to discuss strategic risks within their specific service area.	Council's strategic and key other risks.	Relevant Exec. Directors		that the strategic risks are being managed effectively.
g	To consider, challenge and comment on the Annual Governance Statement.	Receive the draft and proposed final Annual Governance Statement.	Head of Corporate Assurance	Annually as per statutory timescales	<p>Review the draft and proposed final Annual Governance Statement and consider (and comment as required) that it has been prepared in accordance with recommended practice and adequately reflects the governance issues and areas for improvement determined through the annual governance review process.</p> <p>Recommend the Final Annual Governance Statement to Full Council for formal approval and publication.</p>
h	To receive periodic reports on additional corporate functions contributing to overall assurance against the corporate priorities and specifically in relation to: <ul style="list-style-type: none"> • Business Intelligence, Human Resources and Communications • Health, Safety, Business Continuity and Emergency Resilience • Governance, Member and Business Support • Information Governance • Strategic Procurement • Asset Management • Ethical Framework • Equality and Inclusion • Partnership and Collaboration Governance • Environmental Governance. 	Receive governance assurance reports	Governance Lead Officers / Head of Corporate Assurance (co-ordination)	Each governance area at least annually.	Review the governance assurance report and consider the extent to which assurances are provided that the arrangements in place are effective and efficient.
i	To encourage wider dialogue with members of the Senior Management Team by inviting them to meetings on a periodic basis to give assurance about issues identified within reports	Invite relevant senior management to provide assurances regarding and control, risk or governance issues identified in Corporate	Relevant Executive Director / Head of Corporate	As and when required	To consider the explanations provided and the assurances they provide that suitable improvements have been made regarding any weaknesses or issues raised in Corporate Assurance reports.

	Function	How Discharged	Lead Officer	Frequency	A&G Action / Output
	relating to various Directorate activities and in particular those which are subject to reported Corporate Assurance implications.	Assurance (Internal Audit) or other audit or inspection reports.	Assurance (co-ordination)		
C	Corporate Assurance (Internal Audit)				
j	To oversee, in consultation with the Corporate Assurance Team, the preparation and approval of an annual corporate assurance plan for the Authority and to receive periodic reports from the Corporate Assurance Team on performance against the plan.	Receive the corporate assurance (internal audit) plan preparation methodology. Receive the proposed corporate assurance (internal audit) plan.	Head of Corporate Assurance Head of Corporate Assurance	Annually (January) Annually (March)	Review the methodology for the preparation of the annual corporate assurance plan and consider the assurance it provides that an appropriate and risk-informed plan of work is prepared. Review the proposed corporate assurance plan and consider the assurance it provides that an appropriate plan of work has been determined that will support the Head of Corporate Assurance's (Internal Audit) annual opinion.
k	To monitor compliance with corporate assurance reports following their consideration by management.	Receive quarterly Corporate Assurance progress reports that include details of management's compliance.	Head of Corporate Assurance	Quarterly	Review the quarterly Corporate Assurance progress reports and consider the assurances they provide regarding management's compliance.
l	To examine reports previously submitted to the Cabinet in respect of ongoing activities and investigations conducted by corporate assurance and to make appropriate comments and recommendations.	Receive reports as and when appropriate.	Head of Corporate Assurance	As and when appropriate	Review the reports and consider whether additional comments are needed and/or further action is necessary, making the appropriate recommendations as required.
m	To review the performance of the corporate assurance team by way of quarterly performance management reports.	Receive quarterly Corporate Assurance progress reports that include details of the function's performance.	Head of Corporate Assurance	Quarterly	Review the quarterly Corporate Assurance progress reports and consider the assurances they provide regarding the function's performance.
n	To consider the Head of Corporate Assurance (Internal Audit and Corporate Anti-Fraud) annual audit report and opinion, and a summary of activity (actual and planned) and the level of assurance it can give over the	Receive the Head of Corporate Assurances' annual reports covering internal control, risk and governance assurance, and anti-fraud activity.	Head of Corporate Assurance	Annually	Review the various Head of Corporate Assurance annual reports and consider the assurances they provide regarding the effectiveness and efficiency of the Council's internal control, risk and governance arrangements and arrangements for anti-fraud.

	Function	How Discharged	Lead Officer	Frequency	A&G Action / Output
	Council's corporate governance arrangements.				
o	To enhance the profile, status and authority of the corporate assurance team and demonstrate its independence.	<p>Have a private meeting with the Head of Corporate Assurance as part of the Committee's workplan.</p> <p>Ensure the Head of Corporate Assurance has unfettered access to the Committee.</p> <p>Support the work of the Corporate Assurance Team in being assured it has sufficient resources and skills to discharge its professional responsibilities.</p>	<p>Head of Corporate Assurance</p> <p>Director of Finance</p> <p>Head of Corporate Assurance</p>	<p>Throughout the year</p> <p>Throughout the year</p> <p>Throughout the year</p>	<p>Hold a private meeting with the Head of Corporate Assurance at least annually to be assured of their independence and unfettered access to the Committee.</p> <p>Review the Head of Corporate Assurance's annual report and the preparation and delivery of the Corporate Assurance Plan and consider the assurances they give that the function is adequately resourced.</p>
p	To approve and periodically review the Corporate Assurance (Internal Audit) Charter.	Receive the Corporate Assurance Charter.	Head of Corporate Assurance	Annually	Review the Corporate Assurance Charter and consider the assurances it provides that it has been prepared in accordance with professional standards and can be delivered.
D	External Audit and other Inspectorates or Regulatory Bodies				
q	To oversee, in consultation with external auditors, the preparation of the annual audit plan for the Authority and to receive periodic reports from the external auditor on performance against the plan.	Receive the External Audit proposed plan of work and periodic progress / update reports on the delivery of the plan.	External Audit Engagement Lead	Annually and at each meeting.	<p>Review the plan proposals and consider the assurances it will provide.</p> <p>Review the progress reports and consider the progress made against the plan.</p>
r	To consider and report to Cabinet and the Council the annual audit and inspection letter.	Receive the External Auditor's ISA260 Report and Annual report.	External Audit Engagement Lead	Annually	Review the External Auditor's annual reports and consider the assurances they provide regarding the Council's statutory accounts and consider External Audit's assessment of the Council's value for money arrangements.

	Function	How Discharged	Lead Officer	Frequency	A&G Action / Output
s	To consider the appointment of the Council's external auditor.	Receive a report on the Council's arrangements to appoint the External Auditor.	Director of Finance	As per the required timescales	Review the Director of Finance's recommendation regarding the method of appointing the Council's external auditor and consider whether the proposal will ensure an appropriate appointment.
t	To monitor compliance with external audit, external inspectorate and Ombudsman reports following their consideration and resolution by the Cabinet and/or Council.	Receive relevant reports.	Head of Corporate Assurance (co-ordination)	As and when required	Review the reports and consider if any additional action or recommendations are required and monitor any subsequent progress.
u	To consider any payments in excess of £2000 or provide other benefits in cases of maladministration by the Authority within the scope of section 92 of the Local Government Act 2000 or as directed by the Local Government and Social Care Ombudsman (LGSCO) and any other recommendations made by the LGSCO falling under the remit of the Committee.	Receive relevant reports	Monitoring Officer	As and when required	Review the reports and consider the assurances they provide regarding the circumstances of the matter and that appropriate lessons have been learned. Request any relevant update report to ensure the implementation of any Ombudsman recommendations.
E	Other				
v	To consider general issues and statistics in relation to the Council's Confidential Reporting (Whistleblowing Policy) "Whistleblowing" Policy.	Receive an annual report.	Corporate Whistleblowing Officers	Annually	Review the report and consider the assurance it provides that the Council's Whistleblowing / Confidential Reporting arrangements are fit for purpose and that appropriate action has been taken in relation to any concerns raised.
w	To review the Authority's arrangements for establishing an appropriate anti-fraud framework.	Receive draft framework documents.	Head of Corporate Assurance	Annually	Review the draft framework documents and consider the assurances they provide that they will ensure effective anti-fraud arrangements are in place.
x	To monitor compliance with and the effectiveness of anti-fraud and corruption policies and procedures.	Receive periodic reports and an annual report on anti-fraud activities.	Head of Corporate Assurance	Annually and mid year	Review the reports and consider the assurances they provide that the Council's anti-fraud arrangements are effective.
y	To monitor compliance with the Authority's Partnership Governance Framework.	Receive relevant assurance reports and the management of partnership governance.	Director of Finance / Head	As and when required / annually	Review any Corporate Assurance reports that refer to partnership governance matters and consider the assurance they

	Function	How Discharged	Lead Officer	Frequency	A&G Action / Output
			of Corporate Assurance		provide that the Council's arrangements are effective. Review an annual assurance report and consider the assurance it provides that the arrangements are fit for purpose.
z	To consider and review compliance with the Authority's Treasury Management policy.	Receive relevant reports regarding the Council's treasury management responsibilities	Director of Finance	Annually / periodically throughout the year	Review the reports and consider the assurances they provide that the Council is meeting its treasury management responsibilities.
F	Accounts				
aa	To review the financial statements, external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by External Audit	Receive the draft and final statutory financial statements and the External Auditor's opinion.	Director of Finance / External Audit Engagement Lead	As per the statutory timescales	Review the draft and final financial statements and consider whether they have been prepared in accordance with professional accounting standards and be assured of management's response to any issues / recommendations raised by External Audit. Recommend the presentation of the financial statements to Full Council.
bb	To contribute to the annual review, consideration and challenge of the financial statements.	Receive the draft and final statutory financial statements and the External Auditor's opinion. Receive any necessary briefings / training regarding the preparation of the financial statements.	Director of Finance / External Audit Engagement Lead Director of Finance	As per the statutory timescales As required	Review the draft and final financial statements and consider whether they have been prepared in accordance with professional accounting standards. Participate in the training provided.

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Item 4

Report of the Head of Corporate Assurance

AUDIT AND GOVERNANCE COMMITTEE – 20th March 2024

CORPORATE ASSURANCE TEAM (ANTI-FRAUD) PROGRESS REPORT

1. Purpose of this report

1.1 This report provides the Audit and Governance Committee with an account of the work of the Corporate Assurance (Anti-Fraud) Team from 1st November 2023 to 29th February 2024.

2. Background information

2.1 This progress report highlights the work undertaken in respect of fraud management and investigations from 1st November 2023 to 29th February 2024.

2.2 Following a team restructure from 1st January 2024, the team consists of one full time Senior Corporate Assurance Officer (Investigations) and one Corporate Assurance Manager with Corporate Anti-Fraud within their portfolio, with support from the Corporate Assurance Officers as and when required.

3 Recommendations

3.1 **It is recommended that:-**

- I. **The Audit Committee notes the progress report covering the period 1st November 2023 to 29th February 2024.**
- II. **The Audit Committee continues to receive regular progress reports on internal and external fraud investigated by the Corporate Anti-Fraud function.**

4 Local Area Implications

4.1 There are no Local Area Implications arising from this report.

5 Consultations

5.1 All corporate assurance reports are discussed with the main client. Individual corporate assurance reports are provided to the appropriate Executive and/or Service Director to apprise him/her of key issues raised and remedial actions agreed.

6 Compatibility with European Convention on Human Rights

6.1 In the conduct of investigations, the Corporate Assurance Team operates under the provisions of the Data Protection Act 2018, the Human Rights Act 1998, the Regulation of Investigatory Powers Act 2000, the Investigatory Powers Act 2016, and the Police and Criminal Evidence Act 1984.

7 Reduction of Crime and Disorder

- 7.1 An inherent aspect of counter fraud work is to prevent, detect and investigate incidents of fraud, theft, and corruption. The control issues arising from Corporate Assurance investigations have been considered to ensure improvements in overall controls. Additionally, the Corporate Assurance Team ensures that in specific instances, management takes appropriate action to minimise the risks of fraud and corruption re-occurring.
- 7.2 Counter fraud work is carried out in compliance with criminal and civil law and criminal investigation procedures relevant to investigation work including: the Police and Criminal Evidence Act (PACE) 1984, the Criminal Procedure and Investigations Act (CPIA) 1996, the Regulation of Investigatory Powers Act (RIPA) 2000, the Public Interest Disclosure Act (PIDA) 1998 and relevant Employment Law, Fraud Act 2006, Proceeds of Crime Act 2002, and Prevention of Social Housing Fraud Act 2013.
- 7.3 Where an investigation occurs that identifies a potential criminal offence, the matter is always referred to the police.

8 Risk Management Considerations

- 8.1 Failure to have robust counter fraud arrangements will increase the Council's susceptibility to fraud and will result in loss of public money.

9 Employee Implications

- 9.1 All employees are under an obligation through their contracts of employment to be honest and adhere to the Code of Conduct.

10 Financial Implications

- 10.1 The structure and budget that the Corporate Assurance Team Anti-fraud work operate within has proven successful and provides sufficient resource required to carry out an efficient value for money services.
- 10.2 Identifying a definite amount to be recognised as the impact of the Corporate Assurance Team Anti-fraud work is difficult beyond such results as the single person discount and other benefit work. Much of the Anti-fraud work is focussed on avoiding loss. The NFI produce an 'Outcomes Calculation Methodology' document that seeks to put a value on the results of 'fraud avoidance'. For example:

£575 per blue badge cancelled to reflect lost parking charges
£93,000 per property recovered through tenancy fraud
£72,000 per Right to Buy application withdrawn

Contact Officer: Louise Gething, Corporate Assurance Manager
Email: louisegething@barnsley.gov.uk
Date: 6th March 2024

Corporate Assurance Team Anti-Fraud Progress Report

Audit and Governance Committee

20th March 2024



CORPORATE ASSURANCE TEAM ANTI-FRAUD PROGRESS REPORT **1st November 2023 to 29th February 2024**

Purpose of this report

The purpose of this report is to provide an account of counter fraud work undertaken by the Corporate Assurance Team during the period 1st November 2023 to 29th February 2024.

Proactive Anti-Fraud and Corruption Activity 2023/24

Acknowledging and Preventing Fraud

The final Anti-fraud awareness e-learning module (Procurement Fraud Risk Awareness Module 4 - Contract Management) has now been added to the e-learning system.

The aim of these short courses is to enable officers to understand what procurement fraud is, improve awareness of fraud risks, recognise potential warning signs that procurement fraud may be occurring, understand how officers can reduce the risk of and how to report a suspected procurement fraud.

Fraud Awareness Week

The Council participated in Fraud Awareness Week (12th to 18th November 2023). Led and co-ordinated by the Corporate Assurance Team, several Council departments including Trading Standards, IT, Community Safety and Neighbourhood Services, Licensing, and Berneslai Homes participated in the “Fraud: Spot it, Stop it” campaign.

Representatives from the above teams raised awareness of fraud risks to officers during drop-in sessions at Westgate and Smithies Depot.

Counter fraud advice was shared with members of the public at a “Fraud: Spot it, Stop it” stall located in the Council’s indoor market on Friday 17th November.

Attendance at the following ‘drop-in’ sessions were as follows:

- Westgate Plaza – 2
- Smithies Depot – 17
- Barnsley Market – 32

Fighting Fraud Together themed articles were published throughout Fraud Awareness Week on the Council’s Intranet. These included:

- Social Engineering
- Phishing
- Recruitment Fraud
- Stepping Up Security
- Procurement Fraud
- Payment Fraud
- Reporting Fraud
- Fraud Against the Council
- Top Tips
- Round Up

Officers were also encouraged to complete the various Pod e-learning counter fraud modules.

Stop! Think Fraud Campaign

The Stop! Think Fraud campaign is an initiative recently launched by the UK Government to help individuals and organisations protect themselves from fraud. The campaign provides information on common types of fraud, such as investment scams, pension scams, and online shopping fraud, and offers practical advice on how to avoid falling victim to these scams. By being vigilant and following the advice and guidance provided by the campaign, individuals and organisations can take steps to reduce their risk of being targeted by fraudsters. Staff were encouraged in the corporate newsletter to visit the campaign website to learn more about how to protect themselves and the Council from fraud.

National Fraud Initiative (NFI)

The total monetary value of the fraud and error identified as at the end of February 2024 amounts to £8,583.14. A breakdown is shown below:

Subject	Monetary Value	Number of Cases	Recovery Action
CT Reduction Scheme to Pensions	£6,460.89	3	Recovery of amount ongoing
CT Reduction Scheme to HMRC Earnings/Capital	£2,122.25	1	Recovery of amount ongoing
Total Overpayments	£8,583.14	4	

*The NFI Outcomes Methodologies calculate estimated savings by multiplying the annual council tax discount by 2 years.

Counter Fraud Checks

The Corporate Assurance Team continue to provide counter fraud checks of submitted Right to Buy (RTB) applications. These checks, including financial and residential verification, provide assurance that the claims/applications are genuine and bona fide.

The Corporate Assurance Team has undertaken checks against 18 RTB applications during period. All were closed with no evidence of fraud.

Detecting and Investigating Fraud

Council Tax Exemption Review - CLASS N: All occupiers are students.

The following results have been obtained to date from the ongoing exercise Student Exemptions exercise:

Outcome	Number
Number of matches checked	48
Number of challenge letters issued	11
Number of Council Tax Amendments	10
Monetary value added back to CT	£15,871.16

Review letters resulted in 10 changes to council tax liability to date and £15,871.16 being raised across the accounts.

Emerging Fraud Risks

Chargeback fraud occurs when a fraudster makes an online payment often using stolen or cloned credit cards, and then requests a chargeback from the issuing bank.

National Anti-Fraud Network (NAFN) alerts indicate that Council Tax has been an area targeted by this fraud. Chargebacks could be used to fraudulently generate funds from the Council, where the initial card utilised is stolen, payment made, and refunds are made (by alternative means) prior to the chargeback being requested.

The Corporate Assurance Team continue to receive fraud alerts from the National Anti-Fraud Network (NAFN). These alerts, covering a range of frauds against local authorities and schools, are shared within the Council, via the Intranet or the specific service area, and externally via Corporate Communications.

Background Papers

Various previous Audit Committee reports

CORPORATE ANTI-FRAUD TEAM PROGRESS REPORT
1st November 2023 to 29th February 2024

Summary of Reactive Work (November – February)

Fraud Type	Investigations Closed	In Progress	Total
Blue Badge	0	1	1
Council Tax Liability	0	4	4
Council Tax SPD	5	4	9
Council Tax Discounts	2	1	3
Housing Benefit	1	0	1
Council Tax Reduction Scheme (CT Support)	2	8	10
Internal Investigations	1	4	5
Financial Investigations	0	2	2
Tenancy Fraud	3	18	21
Right to Buy	18	0	18
Total	32	42	74

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Item 5

Report of the Head of Corporate Assurance

AUDIT AND GOVERNANCE COMMITTEE – 20th MARCH 2024

CORPORATE ASSURANCE (INTERNAL AUDIT) PROGRESS REPORT 2023/24

1 Purpose of this report

- 1.1 The purpose of this report is to provide a summary of the Assurance activity completed, and the key issues arising from it, for the period from 1st November 2023 to 29th February 2024.

2 Background information

- 2.1 The Audit and Governance Committee has responsibility for reviewing the adequacy of the Council's corporate governance arrangements, including matters such as internal control and risk management. The reports issued by the Corporate Assurance Team are a key source of assurance providing the Committee with some evidence that the internal control environment is operating as intended.
- 2.2 At the end of the financial year, the Head of Corporate Assurance will produce an Annual Report, which will provide the overall opinion on the adequacy of the Council's control environment and compliance with it during the year.

3 Recommendations

- 3.1 **It is recommended that the Audit and Governance Committee considers the assurances it needs on the effectiveness of the Authority's internal control, risk and governance arrangements through the work of the Corporate Assurance Team by:-**
- i. **considering the issues arising from completed assurance work in the period along with the responses received from management;**
 - ii. **noting the assurance opinion on the adequacy and effectiveness of the Authority's internal control framework based on the work in the period;**
 - iii. **noting the progress against the plan for 2023/24 in the period.**

4 Local Area Implications

- 4.1 There are no Local Area Implications arising from this report.

5 Consultations

- 5.1 All assurance reports are discussed and agreed with the Client Sponsor and Designated Operational Lead. Individual assurance reports are provided to the appropriate Executive Director and/or Service Director to apprise him/her of key issues raised and remedial actions agreed.

5.2 No specific consultation has been necessary in the preparation of this quarterly report.

6 Compatibility with European Convention on Human Rights

6.1 In the conduct of assurance work and investigations particularly, the Corporate Assurance Team operates under the provisions of the Data Protection Act 2018, the Regulation of Investigatory Powers Act 2000 and the Police and Criminal Evidence Act.

7 Reduction of Crime and Disorder

7.1 An inherent aspect of assurance work is to prevent, detect and investigate incidents of fraud, theft and corruption. The control issues arising from investigations have been considered to ensure improvements in overall controls are made. Additionally, the Corporate Assurance Team ensures that in specific instances, management takes appropriate action to minimise the risks of fraud and corruption re-occurring.

8 Risk Management Considerations

8.1 The underlying purpose of the work of the Corporate Assurance Team is to address and advise on key risks facing management and, as such, risk issues are inherent in the body of the report.

8.2 The Service's own risk register includes the following risks which are relevant to this report:

- Ensure ongoing compliance with public sector internal audit standards and professional development.
- Sustainability and Security of External Contract and Clients.
- Threat of fraud against the Council.

8.3 All of these risks have been assessed and remain within the tolerance of the Service.

8.4 An essential element of the control (and on-going) management of these risks is the provision of update reports to the Audit & Governance Committee and the assurance this provides.

9 Employee Implications

9.1 There are no employee implications arising from this report.

10 Financial Implications

10.1 There are no financial implications arising directly from this report. The costs of the function are included within the Authority's base budget.

11 Appendices

Appendix 1 - Key To Assurance Gradings & Classification of Management Actions.

12 Background Papers

12.1 Various Corporate Assurance and External Audit reports, files and working papers.

Officer Contact: Head of Corporate Assurance

Telephone No: 07795 305846

Date: 4th March 2024

Barnsley Metropolitan Borough Council

Corporate Assurance

Progress Report

Audit and Governance Committee

20th March 2024

CORPORATE ASSURANCE - PROGRESS REPORT

1st November 2023 to 29th February 2024

Purpose of this report

This report has been prepared to inform the Audit and Governance Committee on the Corporate Assurance activity for the period 1st November 2023 to 29th February 2024, bringing attention to matters that are relevant to the responsibilities of the Committee.

The report also provides information regarding the performance of the function during the period.

2023/24 Corporate Assurance Plan Progress

The following tables show the progress of the plan delivery, analysed by the number of plan assignments producing a report and the days delivered by Directorate / Service. The plan has been re-prioritised during the period, in consultation with DMTs and SMT, following the Transformation Review and subsequent re-structure of the Service to ensure that resources are focussed on the strategically important areas for the remainder of the financial year.

Position as at 29th February 2024 – Days Delivered

Directorate	Original 2023/24 Plan days	Revised 2023/24 Plan days	Actual days (% of revised days)
Place Health & ASC	49	51	40 (78%)
Childrens Services	127	94	76 (81%)
Core Services	684	635	516 (81%)
Council Wide	130	130	185 (142%)
Growth & Sustainability	159	188	154 (82%)
Public Health & Communities	24	25	24 (96%)
General Contingency	21	96	N/A
Barnsley MBC	1,194	1,219	995 (82%)
Corporate Anti-Fraud Team	737	559	453 (81%)
Corporate Anti-Fraud Contingency	17	195	N/A
Barnsley MBC Assurance Total	1,948	1,973	1,448 (73%)
Corporate Governance & Assurance	260	260	265 (102%)
HolA role as DPO	25	25	20 (80%)
Corporate Days (Council related activity)	379	354	200 (56%)
External Clients	524	524	433 (82%)
Total Chargeable Planned Days	3,136	3,136	2,366 (75%)

Position as at 29th February 2024 – Plan Assignments

Directorate	2023/24 plan assignments	Assignments expected to be completed to date	Actual Assignments completed to Date	Actual assignments completed in Period
Place Health & ASC	1	1	1	0
Childrens Services	3	2	2	0
Core Services	20	11	11	9
Growth & Sustainability	9	4	4	2
Public Health & Communities	2	2	2	0
Total	35	20	20	11

NB – formal reviews resulting in a report only – excludes advisory, grants etc where no report required.

Changes to the 2023/24 Plan

There have been 9 changes to the plan during this period. These are:-

- Cancelled – Procurement Cards (Undertaking as an anti fraud review)
- Cancelled – Information Services Data Management (No longer required)
- Cancelled - Social Housing Decarbonisation Fund Wave 1 Grant (No longer required)
- Cancelled – Sustainable Warmth Grant (No longer required)
- Deferred – Cyber Strategy
- Deferred – Cyber Emergency Resilience Arrangements
- New – Travel, Accommodation and Expenses Review
- New – Overtime Review
- New – HAF Grant

Final Corporate Assurance reports issued

We have finalised 11 assurance reports in the period. The following table provides a summary of assurances, where applicable, and the number and categorisation of agreed management actions included in the reports:

Directorate-Assignment	Assurance Opinion	Number of Management Actions Agreed:			Total	Agreed
		High	Medium	Low		
Core: AGR Process 2023/24	Reasonable	0	2	0	2	2
Core: Strategic Risk, Concerns, and Issues Management	Reasonable	0	1	0	1	1
Core: Equality, Diversity & Inclusion	Reasonable	0	3	2	5	5
Core: Non-Domestic Rates	Reasonable	0	0	2	2	2
Core: Archiving Arrangements	Limited	3	2	0	5	5

Directorate-Assignment	Assurance Opinion	Number of Management Actions Agreed:			Total	Agreed
		High	Medium	Low		
Core: Contact Centre	Limited	0	3	1	4	4
Core: Budget Management and Efficiency Savings	Reasonable	0	2	0	2	2
Core: Medium Term Financial Strategy	Reasonable	0	1	0	1	1
Core: Elections Service	Reasonable	0	3	0	3	3
G&S: Asset Management - Housing Stock	Limited	4	4	1	9	9
G&S: Home to School Transport	Reasonable	0	2	1	3	3
Total		7	23	7	37	37

Please note that final assurance reports are available to Audit Committee members on request.

Corporate Assurance reports providing a limited or no assurance opinion

There were 2 reports issued during the period, that have not previously been reported into the Committee, that had a limited assurance opinion. The Asset Management Housing Stock was reporting in the HoIA Annual report at the November 2023 meeting. The 2 reports are: -

Archiving Arrangements - Up to date, approved and published policies and operational procedures existed, and these were readily available to all staff. Concerns identified are that the Retention Schedules were overdue a review and update; a lack of clarity in relation to the accountable officer to manage data in one of the systems sampled during the review and also sampling identified that retention periods have not been built into a number of systems, nor (in the majority of cases) have any data cleansing exercises / archiving been undertaken which has led to a large amount of accumulated data requiring back-up and storage. This results in increased costs and potential breaches in UK GDPR regulations. Where data cleansing / record disposals had been undertaken, a Disposal Log had not been completed to evidence appropriate authorisation for record disposal.

Contact Centre - Management invited the review to provide assurance (or not) regarding the consistency of performance management arrangements. The review concluded that a performance management framework existed, and a suite of operational procedures to guide managers, supervisors and contact centre Advisors and these clearly defined roles and responsibilities across the Contact Centre. However, there was a lack of consistency in the approach to delivering feedback to the Advisors upon completion of Call Coaching exercises, in the undertaking and recording of 1:1s and in PDRs.

Details and outcome of other Corporate Assurance activities undertaken in the period not producing a specific assurance opinion

Work Completed	Details	Contribution to Assurance
Adults: Social Care Funding Reforms Board Attendance and Digital Project Assurance	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist to provide a robust framework upon which the Council can consider and then react/comply with the funding reform requirements.	The work contributes to assurance in respect to governance and financial management.
Adults: Social Care Governance Action Plan	To provide advice, support and challenge to management during the review of various services (e.g. carers, transition from children to adults).	The work contributes to assurance in respect to governance and financial management.
Childrens Services: Supported Families – Quarterly validation	Grant claim validation.	The work contributes to assurance in respect of financial management.
Council Wide	To provide advice, support and challenge to management during the Transformation Programme incl. Microsoft Project.	The work contributes to assurance in respect to governance, risk management and financial management.
Core / G&S: Glassworks Board Attendance	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist to provide a robust framework upon which the phase two scheme can be delivered (i.e. on time, in budget & to standard).	The work contributes to assurance in respect to contract management, governance and financial management.
Core / G&S: SEAM Board Attendance	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist to provide a robust framework upon which the programme can be delivered (i.e. on time, in budget & to standard).	The work contributes to assurance in respect to contract management, governance and financial management.
Core / G&S: Alhambra Board Attendance	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist to provide a robust framework upon which the programme can be delivered (i.e. on time, in budget & to standard).	The work contributes to assurance in respect to contract management, governance and financial management.
Core / G&S: Levelling Up Board Attendance	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist to provide a robust framework upon which the programme can be delivered (i.e. on time, in budget & to standard).	The work contributes to assurance in respect to contract management, governance and financial management.
Core: HR Policy	To provide advice, support and challenge to management during the review of corporate policies and procedures (including development of a policy framework).	The work contributes to assurance in respect to governance.
Core: Various Grant Claims	To independently validate the claims to be submitted to the Funding Bodies.	The work contributes to assurance in respect of financial management.

Work Completed	Details	Contribution to Assurance
G&S: Assurance - Berneslai Homes	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist.	The work contributes to assurance in respect to governance and financial management.

Other Corporate Assurance work undertaken

Activity	Description
Follow-up of Agreed Management Actions	Regular work undertaken to follow-up agreed management actions made.
Liaison, Planning and Feedback	Meeting and corresponding with Service and Executive Directors and Heads of Service regarding the review of the annual plan, progress of audit work, future planning and general client liaison.
Audit and Governance Committee Support	Time taken in the preparation of Audit Committee reports, Audit Committee Member training, general support and development.
Corporate Matters	Covering time required to meet corporate requirements, i.e. corporate document management, service business continuity and health and safety.

Work in progress – 2023/24 Plan

The following table provides a summary of reviews in progress at the time of producing this report:

Directorate - Assignment	Stage		
	Pre Planning	Work in Progress	Draft Report
Core: Project / Programme Mgt - IT			✓
Core: Constitution Review		✓	
Place Based Health & ASC: Adults Social Care Funding Reforms		✓	
G&S: Asset Management Strategy		✓	
Childrens Services: Development Plan		✓	
Core: Financial System, Main Accounting		✓	
Core: Financial System - Payroll		✓	
Core: Financial System – Council Tax		✓	
Core: Financial System – Housing Benefits		✓	
Core: Procurement Compliance		✓	
Core: Travel, Accommodation and Expenses		✓	
G&S: PRIP Contract		✓	
G&S: Barnsley Property Services		✓	
G&S: Zero Carbon		✓	
G&S: CRSTS		✓	
Core: Overtime Review	✓		

Follow-up of Corporate Assurance report agreed management actions

As previously reported to the Committee, the Corporate Assurance Team is working closely with management to monitor the general position with regards the implementation of management actions and to establish the reasons behind any delays. The Corporate Assurance Team continues to issue a detailed monthly status update to Service Directors and to Executive Directors on a quarterly basis. This is in addition to the performance reports currently presented to SMT.

The following table shows the status of agreed management actions by Directorate where the original target implementation date was due for completion during the period:

Implication Categorisation	Followed Up in Period	Completed	Not yet completed – Revised date agreed	Not yet completed – Awaiting management update
Place Health and ASC				
High	0	0	0	0
Medium	2	2	0	0
TOTAL	2	2	0	0
Growth & Sustainability				
High	0	0	0	0
Medium	9	8	1	0
TOTAL	9	8	1	0
Childrens Services (excl. Maintained Schools)				
High	1	1	0	0
Medium	5	5	0	0
TOTAL	6	6	0	0
Maintained Schools				
High	0	0	0	0
Medium	0	0	0	0
TOTAL	0	0	0	0
Core				
High	5	4	1	0
Medium	26	8	17	1
TOTAL	31	12	18	1
Public Health & Communities				
High	0	0	0	0
Medium	0	0	0	0
TOTAL	0	0	0	0
OVERALL TOTAL	48	28	19	1
% of TOTAL		58	40	2

Corporate Assurance performance indicators for Quarter 3 - 2023/24

Performance against a number of indicators is summarised below.

Ref.	Indicator	Frequency of Report	Target 2023/24	This Period (Q3)	Year to Date
1.	<u>Customer Perspective:</u>				
1.1	Percentage of questionnaires received noted “good” or “very good” relating to work concluding with an assurance report.	Quarterly	95%	100%	100%
2.	<u>Business Process Perspective:</u>				
2.1	Percentage of final assurance reports issued within 10 working days of completion and agreement of the draft assurance report.	Quarterly	80%	100%	100%
2.2	Percentage of chargeable time against total available.	Quarterly	73%	60%	62%
2.3	Average number of days lost through sickness per FTE	Quarterly	6 days	7 days	12.7 days
3.	<u>Continuous Improvement Perspective:</u>				
3.1	Personal development plans for staff completed within the prescribed timetable.	Annual	100%	100%	100%
4.	<u>Financial Perspective:</u>				
4.1	Total costs v budget.	Quarterly	Within Budget	Within Budget	Within Budget

* The chargeable time indicator to date has been impacted upon by the profile of annual and statutory leave, which will level out throughout the year and the impact of sickness absences.

Head of Corporate Assurance’s Internal Control Assurance Opinion

The Head of Corporate Assurance must deliver an annual ‘internal audit’ opinion and report that can be used by the organisation to inform its Annual Governance Statement. The annual ‘internal audit’ opinion must conclude on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control.

Based on the assurance work reported in the period, an overall **reasonable** assurance opinion is considered to be appropriate.

A summary of our quarterly opinions for the year to date is as follows:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Assurance Opinion	Reasonable	Reasonable	Reasonable	

Consideration of our overall opinion takes the following into account:

- results from the substantive assurance assignments we have completed during the period;
- outcomes from our assurance work not producing an assurance opinion;
- an assessment as to the timely implementation of agreed management actions.

Corporate Assurance Contact

Contact	Title	Contact Details
Sharon Bradley	Head of Corporate Assurance	Tel: 07795 305846 Email: sharonbradley@barnsley.gov.uk

KEY TO ASSURANCE GRADINGS AND CLASSIFICATION OF MANAGEMENT ACTIONS

1. Classification of Management Actions

High	Requires immediate action – imperative to ensuring the objectives of the system under review are met.
Medium	Requiring action necessary to avoid exposure to a significant risk to the achievement of the objectives of the system under review.
Low	Action is advised to enhance control or improve operational efficiency.

2. Assurance Opinions

	Level	Control Adequacy	Control Application
POSITIVE OPINIONS	Substantial	Robust framework of controls exist that are likely to ensure that objectives will be achieved.	Controls are applied continuously or with only minor lapses.
	Reasonable	Sufficient framework of key controls exist that are likely to result in objectives being achieved, but the control framework could be stronger.	Controls are applied but with some lapses.
NEGATIVE OPINIONS	Limited	Risk exists of objectives not being achieved due to the absence of key controls in the system.	Significant breakdown in the application of key controls.
	No	Significant risk exists of objectives not being achieved due to the absence of controls in the system.	Fundamental breakdown in the application of all or most controls.

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Item 6

Report of the Head of Corporate Assurance

AUDIT AND GOVERNANCE COMMITTEE – 20th MARCH 2024

CORPORATE ANTI-FRAUD FRAMEWORK

1. Purpose of the report

- 1.1 This report presents the proposed Corporate Anti-Fraud Framework for the Committee's consideration and comment.

2. Recommendation

- 2.1 It is recommended that the Committee considers and comments on the proposed Corporate Anti-Fraud Framework to be assured that it will appropriately direct anti-fraud activity over the next 12 months, and to recommend to Cabinet for approval.**

3. Background

- 3.1 The third Fighting Fraud and Corruption Locally Strategy (FFCL), which is produced by 'local government for local government', was published in 2020. This is prepared through CIFAS, a non-for-profit organisation originally created in the 1980s as the Credit Industry Fraud Avoidance Service, but now exists to protect its members and wider society from fraud and fraud-related crime by sharing fraud intelligence and building close and productive partnerships across the private, public, the third sector and law enforcement.
- 3.2 This FFCL Strategy has been used to frame our anti-fraud strategy, adopting the structure across the recommended 5 pillars as included in the national strategy document which are Govern, Acknowledge, Prevent, Pursue and Protect.
- 3.3 Barnsley Council is committed to ensuring that the people of the Borough can have confidence that the affairs of the Council are conducted in accordance with the highest standards of probity and accountability.
- 3.4 In seeking to ensure this commitment is met, the Council has an Anti-Fraud and Corruption Strategy, Policy and framework which states that the Council has a zero-tolerance approach to fraud and illegal activity and also set out its overall approach to combating fraud, corruption and wrongdoing. It provides mechanisms which officers can use to raise concerns of wrongdoing or fraudulent activity.

3.5 Each policy is supported by procedural guidance which sets out the responsibilities and expectations for staff including the specific actions which they must follow to enable the Council to demonstrate good governance and comply with its legal obligations.

3.6 The Corporate Anti-Fraud Framework was presented to the Audit and Governance Committee in December 2019, and subsequently approved for adoption by Cabinet in January 2020. The framework has been updated to reflect the implementation of the Corporate Assurance Team from 1st January 2024 and also changes to other relevant policies and legislation.

4. Delivering the Corporate Anti-Fraud Framework

4.1 A detailed operational plan has been prepared and incorporated into the Corporate Assurance plan for 2024/25, which will be presented to the Committee at this meeting.

4.2 Following the staff restructure from 1st January 2024, there is now one full time Senior Corporate Assurance Officer dedicated to undertaking investigations, a Corporate Assurance Manager with Corporate Anti-Fraud within their portfolio and support from the Corporate Assurance Officers as and when required.

5. Financial Implications

5.1 None directly arising from this report.

6. Risk Considerations

6.1 A corporate anti-fraud framework sets a high-level commitment to ensuring that appropriate safeguards are in place for mitigating the risk of fraud and corruption within the Council.

7. Legal

7.1 Confidential reporting (or Whistleblowing) is recognised as being in the public interest; in refreshing the procedure, the requirements of the Public Interest Disclosure Act and Enterprise and Regulatory Reform Act are acknowledged.

7.2 The Council must comply with The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and it is therefore important that proper Governance procedures are in place. The Council's anti-fraud framework and assurance reviews assist the Council in complying with anti-corruption law.

8. Other

8.1 The following sources of information were used for this report:

- The Whistleblowing Commission Code of Practice;
- Assessment Criteria for Whistleblowing Policies (National Audit Office, January 2014) ;
- Whistleblowing: Guidance for Employers and Code of Practice (Department for Business Innovation and Skills, March 2015);
- The Code for Crown Prosecutors (Crown Prosecution Service, January 2013)

Contact Officer: Louise Gething, Corporate Assurance Manager
Email: louisegething@barnsley.gov.uk
Date: 1st March 2024

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Confidential Reporting (Whistleblowing) Policy

Policy and Guidance for Whistleblowers

Document Control

Organisation	Barnsley Metropolitan Borough Council
Title	Confidential Reporting Policy
Author	Corporate Assurance Manager
Owner	Director of Finance
Commencement Date	1 st April 2024
Applicable to	All Barnsley MBC employees, temporary staff, contractors, all elected members, or anyone working on Council premises or on behalf of the Council
Information/ Action	For information and appropriate action to comply with this policy
Review Date	Annual review from approval or when changes are made to legislation or best practice guidance
Review Responsibility	Audit and Governance Committee

Revision History

Date	Version	Author	Comments
March 2024	1.0	Corporate Assurance Manager	Updated to reflect minor changes in structure and terminology

Policy Governance

The following table identifies who within BMBC is Accountable, Responsible, Informed or Consulted with regards to this policy. The following definitions apply:

Responsible – The person(s) responsible for developing and introducing the policy

Accountable – The person who has ultimate accountability and authority for the policy

Consulted – The person(s) or groups to be consulted prior to final policy implementation or amendment

Informed – The person(s) or groups to be informed after procedure implementation or amendment.

Responsible	Corporate Assurance Team
Accountable	Director of Finance
Consulted	Audit and Governance Committee
Informed	All Barnsley MBC employees, temporary staff, contractors, all elected members, or anyone working on Council premises or on behalf of the Council

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1. INTRODUCTION

- 1.1 Barnsley Council is committed to the highest possible standards of honesty, openness and accountability and will not tolerate malpractice or wrongdoing.
- 1.2 Employees and others who work with the Council are often the first to realise that there may be something wrong within the Council. However, they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or to the Council. Indeed, it may also be the case that someone with a concern is not aware how best to raise concerns.
- 1.3 The Confidential Reporting Policy is a vital element of the Council's governance arrangements and is designed to allow those employed by the Council to come forward and raise concerns of wrongdoing involving the actions of the Council's employees, its Councillors, contractors or any aspect of the Council's activities.
- 1.4 As such the Council is committed to a policy which seeks to protect those individuals who make certain disclosures with regard to any instance of malpractice or wrongdoing and to investigate them in the public interest. It is important to stress that any concern raised through this Policy will be treated confidentially and with the utmost seriousness.
- 1.5 This policy seeks to set out how the Council will handle and respond to serious allegations of perceived wrongdoing raised by employees of the Council.

Aims and Scope

- 1.6 The Confidential Reporting Policy seeks to cover all disclosures and allegations made by employees of Barnsley Council, including temporary and agency staff and those employed in locally managed schools.
- 1.7 It also extends to any other individuals who work for the Council who want to raise an allegation of perceived wrongdoing, including consultants, contractors and sub-contractors who are engaged in work for the Council.
- 1.8 The policy seeks to:
 - Support the culture of zero tolerance toward fraud and corruption and deter wrongdoing;
 - encourage employees and others with serious concerns about any aspect of the Council's work to feel confident to come forward and voice those concerns;
 - facilitate raising concerns at an early stage and in the right way ensuring that critical information gets to the people who need to know and who are able to take action;
 - provide safeguards to reassure those who raise concerns in the public interest and not maliciously or for personal gain, that they can do so without fear of reprisals or victimisation or disciplinary action, regardless of whether these are subsequently proven;
 - set out how the Council will respond to allegations made and provide feedback to the whistleblower on any action taken;
 - ensure that employees know what to do if they are not satisfied with actions taken.
- 1.9 The Confidential Reporting Policy is not to be used where other more appropriate internal reporting procedures are available. There are existing Council procedures which enable employees to lodge a grievance relating to their conditions of employment, raise matters of harassment or to make a general complaint, which by contrast, generally have no additional public interest dimension.

1.10 This Confidential Reporting Policy covers concerns that fall outside the scope of those existing internal procedures. The Council will investigate under the confidential reporting (whistleblowing) process any allegations made through the above procedures, which raise serious concerns over wrongdoing.

1.11 **Safeguarding** – any concerns relating to a child protection issue, or the abuse or neglect of an adult should be reported in line with the specific guidelines outlined on the Council's website:

[Safeguarding Children;](#)
[Safeguarding Adults](#)

1.12 Any individuals who are raising concerns relating to money laundering offences or Proceeds of Crime Act 2002 are required to report these concerns directly to the Money Laundering Reporting Officer (MLRO) in line with the Anti Money Laundering Policy.

2. WHAT IS WHISTLEBLOWING?

2.1 Whistleblowing is generally the term used when someone who is employed in an organisation reports a concern about suspected wrongdoing, malpractice, illegality or risk in the workplace. It is the confidential disclosure by an employee, of any concerns relating to a perceived wrongdoing involving any aspect of the Council's work or those who work for the Council. The whistleblowing process assists individuals, who believe they have discovered malpractice, impropriety or wrongdoing, to raise a concern, in order that this can be addressed. Examples of wrongdoing are shown at **Appendix A**.

2.2 The **Public Interest Disclosure Act 1998 (PIDA)** is known as the Whistleblowing law and is designed to encourage and enable employees to "speak out" and to report suspected wrongdoing at work. This is commonly known as "blowing the whistle".

2.3 The **Enterprise and Regulatory Reform Act 2013** introduced a public interest test in relation to whistleblowing. This ensures that, in order to benefit from protection, whistleblowing claims must satisfy a public interest test and disclosures which can be characterised as being of a personal rather than a public interest will not be protected.

Further guidance explaining the difference between whistleblowing in the public interest and making a personal disclosure is shown at **Appendix B - Frequently Asked Questions**.

2.4 The above legislation legally protects employees (including those employed in schools maintained by the Council, temporary workers and agency staff), from any detriment from their employer or colleagues that arises as a result of making a "*protected disclosure*" (a qualifying disclosure) in the public interest. This includes protection from harassment, victimisation or dismissal by their employer.

2.5 In making a protected disclosure the employee must:

- reasonably believe that the disclosure they are making is in the public interest;
- reasonably believe that the information detailed and any allegations in it are substantially true; and
- the matter disclosed must fall within the matters prescribed for that regulator.

2.6 A disclosure of information is not a protected disclosure if, by making the disclosure, the worker commits an offence such as breaching the Official Secrets Act or Misconduct in public Office.

2.7 Whilst protection under PIDA covers employees and most workers it is not extended to partners, non-executive directors, volunteers or the self-employed. However, the principles outlined in this policy, as far as they can be, will be applied to whistleblowing allegations received from sources other than employees of the Council. As with internally reported cases, particular consideration needs to be given to matters of confidentiality.

3. HOW TO REPORT A WHISTLEBLOWING CONCERN

Making an Internal disclosure

3.1 It is the hope and intention of the Council that any employee with a concern about any aspect of the Council's operations or its conduct, feels able to first raise those concerns internally with line management.

3.2 The earlier an employee expresses a concern, the easier it will be to take action. Employees should raise a concern as soon they have a reasonable suspicion of malpractice but must not investigate the concern themselves to prove their suspicions are well-founded. Providing genuine concerns are being raised it does not matter if the employee is mistaken.

3.3 Concerns should preferably be made in writing. However raising a concern verbally also counts as whistleblowing. Wherever possible, the information provided should include the background and history of the concern, provide names, dates and places where possible, and the reason why the individual is particularly concerned about the situation.

3.4 All concerns relating to a perceived wrongdoing which are referred to managers must be reported on receipt to one of the Council's two Whistleblowing Officers. This may be done by the Whistleblower, the receiving manager or the senior manager investigating the allegations.

Whistleblowing Officers

3.5 Alternatively, any Council employee who has a concern relating to the Council can report the suspected wrongdoing in one of the following ways:

- contacting one of the Whistleblowing Officers by telephone where you can leave a message and they will get back to you as soon as possible :-
Rob Winter, Financial Services, Telephone 07786 525319
Wendy Popplewell, Executive Director Core Services, Telephone 775799
- using the dedicated 24-hour Whistleblowing hotline - 0800 138 2939
- writing in to the Whistleblowing Officers using a dedicated P.O. Box :-
Barnsley Metropolitan Borough Council
P.O. Box 320,
Barnsley,
S70 2YL
- e-mailing one of the Whistleblowing Officers :-
WBO1RWinter (internal)
WBO1RWinter@barnsley.gov.uk (external)
WBO2WEP (internal)
WBO2WPopplewell@barnsley.gov.uk (external)

3.6 Any person reporting a concern should provide as much information as possible, including:

- who the allegations are against;
- details of the nature of the alleged wrongdoing;
- dates, places and amounts where possible;

- provide or highlight any evidence they have in support of the allegation;
 - state if the person making the disclosure is an employee of the Council;
 - If not, does the person work in a school;
 - name and contact details (unless they wish to remain anonymous).
- 3.7 Employees and elected members who are raising a concern are not permitted to undertake their own investigations, surveillance or to interview or visit any ‘witnesses’ as this could jeopardise a formal investigation.
- 3.8 Following a call to the Council’s Confidential Reporting Hotline, the respective Corporate Whistleblowing Officer will gather as much information as possible about the concerns raised.
- 3.9 The Council recognises that employees may wish to seek advice from their trade union and indeed may invite their trade union (or professional association) to raise a matter on their behalf.

Whistleblowing by individuals employed in schools

- 3.10 Individuals employed in schools who want to raise a concern should follow the guidance documented in **Appendix E** of this policy.

Making an external disclosure to a prescribed person

- 3.11 A prescribed person is someone identified in regulations who is independent of the employee’s organisation, but usually has an authoritative relationship with the organisation, such as a regulatory or legislative body. The link below shows a list of other ‘prescribed regulators’ to whom a protected disclosure can be made:

[Whistleblowing: list of prescribed people and bodies - GOV.UK](#)

Whistleblowing by members of the public

- 3.12 Members of the public can still contact the Council to report any concerns or disclosures over wrongdoing using the Barnsley MBC website. Allegations or concerns received from members of the public will be treated in the same way. However, unlike disclosures made by employees, protection under PIDA law does not extend to disclosures made by members of the public.

Employees should direct members of the public to the following link:

[Raising a concern via the Barnsley Council website](#)

4. HOW THE COUNCIL WILL RESPOND

- 4.1 The Council will endeavour to formally respond to acknowledge receipt of a disclosure within 5 working days of the concern being received.
- 4.2 A further acknowledgement will be sent within 10 working days to indicate:
- how the Council proposes to deal with the matter; and the policy under which it will be investigated;
 - whether the Council considers it to be a protected disclosure;
 - contact details for the officer handling the investigation;
 - arrangements for confidentiality;
 - an estimate of how long it will take to provide a response on the outcome;

- any initial enquiries which may have been made;
 - if no action is planned, why not.
- 4.3 The action taken by the Council will depend on the nature of the concern. In order to protect individuals and the Council, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Concerns or allegations that fall within the scope of specific procedures (for example, child protection, disciplinary or discrimination issues) will normally be referred for consideration under those procedures. The matters raised will be investigated internally to establish basic facts. At that stage a decision will be made on whether:-
- to complete the investigation internally; or
 - to refer the matter to the Authority's External Auditor; or
 - to refer the matter directly to the Police; or
 - to organise an independent inquiry; or
 - take no action.
- 4.4 All proposed action should be notified and agreed with one of the two Whistleblowing Officers and, in consultation with the relevant Senior Manager.
- 4.5 All allegations will be handled confidentially and discreetly by those managers who are directly involved in the investigating process. The ongoing point of contact for the whistleblower will be given in the acknowledgement letter.
- 4.6 If necessary, further information will be sought from the whistleblower. This will depend on the nature of the matters raised, the potential difficulties involved in conducting an investigation and the clarity of the information provided.
- 4.7 At any meeting arranged to discuss an employee's concerns the employee has the right, if they so wish, to be accompanied by their Trade Union representative, work colleague or a friend who is not involved in the area to which the concern relates. Initial contact with the employee(s) may be outside of the workplace to protect their identity and, if necessary and mutually acceptable, subsequent meetings may be held away from work and / or outside normal working hours.
- 4.8 Where possible the identity of the person raising the concern will not be divulged during the investigation. Enquiries may be appropriate to ensure that the whistleblower is not themselves subject to any disciplinary proceedings that may undermine the public interest motive for raising a concern.
- 4.9 The Council will do what it lawfully can to minimise any difficulties that an employee may experience as a result of raising a concern. For example, if an employee is required to give evidence in criminal or disciplinary proceedings, the Council will advise the employee about the procedures in terms of what will happen and what will be expected of them.

Anonymous allegations

- 4.10 The Council recognises that there may be circumstances where individuals are worried about being identified when they report concerns about their employer. Concerns expressed anonymously are more difficult to investigate, and harder to substantiate, and further liaison with the whistleblower is not possible. It is also difficult for an anonymous whistleblower to be protected by the law if they subsequently suffer detrimental treatment.

- 4.11 Both anonymous allegations and named referrals which include contact details are treated seriously and are considered on the basis of individual merits. Factors that will be taken into consideration when assessing the allegation will include:
- the seriousness of the issues raised;
 - the credibility of the concern; and
 - the likelihood of confirming the allegations from attributable sources.

5. OUTCOMES

- 5.1 The Council will, subject to legal constraints, seek to advise the whistleblower on the outcomes of the investigation in order to assure them that that the matter has been properly addressed. The Council will not usually provide the whistleblower with all the details of the investigation outcomes as this could breach others' rights to confidentiality e.g. if disciplinary action has been taken against an individual. Some concerns raised may be resolved by agreed action, once the whistleblower's concerns have been explained, without the need for investigation.
- 5.2 As all concerns are considered on an individual basis it is possible that a full investigation report is not required for all cases. However, the Whistleblowing Officers will require confirmation of the outcome of the referral/investigation and any system or control risk issues which arise from it.
- 5.3 In the event that an investigation report is deemed appropriate, the report will usually be issued by the Investigating Officer to the Executive Director of the department involved and to the Director of Finance (Section 151 Officer). Reporting is restricted as the content of investigation reports could include personal information of others, commercially sensitive information or details of investigation processes and practices the publication of which could prejudice the effective conduct of future investigations.
- 5.4 The Corporate Assurance Team may carry out follow up work as a result of any identified areas of risk.

6. SAFEGUARDS

- 6.1 In order to ensure that allegations are investigated in the right spirit with the right outcome, the following safeguards or principles should be applied in all cases.

Confidentiality

- 6.2 The Council's Confidential Reporting Policy seeks to protect the identity of the individual making a disclosure wherever possible.
- 6.3 Records of employee disclosures held by the Corporate Assurance Team are stored securely. Access to whistleblowing and related investigation records are restricted to specific officers assigned to examine the concerns being raised. Wherever possible the identity of an employee raising a concern will not be revealed as part of an investigation. Should this not be possible the employee will be notified and consent will be sought beforehand.
- 6.4 Certain disclosures, including those relating to a child at risk or abuse of a vulnerable adult, override the employee's request for confidentiality. The Council is required to investigate these matters under separate procedures which take priority over any request for confidentiality.

- 6.5 The Council cannot guarantee to protect the identity of an employee raising allegations of serious wrongdoing where a criminal offence has been committed, and legal/prosecution action results from the disclosure. In some cases, an employee may have to act as a witness and/or provide evidence in relation to offences which are referred to the Police.

Harassment and Victimisation

- 6.6 The Council acknowledges that the decision to report a concern can be a difficult decision for an employee to take, not least because of the fear of reprisal from those responsible for the malpractice. It is unlawful for an employee to suffer victimisation or harassment for whistleblowing.
- 6.7 The Council will not tolerate harassment or victimisation against an employee who has raised a genuine concern under the Confidential Reporting Policy. Victimisation may include an attempt to identify the person raising the concern. Any employee who victimises a whistleblower will be subject to disciplinary action which may lead to dismissal. An individual may also be personally liable for treating a colleague detrimentally on the grounds that they have raised public interest concerns.
- 6.8 Service Directors and Heads of Service should monitor how identifiable whistleblowers are subsequently treated after raising a matter of concern. They should ensure that any harassment or victimisation is dealt with under disciplinary arrangements.
- 6.9 Any employee who believes they have been victimised as a result of making a disclosure or blowing the whistle should report their concerns to the Executive Director - Core Services.

Malicious allegations

- 6.10 While encouraging employees to bring forward matters of concern, the Council must guard against claims which are malicious. This is because of the risk of claims made to deliberately damage the reputation of other employees, or the Council as a whole, and not least because the cost of undertaking investigations is significant.
- 6.11 If an employee makes an allegation which they reasonably believe is a whistleblowing concern, but it is not confirmed by the investigation, no action will be considered or taken against them. However, if an employee makes false, malicious or vexatious allegations this will be treated as a serious disciplinary offence and disciplinary action will be taken. The PIDA only offers protection from dismissal or detriment if the worker reasonably believes their disclosure was made in the public interest.

Misuse of the policy

- 6.12 The Confidential Reporting (Whistleblowing) Policy is not designed to allow:
- individuals who have acted inappropriately to escape punishment by highlighting any malpractices they were involved in;
 - employment protection in relation to a redundancy situation or pre-existing disciplinary issues as a result of reporting a wrongdoing;
 - an individual to raise a concern for some private or personal motive.

7. DATA PROTECTION AND FOI

- 7.1 The Freedom of Information Act 2000 gives a general right of access to all types of recorded information held by public authorities. As such the Council often receives requests for information under the Freedom of Information Act.
- 7.2 The Council has a legal obligation to provide the information unless it falls under one of the exemptions of the Act.
- 7.3 The Freedom of Information Act contains exemptions which may be applicable to permit the withholding of information identifying the whistleblower, including:
- Section 40: Personal Data;
 - Section 41: Information which, if disclosed, would give rise to an actionable breach of confidence
- 7.4 Many people making a disclosure to the Council will wish to protect their identity and the Council will always seek to protect the identity of individuals during the course of an investigation. If the Council receives a request for information identifying a whistleblower, the Council will contact the whistleblower to seek their views beforehand and will, wherever possible, seek to comply with those views.
- 7.5 The principle of maintaining confidentiality should also be applied to the identity of any individual who may be the subject of a disclosure.
- 7.6 When processing personal data as part of a whistleblowing investigation, the Council will take all necessary precautions to protect such data and not share it more widely than is necessary as part of the investigation. The Council will apply the General Data Protection Regulations and the Data Protection Act 2018 in all aspects of any whistleblowing investigation.

8. MONITORING OF WHISTLEBLOWING COMPLAINTS

- 8.1 A central record of all whistleblowing referrals made under this policy will be maintained and these will be monitored in terms of the outcome. The collection, monitoring, review and storage of these records will at all times be carried out within the safeguarding principles set out at Section 7 of this policy.
- 8.2 As such, the receiving manager should report details of any allegation to the Whistleblowing Officers who will log and allocate each case a reference number. The outcome of the investigation should be notified to the Whistleblowing Officer by the Investigating officer.
- 8.3 The records held by the Whistleblowing Officers will be used to analyse the impact and effectiveness of the arrangements in place in statistical terms. The detailed case records form part of the process of reporting back to Members on the effectiveness and outcomes of the Policy and form the record of actions taken in the case of any concerns raised under the PIDA. This information will be referred to for monitoring purposes and periodic assurance reports provided to the Audit and Governance Committee as part of this process.
- 8.4 The Chief Executive has overall responsibility for the maintenance and operation of this policy. In accordance with its Terms of Reference for the oversight of the internal control and governance framework of the Authority, the Audit and Governance Committee will review this Policy and consider its effectiveness through a process of periodic review.

8.5 A Confidential Reporting (Whistleblowing) record sheet (**Appendix C**) should be used to record a summary for each case. A copy should be held with the central record of whistleblowing referrals and one retained with the investigation paperwork on completion.

9. HOW THE MATTER CAN BE TAKEN FURTHER

9.1 This policy is intended to provide employees with an avenue to raise concerns within the Council and be satisfied with the Council's response. However, should an employee feel dissatisfied with the Council's response, and feels it is right to take the matter outside the Council, they can do so. Contact can be made through one of the following contact points:-

- the Authority's External Auditors, Grant Thornton UK LLP:
 - Leeds Office: - 1 Whitehall Riverside, Leeds LS1 4BN:
Telephone 0113 245 5514;
 - Michael Green (Key Audit Partner): - 1 Whitehall Riverside, Leeds LS1 4BN:
Telephone 0113 200 2535
- the relevant professional bodies or regulatory organisation;
- the whistleblowing charity 'Protect' (refer to the Note below);
- Trade Union;
- a Solicitor, or
- the Police.

Note – Protect can also be contacted should someone wish to seek independent advice about how best to raise a concern (appendix B – Frequently Asked Questions provides contact details). Seeking this independent advice would not constitute legal notification to the Council.

9.2 It should be remembered that failing to raise the matter within the Council first may result in the disclosure being unprotected within the provisions of the Public Interest Disclosure Act 1998.

9.3 Employees who are in any doubt regarding the provisions of the Policy should contact Human Resources. Advice as to whether or how a matter should be raised should be sought by contacting one of the Whistleblowing Officers.

10. TRAINING AND AWARENESS

10.1 Service Directors and Heads of Service are responsible for ensuring that their employees are aware of the Confidential Reporting Policy and process and that any training needs are addressed which may arise from the application of the policy. Raising awareness of the Council's Confidential Reporting Policy should form part of the induction training for all employees and should be addressed as refresher training for all employees.

10.2 Employees have a responsibility to ensure that they are aware of and understand the Council's policy in relation to Whistleblowing.

EXAMPLES OF WHISTLEBLOWING

Concerns around suspected wrongdoing, malpractice, illegality or risk in the workplace may include:

- criminal offences (actual or potential);
- failure to comply with a legal duty;
- miscarriages of justice;
- fraud or corruption;
- a misuse or theft of Council money, physical assets or the abuse of working arrangements;
- abuse of authority/position;
- serious breaches of Council policy or procedure, including but not limited to, Council Financial Regulations, Contract Standing Orders, Corporate Anti-Bribery Policy, Recruitment Procedures;
- a misuse or abuse of the Council's computers, its systems, data or information;
- unethical conduct and actions deemed unprofessional or inappropriate (this could include, but is not limited to, the malpractice in dealing with or mistreatment of a client of the Council; breaches of regulations requiring school governors to 'act with integrity, objectivity and honesty and in the best interests of the school' and breaches of the 'Nolan Principles' which are the basis of ethical standards expected of public office holders (**Appendix D**);
- the health and safety of any individual has been, or is likely to be, endangered;
- the environment has been, is being or is likely to be, damaged (as a result of the Council's actions or inactions); and
- information about any of the above has been, is being, or is likely to be, deliberately concealed.

FREQUENTLY ASKED QUESTIONS

What is the difference between whistleblowing and making a complaint or a grievance?

In general terms, whistleblowing occurs when an employee raises a concern about danger or illegality that affects others, and which has a public interest dimension to it. The person blowing the whistle is usually not directly, personally affected by the danger or illegality. Consequently, the whistleblower rarely has a personal interest in the outcome of any investigation into their concerns. As a result, the whistleblower should not be expected to prove their case; rather he or she raises the concern so others can address it.

A grievance or private complaint is, by contrast, a dispute about the employee's own employment position and has no additional public interest dimension. When someone complains, they are saying that they have personally been poorly treated. This poor treatment could involve a breach of their individual employment rights or bullying, and the complainant is seeking redress or justice for themselves. The person making the complaint therefore has a vested interest in the outcome of the complaint, and, for this reason, is expected to be able to prove their case.

For example – bullying and discrimination issues should be dealt with under the respective policy or under grievance procedure.

Can concerns be raised confidentially or anonymously?

The Council encourages whistleblowers to identify themselves and raise concerns openly. Openness makes it easier for the Council to assess the issue, work out how to investigate the matter, understand any motive and get more information. The effectiveness of any whistleblowing investigation may be limited where an individual chooses not to be identified.

An individual raises a concern confidentially if he or she gives his or her name on the condition that it is not revealed without their consent. An individual raises a concern anonymously if he or she does not give his or her name at all. Clearly, if the Council does not know who provided the information, it is not possible to reassure or protect them.

Does the Public Interest Disclosure Act (PIDA) require an employer to keep a whistleblower's identity secret?

The simple answer is no. PIDA contains no specific provision on confidentiality. The protections within the Act can be deemed to encourage employees to raise issues openly. A good whistleblowing policy will provide a confidential port of call for a worried employee and employers should respect any promise of confidentiality they make. However, in some cases it will be impossible to take action on the concern without the open testimony of a whistleblower. Further it may later become necessary to waive anonymity because of the course of the investigation for example if the matter has had to be referred to the police.

Am I protected from dismissal if I blow the whistle?

It is unlawful to dismiss an employee for the reason that they have blown the whistle. This would be an unfair dismissal. As long as disclosures meet the legal tests an employee should not be dismissed for raising concerns.

The types of whistleblowing eligible for protection as qualifying disclosures are provided at **Appendix A**.

Who is protected?

The following people are protected:

- employees;
- agency workers;
- people who are training with an employer, but not employed.

A worker will be eligible for protection if:

- they honestly think what they're reporting is true;
- they are telling the right person;
- they believe that their disclosure is in the public interest.

Who is not protected?

An employee will not be afforded protection if:

- they break the law when they report something, for example because they signed the Official Secrets Act;
- they were part of the wrongdoing;
- they found out about the wrongdoing when someone wanted legal advice ('legal professional privilege'), for example if they are a solicitor;
- it is not in the public interest.

Workers who are not employees cannot claim unfair dismissal because of whistleblowing, but they are protected and can claim 'detrimental treatment'.

What information should a whistleblower provide?

Supporting evidence for the allegations, if available, is clearly helpful. However, the law does not require individuals to have evidence before reporting the matter, but it does say that the individual must reasonably believe the information is substantially true.

Individuals should report concerns to line management or other at the earliest opportunity rather than wait to collate any evidence.

Whistleblowers are encouraged to provide their contact details to allow the Council to seek further information, where necessary and advise on outcomes.

Where can I get independent advice?

Free, independent, confidential advice and information about PIDA law can be obtained from the Whistleblowing Charity 'Protect' (formally Public Concern at Work). The charity runs a UK helpline on their advice line tel: 020 3117 2520 or visit their website www.protect-advice.org.uk.

CONFIDENTIAL <u>BARNSELY METROPOLITAN BOROUGH COUNCIL</u> <u>CONFIDENTIAL REPORTING (WHISTLEBLOWING) CASE RECORD</u>	
Date the concern / allegation received	
Name, Job title and contact details of the officer receiving the referral/concerns	
Directorate Involved	
How the report was received (verbal / written)	
Does the individual raising the concern wish to remain anonymous?	
If not, details of officer raising concern / allegation i.e. name, job title, contact details etc.	
Was confidentiality requested / explained or promised?	
A summary of the concern / allegation raised:	

<p>CONFIDENTIAL</p> <p>BARNSLEY METROPOLITAN BOROUGH COUNCIL</p> <p><u>CONFIDENTIAL REPORTING (WHISTLEBLOWING) CASE RECORD</u></p>	
<p>Has formal acknowledgement been provided to the employee in line with the Policy?</p> <p>(Acknowledgement of receipt within 5 working days with a further acknowledgement sent within 10 working days)</p>	
<p>Date reported to the Whistleblowing Officer</p>	
<p>Officer(s) handling the investigation:</p> <p>(Name(s) and job title(s))</p>	
<p>Summary outcome of investigation:</p> <p>(Proved / not proved, action plans, recommendations)</p>	
<p>Date notification of outcome provided to the employee raising the concern / allegation:</p>	
<p>Papers retained (location), responsible officer and review date:</p>	

SEVEN NOLAN PRINCIPLES

The following are the Seven Nolan Principles underpinning standards for Public Life:

The principles of public life apply to anyone who works as a public office-holder. This includes all those who are elected or appointed to public office, nationally and locally, and all people appointed to work in the civil service, local government, the police, courts and probation services and in the health, education, social and care services. All public office-holders are both servants of the public and stewards of public services. The principles also have application to all those in other sectors delivering public services.

1. Selflessness: Holders of public office should act solely in terms of the public interest.
2. Integrity: Holders of public office 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.
3. Objectivity: Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
4. Accountability: Holders of public office are accountable to the public for their decisions and actions and must admit themselves to the scrutiny necessary to ensure this.
5. Openness: Holders of public office 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.
6. Honesty: Holders of public office should be truthful.
7. Leadership: Holders of public office 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.

Source: The Committees website is at <http://www.public-standards.gov.uk/>

WHISTLEBLOWING BY INDIVIDUALS EMPLOYED IN MAINTAINED SCHOOLS

1. Individuals employed in schools which fall under the Council's confidential reporting policy arrangements include those employed in schools maintained by the Council i.e. the Council is the legal employer.
2. Each locally managed school should have their own whistleblowing policy and reporting arrangements which reflect the principles and requirements set out in the Council's Policy. In most cases, school based staff are encouraged to raise their concerns in accordance with the schools own reporting procedures, rather than directly to the Council.
3. However, if the employee has a concern which they feel they cannot discuss with the management of the school or have good reason to believe that their complaint or disclosure will not be properly handled, then they may report their concerns directly to the Council or prescribed regulator using the Council's whistleblowing reporting procedures.
4. **Safeguarding** – any concerns relating to a child protection issue should be reported to the Local Authority Designated Officer (LADO) and in line with the specific guidelines outlined in the school's safeguarding policy. Further information is available on the Council's website:
[Safeguarding Children](#)
[Local Authority Designated Officer](#)
5. The Confidential Reporting Policy is not to be used where other more appropriate reporting procedures are available within school, for example, in relation to any grievance relating to employment matters or to make a general complaint in relation to the school.
6. The Council expects schools to respond to a disclosure or allegation in the same way as the Council would respond. The Headteacher or Chair of Governors would be expected to seek advice as necessary from the Council.
7. The Corporate Assurance Team can offer advice and support to schools on the approach to be taken to investigate whistleblowing allegations to ensure concerns are properly addressed.
8. The action taken by schools in response to allegations made will depend on the nature and seriousness of the concern. Where appropriate, the matters raised may be:
 - investigated by school management, or the Council's Corporate Assurance Team;
 - referred to the Police;
 - referred to the External Auditor;
 - subject of an independent enquiry.
9. For monitoring purposes, the Headteacher or Chair of Governors must report (at the earliest opportunity) details of all whistleblowing allegations or suspicions of fraud, theft or corruption made within school to the Council's Head of Corporate Assurance.
10. Employees who wish to raise concerns over practices in other schools should report these directly to the Council.
11. This policy does not extend to staff employed in **Voluntary Aided Schools** as, in these schools; the governing body is the employer and not the Council. Each school should have

their own whistleblowing policy and arrangements for reporting, logging and investigating concerns. The governing body must decide how employees and workers may make a qualifying disclosure under PIDA or raise an allegation of wrongdoing.

12. The Council's ability to legally investigate disclosures of serious wrongdoing in voluntary aided schools is reduced unless the allegations relate to safeguarding matters, Special Educational Needs and/or financial mismanagement concerns. The Council should be notified of details of all concerns reported in relation to these matters.
13. **Academy Schools** should adopt their own whistleblowing policy and procedures as the Council has no legal power to investigate, except for those concerns relating to safeguarding issues and Special Educational Needs.
14. The Council will acknowledge receipt any disclosures received relating to these institutions and advise whistleblowers on an appropriate course of action regarding concerns raised. If the disclosure relates to serious wrongdoing in respect of safeguarding issues involving children or vulnerable adults the Council has a legal obligation to investigate and will do so irrespective of the status of the school.
15. Any notifications that are received in relation to locally managed schools will be logged and monitored by the Whistleblowing Officers. Whilst the Council may not investigate every concern raised (as this may be undertaken by the individual school concerned), logging the issues enables the Council to monitor progress and where possible deal with the concerns having regard to any legal obligations or duty of care in relation to the school.



Corporate Anti-Bribery Policy

Document Control

Organisation	Barnsley Metropolitan Borough Council
Title	Corporate Anti-Bribery Policy
Author	Corporate Assurance Manager
Owner	Director of Finance
Commencement Date	1 st April 2024
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Revision History

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- Informed** – The person(s) or groups to be informed after procedure implementation or amendment.

Responsible	Corporate Assurance Manager
Accountable	Director of Finance
Consulted	Audit and Governance Committee
Informed	All Barnsley MBC employees, temporary staff, contractors, all elected members, or anyone working on Council premises or on behalf of the Council

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1. INTRODUCTION

- 1.1 Bribery is a criminal offence. Barnsley MBC does not, and will not, pay bribes or offer improper inducements to anyone for any purpose, nor do we or will we, accept bribes or improper inducements.
- 1.2 To use a third party as a conduit to channel bribes to others is a criminal offence. We do not, and will not, engage indirectly in or otherwise encourage bribery.
- 1.3 We are committed to the prevention, deterrence and detection of bribery. We have zero-tolerance towards bribery. We aim to maintain anti-bribery compliance “business as usual”, rather than as a one-off exercise.

2. OBJECTIVE OF THIS POLICY

- 2.1 This policy provides a coherent and consistent framework to enable the Council's employees to understand and implement arrangements enabling compliance. In conjunction with related policies and key documents it will also enable employees to identify and effectively report a potential breach.
- 2.2 We require that all personnel, including those permanently employed, temporary agency staff and contractors:
 - act honestly and with integrity at all times and to safeguard the Council's resources for which they are responsible;
 - comply with the spirit, as well as the letter, of the laws and regulations of all jurisdictions in which the Council operates, in respect of the lawful and responsible conduct of activities.

3. SCOPE OF THIS POLICY

- 3.1 This policy applies to all of the Council's activities. For partners, joint ventures and suppliers, we will seek to promote the adoption of policies consistent with the principles set out in this policy.
- 3.2 Within the Council, the responsibility to control the risk of bribery occurring resides at all levels of the Council. It does not rest solely within assurance functions, but in all business units and corporate functions.
- 3.3 This policy covers all personnel, including all levels and grades, those permanently employed, temporary agency staff, contractors, non-executives, agents, Members (including independent members), volunteers and consultants.

4. THE COUNCIL'S COMMITMENT TO ACTION

- 4.1 The Council commits to:
 - Setting out a clear Anti-Bribery Policy and keeping it up to date;
 - Making employees aware of their responsibilities to adhere strictly to this policy at all times;
 - Encouraging its employees to be vigilant and to report any suspicions of bribery, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately;
 - Rigorously investigating instances of alleged bribery and assisting police and other appropriate authorities in any resultant prosecution;

- Taking firm and vigorous action against any individual(s) involved in bribery;
- Provide information to employees to report breaches and suspected breaches of this policy;
- Include appropriate clauses in contracts to prevent bribery.

5. BRIBERY

5.1 The Council defines bribery as:

The offering, giving, soliciting or acceptance of an inducement or reward for performing an act, or failing to perform an act, designed to influence official action or decision making.

6. THE BRIBERY ACT 2010

6.1 There are four key offences under the Act:

- Bribery of another person (section 1)
- Accepting a bribe (section 2)
- Bribing a foreign official (section 6)
- Failing to prevent bribery (section 7)

6.2 The Bribery Act 2010 makes it an offence to offer, promise or give a bribe (Section 1). It also makes it an offence to request, agree to receive, or accept a bribe (Section 2). Section 6 of the Act creates a separate offence of bribing a foreign public official with the intention of obtaining or retaining business or an advantage in the conduct of business. There is also a corporate offence under Section 7 of failure by a commercial organisation to prevent bribery that is intended to obtain or retain business, or an advantage in the conduct of business, for the organisation. An organisation will have a defence to this corporate offence if it can show that it had in place **adequate procedures** designed to prevent bribery by or of persons associated with the organisation.

7. WHAT ARE “ADEQUATE PROCEDURES”?

7.1 Whether the procedures are adequate will ultimately be a matter for the courts to decide on a case-by-case basis. Adequate procedures need to be applied proportionately, based on the level of risk of bribery in the organisation. It is for individual organisations to determine proportionate procedures in the recommended areas of six principles. The principles are not prescriptive and are intended to be flexible and outcome focussed e.g. small organisations will face different challenges to those faced by large multi-national enterprises.

7.2 Proportionate procedures

The Council's procedures to prevent bribery by persons associated with it are proportionate to the bribery risks it faces and to the nature, scale and complexity of its activities. They are also clear, practical, accessible, effectively implemented and enforced.

7.3 Top level commitment

Elected Members and the Council's Senior Management Team are committed to preventing bribery by persons associated with the Council. They foster a culture within the council in which bribery is never acceptable.

7.4 Risk Assessment

The Council assesses the nature and extent of its exposure to potential external and internal risks of bribery on its behalf by persons associated with it. The assessment is periodic, informed and documented. It includes financial risks but also other risks such as reputational damage.

7.5 Due diligence

The Council applies due diligence procedures, taking a proportionate and risk-based approach in respect of persons who perform or will perform services for or on behalf of the organisation in order to mitigate identified bribery risks.

7.6 Communication

The Council seeks to ensure that its bribery prevention policies and procedures are embedded and understood throughout the organisation through internal and external communication, including training that is proportionate to the risks it faces.

7.7 Monitoring and review

The Council monitors and reviews procedures designed to prevent bribery by persons associated with it and makes improvements where necessary.

The Council is committed to proportional implementation of the above principles.

8. **PENALTIES**

8.1 An individual guilty of an offence under sections 1, 2 or 6 is liable:

- On conviction in a magistrates court, to imprisonment for a maximum term of 12 months or to a fine not exceeding the statutory maximum, or to both;
- On conviction in a crown court, to imprisonment for a maximum term of ten years, or to an unlimited fine, or both.

8.2 Organisations are liable for these fines and if guilty of an offence under section 7 are liable to an unlimited fine.

9. **BRIBERY IS NOT TOLERATED**

9.1 It is unacceptable to:

- accept payment from a third party that you know, or suspect is offered with the expectation that it will obtain a business advantage for them;
- accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
- retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy;
- engage in activity in breach of this policy.

10. **FACILITATION PAYMENTS**

10.1 Facilitation payments are not tolerated and are illegal. Facilitation payments are unofficial payments made to public officials in order to secure or expedite actions.

11. GIFTS AND HOSPITALITY

11.1 This policy is not meant to change the requirements of the Council's Offer(s) of a Benefit Policy.

11.2 Paragraph 7.2.3 of the Code of Conduct for Employees states:

It is a serious criminal offence for employees to corruptly receive or give any gift, bribe, loan, fee, reward or advantage for doing/not doing or showing favour to any persons as a result of their official capacity – Prevention of Corruption Act 1916 and the Bribery Act 2010.

11.3 Furthermore, Section 7.5.1 of the policy provides guidance and instruction relating to the offering of benefits. The policy advises that, with the exception of very modest benefits, any offer must be firmly refused and states:

Public confidence of the council would be seriously damaged if the least suspicion were to arise of actual or perceived impropriety by an employee.

11.4 In general terms, however, an employee must:

- Treat any offer of a gift or hospitality if it is made to them personally with extreme caution;
- Not receive any reward or fee other than their salary;
- Never accept monetary gifts of any kind;
- Always refuse offers of gifts or services to them (or their family members) from organisations or persons who do, or might, provide work, goods or services, to the Council or who require a decision from the Council;
- Always report any such offer to their line manager.

12. PUBLIC CONTRACTS AND FAILURE TO PREVENT BRIBERY

12.1 Under the Public Contracts Regulations 2006 as amended by the Public Contracts Regulations 2015 (which gives effect to EU law in the UK), a company is automatically and perpetually debarred from competing for public contracts where it is convicted of a corruption offence. Organisations that are convicted of failing to prevent bribery are not automatically barred from participating in tenders for public contracts. The Council has the discretion to exclude organisations convicted of this offence.

13. EMPLOYEE RESPONSIBILITIES

13.1 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the organisation or under its control. All employees are required to avoid activity that breaches this policy.

13.2 You must:

- ensure that you read, understand and comply with this policy;
- raise concerns as soon as possible if you believe or suspect that a conflict with this policy has occurred or may occur in the future.

13.3 As well as the possibility of civil and criminal prosecution, employees breaching this policy will face disciplinary action, which could result in dismissal for gross misconduct.

14. RAISING A CONCERN

- 14.1 The Council is committed to ensuring that all of us have a safe, reliable, and confidential way of reporting any suspicious activity. We want each and every employee to know how they can raise concerns.
- 14.2 We all have a responsibility to help detect, prevent and report instances of bribery. If you have a concern regarding a suspected instance of bribery or corruption, please speak up – your information and assistance will help.
- 14.3 There are multiple channels to help you raise concerns (please refer to the Confidential Reporting Policy). Preferably the disclosure will be made and resolved internally e.g. to your line manager, head of department or to the Corporate Assurance Team. Alternatively, where internal disclosure proves inappropriate, concerns can be raised with the Council's external auditor. Raising concerns in these ways may be more likely to be considered reasonable than making disclosures publicly e.g. to the media.
- 14.4 Concerns can be anonymous. In the event that an incident of bribery, corruption, or wrongdoing is reported, we will act as soon as possible to evaluate the situation. We have clearly defined procedures for investigating fraud, misconduct and non-compliance issues and these will be followed in any investigation of this kind. This is easier and quicker if concerns raised are not anonymous.
- 14.5 Employees who refuse to accept or offer a bribe, or those who raise concerns or report wrongdoing can understandably be worried about the repercussions. The Council aims to encourage openness and will support anyone who raises a genuine concern in good faith under this policy, even if they turn out to be mistaken.
- 14.6 We are committed to ensuring nobody suffers detrimental treatment through refusing to take part in bribery or corruption, or because of reporting a concern in good faith.
- 14.7 If you have any questions about these procedures, please contact the Corporate Assurance Team.

15. OTHER RELEVANT POLICIES

- 15.1 Further information on relevant Council policy and practice can be found in the following internal documents:
- Corporate Anti-Fraud and Corruption Policy;
 - Corporate Anti-Fraud and Corruption Strategy;
 - Members Code of Conduct;
 - Employee Code of Conduct (including offer(s) of a benefit);
 - Corporate Anti-Money Laundering Policy;
 - Confidential Reporting Policy (Whistleblowing Policy).



Corporate Anti-Fraud and Corruption Policy

Document Control

Organisation	Barnsley Metropolitan Borough Council
Title	Corporate Anti-Fraud and Corruption Policy
Author	Corporate Assurance Manager
Owner	Director of Finance
Commencement Date	1 st April 2024
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Foreword by the Chief Executive

“Barnsley Council is funded by public money, through council tax, business rates and other sources. Fraud against the Council is essentially theft of this money, and the Council takes its role as a guardian of these public funds seriously.

The Council’s Corporate Plan sets out our priorities and outcomes for the residents of the Borough in a time when demand for services is increasing and funding for local government is falling. We have to make tough decisions on finances to continue to support key services. Any fraud against the Council takes more money away from services and undermines our ability to achieve our aims.

For these reasons, the Council will not tolerate any fraud or corruption against it.

The Corporate Anti-Fraud and Corruption Policy forms part of the Council’s Counter Fraud Framework which outlines the measures the Council will take to tackle fraud and corruption.

We will seek to identify areas where fraud may occur and limit opportunities for fraudsters to exploit the Council. Where fraud is suspected we will investigate robustly, and where it is proved will utilise all measures available to us to deal with criminals and recover any losses.”

Sarah Norman
Chief Executive – Barnsley MBC

April 2024

1. POLICY STATEMENT

- 1.1 Barnsley Metropolitan Borough Council is committed to protecting the public funds that it administers, and consequently the Council will not tolerate any abuse of its services. The Council is determined to prevent, deter and detect all forms of fraud, bribery and corruption committed against it, whether that be internal or from outside the Council.
- 1.2 The Council is determined that the culture and tone of the organisation is one of honesty and rigorous opposition to fraud, bribery and corruption. Thus, the Council is committed to ensuring all of its business is conducted in an open, honest, equitable and fair manner, and is accountable to all the people within the borough of Barnsley.
- 1.3 The Council will not tolerate fraud or corruption committed, or attempted, by its members, employees, suppliers, contractors or service users and will take all necessary steps to investigate allegations of fraud or corruption and pursue sanctions available in each case, including removal from office, dismissal and/or prosecution and the recovery of Council assets and funds.
- 1.4 The measures adopted by the Council in its commitment to the prevention, deterrence and detection of fraud, bribery and corruption are set out in detail in the Council's:
 - Corporate Anti-Bribery Policy;
 - Corporate Anti-Fraud and Corruption Strategy;
 - Corporate Prosecutions Policy.

2. FRAUD

- 2.1 The **Fraud Act 2006** is used for the criminal prosecution of fraud offences. The Council also deals with fraud in non-criminal disciplinary matters.
- 2.2 The Fraud Act created a general offence of fraud which might be committed in three ways:
 - Fraud by false representation,
 - Fraud by failing to disclose information, and
 - Fraud by abuse of position.
- 2.3 For the purposes of this document fraud is defined as:

The dishonest action designed to facilitate gain (personally or for another) at the expense of the Council, the residents of the Borough or the wider national community.

- 2.4 'Fraud' has moved away from the concept of the deceit of another to the dishonest intent of the fraudster to make a gain or cause a loss or risk of a loss. Thus, the arena of fraud is far more reaching than the simple crime of theft.

3. THEFT

- 3.1 Theft is the act of stealing any property belonging to the Council or which has been entrusted to it (i.e. client funds), including cash, equipment, vehicles, data.
- 3.2 Theft does not necessarily require fraud to be committed. Theft can also include the stealing of property belonging to another whilst on Council property.

4. BRIBERY AND CORRUPTION

4.1 The Bribery Act 2010 came into force on 1st July 2011 and creates offences of:

- Accepting a bribe,
- Bribery of another person,
- Bribing a foreign official, and
- Failure to prevent bribery.

4.2 The Council defines bribery as:

‘The offering, giving, soliciting or acceptance of an inducement or reward for performing an act, or failing to perform an act, designed to influence official action or decision making’.

These inducements can take many forms including for examples cash, holidays, event tickets, meals.

The Council defines corruption as:

‘Dishonest or illegal behaviour’.

4.3 The Council’s **Corporate Anti-Bribery Policy** provides guidance to staff on action to be taken to prevent bribery and how to report concerns of alleged bribery or corruption.

5. REPORTING FRAUD, BRIBERY AND CORRUPTION

5.1 The Council encourages and expects its employees and Elected Members to report incidents of suspected fraud, bribery and corruption. A **Confidential Reporting (Whistleblowing) Policy** is in place to facilitate the reporting of concerns by employees and Elected Members where the normal reporting to a line manager is not appropriate. The public are able to utilise the corporate complaints procedure to raise a concern about alleged wrongdoing.

6. INVESTIGATING ALLEGATIONS OF FRAUD, BRIBERY AND CORRUPTION

6.1 A **Corporate Fraud Response Plan** has been prepared to guide managers on action to be taken should they receive an allegation of fraud or corruption.

6.2 In normal cases it will be the Council’s Corporate Assurance Team that will undertake or direct the investigation. Matters of a criminal nature will be referred to the Police. A reporting and liaison protocol is in place with South Yorkshire Police.

7. MONITORING FRAUD, BRIBERY AND CORRUPTION

7.1 The Audit and Governance Committee will have responsibility for monitoring the performance and effectiveness of the **Corporate Anti-Fraud and Corruption Policy** and **Strategy** through the annual Internal Control Framework review process.

7.2 The Audit and Governance Committee will make recommendations to the Council to make any necessary changes to the Anti-Fraud and Corruption Policy or Strategy.

8. OTHER RELEVANT POLICIES

8.1 Further information on relevant Council policy and practice can be found in the following internal documents:

- Anti-Money Laundering Policy;
- Confidential Reporting (Whistleblowing) Policy;
- Employee Code of Conduct incl. Insider Dealing, Register of Employee Interests and Declaration of Offer(s) of Benefits;
- Members Code of Conduct;
- Information Security and Computer Usage Policy;
- Corporate Prosecutions Policy.



DRAFT Corporate Anti-Fraud and Corruption Strategy 2024-2027

Document Control

Organisation	Barnsley Metropolitan Borough Council
Title	Corporate Anti-Fraud and Corruption Strategy
Author	Corporate Assurance Manager
Owner	Director of Finance
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STATEMENT OF COMMITMENT

“We have a responsibility to be transparent and accountable to our residents. Taking responsibility for fraud means being honest about the level of fraud and acknowledging that fraud risk will exist in all large organisations. We are committed to tackling fraud, in both prevention and the delivery of robust action where fraud or bribery does occur. This strategy outlines our approach and demonstrates our commitment to ensuring good governance.”

Sarah Norman
Chief Executive – Barnsley MBC

April 2024

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1. INTRODUCTION

1.1 Fraud against Local Government nationally is estimated to cost £2.2 billion per year. This is a significant loss to the public purse. To reduce these losses, Barnsley Metropolitan Borough Council (the Council) is committed to:

- The highest standards of probity in the delivery of its services, ensuring proper stewardship of its funds and assets;
- The prevention of fraud and the promotion of an anti-fraud culture;
- A zero-tolerance attitude to fraud requiring employees, contractors and Members to act honestly and with integrity at all times, and to report all suspicions of fraud;
- The investigation of all instances of actual, attempted or suspected fraud. The Council will seek to recover any losses and pursue appropriate sanctions against the perpetrators. This may include criminal prosecution, disciplinary action, legal proceedings and professional sanctions;
- Fighting Fraud and Corruption Locally – A Strategy for the 2020s which provides a blueprint for a tougher response to fraud and corruption perpetrated against local authorities including:
 - Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation.
 - Acknowledging the threat of fraud and the opportunities for savings that exist.
 - Preventing and detecting all forms of fraud.
 - Pursuing appropriate sanctions and recovery of any losses.
 - Protecting public funds, protecting its organisation from fraud and cyber-crime, and also protecting itself from future frauds

2. DEFINITION OF FRAUD

2.1 The Fraud Act 2006 came into force on 15th January 2007. The Act repeals the deception offences enshrined in the 1968 and 1978 Theft Acts and replaces them with a single offence of fraud which can be committed in three separate ways:

- Fraud by false representation;
- Fraud by failing to disclose information;
- Fraud by abuse of position

2.2 **Fraud by false representation:** - Examples include providing false information on a grant or Blue Badge application, employees claiming to be absent from work due to illness when they are in fact fit and well or submitting time sheets or expenses with exaggerated or entirely false hours and/ or expenses.

2.3 **Fraud by failing to disclose information:** - Examples include failing to disclose a financial interest in a company that the Council is trading with, or failing to disclose a personal relationship with someone who is applying for a job at the Council.

2.4 **Fraud by abuse of position:** - Examples include a carer who steals money from the person they are caring for, or employees who order goods and services through the Council's accounts for their own use.

2.5 The Council defines fraud as:

The dishonest action designed to facilitate gain (personally or for another) at the expense of the Council, the residents of the Borough or the wider national community.

2.6 While fraud is often seen as a complex financial crime, in its simplest form, fraud is lying. Some people will lie, or withhold information, or generally abuse their position to try to trick someone else into believing something that isn't true. Appendix A includes a summary of the Fraud Act 2006.

3. STANDARDS

3.1 The Council wishes to promote a culture of openness, transparency, honesty and opposition to fraud and corruption based on the seven principles of public life. The Council will ensure probity in local administration and governance and expects the following from all Members, employees, agency workers, volunteers, suppliers and those providing services under a contract with BMBC.

Selflessness

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their families, or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands. Openness requires an inclusive approach, an outward focus and a commitment to partnership working.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office 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.

4. CORPORATE FRAMEWORK AND CULTURE

4.1 The Council's endorsement of this strategy sends a clear message that fraud against the Council will not be tolerated and where reported or identified will be dealt with in a professional and timely manner using all the sanctions available. Through the creation and enhancement of a strong Anti-Fraud Culture the Council aims to deter potential perpetrators from targeting its finances, assets and services.

4.2 In addition to this strategy there are a range of policies and procedures that help reduce the Council's fraud risks. These have been formulated in line with appropriate legislative requirements and professional best practice, and include:

- Corporate Anti-Fraud and Corruption Policy;
- Corporate Anti-Bribery Policy;
- Corporate Anti-Money Laundering Policy;
- Confidential Reporting Policy;
- Corporate Fraud Response Plan;
- Disciplinary Procedure;
- Corporate Prosecutions Policy;
- Financial Regulations and Contract Procedure Rules;
- Code of Member Conduct incl. Declaration of Interests, Gifts & Hospitality;
- Employee Code of Conduct incl. Insider Dealing, Declaration of Employee Interests and Offer(s) of a Benefit;
- Information Security and Computer Usage Policy;
- An established Audit and Governance Committee;
- E-learning fraud awareness training for employees accessible through POD;
- Published documentation / information, including expenditure over £500, required in the Government's Transparency Code;
- Participation in the Cabinet Office's National Fraud Initiative and membership to the National Anti-Fraud Network.

4.3 The expectation is that elected Members and employees of all levels will adopt the highest standards of propriety and accountability and demonstrate that the Council is acting in an open, transparent and honest manner. Consequently, any Member / co-opted Member of the Council who commits a fraudulent act against the Council or is involved with bribery in the performance of their duties will be subjected to the Council's procedures for dealing with complaints of misconduct against Members operated via the Council's Monitoring Officer / Standards Committee and may be reported to the Police.

4.4 Any Council employee committing a fraudulent act against the Authority or found to be involved with bribery in the performance of their duties will be subjected to the Council's disciplinary procedures and may be reported to the Police (whether or not the act is outside of their direct employee role). For instance, benefit fraud, the misuse of a blue badge, submitting a false insurance claim against the Council, Council Tax evasion, Council Tax Support fraud or falsely claiming single person's discount are all offences against the Council that can be committed by employees outside of their direct role and which are likely to be subject to investigation under the Council's Disciplinary Procedure. Whilst the internal action in relation to both Members and employees will be entirely separate to any criminal sanction and the intrinsic link to the employment relationship can be considered by the Council.

4.5 When fraud and/ or bribery has occurred due to lack of internal control or an identified breakdown in controls, the relevant Executive Director will be responsible for ensuring appropriate improvements in systems of control are implemented in order to minimise the risk of recurrence. Where investigations are undertaken by the Corporate Assurance

Team, an assurance report will be produced on any control weaknesses and follow up action undertaken as appropriate to ensure the implementation of improvements.

5. ROLES AND RESPONSIBILITIES

The Role of Elected Members

- 5.1 As elected representatives, all Members of the Council have a duty to act in the public interest and to do whatever they can to ensure that the Council uses its resources in accordance with statute.
- 5.2 This is achieved through Members operating within the Constitution which includes the Member Code of Conduct and Financial Regulations.

The Role of Employees

- 5.3 The Council expects its employees to be alert to the possibility of fraud and corruption and to report any suspected fraud or other irregularities to the Head of Corporate Assurance.
- 5.4 Employees are expected to comply with the Employee Code of Conduct and the Council's policies and procedures.
- 5.5 Employees are responsible for complying with the Council's policies and procedures and it is their responsibility to ensure that they are aware of them. Where employees are also members of professional bodies, they should also follow the standards of conduct laid down by them.
- 5.6 Employees should follow instructions given to them by management. They are under a duty to properly account for and safeguard the money and assets under their control/charge.
- 5.7 Employees are required to provide an annual (and where changes in year) written declaration of any financial and non-financial interests or commitments, which may conflict with BMBC's interests (Employee Code of Conduct – Register of Employees Interests). Section 117 of the Local Government Act 1972 requires any officer with an interest in a contract which has been, or proposed to be, entered into by the Council to declare that interest. The legislation also prohibits the acceptance of fees or rewards other than by means of proper remuneration.
- 5.8 Failure to disclose an interest or the acceptance of an inappropriate reward may result in disciplinary action or criminal liability. Staff must also ensure that they make appropriate disclosures of gifts and hospitality (Declaration of an offer of Benefits).
- 5.9 Managers at all levels are responsible for familiarising themselves with the types of fraud that might occur within their directorates and the communication and implementation of this strategy.
- 5.10 Managers are expected to create an environment in which their staff feel able to approach them with any concerns that they may have about suspected fraud or any other financial irregularities.

The Public and external organisations

- 5.11 Members of the public receive financial assistance and benefits from the Council through a variety of services. These include Council Tenancies, Temporary Accommodation, Renovation and other housing related grants, Housing and Council Tax Support, Council Tax discounts, Right to Buy discounts, Direct care payments and Parking concessions. At some time or another these areas have been subject to attack by those intent on committing fraud which means that there is less money and resources available for those in genuine need.
- 5.12 The same principles of investigations will apply across all areas where fraud and corruption is alleged.
- 5.13 All applications for financial or other assistance will be verified to the highest standard, and all data available to the Council will be used to corroborate information provided by applicants for the purposes of preventing and detecting fraud. All employees involved in assessing applications for assistance and/or verifying identification documentation submitted in support of applications will be provided with ongoing fraud awareness training through an e-learning package.
- 5.14 Information exchange will be conducted where allegations are received within the framework of the Data Protection Act 2018 for the purposes of preventing and detecting crime or under statutory legislation where it exists.
- 5.15 We will apply appropriate sanctions in all cases where it is felt that fraud or attempted fraud has been perpetrated against the authority. These will range from official warnings to Crown Court prosecution. We will also seek to recover any monies obtained fraudulently, including freezing assets, utilising the Proceeds of Crime Act 2002, confiscation orders, civil recovery and general debt recovery.
- 5.16 We will use the Council's Legal Services and the Crown Prosecution Service to bring offenders to justice. Prosecutions will not be limited to Council Tax Reduction Scheme cases but will include any area within the Council where there is evidence to indicate a fraud related offence has been committed and the case meets the standards required in the Corporate Prosecutions Policy and The Code for Crown Prosecutors.
- 5.17 As a deterrent, we will publicise our successful sanctions through the Council's Communications and Marketing Team and in the local and national media where the law allows us to do so and periodically run targeted anti-fraud campaigns within the borough to raise fraud awareness.

6. PREVENTION

Responsibilities of management

- 6.1 The primary responsibility for the prevention and detection of fraud is with management. They must ensure that they have the appropriate internal controls in place, that they are operating as expected and being complied with. They must ensure that adequate levels of internal checks are included in working practices, particularly financial. It is important that duties are organised in such a way that no one person can carry out a complete transaction without some form of checking or intervention process being built into the system.

Corporate Assurance Team

- 6.2 The Corporate Assurance Team provide the Council's counter fraud function. The team will ensure that an effective assurance review is undertaken of the Council systems and processes, and utilise all methods to detect, prevent, investigate and pursue fraud. This includes data-matching, data mining, open-source research, surveillance, and intelligence led investigations. The Service will work to assist management to implement appropriate controls and provide solutions to control failures.
- 6.3 The Corporate Assurance Team are empowered to:
- Enter any Council premises or land;
 - Have access to all records, documentation and correspondence relating to any financial and other transactions as considered necessary;
 - Require and receive information or explanation of council employees as are regarded necessary concerning any matter under examination;
 - Require any employee of the Council to account for cash, stores or any other Council property under their control or possession.
- 6.4 The Council actively encourages employees to express any concerns regarding colleagues who are suspected of committing fraud. The Confidential Reporting Policy provides further details on how employees can utilise the protection offered by the Public Interest Disclosure Act 1998. All employees, the public and members are encouraged to contact the Corporate Assurance Team with any suspicion of fraud, corruption, financial malpractice or the abuse of official position.
- 6.5 The Corporate Assurance Team is responsible for assessing the authority's counter fraud arrangements and performance against professional guidance and findings of internal reviews and investigations.
- 6.6 The Corporate Assurance Officer Investigations is authorised to investigate allegations of fraud and corruption under:
- Section 222 of the Local Government Act 1972;
 - Regulations 3, 4 and 5 of the Council Tax Reductions Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013; and
 - Regulations 2 and 4 of the Prevention of Social Housing Fraud (Power to Require Information) (England) Regulations 2014.

Working with others and sharing information

- 6.7 The Council is committed to working and co-operating with other organisations to prevent fraud and corruption and protect public funds. The Council may use personal information and data-matching techniques to detect and prevent fraud, and ensure public money is targeted and spent in the most appropriate and cost-effective way. In order to achieve this, information may be shared with other bodies responsible for auditing or administering public funds including the Cabinet Office, the Department for Work and Pensions, other local authorities, HM Revenue and Customs, and the Police.

National Fraud Initiative

- 6.8 The Council participates in the National Fraud Initiative (NFI). Part 6 of the Local Audit and Accountability Act 2014 requires the Authority to provide data from its computer systems to the Cabinet Office. This data is matched with that of other authorities and agencies, to identify possible fraud. Details of matches are returned to the Authority

where further internal investigations are undertaken to identify and pursue cases of fraud and irregularity. The Corporate Assurance Team act as key contact for the authority in co-ordinating this exercise and ensuring that data subjects are informed in a timely manner when the exercise is undertaken as per best practice guidance.

Training and awareness

- 6.9 The successful prevention of fraud is dependent on risk awareness, the effectiveness of induction and training and the responsiveness of employees throughout the Council.
- 6.10 Management will provide induction and ongoing training to employees, particularly those involved in financial processes and systems to ensure that their duties and responsibilities are regularly highlighted and reinforced.
- 6.11 The Corporate Assurance Team will provide fraud awareness training on request and will publish its successes to raise awareness.

7. DETECTION AND INVESTIGATION

- 7.1 The Council is committed to the investigation of all instances of actual, attempted and suspected fraud committed by employees, Members, consultants, suppliers and other third parties and the recovery of funds and assets lost through fraud.
- 7.2 Any suspected fraud, corruption or other irregularity should be reported to the Head of Corporate Assurance who will advise on the appropriate course of action. This will ensure that any investigation is carried out independently and objectively in accordance with Council policy and procedures, key investigation legislation and best practice and, provide assurance that investigations do not jeopardise any potential disciplinary action or criminal sanctions.
- 7.3 Action could include:
- Investigation carried out by the Senior Corporate Assurance Officer Investigations;
 - Joint investigation with the Corporate Assurance Team and relevant directorate management;
 - Directorate carry out investigation and the Senior Corporate Assurance Officer Investigations provide advice and guidance;
 - Referral to the Police.

- 7.4 The responsibility for investigating potential fraud, corruption and other financial irregularities within the Council lies mainly (although not exclusively) with the Corporate Assurance Team. Employees involved in this work will therefore be appropriately trained, and this will be reflected in training plans.

8. RAISING CONCERNS AND THE CONFIDENTIAL REPORTING POLICY

Suspicious of fraud or financial irregularity

- 8.1 All suspected or apparent fraud or financial irregularities must be brought to the attention of the Head of Corporate Assurance in accordance with Financial Regulations. Where the irregularities relate to an elected Member, there should be an immediate notification to the Service Director, Law & Governance in their role as the Council's Monitoring Officer.

8.2 If a member of the public suspects fraud or corruption they should contact the Corporate Assurance Team in the first instance. They may also contact the Council's External Auditor, who may be contacted in confidence.

8.3 The Corporate Assurance Team can be contacted by emailing corporatefraudinvestigations@barnsley.gov.uk

Confidential Reporting Policy

8.4 Employees (including Managers) wishing to raise concerns should refer to the Council's Confidential Reporting Policy and associated procedures.

8.5 The Council's Confidential Reporting Policy encourages individuals to raise serious concerns internally within the Council, without fear of reprisal or victimisation, rather than over-looking a problem or raising the matter outside. All concerns raised will be treated in confidence and every effort will be made not to reveal the individual's identity if this is their wish. However, in certain cases, it may not be possible to maintain confidentiality if the individual is required to come forward as a witness.

8.6 Employees wishing to raise concerns can obtain a copy of the Confidential Reporting Policy on the Council's Intranet.



Corporate Anti-Money Laundering Policy (and Guidance)

Document Control

Organisation	Barnsley Metropolitan Borough Council
Title	Corporate Anti-Money Laundering Policy
Author	Corporate Assurance Manager
Owner	Director of Finance
Commencement Date	1 st April 2024
Applicable to	Employees, Contractors/Partners, Citizens
Review Date	Annual review from approval or when changes are made to legislation or best practice guidance
Review Responsibility	Audit and Governance Committee

Revision History

Date	Version	Author	Comments
March 2024	1.0	Corporate Assurance Manager	Minor updates to reflect new structure & terminology

Policy Governance

The following table identifies who within BMBC is Accountable, Responsible, Informed or Consulted with regards to this policy. The following definitions apply:

Responsible – The person(s) responsible for developing and introducing the policy

Accountable – The person who has ultimate accountability and authority for the policy

Consulted – The person(s) or groups to be consulted prior to final policy implementation or amendment

Informed – The person(s) or groups to be informed after procedure implementation or amendment.

Responsible	Corporate Assurance Team
Accountable	Director of Finance
Consulted	Audit and Governance Committee
Informed	All Barnsley MBC employees, temporary staff, contractors, all elected members, or anyone working on Council premises or on behalf of the Council

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1. INTRODUCTION

1.1 Money laundering is included within the following pieces of legislation:

- Proceeds of Crime Act 2002 (the POCA) (as amended by the Serious Organised Crime and Police Act 2005, Crime and Courts Act 2012, Serious Crime Act 2015 and Criminal Finances Act 2017).
- Money Laundering Terrorist Financing & Transfer of Funds (Information on the Payer) Regulations 2017 (as amended by the money laundering & Terrorist Financing (amendment) Regulations 2019).
- The Terrorism Act 2000 (as amended by the Criminal Finances Act 2017).
- Offences under the Bribery Act 2010 may also constitute money laundering.

1.2 Barnsley Council is committed to establishing and maintaining effective arrangements to prevent and detect attempts to launder money using Council services. The Council requires all Members and employees to demonstrate the highest standards of honesty and integrity, and this includes compliance with appropriate legislation. The Council is committed to working constructively with the Police and other relevant agencies in relation to combating money laundering and ensuring compliance with the legislation.

1.3 This policy is designed to set out the Council's approach to money laundering prevention and associated reporting and should be read in conjunction with the Council's Anti-Fraud and Corruption Policy. The Council will seek to ensure the corporate stance on money laundering is widely publicised and that employees and Members have access to the appropriate guidance. Failure to comply with the procedures set out in this document may constitute a disciplinary and/or criminal offence.

2. SCOPE

2.1 This policy applies to all employees of the Council, including temporary and agency staff as well as those employed in locally maintained schools. It contains specific sections to advise employees of the process to be followed to enable the Council to comply with its legal obligations. This policy is also applicable to elected members where any suspicions of money laundering activity are noted or come to light.

2.2 The aim of the policy is to ensure all appropriate action is taken to prevent, wherever possible, the Council, its members and employees from being exposed to money laundering and to comply with all legal and regulatory obligations.

3. WHAT IS MONEY LAUNDERING?

3.1 Money Laundering is the process by which criminally obtained money or other criminal property is exchanged for "clean" money or other assets with no obvious link to their criminal origins. The term is used for a number of offences involving the integration of "dirty money" (i.e. the proceeds of crime) into the mainstream economy. The aim is to legitimise the possession of such monies through circulation, and this effectively leads to "clean" funds being received in exchange. It is a favoured method of organised criminals and terrorists.

3.2 The term "Money Laundering" describes offences involving the integration of the proceeds of crime, or terrorist funds, into the mainstream economy. Such offences are defined under The Proceeds of Crime Act (POCA) 2002 and the primary ones are listed below;

- Concealing, disguising, converting or transferring criminal property or removing it from the UK;
- Entering into or becoming concerned in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person;
- Acquiring, using or possessing criminal property;
- Failure to disclose knowledge or suspicion of another person(s) involvement in money laundering; and
- Tipping off (a person) or making a disclosure which is likely to prejudice an investigation being carried out by a law enforcing authority, knowing that such an investigation is in motion.

Further details are provided in **Appendix A: Offences Table**.

- 3.3 Offences cover a range of activities (not necessarily involving money or laundering) regarding the proceeds of crime. This means that potentially any employee or Member, irrespective of what sort of Council business they are undertaking, could commit an offence if they become aware of, or suspect the existence of criminal property, irrespective of the size of the benefit gained, and/or fail to report their concerns.
- 3.4 Where an employee/Member suspect money laundering and report, or are aware that someone else has, they must exercise caution in what is discussed with others as a further offence of “tipping off” may be committed if, knowing or suspecting a disclosure has been made, the employee/Member take any action which is likely to prejudice any investigation that may be conducted.
- 3.5 It is impossible to give a definitive list of ways in which to spot money laundering or how to decide whether to make a report. Money laundering activity may range from a single act such as the use of criminal funds to pay an invoice to multiple payments to an account to “launder” money in smaller chunks to avoid checks and suspicions. They can even involve sophisticated schemes involving multiple parties and multiple methods of handling and transferring criminal property, as well as concealing it, and entering into arrangements to assist others to do so.
- 3.6 Council employees need to be alert to the risks of money laundering in any of its many forms. Facts which tend to suggest that something ‘odd’ is happening may be sufficient for a reasonable suspicion of money laundering to arise. Risk factors which may, either alone or cumulatively with other factors suggest the possibility of money laundering activity are provided at **Appendix B: Possible Signs of Money Laundering**.
- 3.7 Potentially any employee or Member could be caught by the money laundering provisions if they suspect money laundering and either become involved with it in some way and/or do nothing about it. They may be liable to prosecution and, if convicted of one of the offences listed above, may receive an unlimited fine and up to 14 years imprisonment. (Section 7 of this document provides guidance regarding the reporting of, and implications of the failure to report, suspicions of money laundering).

4. REQUIREMENTS OF THE MONEY LAUNDERING LEGISLATION

- 4.1 The MLR 2017/19 imposes specific obligations on “relevant persons”.

- 4.2 The term relevant person relates to the following activities carried out in the course of business; tax advice; accounting services; treasury management; investment or other financial services; credit institutions; audit services; legal services; estate agents; services involving the formation, operation or arrangement of a company or trust; dealing in goods wherever a transaction involves a cash payment equivalent to €15,000 or more.
- 4.3 The obligations include the following requirements:
- Appoint a Money Laundering Reporting Officer (**MLRO**).
 - Obtain sufficient knowledge to ascertain the true identity of customers in certain circumstances, by applying **customer due diligence** measures.
 - Know the intended nature of business relationships and undertake ongoing monitoring of them (to identify **unusual transactions**).
 - Implement a procedure for assessing and controlling risk and **reporting suspicions** of money laundering.
 - Maintain **record keeping** procedures (e.g. for evidence of identity obtained, details of transactions undertaken, for at least 5 years afterwards).
- 4.4 Local Authorities are not directly covered by the requirements of the MLR 2017/19. However, some activities undertaken by local authorities could be included within the scope of the regulations and guidance from finance and legal professions, including the Chartered Institute of Public Finance and Accounting (CIPFA), indicates that public service organisations should comply with the underlying spirit of the legislation and regulations and put in place appropriate and proportionate anti-money laundering safeguards and reporting arrangements.
- 4.5 To ensure compliance with the regulations and legislation, the Council are considered a relevant person when acting in the course of business and activities carried out by them.
- 4.6 The European Union’s 4th Money Laundering Directive requires a focus on risk assessments in relation to anti-money laundering; in particular the need to evidence that an organisation’s exposure to risk is considered as part of ongoing business. As such Heads of Service should maintain engagement with the Corporate Assurance Team as business operations change with regard to undertaking appropriate and proportionate assessments.

5. THE MONEY LAUNDERING REPORTING OFFICER (MLRO)

5.1 If an individual becomes aware that their involvement in a matter may amount to money laundering then they must report it to the Money Laundering Reporting Officer (MLRO) and not take any further action until they have received consent from the MLRO, who may have to be granted such consent by the National Crime Agency.

5.2 The Council has designated Rob Winter, Financial Services as the MLRO:
Rob Winter Email: robinter@barnsley.gov.uk

The Director of Finance has been designated as Deputy MLRO:
Neil Copley Email: NeilCopley@Barnsley.gov.uk

5.3 The MLRO is responsible for:

- receiving internal suspicious activity reports (SARS) from within the Council;

- deciding whether these should be reported to the NCA;
- if appropriate making such reports to the NCA; and
- providing guidance and advice as necessary on money laundering matters/issues.

5.4 The MLRO will retain copies of the internal reports and copies of the decisions taken on each of the reports.

6. CUSTOMER DUE DILIGENCE PROCEDURE

What is Due Diligence?

6.1 Regulations 27 and 28 of the MLR 2017/19 requires the Council to take steps to identify its customers and verify they are who they say they are. This is known as customer due diligence and, in practice, means obtaining a customer's:

- Name;
- photograph on an official document which confirms their identity;
- residential address and date of birth.

6.2 The best way to do this is to ask for a government issued document like a passport, along with utility bills, bank statements and other official documents. Other sources of customer information include the electoral register and information held by credit reference agencies such as Experian and Equifax.

6.3 In certain situations, it may be necessary to identify the 'beneficial owner'. This may be because someone else is acting on behalf of another person in a particular transaction, or it may be because the ownership structure of a company, partnership or trust needs to be established.

6.4 As a general rule, the beneficial owner is the person who is behind the customer and who owns or controls the customer, or it is the person on whose behalf a transaction or activity is carried out.

6.5 Officers must stop dealing with customers where there are doubts about identity.

Customer Due Diligence when Establishing a Business Relationship

6.6 A business relationship is one commenced where both parties expect that the relationship will be ongoing. It can be a formal or an informal arrangement.

6.7 The following information is required when establishing a new business relationship:

- the purpose of the relationship;
- the intended nature of the relationship - for example where funds will come from, the purpose of transactions, and so on

6.8 The type of information needed may include:

- details of your customer's business or employment;
- the source and origin of funds that your customer will be using in the relationship;
- copies of recent and current financial statements;

- details of the relationships between signatories and any underlying beneficial owners;
- the expected level and type of activity that will take place in your relationship.

6.9 A flowchart summarising the customer due diligence procedure is shown at **Appendix C** and a Verification of Customer Identity form is shown at **Appendix D**.

When is it Carried Out?

6.10 The requirement for customer due diligence applies immediately for new customers. However, it also allows organisations to vary customer due diligence according to the risk of money laundering or terrorist financing, depending on the type of customer, business relationship, product or transaction. This recognises that not all customers present the same risk, for example there is no need to apply customer due diligence measures where the customer is a UK public authority.

6.11 Ongoing customer due diligence must be carried out during the life of a business relationship, proportionate to the risk of money laundering and terrorist funding, based on the officer's knowledge of the customer, regular scrutiny of the transactions involved and any changes of circumstances with the customer e.g. a big change in the level or type of business activity or a change in the ownership structure of a business.

6.12 Where there is a need to not interrupt the normal conduct of business and there is little risk of money laundering occurring and terrorist funding occurring, verification may be carried out during the establishment of the business relationship provided that the verification is completed as soon as practicable after the contact is first established.

Enhanced Due Diligence (EDD)

6.13 Regulation 33(1) sets out a list of circumstances in which EDD measures must be applied (in addition to the customer due diligence measures detailed above).

6.14 These include any transaction or business relationship involving:

- any case identified as one where there is a high risk of money laundering or terrorist financing;
- any business relationship or transaction with a person established in a high-risk third country;
- correspondent relationships with a credit institution or a financial institution (in accordance with regulation 34);
- a **Politically Exposed Person (PEP)** or a family member or known close associate of a PEP;
- in any case where the relevant person discovers that a customer has provided false or stolen identification documentation or information, and the relevant person proposes to continue to deal with that customer;
- in any case where:
 - a transaction is complex and unusually large, or there is an unusual pattern of transactions, and
 - the transaction or transactions have no apparent economic or legal purpose, and
 - in any other case which by its nature can present a higher risk of money laundering or terrorist financing.

- 6.15 Under the regulations EDD measures must include, as a minimum, examining the background and purpose of the transaction and increasing monitoring of the business relationship.
- 6.16 Regulation 33(6) sets out a list of factors that must be taken into account in assessing whether there is a higher risk of money laundering and terrorist financing present in a given situation and the extent of EDD measures that should be applied. Whilst these factors should be taken into account, the situation should be considered as a whole i.e. the presence of one or more of the risk factors identified in 33(6) is not in itself determinative of a higher risk situation.

Politically exposed persons (PEPs)

- 6.17 The parts of MLR 2007 which applied only to foreign PEPs now also apply to local PEPs. This in practice means enhanced due diligence requirements for a broader range of individuals who have been trusted with prominent public functions both in the UK and overseas.

Simplified Customer Due Diligence

- 6.18 The circumstances in which simplified customer due diligence is permissible is more restricted under MLR 2017/19.
- 6.19 As part of the risk-based approach, there ceases to be "automatic" simplified due diligence requirements for any transactions. Instead, a relevant person needs to consider both customer and geographical risk factors in deciding whether simplified due diligence is appropriate.
- 6.20 Simplified due diligence is permitted where you determine that the business relationship or transaction presents a low risk of money laundering or terrorist financing, taking into account your risk assessment.

Service Managers Responsibilities

- 6.21 The Council does not normally in the course of most of its duties undertake "regulated activities" for which additional checks and measures are necessary ("*due diligence*" checks). However, some Council activities are considered to be higher risk. On such transactions we must ensure that we comply with the spirit of the money laundering regulations. These activities include (but are not limited to):
- Any advice given on tax affairs or accounting / auditing services done for other parties;
 - Legal services;
 - Property sales (commercial and those of housing stocks);
- 6.22 It is the responsibility of service managers to ensure that their systems of internal control are robust and that employees are appropriately trained in respect of money laundering. It is also the responsibility of service managers to ensure that appropriate due diligence checks are undertaken on any relevant transactions.

7. REPORTING PROCEDURE FOR SUSPICIONS OF MONEY LAUNDERING

- 7.1 Where an employee or Member suspects money laundering activity they must disclose this as soon as practicable to the MLRO. The disclosure should be within "hours" of the information coming to your attention, not weeks or months later.

- 7.2 Disclosures should be made to the MLRO using the standard pro-forma report attached at Appendix E. The report must include as much detail as possible, for example:
- Full details of the people involved (including employee or Member, if relevant);
 - Full details of the nature of their involvement;
 - The types of money laundering activity involved (see Appendix A, Offences Table);
 - The dates of such activities, including whether the transactions have happened, are ongoing or are imminent;
 - Where they took place;
 - How they were undertaken;
 - The (likely) amount of money/assets involved;
 - Exactly why there are suspicions; the NCA will require full reasons;
 - Any other relevant available information to enable the MLRO to make a sound judgment as to whether there are reasonable grounds for knowledge or suspicion of money laundering and to enable them to prepare their report to the NCA, where appropriate.
- 7.3 If an employee or Member becomes concerned that their own involvement in a transaction would amount to an offence under Sections 327 – 329 of the Proceeds of Crime Act 2002 or Regulations 86-88 of the MLR 2017 (see appendix A), then the report must include all relevant details. Consent will be required from the NCA, via the MLRO, for the individual to take any further part in the transaction. This is the case even if the customer gives instructions for the matter to proceed before such consent is given. Employees and Members should therefore make it clear in the report if such consent is required and clarify whether there are any deadlines for giving such consent e.g. a completion date or court deadline.
- 7.4 Once the matter has been reported to the MLRO then any subsequent directions provided must be followed. Further enquiries into the matter should not be made by the employee or Member; any necessary investigation will be undertaken by the NCA.
- 7.5 Reference of any reports being made to the MLRO should not be recorded on client files – should the client exercise their right to see their records, then such a note/reference will tip them off to the report having been made and may render the employee or Member liable to prosecution. The MLRO must keep the appropriate records in a confidential manner
- 7.6 Suspicions of money laundering, whether reported to the MLRO or not, must not be discussed with anyone else. Any discussions may account to an offence of ‘tipping off’. Any person found guilty of tipping off or prejudicing an investigation offence is liable to imprisonment (maximum five years), a fine or both.
- 7.7 A new criminal offence was created in 2017: any individual who recklessly makes a statement in the context of money laundering which is false or misleading commits an offence punishable by a fine and/or up to 2 years’ imprisonment.

8. **CONSIDERATION OF DISCLOSURE**

- 8.1 The MLRO must note on the face of the disclosure report the date it was received, acknowledge receipt of the document and advise the employee or Member submitting the report of the timescale for a response.

- 8.2 The MLRO will consider the report and any other relevant internal information available, for example:
- reviewing other transaction patterns and volumes;
 - the length of any business relationship involved;
 - the number of any one-off transactions and linked one-off transactions; and
 - any identification evidence held.
- 8.3 The MLRO will undertake other reasonable enquiries considered appropriate in order to ensure that all available information is taken into account in deciding whether a report to the NCA is required. The MLRO may also need to discuss the disclosure report with the employee or Member who submitted the report.
- 8.4 Once the MLRO has evaluated the disclosure report and any other relevant information, he must make a timely determination as to whether:
- there is actual or suspected money laundering taking place; or
 - there are reasonable grounds to know or suspect that is the case and;
 - whether they need to seek consent from the NCA for a particular transaction to proceed.
- 8.5 Where the MLRO suspects money laundering is taking place then they must disclose the matter as soon as practicable to the NCA on their standard report form and in the prescribed manner, unless they have a reasonable excuse for non-disclosure to the NCA (for example, you wish to claim legal professional privilege for not disclosing the information). Up to date forms can be downloaded from the NCA website at www.nationalcrimeagency.gov.uk
- 8.6 Where the MLRO considers no money laundering is taking place or suspects money laundering but has a reasonable excuse for non-disclosure, then he must note the report accordingly and can then immediately give their consent for any ongoing or imminent transactions to proceed. However, it's better to disclose than not.
- 8.7 In cases where legal professional privilege may apply, the MLRO must liaise with the Service Director, Legal Services, to decide whether there is a reasonable excuse for not reporting the matter to the NCA.
- 8.8 Where consent is required from the NCA for a transaction(s) to proceed, then the transaction(s) in question must not be undertaken, completed or proceed until the NCA has specifically given consent, or there is deemed consent through the expiration of the relevant time limits without objection from the NCA.
- 8.9 Consent will be received in the following way:
- **Specific consent** (where the NCA have granted a defence against money laundering charges in their reply to the SAR);
 - **No refusal of consent during the notice period** (seven working days starting with the first working day after the MLRO makes the disclosure). If a reply from the NCA is not received within 7 working days and the MLRO believes the activity has been correctly reported, s/he can choose to assume a defence is granted;

- Where the NCA reply to the SAR refusing permission to proceed, they have a further 31 calendar days to take action. If a **response has not been received after the 31 days**, the MLRO can proceed with the transaction. No offence will be committed.

- 8.10 The MLRO should therefore make it clear in the report if such consent is required, and clarify whether there are deadlines for giving such consent, e.g. completion date or court deadline.
- 8.11 Where the MLRO concludes that there are no reasonable grounds to suspect money laundering then the MLRO shall mark the report accordingly and give her consent for any ongoing or imminent transaction(s) to proceed.
- 8.12 All disclosure reports referred to the MLRO and reports made by them to the NCA must be retained by the MLRO in a confidential file kept for that purpose, for a minimum of five years.
- 8.13 The MLRO may commit a criminal offence under section 331 of the Act if he knows or suspects (or has reasonable grounds to do so) through a disclosure being made, that another person is engaged in money laundering and does not disclose this as soon as practicable to the NCA.

9. RECORD KEEPING AND RECORD RETENTION

- 9.1 Each department undertaking due diligence checks MUST maintain records of the checks carried out including copies of any evidence obtained to support the transactions / due diligence assessment. This is to meet the requirements of the Regulations and may be used as evidence in any subsequent investigation/inspection by the relevant supervising body.
- 9.2 The precise nature of the records is not prescribed by law; however, they must be capable of providing an audit trail during any subsequent investigation. For example distinguishing the customer and the relevant transaction and recording in what form any funds were received or paid. In practice, the business units of the Council will be routinely making records of work carried out for customers in the course of normal business and these should suffice in this regard.
- 9.3 On **NO ACCOUNT** should a record of or any mention of, or, any referrals to, the Money Laundering Reporting Officer be kept / mentioned on a customer's file. The file must not contain details of any such suspicions as the file can be reviewed by the customer at any time and it is important that the customer is not "tipped off" about any allegations accidentally.
- 9.4 Records must be kept for a minimum of 5 years to allow for any investigation to take place.
- 9.5 A record of the destruction of such information (including the money laundering reporting form) must also be kept in line with normal Council procedures.

10. DATA PROTECTION CONSIDERATIONS

- 10.1 Regulation 41 of the MLR 2017 states that any personal data obtained by relevant persons for the purposes of these Regulations may only be processed for the purposes of preventing money laundering or terrorist financing.

- 10.2 In addition, new customers must be provided with the following information before establishing a business relationship or entering into an occasional transaction with the customer:
- the information specified in paragraph 2(3) of Part 2 of Schedule 1 to the Data Protection Act 1998 and
 - a statement that any personal data received from the client will only be processed for the purposes of the preventing money laundering or terrorist financing unless permitted by an enactment or unless they provide consent.
- 10.3 Under data protection regulations any customer may ask to see the information held about them. This is called a Data Subject Access Request, and, under the law, this information must be provided. However, the regulations (both the General Data Protection Regulation and its predecessor) contain exemptions.
- 10.4 Exceptions apply in this case, where the release of the data would likely prejudice the prevention and detection of a crime or would cause the body releasing the information to actually commit a crime in doing so. As a result, money laundering referrals are usually exempt from any such subject access request, which is why the referral should not be documented on the customer's file. However, this does not prevent the release of all of the customer's information. Advice on the application of exemptions in this respect should be taken before any release of the information takes place.

11. RISK ASSESSMENT

- 11.1 Regulation 18 of the MLR 2017 requires the Council to identify, assess and manage the risk to council business in relation to Money Laundering.
- 11.2 This process is outlined in the corporate risk process framework and include:
- Identifying the money laundering and terrorist financing risks that are relevant to the Council;
 - Assessing the risks presented by the particular customers, products and services, delivery channels and geographical area;
 - Designing and implementing controls to manage and mitigate these assessed risks.

The risk assessment procedures and controls should be documented and kept under regular review.

- 11.3 The Council is also required to conduct ongoing monitoring of its business relationship in line with the risks which it has identified. This includes:
- Applying customer due diligence measures to verify the identity of customers and any beneficial owners obtaining additional information on customers,
 - Conducting ongoing monitoring of the transactions and activity of customers with whom there is a business relationship,
- 11.4 Risks will be reviewed continuously as part of the annual review of the Council Risk Register.

11.5 For further advice or help in developing/considering money laundering risk contact the Head of Internal Audit, Anti-Fraud and Assurance.

12. TRAINING

12.1 Employees considered likely to be exposed to suspicious situations, will be made aware of these by their senior officer and provided with appropriate training.

12.2 Additionally, all employees and Members will be made aware of the legal and regulatory requirements relating to money laundering and terrorist financing, and the requirements of data protection, which are relevant to the implementation of the MLR 2017 and how they affect both the Council and themselves.

12.3 Notwithstanding the paragraphs above, it is the duty of employees and Members to report all suspicious transactions to the MLRO.

13. RELEVANT LEGISLATION

13.1 The following legislation is relevant to this policy:

- The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLR 2017);
- Terrorism **Act** 2000;
- The Proceeds of Crime Act (POCA) 2002;
- Serious Crime Act 2015;
- Criminal Finances Act 2017

SUMMARY OF MONEY LAUNDERING OFFENCES THAT CAN BE COMMITTED

Proceeds of Crime Act 2002 – POCA

Money Laundering, Terrorise Financing and transfer of Funds (Information on the Payer) Regulations 2017 - MLR

Section Ref.	Type of Offence	Definition
S327 POCA	Money Laundering Offence: Concealing Criminal Property	A person commits an offence if they conceal, disguise, convert or transfer criminal property or if they remove criminal property from England, Wales, Scotland or Northern Ireland. This is punishable by a maximum term of imprisonment of 14 years at the Crown Court and an unlimited fine. At the Magistrates Court it is 6 months and £5,000 fine.
S328 POCA	Money Laundering Offence: Arrangements	This offence requires a person to become actively involved in some arrangement which helps someone else to get, keep, use or control the proceeds of a crime. The punishment is as for S327.
S329 POCA	Money Laundering Offence: Acquisition, Use and Possession	This offence is committed by anyone that has criminal proceeds in their possession provided they know or suspect that it represents the proceeds of a crime unless they paid 'adequate consideration' for it. Someone who pays less than the open market value is therefore guilty of the offence but someone who pays the full retail price, despite knowing or suspecting they are stolen goods is not guilty. The punishment is as for S327.
S330 POCA	Failure to Disclose Offence: Regulated Sector	This offence is committed by an employee of a business in the regulated sector who has knowledge or suspicion of another person's involvement in money laundering and does not make a report through the appropriate channels. Negligence is not a defence as the employee will be tried upon what they should have known given their experience, knowledge and training. This is punishable by a maximum term of imprisonment of 5 years and/or a fine.
S331 POCA	Failure to disclose offence: nominated officers in the regulated sector	This offence is committed by a nominated officer (MLRO) of a business in the regulated sector who has knowledge or suspicion of another person's involvement in money laundering and does not make a report through the appropriate channels without an acceptable excuse under the legislation. Negligence is not a defence as the nominated officer will be tried upon what they should have known given their experience, knowledge and training. The offence is triable either way with the same maximum penalty on indictment as an offence under section 330 (up to 5 years imprisonment).
S332 POCA	Failure to Disclose Offence:	This offence is committed by a nominated officer (MLRO) of a business outside of the regulated sector who has knowledge or

Section Ref.	Type of Offence	Definition
	Other Nominated Officers	<p>suspicion of another person’s involvement in money laundering and does not make a report through the appropriate channels without an acceptable excuse under the legislation. The officer will be tried on what they knew or suspected not on what they might have been expected to know or suspect.</p> <p>This is punishable by a maximum term of imprisonment of 5 years and/or a fine.</p>
S333 POCA	Tipping Off Offence	<p>This offence is committed if an officer or Member makes a disclosure which is likely to prejudice an investigation being carried out by a law enforcing authority, knowing that such an investigation is in motion.</p> <p>This is punishable by a maximum term of imprisonment of 5 years and/or a fine.</p>
Reg 86 MLR 2017	Contravening a Relevant Requirement	<p>A person commits an offence if they have not followed any relevant guidance issued by the European Supervisory Authorities, Financial Conduct Authority or any other relevant supervisory authority approved by the Treasury.</p> <p>This is punishable by a maximum term of imprisonment of 2 years at the Crown Court, a fine, or both. At the Magistrates Court a term of three months, a fine, or both.</p>
Reg 87 MLR 2017	Prejudicing an Investigation	<p>This offence is committed when a person who knows or suspects that an appropriate officer is acting (or proposing to act) in connection with an investigation into potential contravention of a relevant requirement which is being or is about to be conducted. The offence is committed if either they make a disclosure which is likely to prejudice the investigation or they falsely, conceal, destroy or otherwise dispose of, or cause to permit the falsification, concealment, destruction or disposal of, documents which are relevant to the investigation.</p> <p>The punishment is as for Reg. 86 above.</p>
Reg 88 MLR 2017	Providing False or Misleading Information	<p>There are two separate offences under regulation 88. Under regulation 88(1) : a person commits an offence if:</p> <ol style="list-style-type: none"> 1. In purported compliance with a requirement imposed on him by or under the MLR 2017, provides information which is false or misleading in a material particular and knows that the information is false or misleading; or 2. Is reckless as to whether the information is false or misleading. <p>In respect of both offences, the punishment is the same as regs 86 and 87 above.</p>

POSSIBLE SIGNS OF MONEY LAUNDERING

Criminals have various ways of concealing, moving and legitimising the proceeds of their crimes. This policy cannot list every potential scenario that could indicate money laundering however, some risk factors which *may*, either alone or along with other factors suggest the possibility of money laundering activity include:

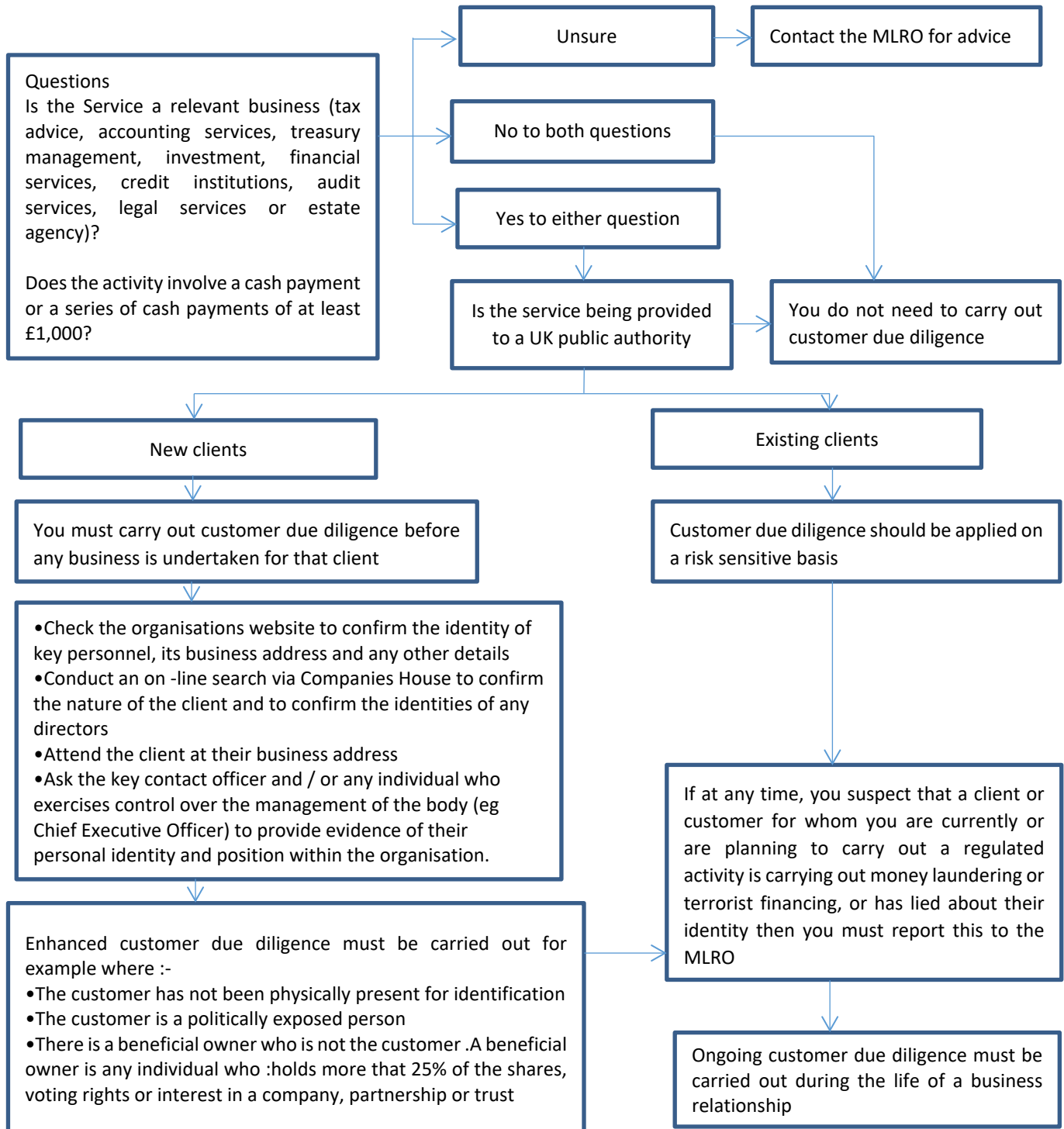
General

- A new customer with no previous 'history' with the Council;
- A secretive customer: for example, one who refuses to provide requested information without a reasonable explanation;
- Concerns about the honesty, integrity, identity of a customer;
- Illogical third party transactions: for example, unnecessary routing or receipt of funds from third parties or through third party accounts;
- Involvement of an unconnected third party in a transaction without logical reason or explanation;
- Payment of a substantial sum in cash (but it's reasonable to be suspicious of any cash payments particularly those over £1,000) where other means of payment are more normal (unusual transactions);
- Overpayments by a customer that are subsequently requested for a refund;
- Absence of an obvious legitimate source of the funds i.e. individuals or companies that appear insolvent (appear not to have funds) that are making transactions or are making transactions that appear beyond their means;
- Movement of funds to/from overseas, particularly to and from a higher risk country;
- Where, without reasonable explanation, the size, nature and frequency of transactions or instructions is out of line with normal expectations;
- A transaction without obvious legitimate purpose or which appears uneconomic, inefficient or irrational;
- Cancellation or reversal of an earlier transaction i.e. the payment of monies that are then requested back;
- Requests for release of customer account details other than in the normal course of business;
- Poor business records or internal accounting controls;
- A previous transaction for the same customer which has been, or should have been, reported to the MLRO.

Property Matters

- Unusual property investment transactions with no apparent investment purpose;
- Instructions to receive and pay out money where there is no linked substantive property transaction involved (surrogate banking);
- Regarding property transactions, funds received for deposits or prior to completion from an unexpected source or where instructions are given for settlement funds to be paid to an unexpected destination.

CUSTOMER DUE DILIGENCE PROCEDURE FLOWCHART



VERIFICATION OF CUSTOMER IDENTITY

Identity Verification Reference No:

NB: If you are receiving funds from a Council customer in any transaction **above £1,000 cash**, the identity of the person making the payment must be checked and confirmed.

All suspicions about possible Money Laundering, regardless of amount, should be reported to the Money Laundering Reporting Officer, via the Money Laundering reporting form.

CUSTOMER DETAILS

Forename		Surname	
Address			
Tel No (inc area code)		Email Address	
Payment in Respect of:		Payment Reference	
Amount	£	Receipt Number (If Applicable)	

If a payment is being made by a third party then please complete the details below in respect of the third party.

DETAILS OF THE THIRD PARTY MAKING THE PAYMENT:

Forename		Surname	
Address:			

A. EVIDENCE NOT OBTAINED – REASONS

1. Customer/third party previously identified in: MonthYear
2. Other – state reason fully

B. EVIDENCE OBTAINED TO VERIFY INDIVIDUAL NAME AND ADDRESS

NB. One form of identification CANNOT be used to evidence both name and address.

For example, if a driving licence is provided as proof of name another form of identification must be provided to evidence an address, such as a utility bill.

PROOF OF IDENTITY CHECKLIST FOR INDIVIDUALS

Proof of name

Current signed passport

Original birth certificate (UK birth certificate issued within 12 months of the date of birth in full form including those issued by UK authorities overseas such as Embassies High Commissions and HM Forces)

EEA member state identity card (which can also be used as evidence of address if it carries this)

Current UK or EEA photocard driving licence

Full old-style driving licence

Photographic registration cards for self-employed individuals in the construction industry -CIS4

Benefit book or original notification letter from Benefits Agency

Firearms or shotgun certificate

Residence permit issued by the Home Office to EEA nationals on sight of own country passport

National identity card bearing a photograph of the applicant

Proof of address

Utility bill (gas, electric, satellite television, landline phone bill) issued within the last three months

Local authority council tax bill for the current council tax year

Current UK driving licence (but only if not used for the name evidence)

Bank, Building Society or Credit Union statement or passbook dated within the last three months

Original mortgage statement from a recognised lender issued for the last full year

Solicitors letter within the last three months confirming recent house purchase or land registry confirmation of address

Council or housing association rent card or tenancy agreement for the current year

Benefit book or original notification letter from Benefits Agency (but not if used as proof of name)

HMRC self-assessment letters or tax demand dated within the current financial year

Electoral Register entry

NHS Medical card or letter of confirmation from GP's practice of registration with the surgery

NB. Documents unaccepted as evidence include, but are not limited to:

- Provisional driving licence
- Mobile phone bills
- Credit card statements

C. EVIDENCE OBTAINED FOR COMPANIES OR OTHER LEGAL STRUCTURES

Legal structure

Corporate ID required

Individual ID required

A company (including a UK LLP)

Certificate of Incorporation or equivalent
 copy of filed audited accounts
 details of current company officers (i.e. directors and company secretary) and shareholders

Identity evidence for a) the individual dealing with the transaction and b) all other individuals or entities with 25% or more of the shares or voting rights in the company (see proof of identity checklist for individuals above)

A partnership with six or more partners

name of partnership
 trading address
 registered address (if any)
 nature of business
 recent audited accounts
 list of all partners
 list of all those with voting rights indicating their voting stake

Identity evidence for a) the partner responsible for the transaction and b) one other partner and c) all other individuals who (directly or indirectly) are entitled to, or control, 25% or more of the capital, profits or voting rights (see proof of identity checklist for individuals below)

D. DISADVANTAGED CUSTOMERS

E.g., Confirmation of identity from Social Worker or Bail Officer, Police, School, Courts etc.

E. If evidence not obtained for the reasons in A, do you have any suspicions regarding identity?

.....

I confirm that I have seen the originals of the documents indicated above and have identified the above Customer or Third Party.

Signed Date

NB. Wherever possible TAKE COPIES of the identification evidence TO PLACE ON FILE. Copies should be notarised to indicate a copy and signed to evidence sight of the original.

CONFIDENTIAL

Report of Money Laundering Activity

To: Money Laundering Reporting Officer

From:
[Insert name of employee]

Directorate/Section: **Ext/Tel No:**
[Insert post title and Business Unit]

DETAILS OF SUSPECTED OFFENCE

Name(s) and address(es) of person(s) involved:
[if a company/public body please include details of nature of business]

Nature, whereabouts, value and timing of activity/property involved:
[Please include full details, e.g. what, when, where, how. Please also include details of current whereabouts of the laundered property, so far as you are aware. Continue on a separate sheet if necessary]

Nature of suspicions regarding such activity:
[Please continue on a separate sheet if necessary]

Has any investigation been undertaken (as far as you are aware)? Yes No
[Please tick the relevant box]

If yes, please include details below:

Have you discussed your suspicions with anyone else? Yes No
[Please tick the relevant box]

If yes, please specify below, explaining why such discussion was necessary:

Have you consulted any supervisory body guidance re money laundering? (e.g. the Law Society) Yes No
[Please tick the relevant box]

If yes, please specify below:

Do you feel you have a reasonable excuse for not disclosing the matter to the NCA? (e.g. are you a lawyer and wish to claim legal professional privilege?) Yes No
[Please tick the relevant box]

If yes, please set out full details below:

Are you involved in a transaction which might be a prohibited act (under section 327-329 of the Proceeds of Crime Act 2002 or Regulations 86-88 of the MLR 2017 and which requires appropriate consent from the NCA? (refer to Appendix A – Money Laundering Offences) Yes No
[Please tick the relevant box]

If yes, please set out full details below:

Please set out below any other information you feel is relevant:

Signed: Dated:

Please do not discuss the content of this report with anyone else and in particular anyone you believe to be involved in the suspected money laundering activity described. To do so may constitute a tipping off offence, which carries a maximum penalty of 5 years' imprisonment.

THE FOLLOWING PART OF THIS FORM IS FOR COMPLETION BY THE MLRO

Date report received:

Date receipt of report acknowledged:

CONSIDERATION OF DISCLOSURE:

Action plan:

OUTCOME OF CONSIDERATION OF DISCLOSURE:

Are there reasonable grounds for suspecting money laundering activity?

If there are reasonable grounds for suspicion, will a report be made to the NCA?

[Please tick the relevant box]

Yes

No

If yes, please confirm date of report to the NCA:

And complete the box below:

Details of liaison with the NCA regarding the report:

Notice Period: **To**

Moratorium Period: **To**

Is consent required from the NCA to any ongoing or imminent transactions which otherwise be prohibited acts

[Please tick the relevant box]

Yes

No

If yes, please confirm full details in the box below:

Date consent received from the NCA:

Date consent given by you to employee:

If there are reasonable grounds to suspect money laundering, but you do not intend to report the matter to SOCA, please set out below the reason(s) for non-disclosure:

[Please set out any reasonable excuse for non-disclosure]

Date consent given by you to employee for any prohibited act transactions to proceed:

Other relevant information:

Signed: **Date:**

THIS REPORT TO BE RETAINED SECURELY FOR AT LEAST FIVE YEARS

Earliest disposal date:

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Corporate Fraud Response Plan

Document Control

Organisation	Barnsley Metropolitan Borough Council
Title	Corporate Fraud Response Plan
Author	Corporate Assurance Manager
Owner	Director of Finance
Commencement Date	1 st April 2024
Applicable to	Employees, Contractors/Partners, Citizens
Review Date	Annual review from approval or when changes are made to legislation or best practice guidance
Review Responsibility	Audit and Governance Committee

Revision History

Date	Version	Author	Comments
March 2024	1.0	Corporate Assurance Manager	Minor updates to reflect new structure & terminology

Policy Governance

The following table identifies who within BMBC is Accountable, Responsible, Informed or Consulted with regards to this policy. The following definitions apply:

- Responsible** – The person(s) responsible for developing and introducing the policy
- Accountable** – The person who has ultimate accountability and authority for the policy
- Consulted** – The person(s) or groups to be consulted prior to final policy implementation or amendment
- Informed** – The person(s) or groups to be informed after procedure implementation or amendment.

Responsible	Corporate Assurance Team
Accountable	Director of Finance
Consulted	Audit and Governance Committee
Informed	All Barnsley MBC employees, temporary staff, contractors, all elected members, or anyone working on Council premises or on behalf of the Council

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1. INTRODUCTION

1.1 Barnsley Council is committed to combatting fraud, corruption and irregularity. This Fraud Response Plan is intended to provide direction and help to all Council employees and Elected Members who wish to raise their concerns about suspected fraud, theft, corruption or irregularity either within, or against the Council.

1.2 The Council's Financial Regulations, states:

The Executive Director and any Officer or agent concerned is responsible for: -

Immediately notifying the Executive Director of Finance both verbally and in writing of any matter arising which involves or appears or is thought to involve fraud, loss, misappropriation or mismanagement of Cash, Stores or other property, equipment or resources of the Authority or any suspected irregularity, malpractice, wrongdoing or impropriety in the exercise of functions, completion of records or in relation to any contract entered into by the Authority, including unofficial funds.

1.3 Corporate Assurance Team Purpose:

- To put in place an independent and objective appraisal function for examining, evaluating and reporting on the adequacy of financial and operational controls as a contribution to the proper, economic, efficient and effective use of the Authority's resources.
- To put in place arrangements to proactively support continuous improvement and innovation.
- To ensure that Anti-fraud and anti-corruption measures are in place and the associated controls and investigation procedures.

1.4 The Head of Corporate Assurance has a responsibility to investigate all cases of fraud that are referred to them. Actual investigations may be carried out by the Senior Corporate Assurance Officer – Investigations or another member of the Corporate Assurance Team.

1.5 The Council's definition of fraud and corruption is defined within the Council's [Corporate Anti-Fraud and Corruption Policy](#) at paragraphs 2.3 and 4.2 respectively.

1.6 Section 7.3 of the Council's Code of Conduct for Employees states the following:

'Where an employee has suspicions that a Council employee(s) or other individual(s) are involved in fraudulent or corrupt activities or theft, then they must in the first instance report those suspicions to their line manager.

If an employee feels unable to do this, then they can raise their concern(s) under the Council's [Confidential Reporting Policy](#) or to the Anti-Fraud Team (Corporate Assurance Team) so the Council can take prompt action. The policy makes it clear that employees who raise legitimate concerns can do so without fear of reprisals. Any disclosure or allegation made maliciously or for personal gain will not be protected and disciplinary action may be taken accordingly.

As per the Council's Financial Regulations, all matters of potential and actual irregularity are required to be reported to the Corporate Assurance Team. Such matters include all concerns regarding suspected irregularities involving cash, stores, equipment, information or other resources or property of the Council, any suspected impropriety in the functions of the Council or any suspected malpractice in the completion, use or retention of records.'

This means that all officers of the Council are contractually required to report any concerns relating to theft, fraud or corruption via appropriate channels.

- 1.7 The Plan gives a framework to follow in responding to suspicions of fraud or corruption and provides information that allows evidence to be gathered and collated in a way which facilitates informed initial decisions, while ensuring that evidence gathered will be admissible in any future criminal or civil actions.
- 1.8 The Plan also outlines how the Council will deal with reports of fraud, theft, corruption or irregularity.
- 1.9 Where the suspected fraud relates to housing or welfare benefits, the matter should be referred directly to the Department for Work and Pensions (DWP) who will investigate the case under the Single Fraud Investigation Service.
- 1.10 This Policy does not cover money laundering. Any suspicions of money-laundering should be dealt with using the [Corporate Anti-Money Laundering Policy \(and Guidance\)](#).

2. OBJECTIVES

- 2.1 The objectives of a fraud response plan are to ensure that timely and effective action can be taken to:
 - Ensure an appropriate investigation is undertaken;
 - minimise the risk of inappropriate action or disclosure taking place which would compromise an investigation;
 - ensure there is a clear understanding regarding who will lead any investigation and to ensure the Corporate Assurance Team, service managers, Legal Services and Human Resources are involved as appropriate;
 - ensure a fair and consistent response to suspected frauds;
 - secure evidence and ensure containment of any information or knowledge of any investigation into the matter reported;
 - prevent further losses of funds or other assets where fraud has occurred and maximise recovery of losses;
 - ensure there is substance and evidence to support any allegation against an employee before that employee is subject to disciplinary action;
 - minimise the effect of a fraud or corrupt act by taking appropriate and timely action at an early stage;
 - identify the perpetrators and maximise the success of any disciplinary/legal action taken;
 - reduce adverse impacts on the business of the Council;
 - minimise any adverse publicity for the Council;
 - identify lessons to be learned to improve the internal control arrangements of the Council and improve fraud awareness.

3. EMPLOYEE RESPONSIBILITIES

- 3.1 As an employee there are a number of actions you may be required to take depending on who is involved in the irregularity. You should remember, however, that when you know of or suspect a fraud or corrupt act you should not discuss it with other work colleagues either before or after reporting it to the appropriate person.
- 3.2 You should never confront the suspected individual or act in a manner which might draw their attention to your suspicions.

- 3.3 At the earliest opportunity you should clearly record all the activities you have witnessed and information you have received or are aware of. It is important to record as much information as possible to inform any subsequent management assessment or investigation, including dates, times and sequences of events but not to undertake any investigatory work yourself.

Fraud by a member of the public / service user

- 3.4 If the fraud or corrupt act is being committed in your service area, then under normal circumstances you should report your concerns to your line manager. If it is not in your area then you should not ignore the information you have, but should report the matter directly to corporatetraudinvestigations@barnsley.gov.uk or to one of the Corporate Whistleblowing Officers.

This may also include information that comes into your possession through your social life.

Fraud by another Council employee

- 3.5 If a work colleague is giving rise to suspicions that they are committing a fraudulent or corrupt act within their area of work, then under normal circumstances you should report it to your line manager. You may however not wish to report your concerns to your line manager particularly if you suspect your line manager of committing the fraud or corrupt act or having an involvement or knowledge.

Therefore, the option exists to report to any of the following officers:

- Head of Corporate Assurance;
- The Executive Director Core Services;
- The Service Director of the Business Unit;
- The Executive Director of the Directorate;
- The Chief Executive.

Alternatively, concerns can be raised using the Council's Confidential Reporting (Whistleblowing Policy).

Fraud by an elected Member

- 3.6 If you need to report a suspicion or an actual fraud or corrupt act by a Councillor, you should report this to the following officers in the Council:
- Service Director, Law and Governance (the Council's Monitoring Officer); or
 - Head of Corporate Assurance.

Investigation Conduct

- 3.7 When a suspected fraud or corrupt act is reported an appropriate senior officer in the service department, in conjunction with an officer of the Corporate Assurance Team, will undertake a review of the situation and will, where evidence suggests there is a potential fraud, undertake a detailed investigation.

Any conversations you have, or information that you provide to the investigating officers will remain confidential. You should remember, however, that the Head of Corporate Assurance has a responsibility to investigate all cases of fraud that are referred, with a

view to prosecution and therefore you might be required to produce a signed written statement that could be used in a subsequent criminal investigation.

- 3.8 Subject to the constraints of the Data Protection legislation and the Council's duty of confidentiality to employees and Elected Members, you will be given as much information as possible about the outcome of any investigation. You must only report genuine concerns and believe the concerns to be true. Any reports which are subsequently determined to be malicious themselves could be dealt with as a disciplinary matter.

Confidential Reporting Policy (also known as Whistleblowing Policy)

- 3.9 The Council has developed a Confidential Reporting Policy in accordance with the provisions of the Public Interest Disclosure Act 1998. The policy is available on the intranet ([Confidential Reporting Policy](#)) and enables you to raise legitimate concerns, which are in the public interest, about any financial or other malpractice in the Council without fear of recrimination.

4. MANAGEMENT RESPONSIBILITIES

Evaluation and Investigation of complaints and allegations

- 4.1 As soon as a complaint or an allegation is received, it is the responsibility of the line manager to report the facts to their appropriate senior line manager and between them satisfy themselves that there are reasonable grounds for the suspicion.
- 4.2 Upon judging that there are reasonable grounds for the suspicion, the concern must be reported immediately to the Corporate Assurance Team. Due to the requirement to secure any possible evidence, particularly if this is in an easily destroyable form, the matter should be reported as soon as it appears to be justified.
- 4.3 Management should be mindful of two important points at this time,
- where necessary, to take action to stem the outflow of cash / goods;
 - safeguard any evidence of any malpractice.
- 4.4 As the final outcome of an investigation could result in a court appearance it is of the utmost importance that the investigation can withstand the rigours of cross-examination. Evidence is crucial and the Senior Corporate Assurance Officer – Investigations will advise management what action needs to be taken to secure both cash and evidence. This includes ensuring that any relevant documentation is retained securely in the condition it is received, i.e. it should not be written on or altered in any way. Preserving documents in plastic wallets is recommended. Other items or equipment relevant to the investigation must be safeguarded without any alteration to their original condition, e.g. personal computers. Prior to any possible suspension, Management must not act in any way that might alert the suspect.
- 4.5 At no time should the manager:
- Inform or alert the alleged perpetrator that they are under suspicion. To do so is likely to put evidence at risk;
 - Carry out any surveillance without proper authorisation or guidance from Corporate Assurance Team;
 - Divulge any information to the press or media. Responsibility for divulging information to the media will be taken by relevant Executive Directors through the Authority's Press Information Officer;

- Undertake any interviews without consulting Corporate Assurance Team and Human Resources.
- 4.6 If there are suspicions that similar frauds are or could be being committed the situation should be discussed with a member of the Corporate Assurance Team.

5. CORPORATE ASSURANCE TEAM RESPONSIBILITIES

- 5.1 The Corporate Assurance Team will offer advice and assistance on the most appropriate course of action. Subsequent action could involve the securing of evidence in accordance with the Criminal Procedure and Investigations Act 1996 (CPIA). This evidence could be documents, CCTV footage or computer records; all of these could easily be destroyed or tampered with. The securing of computers and associated data and records is a specialised procedure and should only be attempted by specialists at the request of the Corporate Assurance Team.

Further guidance on preserving evidence is given in Section 8 below.

- 5.2 Prior to undertaking an investigation, the Corporate Assurance Team will initially consider the size of the alleged fraud or the circumstances of its perpetration. If appropriate, advice and guidance will be provided to enable an investigation to be undertaken by the manager's own employees.
- 5.3 Whilst in most cases the Senior Corporate Assurance Officer - Investigations will lead the investigation, each case will be considered individually, and the appropriate course of action agreed. The nominated lead investigator will be responsible for co-ordinating interviews and ensuring any interviews are conducted fairly and in accordance with the Police and Criminal Evidence Act 1984 (PACE). Given the need to comply with PACE regulations all formal interviews will, where possible, be tape-recorded. Interviews will be conducted by two officers.
- 5.4 If the allegation is serious, it may be desirable to remove an employee from the workplace, whilst the investigation is undertaken. Where suspension is being considered the line manager and the lead investigator will discuss this with an officer within Human Resources. A decision to suspend should be taken promptly with a Service or Executive Director's approval of the suspension.

6. ELECTED MEMBERS RESPONSIBILITIES

- 6.1 Where Elected Members come into possession of information which may indicate that a fraudulent or corrupt act is being perpetrated against the Council the expectation is that they will report this to the Chief Executive, the relevant Executive Director, the Monitoring Officer (Service Director, Law and Governance) or the Head of Corporate Assurance. The officer receiving the allegation should ensure that any subsequent investigation follows the requirements of this fraud response plan.

7. DETERMINING THE TYPE OF INVESTIGATION

Allegation against an employee

- 7.1 If an allegation is substantiated after the preliminary enquiry and further investigation is able to provide adequate evidence of the alleged action the matter will be reported to management for disciplinary proceedings to commence.

- 7.2 At the same time if there is evidence that fraud has been committed against the Council the Head of Corporate Assurance will formally consider referring the matter to the Police and liaise with them over whether formal charges could be brought, and an investigation taken forward to possible prosecution.
- 7.3 In appropriate circumstances the Council will consider taking civil action against the perpetrator to recover any losses caused as a result of their actions.

Allegation against a member of the public

- 7.4 If an allegation of fraud against the Council is substantiated the basis of the action taken will follow a criminal prosecution route.
- 7.5 In addition to the criminal route, wherever applicable, the action taken by the Council will also follow a civil route. The use of the civil courts would be primarily in order to recover assets or monies obtained by the perpetrator.

Allegation against an Elected Member

- 7.6 Any allegations against a Councillor must be made to the Service Director, Law and Governance in their role as Council Monitoring Officer.

External Audit

- 7.7 In some cases it may be necessary to immediately inform the Council’s External Auditor of the fraud or corruption. This will be the responsibility of the Section 151 Officer (Service Director – Finance), the Council’s Monitoring Officer or the Head of Corporate Assurance.

8. PRESERVATION OF EVIDENCE

- 8.1 When the initial enquiry has established that further investigation is required, it is essential that all available evidence relating to the fraud be preserved. There is a fine balance between preserving evidence and not alerting the alleged perpetrator to your suspicions. In the first instance advice should be sought from the Corporate Assurance Team regarding the procedures to follow to ensure full compliance with RIPA, PACE and CPIA with regards to obtaining and documenting evidence, to ensure that the evidence obtained remains admissible in a Court of Law. For instance, you should never go through a person’s drawers or lockers without appropriate advice and authorisation; you should never obtain evidence by surveillance without following RIPA processes. The most common forms of evidence and a brief note of how they should be preserved are given below:

- **Original documents.** Original documents should be obtained and retained. The documents should be handled as little as possible and should be put in a protective folder. Under no circumstances should they be marked in any way. All original documents should be given to the Head of Corporate Assurance for review and preparation as evidence. A record of all documents should be maintained, detailing how, when and where they were obtained. All copies of original documents or screen images should be formally certified as a true copy with the date of copying.
- **Security of records following suspension.** Whenever a person is suspended from work, they should be asked to remove all personal belongings from their desk and be informed that the desk may be examined. Under no circumstances should an employee once suspended be allowed to access their files or computer records,

any network access should be terminated immediately if not before the suspension is actioned.

- **Desk Search.** If an employee is under suspicion then their desk/work station can be searched. However any such search must be undertaken by two managers lead by a member of the Corporate Assurance Team. Under PACE conditions the contents of the desk/work station should be listed and the list should be signed by both officers as being a true record of what was found.
- **Computer based data.** When evidence is held on a computer, the computer should be secured and the Governance and Compliance Manager and the Head of Corporate Assurance should be consulted about the most appropriate way of retrieving the data in accordance with the rules of evidence. Under no circumstances should any computer thought to contain likely evidence be powered down or access/download be attempted by individuals not appropriately trained.
- **Video evidence.** There may be CCTV based evidence available. If you suspect that a camera system may have information of value, secure the hard copy media or arrange for a certified download of the data in such a way as it can be treated as evidence in accordance with the rules of evidence.

8.2 The final outcome of an investigation could result in a court appearance. It is therefore of the utmost importance that the investigation can withstand the rigours of cross-examination. Evidence is crucial. Consequently managers should secure and preserve evidence in a legally admissible form.

8.3 The Corporate Assurance Team have specially trained officers to carry out investigations and undertake interviews. **Departmental or service managers are strongly advised not to undertake any interviews without consulting the Corporate Assurance Team, Human Resources and Legal Services.**

8.4 Interviews are an important part of any investigation and interview statements are a crucial element of evidence. All interviews must be conducted under properly controlled conditions in order to ensure that any statement taken and subsequently used as evidence will not be rejected as inadmissible. Where it is deemed appropriate the guidelines and code of conduct for interviewing suspects issued under the Police and Criminal Evidence Act (PACE) should be applied.

8.5 As a matter of routine, and to ensure a fair and transparent investigation is completed, the Corporate Assurance Team will record all interviews where they are the investigation lead.

9. WHERE SUSPICIONS CAN BE REPORTED

9.1 The Council has a specially trained corporate counter fraud function, situated within the Corporate Assurance Team, who can deal with all alleged or potential financial irregularities and allegations of corruption.

Suspicions of **corporate fraud** can be reported by the following methods:

- Email the Corporate Assurance Team at Corporatefraudinvestigations@barnsley.gov.uk
- Head of Corporate Assurance – Mob. no.07795 305846
- Freephone 24 hour Whistleblowing hotline 0800 138 2939
- Contacting the Authority's Whistleblowing Officer by telephone - Wendy Popplewell on 01226 775799

- Contacting the Authority’s Whistleblowing Officers by E-mail at wbo2wep@barnsley.gov.uk
- Write to the dedicated Whistleblowing address – Barnsley MBC., PO Box 320, Barnsley S70 2YL.

NB All allegations / suspicions will be treated in the strictest confidence.

10. Press and Publicity

- 10.1 The Council’s Communications and Marketing Team will deal with the media in all matters regarding fraud and corruption. Where appropriate the details of all successful prosecutions for fraud should be released to the media. Employees must not directly disclose to the media the details of any cases suspected or under investigation.
- 10.2 Disclosure of details to the media without the express authority of Communications and Marketing would be regarded a disciplinary matter. The aim is to publicise the Council’s intolerance of fraud or corruption both within the Council and by users of its services. It also serves to publicise our successes against those who would perpetrate such fraud or corruption against the Council.

11. Conclusion

- 11.1 The Corporate Fraud Response Plan, in conjunction with the Corporate Anti-Fraud and Corruption Policy, Corporate Anti-Fraud and Corruption Strategy, Confidential Reporting Policy, Code of Conduct and Disciplinary Procedure will ensure that the Council’s objectives in countering and investigating corporate fraud and corruption are achieved. However, no guidance such as this can expect to cover all eventualities and therefore if you have any issues or are unsure of the action to take in a given situation you should immediately contact a member of the Corporate Assurance Team.

12. Supporting Corporate Policies

Corporate Anti-Fraud and Corruption Policy
Corporate Anti-Fraud and Corruption Strategy
Corporate Anti-Bribery Policy
Corporate Prosecutions Policy
Corporate Anti-Money Laundering Policy
Confidential Reporting Policy
Code of Conduct
Disciplinary Procedure

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Corporate Prosecution Policy

Document Control

Organisation	Barnsley Metropolitan Borough Council
Title	Corporate Prosecution Policy
Author	Corporate Assurance Manager
Owner	Director of Finance
Commencement Date	1 st April 2024
Applicable to	Employees, Contractors/Partners, Citizens
Review Date	Annual review from approval or when changes are made to legislation or best practice guidance
Review Responsibility	Audit and Governance Committee

Revision History

Date	Version	Author	Comments
March 2024	1.0	Corporate Assurance Manager	Minor updates reflect new structure & terminology

Policy Governance

The following table identifies who within BMBC is Accountable, Responsible, Informed or Consulted with regards to this policy. The following definitions apply:

- Responsible** – The person(s) responsible for developing and introducing the policy
- Accountable** – The person who has ultimate accountability and authority for the policy
- Consulted** – The person(s) or groups to be consulted prior to final policy implementation or amendment
- Informed** – The person(s) or groups to be informed after procedure implementation or amendment.

Responsible	Corporate Assurance Team
Accountable	Director of Finance
Consulted	Audit and Governance Committee
Informed	All Barnsley MBC employees, temporary staff, contractors, all elected members, or anyone working on Council premises or on behalf of the Council

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1 POLICY STATEMENT

- 1.1 The Corporate Prosecution Policy forms part of the Council's overall counter-fraud and corruption strategy. The policy covers all acts, and/or attempted acts, of fraud, theft bribery or corruption committed by officers or Members of the Council, or committed by members of the public, or other organisations or their employees, against the Council.
- 1.2 The policy sets out the circumstances in which the Council will take legal action against the perpetrators of fraud or corruption. The policy does not cover internal disciplinary procedures which are the subject of the council's Disciplinary Procedure.
- 1.3 This policy should be read in conjunction with the Council's Corporate Anti-Fraud and Corruption Policy, Corporate Anti-Fraud and Corruption Strategy, Corporate Anti-Bribery Policy, Corporate Whistleblowing Policy, Financial Regulations, Contract Standing Orders, and the Corporate Disciplinary Policy and Procedures.

2 PURPOSE OF THE POLICY

- 2.1 The Council is committed to an effective anti-fraud and corruption strategy. The strategy is designed to encourage the prevention and detection of fraud and corruption. As part of the strategy the Council is also committed to taking appropriate action against anyone believed to have attempted and/or committed a fraudulent or corrupt act against it.
- 2.2 The policy is designed to ensure that the Council acts fairly and consistently when determining what action to take against the perpetrators of fraud or corruption.
- 2.3 Employees and Members who are found to have committed fraud or corruption may be prosecuted in addition to such other action(s) that the Council may decide to take, including disciplinary proceedings in the case of employees. Any decision not to prosecute a member of staff for fraud and corruption does not preclude remedial action being taken by the relevant Executive Director or Service Director in accordance with the council's disciplinary procedures or other policies.
- 2.4 This Policy is also designed to be consistent with council policies on equalities. The Council will take into account the circumstances of each case and the nature of the alleged crime when considering whether to prosecute or not.
- 2.5 Irrespective of the action taken to prosecute the perpetrators of fraud and corruption, the Council will take whatever steps necessary to recover any losses incurred, including taking action in the civil courts.

3 PROSECUTION

- 3.1 The policy is intended to ensure the successful prosecution of offenders in Court. However, not every contravention of the law should be considered for prosecution. The Council will weigh the seriousness of the offence (taking into account the harm done or the potential for harm arising from the offence) with other relevant factors and against the public interest criteria. All cases will be looked at individually and be considered on their particular circumstances.
- 3.2 To consider a case for prosecution the Council must be satisfied that two tests have been passed. Firstly, there must be sufficient evidence of guilt to ensure conviction (referred to

as the **Evidential Test**). Secondly; it must be in the public interest to proceed (called the **Public Interest Test**). Further guidance on these two tests are shown at Appendix I.

4 MEMBERS AND EMPLOYEES

- 4.1 The Council will invoke disciplinary action in all cases of fraud, theft, financial misconduct, serious and intentional breach of financial regulations and corruption committed by employees of the Council or employees within its maintained schools. The normal recommendation for employees would be gross misconduct. This will include cases of fraud against the Council, other council's and other public sector bodies.
- 4.2 Where a financial loss has been identified the Council will always seek to recover this loss either through the civil or criminal process. In addition, where employees are members of professional bodies or are subject to national codes of conduct such as teaching and social services staff, we will refer cases to the relevant professional body.
- 4.3 The Council will always refer cases to the relevant prosecuting authority for criminal prosecution, where management consider a prosecution to be appropriate, in matters relating to elected Members and employees

5 OTHER FRAUD

- 5.1 Other types of fraud against the Council include, but are not limited to: Direct Care Payments, Grants, Reliefs or other applications for financial assistance or other benefits awarded such as Blue Badges.
- 5.2 In cases where the Council suffers a financial loss, we will always seek recovery. Where an organisation is involved in the fraud, the Council will also make referrals to the relevant governing body e.g. Charities Commission.
- 5.3 The Council will also consider criminal prosecution. The factors that will affect our decision to prosecute will be based on the evidential and the public interest test. This will include cases of attempted fraud e.g. applications for renovation grants where the financial estimates are deliberately misstated or false applications for direct care payments.
- 5.4 The Corporate Assurance Team in conjunction with Legal Services will consult with South Yorkshire Police in respect of potential criminal acts.

6 MITIGATING FACTORS

- 6.1 The following mitigating factors will be taken into account when determining whether to prosecute;

Voluntary Disclosure

A voluntary disclosure occurs when an offender voluntarily reveals a fraud about which the Council is otherwise unaware. If this happens, then the fraud will be investigated but the offender will not be prosecuted unless in exceptional circumstances. However, any person colluding in the crime will still be prosecuted.

A disclosure is not voluntary if the:-

- admission is not a complete disclosure of the fraud;

- admission of the fraud is made only because discovery of the fraud is likely, (for example, the offender knows the Council is already undertaking an investigation in this area and/or other counter fraud activity);
- offender only admits the facts when challenged or questioned;
- offender supplies the correct facts when making a claim to Legal Aid;

Social Factors

A wide range of social factors may make a prosecution undesirable. The test is whether the court will consider the prosecution undesirable, and go on to reflect that in the sentence.

Exceptional Circumstances

In certain exceptional circumstances the Council may decide not to prosecute an offender. For example, a lack of sufficient resources to complete the investigation within a reasonable period of time (even after requesting assistance from the police) may be a factor against prosecution action (refer to Appendix I, The Public Interest Test).

7 PROCEEDS OF CRIME ACT 2002 (POCA)

7.1 In addition to the actions set out in this policy, the Council reserves the right to refer all suitable cases for financial investigation with a view to applying to the courts for **restraint** and/or **confiscation** of identified assets.

- A restraint order will prevent a person from dealing with specific assets.
- A confiscation order enables the Council to recover its losses from assets which are found to be the proceeds of crime.

7.2 The Council will use the Proceeds of Crime Act 2002, Criminal Justice Act 1988 and the provisions of the Prevention of Social Housing Fraud Act 2013 to obtain Confiscation Orders and Unlawful Profit Orders as well as recovery of the full criminal benefit figure where possible. The Council may use Accredited Financial Investigators attached to other law enforcement agencies in order to conduct an investigation, obtain orders and present evidence.

8 PUBLICITY

8.1 The consistent application of the policy will provide a means for ensuring that those who have perpetrated fraud and corruption are appropriately penalised. It will also act as a meaningful deterrent to those who are contemplating committing fraud or corruption. The Council recognises the deterrent value of good publicity and therefore information regarding successful prosecutions and sanctions will be made public.

9 REPORTING AND REVIEW

9.1 Details of all cases where prosecutions have resulted from investigations conducted by Council Officers will be included in the periodic reports provided to the Council's Audit and Governance Committee.

9.2 This policy will be reviewed annually, or when changes in legislation require it, by the Head of Corporate Assurance. Any minor or consequential changes will be made with the agreement of the Director of Law and Governance.

Prosecution – The Evidential and Public Interest Test

Each case will be looked at individually to decide what action, if any, is appropriate under this policy. This decision will be based upon 'The Code for Crown Prosecutors' which sets out the general principles prosecutors should look to when they make decisions on cases. The tests are known as the Evidential Test and the Public Interest Test.

The Evidential Test

In making a decision to prosecute, the Council must be satisfied that there is enough evidence to provide a realistic prospect of conviction. A realistic prospect of conviction is an objective test meaning that a jury, magistrate or judge hearing a case which, is properly directed in accordance with the law, is more likely than not to convict the defendant of the alleged offence.

In order to ensure that a “realistic prospect of conviction” exists officers of the Corporate Assurance Team and prosecutors will at all times ensure that investigations are conducted in accordance with all relevant legislation and Codes of Practice with regard to evidence gathering, interviewing and rules of disclosure.

The evidence gathered will be examined in the first instance by the investigating officer and then line manager. When both are satisfied that sufficient evidence exists to successfully prosecute and that the Public Interest Stage is also satisfied the case file will be passed on to either the council's legal team or the Crown Prosecution Service. All prosecutors will then apply their own inspection of the evidence to ensure that both tests are met.

If a case does not pass an evidential test it must not go ahead no matter how important or serious the offence seems. If the case does pass the evidential stage then it should move on to the second stage to decide if a prosecution is appropriate in the public interest

The Public Interest Test

Having examined the evidential test and established that there is sufficient evidence of a realistic prospect of conviction, the Public Interest Test is then applied to determine whether a prosecution should take place or whether an alternative Sanction may be suitable. The factors for and against prosecution should be balanced carefully. It is a matter of common sense that if there are additional factors that should be taken into account then these factors should be considered.

Factors against prosecution action

- There has been undue delay between the offence taking place and the date of the trial, unless the offence is serious, or the delay has been caused in part by the defendant.
- There are major physical or mental health issues for the defendant, which has been confirmed in writing by a medical practitioner and that the ordeal of a prosecution could have a significant detrimental impact on their wellbeing, unless the offence is serious or there is a real possibility that it may be repeated. Age is not in itself a bar factor against prosecution, but if the customer has poor health because of their advanced years this should also be considered.
- The subject was driven to commit the offence by a difficult domestic situation.
- If prosecuted there exists the possibility of mental injury to a third party, for example where an adopted or fostered child would be made aware of their true status;

Factors In favour of prosecution action

- The defendant is alleged to have committed the offence whilst under an order of the court or suspended sentence.
- The defendant's previous convictions or sanctions are relevant to the present offence.
- The defendant is in a position of trust, where their financial impropriety would have a bearing on their ability to continue in their role e.g. a Council employee or Elected Member.
- There is evidence that the defendant has taken deliberate action or provided false statement/documentation to perpetrate the deception.
- The motivation for the fraud was one of pure financial greed where the perpetrator is in a position of relative prosperity.
- There are grounds for believing that the offences were likely to be continued or repeated e.g. by a history of recurring conduct.
- The offence is alleged to have occurred over a protracted period of time involving more than one period of deception.
- The evidence shows that the suspect has instigated, encouraged, or coerced others to commit fraud.
- Where a person occupies a position in public office and the fraud is considered to have brought their position into disrepute.
- In certain exceptional circumstances, the authorising officers, may decide to recommend proceedings where the normal criteria are not met. These cases will be where there are extenuating/aggravating circumstances and each case will be considered on its merits.
- The fraud appears to involve collusion. Cases involving collusion should be regarded as serious fraud and prosecution may be appropriate irrespective of the amount of the fraud.

The various reasons listed above are not exhaustive. The factors that apply will depend on the facts in each individual case.

The Council will also take into consideration the suitability of evidence obtained and any failures or delays in the investigation. Examples would be where an application form has been wrongly completed by an officer of the Council or when there has been a failure to identify obvious flaws in a statement or document.

Item 8

Report of the Interim Head of Governance

Audit and Governance Committee, 20 March 2024

REVIEW OF THE COUNCIL'S CONSTITUTION

1. Purpose of the Report

1.1 To update the committee on the progress of the constitution review since the last report in November 2023.

2. Background

2.1 Under section 9P of the Local Government Act 2000 (LGA 2000) the Council is under a duty to prepare and keep up to date a Constitution. Section 9P of the LGA 2000 states that the Constitution must contain:

- The standing orders/procedure rules;
- The Members' Code of Conduct;
- Such information as the Secretary of State may direct; and
- Such other information (if any) as the Council considers appropriate.

3. Progress since 15 November 2023

3.1 At the meeting on 15 November 2023 it was resolved that an elected member working group would be established to consider options and proposals to advise the review and the development of the Constitution. The terms of reference, approach and timeline for this group were presented to the committee and noted.

3.2 It was also agreed at that meeting that any drafts of new and/or revised sections would be submitted to the Audit and Governance Committee for formal consideration prior to submission to Full Council for adoption and that a training session on the Constitution for Audit and Governance Committee Members should be arranged in due course.

3.3 Shortly after this meeting, on 8 December 2023, the previous Head of Governance left the council. She did not take forward any of the actions above including the establishment of the elected member working group prior to leaving.

3.4 As a result of this the timetable presented on 15 November 2023 has been adjusted and phase two will now report to Audit and Governance Committee later in the year with the entire review to be completed by the end of 2024.

3.5 Other strands of the review have been able to progress, the officer delegations and contract procedure rules have been concluded and the Independent Remuneration Panel has submitted its proposal to update the scheme of members allowances.

4. Constitution Working Group

- 4.1 The Interim Head of Governance has now taken over as lead officer for this project.
- 4.2 The elected member working group has now been established and a work programme agreed in line with the proposals previously agreed.

5. Legal & Risk Implications

- 5.1 Section 9P of the Local Government Act 2000, every local authority is under a duty to prepare and keep up to date its Constitution. This review and the development of a review programme will help to ensure that these legal requirements are met.
- 5.2 There are no significant risks arising from this report. Conducting a review process would help to reduce any risks that could arise as a result of the Constitution not properly supporting decision making and delivery of Council services.

10 Appendices

None

Contact officer: Peter Clark, Interim Head of Governance, Elections and
Registration
Date: 11 March 2024

Item 9

Report of the Head of Corporate Assurance

AUDIT AND GOVERNANCE COMMITTEE – 20th March 2024

STRATEGIC CONCERNS / RISK REGISTER

1. Purpose of the report

- 1.1 To provide an update to the Audit and Governance Committee following a collective review by the SMT of the strategic risks, and to introduce the next scheduled 2 strategic risks to be considered and presented by the appropriate Executive Director.
- 1.2 Two strategic risks will be considered at this meeting:
 - Financial Sustainability (incorporated in the MTFs update) – Director of Finance
 - Educational Outcomes Progress – Executive Director Children's Services

2. Recommendation

- 2.1 **The Committee is asked to note the changes made to the strategic risks by the SMT and the updates from the 2 risks presented at the meeting.**

3. Current Position

- 3.1 The Strategic Risk Register was collectively reviewed by the Senior Management Team (SMT) on 20th February 2024. Following discussions regarding the Fraud and Cyber risk at the January Audit and Governance Committee meeting, this risk was separated. The Fraud risk has been de-escalated from the Strategic Risk register and will now be monitored at an operational level. Cyber remains a Strategic Risk. SMT collectively agreed to remove the Partnership Collaboration risk from the register, given the assurance work undertaken and also considering feedback from external inspections.
- 3.2 It was agreed at the SMT that the Corporate Assurance Manager would work with the risk owners to carry out a review of all strategic risks to ensure that they are representative of the current position within the organisation. This work has commenced.

There remain 2 risks classified as **high** (red response rating*) and 9 risks classified as **medium** (amber rating). No risks are classified as **low** (green rating) in relation to the level of response and intervention required.

* NOTE - The response rating reflects the degree of urgency and importance of the interventions and management oversight rather than the inherent risk.

3.3 The actions associated with the 2 strategic risks to be considered by the Committee at this meeting are included in Appendix 1.

Contact Officer: Gillian Martin, Corporate Assurance Manager

Email: gillianmartin@barnsley.gov.uk

Date: [OBJ] 5th March 2024

Strategic Risk to be reviewed in the meeting – 20th March 2024

Risk Title	Risk Description	Impact	Status	Response Rating	SMT Owner
Financial Sustainability	<p>Risk Description: The Council faces several significant emerging risks that are evolving and not fully measured but could potentially endanger the Council's financial viability in the long term. Whilst the Council has set a balanced budget for 2024/25 this assumes that all efficiencies are delivered in full and that the cost pressures identified and provided for within the budget do not worsen.</p> <p>After 24/25, there is currently a projected gap of £15M based on forecast assumption around demand and (inflationary) growth. This pressure does not include any changes in cost pressures, funding, or priorities. There are plans to address this pressure (Phase 2 Transformation), however the current proposals are in areas that are harder to implement. As a result, the Chief Executive, Director of Finance and SMT are formulating alternative efficiency proposals over and above the current Phase 2 targets, for consideration should these be required.</p> <p>Risk Assessment: Firstly, The Council continues to face significant cost pressures stemming from various economic factors:</p> <ul style="list-style-type: none"> - rising demand for services - Inflation, - increasing energy costs, - rising interest rates <p>together with national policy issues:</p> <ul style="list-style-type: none"> - Health and Social Care Reforms - Children's Social care - Environment Bill - Zero carbon Targets <p>Secondly, sustainable funding for the Local Government Sector especially with the lack of longer-term funding certainty as a result of damaged national public finances. This heightens the risk of future public sector spending cuts.</p>	Actual	Actual	High	Director of Finance

This is further exacerbated by the Chancellors recent Autumn Statement which not only provided no additional funding for Local Government, or the Public Sector as a whole but also highlighted the Chancellors expectation that Government Departments (incl. DLUHC) will make productivity efficiency savings equivalent to a minimum 0.5% of departmental spending levels.

Furthermore, more and more councils across the country have issued S114 notices with Birmingham and only recently Nottingham following suit. Whilst the Council is not at this position the plans implemented need to be delivered otherwise more drastic measures may be required

Action 1

The Council has set a balanced budget for 24/25 which includes an assessment of future cost pressures /proposals to make efficiencies. These will be monitored closely throughout 24/25. Furthermore the 25/26 -26/27 MTFS is constantly under review.

Monitoring of significant cost pressures stemming from various economic factors:

- rising demand for services
- Inflation,
- increasing energy costs,
- rising interest rates

together with unfunded local and national policy issues:

- Health and Social Care Reforms
- Childrens Social care
- Environment Bill
- Zero carbon Targets

RAG Rating - **AMBER**

Action 2

Sustainable funding for the Local Government Sector:
The 2023 local government settlement at the end of December, again only provided a one-year only funding settlement. We continue to lobby government via various bodies (SIGOMA, LGA etc) for longer term certainty together with a sustainable and adequate funding package

	<p>for LG. Whilst the settlement did provide additional funding, this was nowhere near sufficient enough to meet current forecast cost pressures (£13M short) this is to be breached by a 4.99% council tax increase (agreed Feb) together with £8M in service efficiencies, The latter will be monitored to ensure delivery. We also continue to monitor and model other local (CTAX) income streams and will considering this within the updated MTFS. RAG Rating - RED</p> <p>Action 3 national and local policy issues including; - Working group set up to assess the impact of the Health and Social Care reforms, - Work ongoing with SYMCA around the bus services improvement plan / franchising options - We await further details of the impact of the environment act but also continue to progress options to meet the Councils' Zero 40 pledge RAG Rating - AMBER</p> <p>Action 4 Develop a robust MTFS/Transformation plan to help address the known pressures being experienced. RAG Rating - AMBER</p>				
<p>Educational Outcomes Progress</p>	<p>Risk Description: Concerns that educational outcomes progress for all children across Barnsley may not be sufficient, with particular concern around improving outcomes for vulnerable cohorts. A predominant factor is the number of children not attending full time school-based education with too many children persistently absent, suspended or excluded from school.</p> <p>Risk Assessment: Educational outcomes will be adversely impacted if children are not attending and engaging in full time school-based learning. Rates of persistent absence, suspensions, exclusions, and elective home education are high, and this is a factor in all children being supported to reach their full potential.</p>	<p>Potential</p>	<p>Potential</p>	<p>Medium</p>	<p>ED Children's Services</p>

	<p>Action 1: To continue to improve attainment and progress through the risk assessment of schools to provide assurance that measures are in place to enable pupils to sustain positive progress in their educational outcomes, in partnership with schools and academy trusts. RAG Rating – GREEN</p> <p>Action 2: To close the achievement gap between vulnerable groups and their peers with a particular focus on those students who have a special education need or disability and / or are eligible for pupil premium funding, including children in care and those eligible for free school meals through the commissioning of programmes and support based on local identified need. RAG Rating - AMBER</p> <p>Action 3 – CLOSED</p> <p>Action 4: To implement the Written Statement of Action for children with SEND but not with an Education, Health and Care Plan and maintain good, full-time attendance, reduce the use of suspensions and the number of families choosing elective home education and citing dissatisfaction with school. RAG Rating - AMBER</p>				
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MEETING:	Full Council
DATE:	Thursday 29 February 2024

BUDGET PROPOSALS 2024/27

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BARNSELY METROPOLITAN BOROUGH COUNCIL**LOCAL GOVERNMENT ACT 2003 - THE S151 OFFICER'S SECTION 25
REPORT ON THE 24/25 BUDGET PROPOSALS****1. Purpose of the Report**

- 1.1 To provide, in accordance with the requirements of Section 25 of the Local Government Act 2003, advice from the Authority's Chief Finance Officer (CFO) on aspects of the 24/25 budget proposals.

2. Background

- 2.1 Part 2 of the Local Government Act 2003 contains a series of duties and powers that give statutory support to aspects of good fiscal management within local government.
- 2.2 Section 25 requires the CFO to report to an Authority, when it is making its decision on determining the council tax, advice on the following issues:
- The robustness of the estimates included in the budget; and
 - The adequacy of the reserves the budget will provide.
- 2.3 The CIPFA Prudential Code also requires consideration to be given to the affordability and prudence of future capital investment - given its impact on the revenue budget.
- 2.4 CIPFA's Financial Management Code also highlights the importance of the budget setting framework which operates within local authorities and the legal requirements under which this sits.

3. Advice of the Chief Finance Officer

- 3.1 This report is based on the Budget Recommendations at **Section 3** and the financial strategy and suite of financial information set out in **Sections 2 – 6**.

Robustness of the Estimates

- 3.2 As Members are aware, the setting of the 24/25 revenue and capital budgets are part of the Council's Medium-Term Financial Strategy that forms the framework for the budget for the period 24-27.
- 3.3 The Council's financial strategy has sought to clearly identify the risks associated with the budget so that properly informed and prioritised decisions are made.
- 3.4 Whilst in general terms I feel that this has been achieved in relation to the 24/25 budget, it should be noted that several of the key risks and challenges faced by

the Council are fluid and although not quantifiable at this stage are likely to have a material impact on the budget, particularly in the latter part of the MTFS planning period.

3.5 These include but are not limited to:

[a] The demand and cost of Looked After Children / Children's Services has increased exponentially in the past two fiscal years.

Given the significance to the Council's overall financial sustainability, I advise the Cabinet & SMT to ensure sufficient oversight of the children's placement and sufficiency plans.

[b] The plans for creating a sustainable Children's Social Care workforce.

Given the significant level of investment made to date and continuing pressures linked to national issues in Children's Social Care, I advise that Cabinet & SMT ensure sufficient oversight of the Children's Services workforce plan.

[c] Demand and cost for Adult Social Care.

The impact of the National Living Wage for 24/25 together with continuing inflationary & energy pressures on Adult Social Care provider costs will place significant upward pressure on fee levels for next year and beyond. It is currently assumed that these will be funded from a combination of a 2% increase in the Adult Social Care council tax precept, together with the adult social care grants confirmed as part of the settlement. That assumption will be revisited as part of the ongoing dialogue with care providers around fee levels for 24/25.

Given its material nature, Cabinet and SMT should ensure sufficient oversight of the Adult Social Care budget and in particular its linkages / interdependencies with the South Yorkshire Integrated Care Board (Health and Care Plan).

[d] Delivering transformation / savings plans.

Considerable progress has been made in relation to the Phase 1 Service Reviews, MICROSOFT Digitisation and Asset Management transformation workstreams. However, in my view the planned Phase 2 Service Reviews are in areas where efficiencies are more difficult to realise [statutory and demand led services].

Cabinet & SMT should therefore ensure that those reviews are appropriately resourced, and that sufficient oversight & challenge is given to ensure timely delivery in line with the brief.

[e] Inflation, Supply Chain Issues.

Although slowly abating the well-publicised inflation and supply chain issues relating to energy, fuel, food, and construction costs will continue to put pressure on the cost of Council services during 24/25. Moreover, the impact of rising prices

on household disposable incomes and on business cashflow / profitability will increase the volatility, unpredictability, and uncertainty on the levels of both council tax and business rate collection.

[f] Future funding uncertainty.

For the sixth year running DLUHC disappointingly announced a one year only funding settlement for 24/25, making longer term strategic planning challenging indeed.

The settlement did provide the promised increase in core spending power [although as usual that assumed councils would increase council tax by the maximum 5%] but that was in line with the previously announced policy intent [December 2022] and not reflective of the aforementioned cost pressures which have significantly exacerbated since that announcement was made.

In addition, the longer-term outlook for Local Government funding is clearly challenging, and if the implied real term funding cuts to non-protected Departmental Expenditure Limits [DEL] for the period 2025-29 are realised, that will result in serious challenges for the sector, the Council included.

Robustness of specific assumptions underpinning the 24/25 budget

3.6 In terms of the specific estimates and assumptions which are included in the proposed 24/25 budget, I would also offer the following comments:

(i) Council Tax Income Assumptions

The estimates for Council Tax Income are based on a collection rate of 95%, the same level as in previous years. In addition, I have made assumptions around growth in the tax base to be achieved through a combination of new properties coming into rating and a reduction in the number of households claiming local council tax support which has increased significantly since the COVID pandemic.

At this stage I have no reason to believe that these are not robust assumptions, although given the fluidity of the current macro- economic / cost of living situation, the position will need to be closely monitored during the year.

(ii) Business Rates Income Assumptions

Under the current Business Rate Retention scheme, Barnsley retains 49% of the total income collected. Government have confirmed that there will be no major changes to the Business Rate System next year and that the

planned move to reset the business rate baseline will not take place until further notice.

The settlement confirmed a 6.7% increase in bills for larger businesses [those with RV's > £51K]. This applies to a small number of businesses in Barnsley [around 539 / or 6% of all businesses].

For small businesses [those with RV < £51K] the multiplier was frozen, which means there will be no change to the bills for the vast majority of businesses in the Borough [8,490 / 94%].

In addition, the Chancellor extended the 75% business rate discount for retail, leisure & hospitality businesses [up to a maximum discount of £110k per business].

These changes impact the amount of business rate income available to fund council services; and those adjustments have been factored into the budget forecast, including the assumption that equivalent compensation will be received where any reductions in income are as a consequence of Government policy.

Finally, business rate collection may also be adversely impacted by the ongoing macro-economic / cost of living situation. Again, this position will need to be closely monitored.

(iii) ***Pay and other Inflation Assumptions***

The pay award for the current fiscal year [23/24] was resolved in November 2023 and equated to an average 7% uplift in the Council's pay bill, considerably in excess of the provision made in the 23/24 budget [3%], resulting in additional unbudgeted costs of £5m in this and future years.

Pay is forecast to increase by 5% in 24/25 and then at 3% per annum for the remainder of the planning period to 26/27; this will be kept under review in view of the balancing required to reflect the ongoing 'cost of living crisis' set against the anticipated real term reduction in local government funding over the medium term.

As set out above a provision has also been made in relation to the impact of the increase in the National Living Wage on the Council's external contracts, this having a particularly significant budgetary impact in adult social care.

Finally, provision has also been made where contractual payments are linked to the Consumer Price Index or other inflationary measures; the full impact of which will be monitored during the next fiscal year.

(iv) ***Interest Rate Assumptions***

Our treasury advisors and other commentators are predicting interest rates to stabilise before falling in the latter part of 2024 and over the remainder of the planning period, though the timing and pace remains subject to debate.

In view of this, my advice is to carefully time the additional borrowing that will be required over the period to meet the identified Capital Financing Requirement and additionally limit the Council's exposure to interest rate risk by restricting the amount of the debt portfolio that may be subject to variable interest rates at any one time. This is reflected in the proposed Treasury Management Strategy which is set out in detail at **Paper 2c**. The position will continue to be closely monitored by the Treasury Management Panel with regular updates provided to Cabinet as part of the quarterly performance monitoring cycle.

(v) ***Service/ Demand Pressures***

There have been significant increases in the demand for all council services during 23/24, those been particularly acute in children's social care. These pressures are expected to continue into 24/25 and beyond and provision for this has been made within the budget and MTFs [including the full baselining of all social care grants to meet such costs on a recurrent basis].

However, given the inherent risks with these assumptions and the continued systemic failure in the social care market at a national level, it remains unclear whether this provision will be adequate to cover these demographic and other associated cost pressures.

Therefore, as set out above my advice is that the Cabinet & SMT should enhance oversight of all material demand led services [social care, home to school transport et al] and be assured that relevant risks are being managed appropriately.

Adequacy of Reserves

- 3.7 **Section 2b** of the 24/25 budget proposals sets out the Council's proposed reserves strategy.
- 3.8 The Council has used £34M of its own reserves to prop up the budget in the past two fiscal years [22/23 & 23/24]. This is unprecedented, and in my view, also unsustainable.
- 3.9 Therefore, the revised strategy seeks to re-emphasise that reserves shouldn't be used to balance the budget, unless in exceptional circumstances and only ever as

a temporary bridging strategy pending the realignment of recurrent income and expenditure.

- 3.10 Secondly, given the uncertain financial outlook I have proposed a re-prioritisation of £23M of existing reserves to provide additional resilience to the MTFS over the planning period.
- 3.11 I consider this, together with the £20M Minimum Working Balance (MWB) held as a contingency for unforeseen events, appropriate to the current risk environment faced by the Council.
- 3.12 I have also undertaken an assessment of all earmarked reserves & provisions to ensure their continued validity and to make additional provision to cover known commitments where that has been necessary. I consider the current levels to be adequate subject to my comments at paragraphs 3.23 & 3.24.
- 3.13 It should also be noted that not all resources have yet been received and need to be 'banked' before being committed to future investments. I will ensure that this position is reviewed and reported through future monitoring reports. In addition, I also consider it appropriate and necessary to continually monitor reserve levels in the light of the changing circumstances facing the Council and as such, a further detailed review will be conducted as an integral part of the 23/24 accounts closure process and throughout 24/25.
- 3.14 Separately, the Council continues to progress significant external funding opportunities, working particularly closely with the South Yorkshire Mayoral Combined Authority. Specifically, officers are working with SYMCA colleagues to explore the possibility of bringing forward the Council's share of Renewal Fund income streams expected to be received over the next 26 years into a single upfront investment pot capable of delivering major capital investment at scale over the next 3 to 5 years. The Capital Investment Strategy and Capital Investment Programme (**Section 6**) provide further details on this.

Prudence and Affordability

- 3.15 The current Prudential Borrowing regime places a duty on the CFO to ensure that the budgetary impact of decisions to incur additional borrowing are affordable both in the immediate future and over the longer term.
- 3.16 Consideration of the revenue impact of all new capital schemes is therefore undertaken alongside other operational service issues to ensure that resources are allocated in accordance with the Council's priorities and within the overall resources available.
- 3.17 As Members will be aware the Council holds relatively elevated levels of debt as compared to its statistical neighbours. This is a result of previous policy decisions, including the building of a new secondary school estate and more recently the Glassworks town centre development.

- 3.18 Given this and the challenging financial environment, my advice to the Council is to focus on progressing its capital investment priorities via available external grant funding opportunities, and only revert to additional borrowing by exception.
- 3.19 In addition, given the increased focus on local authority borrowing levels, any future borrowing should also be considered carefully in line with the Codes principles of prudence, affordability, and sustainability, all relevant statutory indicators and a thorough risk assessment of all financial and non-financial factors to ensure that there are no broader unintended consequences for the Council's ongoing financial sustainability.

Value for Money

- 3.20 In June 2021 the National Audit Office launched a new Code of Audit Practice, part of which required the External Auditor to undertake a significantly more in-depth review of the Council's arrangements for securing Value for Money [VFM].
- 3.21 In January 2024 the External Auditor's Annual Report did not identify any significant issues in relation to the Council's arrangements for securing value for money during the 22/23 fiscal year. The External Auditor's assessment and final report in relation to the Council's 23/24 arrangements will be undertaken during 2024/25, and although I do not anticipate any major concerns to be raised, I will ensure that any issues or areas for improvement are addressed appropriately.
- 3.22 In addition, given the financial context a new VFM strategy will be launched in 2024 to help manage costs better, deliver improved VFM and maximise the commercial value from the Council's services & assets.

Conclusion: Budget & Medium-Term Financial Strategy (MTFS)

- 3.23 In my view, contingent upon the additional matters outlined at paragraphs 3.5 / 3.6, a balanced budget for 24/25 can be delivered through the agreement of the proposals contained at **Section 4** within these budget papers.
- 3.24 However, as a consequence of the significant risks set out at paragraph 3.5, I expect the future financial landscape to get significantly more challenging and hence my advice to Cabinet / Members is to exercise financial prudence, vigilance, and diligence over the planning period and specifically:
- Ensure that the CX & Executive Directors deliver, in full, the efficiency savings contained within the budget recommendations set out at **Section 4**.
 - Ensure that Executive Directors contain all expenditure within the resource envelopes recommended in this budget [unless otherwise agreed by Cabinet].

- Agree the principle that no new additional investment will be approved unless otherwise funded from external sources or simultaneously paid for by de-prioritising spending plans elsewhere.
- 3.25 Moreover, although I consider the suggested planning framework to be sensible and sound, given the nature and fluidity of the risks identified across the MTFS planning period, I further advise that Cabinet / Members:
- Request that the CX & the SMT produce an alternate savings plan under various scenarios for Cabinet consideration later 2024.
- 3.26 **In summarising my advice, I would stress that the robustness of the estimates and adequacy of the reserves which the budget will provide are satisfactory. However, this is contingent upon the requirements outlined at paragraphs 3.5 – 3.6 and reiterated at paragraph 3.23 – 3.25 above being delivered.**

N Copley BA (HONS), CPFA

Director Finance and S151 Officer

January 2024

UPDATED MTFS 2024/25 – 2026/27

1. PURPOSE

- 1.1 This paper provides a summary update to the current Medium-Term Financial Strategy (MTFS) agreed at Full Council on 23rd February 2023 and extends it for a further year to 26/27 to maintain the Council's rolling 3-year planning framework.
- 1.2 The paper highlights the pressures currently being experienced by the Council and the ongoing impact of this on future years, together with highlighting other assumptions relevant to those years. An update is also provided on the Council's reserves position.
- 1.3 Finally, an update is provided of the progress made on the Phase 1 Transformational Service Reviews, MICROSOFT program and Asset Management Strategy.

2. EXECUTIVE SUMMARY

- 2.1 Despite the challenging financial situation the Council finds itself in, the proposals contained within this updated strategy provides for a balanced budget to be achieved in 24/25.
- 2.2 **To deliver this and begin to prepare for even more difficult times in the period beyond 24/25 the Council is recommended to:**
 1. **Note the cost pressures and funding assumptions contained within the updated Medium Term Financial Strategy (section 4 refers);**
 2. **Approve the efficiency savings related to the Service Reviews and Asset Management Strategy ensuring that Executive Directors deliver those in full (section 6 refers);**
 3. **Agree and ensure that Executive Directors be tasked with containing expenditure within the resource envelopes recommended in this budget unless otherwise agreed by Cabinet (section 5 refers);**
 4. **Approve the proposal to replenish the Council's reserve balances to provide additional financial resilience over the period of the MTFS (section 8 in this paper and Paper 2b in this budget pack refers);**
 5. **Approve a 4.99% increase in Council Tax (Paper 2a in this budget pack refers);**
 6. **Request that the Chief executive, Director of Finance and the Senior Management Team bring forward alternative savings plans (over and above the existing transformation program) based on various planning assumptions for Member consideration during 24/25 (section 5 refers);**

3. INTRODUCTION

3.1 The Council set a balanced budget for the current financial year (23/24) on the 23rd February 2023, including an updated MTFS:

	23/24 £M	24/25 £M	25/26 £M	TOTAL £M
Deficit	+7.336	+6.258	+7.648	+21.242
Agreed efficiencies	-7.336	TBD	TBD	-7.336
Net Deficit	-	+6.258	+7.648	+13.906

3.2 However, it was also highlighted at the time that a number of the baseline assumptions upon which the budget was based (see below) remained volatile and a provision of £7.4M (equivalent to the full allocation of the General Social Care Grant) was set aside in lieu of this.

24 – 27 Original Assumptions

- Core funding uplifted for estimated inflation;
- Provision for pay awards at 3% p.a. over the planning period ;
- Provision for contract inflation of 4% p.a. over the planning period;
- Provision for key service pressures, mainly within Children’s SC;
- Provision for increases in the NLW and inflation in ASC;
- Council Tax @ 2% p.a. over the planning period;
- Future year deficits to be addressed via a programme of transformational activity capable of delivering a minimum £15M by 25/26.

3.3 However, the Council has experienced significant pressures during 23/24, resulting in additional costs of £28M over and above the original £6M forecast for 24/25 per the original assumptions above (£34M in total). Further details of these pressures are described in Section 4 below.

4 WHAT’S CHANGED SINCE FEBRUARY 23

Updated Position for 24/25 and 25/26

4.1 The original forecast gaps for 24/25 and 25/26 were £6.3M and £7.6M respectively (13.9M in total). However, this has clearly been adversely impacted by the full year effect of the additional pressures experienced during 23/24. In addition, a full detailed review of the 24/25 and 25/26 demographic and cost projections has been undertaken which further exacerbates this position. The table below highlight the key changes:

	Original £M	Additional £M	Revised £M
4.2 <u>Employee Pay</u> The original MTFS assumed pay increases of 3% over the planning period. However, given employee pay has increased by an average of 7% in each of the last 2 years it is now considered prudent to assume a 5% pay award for 24/25 (on top of the full year effect costs of the 23/24 pay award).	3.411	5.500	8.911
4.3 <u>Looked After Children Placement Costs / Other</u> The numbers and cost of Looked After Children in residential / foster care is significantly higher than previously forecast (360 LAC in 22/23 v 422 in 23/24).	0.200	9.310	9.510
4.4 <u>Children's Development Plan Phase 2</u> During 23/24 Members agreed further investment to deliver planned service improvements.	-	5.400	5.400
4.5 <u>Adult Social Care</u> The National Living wage is set to increase from £10.42 to £11.44 from 1 st April 24 (a 9.8% increase – see paragraph 4.15 below). This, together with further fee increases from social care providers, creates a cost pressure within Adult Social Care.	1.832	4.803	6.635
4.6 <u>Home to School Transport</u> There has been a significant increase in contractor (transport) fees and client numbers in excess of the original plan.	0.200	1.150	1.350
4.7 <u>Waste</u> Additional costs associated with the disposal of Persistent Organic Pollutants (POPs) following changes in legislation.	0.200	0.400	0.600
4.8 <u>Legal Services</u> Additional investment in Legal Services predominately required to address rising caseloads in Children's Social Care.	-	0.600	0.600
4.9 <u>Commercial Income</u> Additional resources required to re-baseline commercial rental income reflecting the current commercial property market.	-	0.800	0.800
4.10 <u>Inflation & Interest</u> Provision for inflation and interest costs on borrowing	1.985	-	1.985

4.11	<u>Other</u> Minor investment in other key council priorities	-	1.130	1.130
4.12	<u>Less</u> Reduction in Capital Financing / Investment Income	(1.221)	(1.079)	(2.300)
TOTAL ONGOING COST PRESSURES		£6.607m	£28.014m	£34.621m

2023 Government Autumn Statement / Provisional Local Government Settlement

- 4.13 The Chancellor of the Exchequer set out the Autumn Statement on the 23rd November 2023. Key announcements affecting local government included:
- The National Living Wage is to increase by 9.8% to £11.44 per hour from 1st April 2024;
 - Business rate bills for large businesses (over £51,000 rateable value) are set to rise by CPI [@6.7%], with bills being frozen for small /medium sized businesses (<£51,000 rateable values);
 - An extension to the current 75% business rate discount for retail, leisure and hospitality businesses;
 - Local Housing Allowance increased;
 - Welfare benefits increased by CPI (6.7%);
 - Councils are able to recover the full cost of major planning decisions.
- 4.14 The Chancellor also announced that he expects all Government Departments / public services to deliver 0.5% p.a. efficiency savings over the planning period.
- 4.15 Subsequently on 18th December 2023 the Department for Levelling Up, Housing and Communities (DLUHC) released the Local Government Provisional Finance Settlement. This confirmed that there would be no new funding for the sector, over and above what was previously announced in December 2022:
- Core funding (RSG and Business rates) uplifted for inflation in line with previous assumptions;
 - An increase in the non-ringfenced social care grant (circ. £30M of grant now being fully baselined as core funding in the Council's forward assumptions);
 - Continuation of the Adult Social Care Market Sustainability and Improvement Fund (including rolled in Workforce grant) to contribute towards funding pressures within the care sector (£5.4M now baselined as core funding);
 - Additional funding to be allocated through the Better Care Fund to support safer hospital discharges, helping people regain or maximise independence as soon as possible and freeing up NHS beds for those who need them (£3.1M now baselined as core funding);

- A £1.8M reduction in the Service Grant (from £2.2M to £0.4M) to help pay for the above. Although this wasn't anticipated, the Council's MTFs always assumed this funding to be one-off in any event;
- Final year (one-off) New Homes Bonus of £0.4M in line with expectations.
- Council tax flexibilities allowing for a maximum 5% increase in 23/24 and 24/25 (3% Core Services and 2% Adult Social Care). A 4.99% increase is now assumed being 2.99% for core services and 2% for Adult Social Care – further details are provided at Paper 2a within this budget pack.

REVISED MEDIUM TERM FINANCIAL FORECAST

4.16 The net impact of the above cost and mitigation strategies (pre any efficiencies) is summarised in the table below:

	<u>2024/25</u> <u>£M</u>	<u>2025/26</u> <u>£M</u>
Opening Expenditure Budget	230.422	265.043
Additional Cost Pressures		
Pay Award @ 5% increase in 24/25 and 3% thereafter	8.911	3.411
Demography & Demand – Children's Social Care	9.510	0.600
Investment – Children's Development Plan	5.400	-
Demography & Demand - Adult Social Care	6.635	4.317
Demography & Demand – Home to School Transport	1.350	0.500
Demography & Demand - Waste	0.600	0.200
Demography & Demand – Legal	0.600	-
Commercial Income	0.800	-
Inflation & Capital Financing	1.985	1.985
Other minor investments	1.130	4.000
Less Capital Financing / Investment Income	(2.300)	-
Total Cost Pressures	34.621	15.013
Total Expenditure	265.043	280.056
Income Brought Forward	(230.422)	(255.592)
<i>Less Mitigations:</i>		
Council Tax @ 4.99% + growth	(6.187)	(2.545)
Business Rates Growth + RSG inflation	(6.868)	(1.100)
Increase in General Social Care Grant	(13.375)	-
Better Care Fund (incl. Discharge Monies)	(3.943)	-
ASC Market Sustainability grant	(2.518)	-
Replenish reserves used in 23/24 budget	7.721	-
Total additional Income	(25.170)	(3.645)
Total Expenditure	(255.592)	(259.237)
Revised Deficit (pre-efficiency savings)	9.451	20.819

5. STRATEGY TO ADDRESS ABOVE GAPS

5.1 The SMT have formulated a strategy and detailed plan to address both the short and medium-term budget gaps identified within the budget forecast:

1. **Action 1** – Executive Directors to undertake a major transformational review of **all services areas** including embedding Microsoft Digital technologies. Furthermore, The Executive Director of Growth and Sustainability, in conjunction with Elected Members and SMT to deliver the efficiency savings attached to the recently approved Asset Management Strategy (AMS). Section 6 below provides an update on progress against proposed plans.

2. **Action 2** – Executive Directors to ensure that they deliver services and agreed outcomes within revised budget envelopes for 2024/25. Section 5 in this suite of budget papers provides an update of the revised Directorate budget envelopes.

3. **Action 3** – Cessation of the use of reserves to balance the budget unless in exceptional circumstances and only ever as a temporary bridging strategy. Furthermore, implement a re-prioritisation of existing earmarked reserves to provide additional support to the broader MTFS position.

4. **Action 4** – That the Chief Executive in conjunction with the Director of Finance and Senior Management Team be tasked with formulating an alternative savings plan (over and above the service reviews /AMS) under various scenarios for Member consideration during 24/25.

6. CURRENT STATUS OF SERVICE REVIEWS / ASSET MANAGEMENT STRATEGY

Service Reviews (including digital transformation)

6.1 In February 23, Members agreed to a major program of transformation to address future identified budget gaps. This programme has been divided into two phases; Phase 1 to be delivered by 1st April 2024 with Phase 2 being delivered by 1st April 2025. 20 service areas have put forward proposals to be delivered as part of Phase 1 as summarised in the table below and at Section 4a – within this budget pack.

Directorate	Deliverability for 2024/25			Overview of key lines of enquiry
	Total £	Finance	Timeframe	
Children in Care / Leaving Care	£1,580,000			<ul style="list-style-type: none"> Reduction in LAC numbers through planning for permanency initiative, stabilised services and development of EOC/FGC services Increase in nos. of children with in-house foster carers Reduction in nos. of children placed with IFA carers Development of new in-borough children's home Full capacity & use of Spring Lane children's home – albeit 3 bed unit Reduction in nos. of residential care placements – through reviews, step downs and planned moves Improved health funding for high cost placements Improved commissioning / contract management / procurement approaches of high cost placements e.g. block booking of beds £405k saving slipped to 25/26
Children's Services Development	£1,070,000			<ul style="list-style-type: none"> Cessation of approved agency staff (incl project teams) Cessation of Devt Board / project support costs Interim service manager posts (residential, fostering) Legal support
TOTAL CHILDREN'S	£2,650,000			
Property Services	£175,000			<ul style="list-style-type: none"> Review & modernisation of delivery models to support AMS (£85K) Maximise digital and automation opportunities via Microsoft (£90K) Strategic alignment of similar services (Markets / Glassworks)
Culture & Visitor Economy	£200,000			<ul style="list-style-type: none"> Review of museums opening hours & operating structure Review of archives provision, exploring alternative methods such as digital / virtual offer
Economic Development	£165,000			<ul style="list-style-type: none"> Fundamental review of operating model & maximisation of capex & external funding structures (£150K) Review of commercial rents to maximise income opportunities (£15K)
Employment & Skills	£240,000			<ul style="list-style-type: none"> Fundamental review of op model to support fall out of EU funding & replacement with UKSPF Modernisation of service offer through enhanced use of technology. Holistic review of adult learning across the Council
Waste, Recycling & Neighbourhoods	£500,000			<ul style="list-style-type: none"> Fundamental review of Neighbourhood's op model / processes (£110K) Review of W&R considering Environment Act compliance, Digitisation of back-office processes via Microsoft (£120K) Round re-balancing exercise to increase productivity (£95K) Maximisation of income opportunities (£175K)
Commercial & Operational Service Support	£220,000			<ul style="list-style-type: none"> External reviews commissioned - Fleet & Car Parking Maximisation of commercial offer (waste & pest control) (£105K) Review of operating model and digital opportunities (£85K) Introduction of internal driver training programme (£30K)

Directorate	Deliverability for 2024/25			Overview of key lines of enquiry
	Total	Finance	Timeframe	
Bereavement	£170,000			<ul style="list-style-type: none"> Growth in commercial businesses (new cremator at pet crem to enable expansion) Increase / review fees & charges & review of Sport Service A further £100K deliverable in 25/26 through expansion of pet crem
Highways & Engineering	£330,000			<ul style="list-style-type: none"> Fundamental review of operational delivery models Review of Schools Crossing Patrol (£25K) Review of fees & charges & maximisation of income opportunities £275K)
TOTAL GROWTH & SUSTAINABILITY	£2,000,000			
Better Lives Programme	£1,261,000			<p><u>Reablement Service</u></p> <ul style="list-style-type: none"> Extend reach of the Community Referral scheme - borough wide and to include LD/MH referrals. Transfer / align OT service (i.e. E&A) from SWYPFT Establishing an intensive integrated support service <p><u>A&C Front Door</u></p> <ul style="list-style-type: none"> Establishing the Front Door team; Triaging of contacts / referrals and signposting. Embedding strength-based assessments / equipment <p><u>A&C Reviewing Team</u></p> <ul style="list-style-type: none"> Continued review of high-cost care packages Extend review to cover 6-week hospital discharges plans
TOTAL PLACE HEALTH & ADULT SOCIAL CARE	£1,261,000			
Derbyshire Dales	£84,000			<ul style="list-style-type: none"> Fundamental review of operating model Review of approach to temporary accommodation (£221K deliverable over 3 years) Maximisation of income from penalties & licensing fees (£10k) Strategic realignment of local welfare assistance to Finance Enhanced use of technology - CIVICA
Longer Communities	£85,000			
TOTAL PUBLIC HEALTH & COMMUNITIES	£169,000			
Internal Audit	£57,000			<ul style="list-style-type: none"> Fundamental review to explore the optimum approach / delivery model that maximises effectiveness for the Council
Strategic Procurement & Contract Management	£165,000			<ul style="list-style-type: none"> External review commissioned. Production of a Procurement Strategy linked to MTFS Fundamental review of delivery model to strengthen culture & leadership Adoption of a business partnering approach to enhance the role of & impact of procurement
Service Design & Compliance	£498,000			<ul style="list-style-type: none"> External review commissioned. Fundamental review of operating model & adoption of digital / automation (£71K) Strategic re-alignment of Registrars service to Legal & Governance Provision of contracted service through alternative digital solutions (£367K)
Legal Services	£115,000			<ul style="list-style-type: none"> External review commissioned new future operating model established to support B2030
Council Governance	£54,000			<ul style="list-style-type: none"> External review commissioned to review constitution and decision making arrangements Fundamental review of organisational approach to Council Governance Review of commercially traded services – JAGU and School Appeals Enhanced use of automation & technology to drive efficiency
Business Support	£215,000			<ul style="list-style-type: none"> External review identified initial opportunities for efficiency, further opportunity to be mapped through fundamental review of operating model, adoption of technology & strategic alignment of function. (Subject to separate SMT paper) £653K deliverable over 2 years
TOTAL CORE	£1,104,000			
GRAND TOTAL	£7,184,000			

2025/26 Transformation Service reviews

- 6.4 The Table below summarises the current Phase 2 reviews, after re-phasing agreed to date, and anticipated financial efficiency savings to be delivered by April 2025:

EFFICIENCY SAVINGS 2025-26 (PHASE 2)	
Directorate	Target £
CHILDREN'S	
Early Start and Family Centres	£308,000
Inclusion Services	£295,000
Education & Partnerships	£123,000
Targeted Youth Support	£250,000
Assessment & Care Management	£609,000
Children Disability & Short Breaks	£124,000
Children in Care	£2,305,000
Children's Development Plan	£1,360,000
TOTAL CHILDREN'S	£5,374,000
GROWTH & SUSTAINABILITY	
Housing & Energy	£50,000
Planning & Building Control	£100,000
Waste, Recycling & Neighbourhoods	£1,000,000
Home to School Transport	£430,000
TOTAL GROWTH & SUSTAINABILITY	£1,580,000
PLACE HEALTH & SOCIAL CARE	
Day Services	£200,000
TOTAL PLACE HEALTH & SOCIAL CARE	£200,000
PUBLIC HEALTH & COMMUNITIES	
Safer Communities	£74,000
Stronger Communities	£264,000
Healthier Commissioning	£85,000
Library Services (SA)	£220,000
TOTAL PUBLIC HEALTH & COMMUNITIES	£643,000
CORE	
Operational Finance	£140,000
Corporate Finance	£150,000
Continual Service Improvement	£100,000
Service Operations	£190,000
Business Support	£430,000
Human Resources	£180,000
Communications & Marketing	£50,000
Business Improvement & Intelligence	£120,000
Elections	£45,000
TOTAL CORE	£1,405,000
OVERALL TOTAL	£9,202,000

Asset Management Review

- 6.5 Since October 2022 the Asset Strategy has been fully refreshed to review how the Council's land and property assets can be best used to enable the delivery of the priorities identified in the Corporate Plan and 2030 place-based ambitions.

6.6 The Council holds different property assets for different purposes, which in broad terms can be defined into the following categories:

- Operational – Supporting service delivery.
- Investment (Commercial) – Income generation or capital growth.
- Surplus – Disposal or re-purposing is to be considered.
- Strategic – Supporting corporate priorities.

6.7 The refreshed strategy focuses on these 4 categories and how the associated resources are deployed to achieve relevant outcomes, by focusing on 8 Objectives:

Objective 1	Delivering an efficient and fit for purpose estate, using assets innovatively whilst supporting service delivery
Objective 2	Guarantee all statutory and legal obligations are discharged
Objective 3	Supporting regeneration, housing, and economic growth
Objective 4	Maximise income growth from commercial and non-operational activities
Objective 5	Support leisure and cultural activities, contributing to Barnsley as a destination
Objective 6	Maximising opportunities available with key stakeholders and partners (OPE)
Objective 7	Contribute to the Council’s environmental and sustainability agenda
Objective 8	Enable strategic decisions through appropriate governance

6.8 To date the refreshed Asset Management Strategy and Plan has identified the potential to deliver £5.9M p.a. of cashable efficiencies over the planning period to support the balancing of the Medium-Term Financial Strategy (MTFS).

6.9 Governance arrangements have been established and agreed at SMT, meaning that any property related decision is now discussed at the Property Board prior to seeking approval from SMT and Cabinet.

6.10 Six subgroups have been formed to understand service requirements (linked to their transformation activity) and have worked up practical plans to achieve the delivery of the efficiency target and improved service outcomes.

The key areas of activity that will deliver £5.9M FYE savings are:

1. Strategic 5-year Disposal Plan (Land)

This has been refocused providing the Council with a 5-year disposal plan. The historic version has been reviewed to remove assets that have been sold and an appraisal of the remaining assets has taken place. This analysis has prudently identified the potential for £7M worth of capital receipts. Further consultation will be required, and progression will be subject to securing the usual

internal approvals. Consideration / prioritisation will be given to prime sites in order to maximise their capital receipt potential. This will take place as part of a wider coherent plan for individual localities.

2. Improved Commercialisation of the Portfolio

A strategic review of the estate to maximise income and determine commercial viability, including Gateway, the Glass Works, town centre asset base and the wider Industrial Estate.

A full review of the Business Centre model has also commenced covering:

- a) Phase 1 – assessment of condition, occupancy levels, running costs,
- b) Phase 2 – Future strategy for business centres/managed workspaces, reflecting supply and demand across the Borough (and wider).

3. Sustainability and Energy Management

Target reductions for gas and electricity consumption have been set for the next 5 years with detailed action plans developed to assist with achieving these. Investment will be required but this will be linked to individual business cases and investment will only be made in retained assets. A full review of the capacity and capability of the energy team is also required to ensure this can be successfully delivered.

4. Operational Estate - Asset Rationalisation Plan

Following consultation with services a rationalisation plan has been created linked to the operational estate. A total of 11 assets have been identified for immediate disposal / re-purposing that do not impact any wider strategic ambitions / outcomes such as the Libraries Refurbishment Programme or Principal Towns. A further 20 assets will be explored over the next 2 years. Running costs across these assets equate to £1.7M per annum and further rationalisation is expected to take this to £3.0M + the potential for capital receipts.

Activity	2024/25	2025/26	2026/27	TOTAL £M
1. Strategic 5-year Disposal Plan (Land)	0.100	0.300	0.300	0.700
2. Improved Commercialisation of the Portfolio	0.050	0.100	0.100	0.250
3. Sustainability and Energy Management	0.770	0.830	0.360	1.960
4. Operational Estate - Asset Rationalisation Plan	0.300	1.450	1.220	2.970
TOTAL	1.220	2.680	1.990	5.880

7. Updated 2024/25 Directorate Resource Envelopes

7.1 The table below summarises individual Directorate budget envelopes for 2024/25 taking account of all the changes highlighted in sections 4 to 6 with further detail provided in Section 5a.

DIRECTORATE	Opening Budget 22/23	Opening Budget 24/25	Planned Efficiency 24/25	Revised 24/25 Budget	% Increase since 22/23
Children's	36.0	66.9	(2.6)	64.3	79%
Growth & Sustainability	45.0	64.8	(3.2)	61.6	37%
Adults	43.6	63.6	(1.3)	62.3	43%
Public Health & Communities*	10.5	10.9	(0.2)	10.7	2%
Core	20.4	29.7	(1.1)	28.6	40%
Corporate	31.0	29.1	-	29.1^	-6.1%
TOTAL	186.5	265.0	(8.4)	256.6	38%

*Excludes increase in Public Health Grant circa. £1M since 22/23

^ reflects reduction in capital financing costs / increased investment income

7.2 It is imperative that Directorate's manage within the above revised budget envelopes moving forward in order that the Medium Term Financial Strategy and plan to address the identified gaps is delivered. A number of tools have been developed to assist in managing cost better and delivering improved VfM and maximising the commercial value from our services and assets:

- Transformation guidance and support
- VfM Framework / Commercial Tool Kit

7.3 A process will also be put in place whereby budgets cannot be exceeded unless otherwise agreed by Cabinet and that would also take place with reference to a corresponding disinvestment elsewhere.

8. Updated General Fund Reserves Position

8.1 Following closure of the 2022/23 Accounts, total General Fund cash reserves stood at approximately £219M with the vast majority of these already committed to previous policy and investment decisions [e.g., major capital investment such as the Glass Works, SEAM & Principal Towns; Directorate projects and initiatives, school balances, minimum revenue provision [debt], insurances and other statutory provisions].

8.2 The following Table summarises the current position with the detailed Reserves Strategy for 24/25 included at paper 2b in this pack.

	Earmarked Under Statute	Grant Funding /Service Specific	Capital Priorities	Budget Mitigation 2023/24	Budget Mitigation Future	Minimum Working Balance	TOTAL
GENERAL FUND	£M	£M	£M	£M	£M	£M	£M
Reserves GF	50.002	58.807	43.627	24.233	23.000	20.000	219.669

- 8.2 Given the significant use of reserves required to balance the Council's 23/24 position (£23M) on top of the reserves used in 22/23 (£11M), a review and re-prioritisation of remaining earmarked reserves has been undertaken to replenish general reserves in order to provide additional future resilience.
- 8.3 This review has focused on those reserves previously earmarked for capital investment priorities due to fact that the reserves earmarked for other purposes cannot realistically be re-prioritised either because they have conditions attached to them (e.g. specific grants earmarked for service priorities) or are required for statutory purposes (e.g. earmarked for future debt repayment).
- 8.4 As a result, a balance of £23M has now been set aside to provide further financial resilience for the Council's Medium Term Financial Strategy (over and above the £20M Minimum Working Balance).

9. REVISED MEDIUM TERM FINANCIAL FORECAST

- 9.1 The net impact of the above cost and mitigation strategies is summarised in the table below:

	24/25	25/26	26/27
	£M	£M	£
FORECAST GAP (pre-efficiency)	9.451	20.819	23.915
Asset Strategy Review	(1.220)	(1.220)	(1.220)
Service Transformation Reviews - Phase 1	(7.184)	(7.184)	(7.184)
Temporary use of one-off Services Grant / New Homes Bonus	(1.047)	-	-
REVISED GAP AFTER EFFICIENCIES	-	12.415	15.511*

*gap after proposed efficiencies should these be delivered in full circa. £2M

- 9.2 This position is based on the following key assumptions:
- Provision for pay awards @ 5% (£8.9M) & 3% p.a. thereafter.
 - Provision for contract inflation @ 6% in 24/25 (£1.4M) falling to 4% thereafter.
 - Provision for key service pressures within Children's Social Care (£14.1M).
 - Provision for increases in the National Living Wage and inflation in Adults Social Care (£6.6M) partially offset by additional specific Adult Social Care grant.
 - Provision for increased cost of Home to School Transport (£1.4M).
 - Council Tax @ 4.99% plus growth in 24/25 (£6.2M) and 2% thereafter.
 - Core funding uplifted for inflation in 24/25 and 25/26;
 - Baselining additional non-ringfenced social care grant;
 - Directorates manage within agreed resource envelopes.
 - No investment in other new burdens / priorities e.g Zero 40, CYP enrichment, unless funded from new grant monies or de-prioritisation elsewhere.
- 9.3 There are currently proposals to deliver transformational efficiency savings of £13.8M over the period (£11.8M in 25/26 and a further £2M in 26/27). Should these proposals be delivered as expected then a gap of £1.0M in 25/26 rising to £2.1M in 26/27 will still remain for which other proposals are currently being considered.

- 9.4 However, the timing and deliverability of these proposals will need to be carefully monitored given that the majority are in complex demand-led service areas. Furthermore, a continued rise in demand and cost of provision of services together with the Government indicating that they expect productivity efficiencies from all central departments from 25/26 will continue to place significant pressure on future finances.
- 9.5 Therefore, good financial management practice determines that alternative savings be established during 2024 in the event that these are required to be delivered during the planning period.

MTFS Detailed Forecast

	FORECAST 2024/25 £m	FORECAST 2025/26 £m	FORECAST 2026/27 £m
EXPENDITURE:			
Revised Base Position	230.422	265.043	280.056
2. Fixed and Ongoing (already reported)			
Pay Award, National Insurance 1.25% increase	8.911	3.411	3.411
	8.911	3.411	3.411
3. Demographic and Demand			
Energy Cost issues / New Energy Team	0.000	1.000	0.000
Children's Social Care (LAC / Fostering)	9.510	0.600	0.600
Adult Social Care National Living Wage /Inflationary Increases	6.635	4.317	2.000
Home To School - Demographics	1.350	0.500	0.500
Waste - Demographics / HWRC / Inflation	0.600	0.200	0.200
Legal	0.600	0.000	0.000
	18.695	6.617	3.300
4. Investments			
Childrens Development Plan	5.400	0.000	
Graduates	0.230	0.000	0.000
Seam	0.500	0.000	0.000
Financing Capital New Starts Programme & MRP	0.570	0.570	0.570
General Inflation	1.415	1.415	1.000
Commercial income	0.800	0.000	0.000
	8.915	1.985	1.570
5. Provisions			
Release of Energy provision			
Demography Provision			
Capital Financing Saving/ Investment Income	-2.300		
Base Budget Review/Reprofiling	0.400	3.000	
	-1.900	3.000	0.000
TOTAL EXPENDITURE BEFORE EFFICIENCIES	265.043	280.056	288.337
RESOURCES:			
6. Core Resources			
<u>Council Tax</u>			
Council Tax Income inc Base	113.330	119.517	123.202
Council Tax Collection Fund Surplus	3.572	3.572	2.154
	116.902	123.089	125.356
<u>Business Rates Retention (BRR) scheme</u>			
Local Share - Business Rates (net 50% share)	28.414	32.089	33.189
Business Rate Surplus	1.000	1.000	1.000
S31 Grant for 2% Capping - Local Share	6.910	7.805	7.805
Local Share - Top Up Grant	32.268	33.846	33.846
S31 Grant for 2% Capping - Top Up	1.769	1.769	1.769
Revenue Support Grant (RSG)	15.196	16.203	16.203
	85.557	92.712	93.812
<u>S31 Grant</u>			
Services Grant	2.212	0.760	0.000
	2.212	0.760	0.000
<u>Additional Changes</u>			
IBCF	3.350	3.350	3.350
Public Health Grant	0.300	0.300	0.300
BCF Inflation		0.800	0.800
BCF Discharge Monies		3.143	3.143
Market sustainability grant	2.900	5.418	5.418
Social Care grant	13.692	27.067	27.067
	20.242	40.078	40.078
Reserves	5.500		
Core Resources b/f	230.413	256.639	259.246
7. Change in Resources			
<u>Council Tax</u>			
Council Tax increase in tax base @ 800	1.325	1.385	1.385
Council Tax increase (@ 4.9% in 24/25, 2% thereafter)	4.862	2.300	2.300
One of Council Tax Collection Fund		-1.418	
	6.187	2.267	3.685
<u>Business Rates Retention (BRR) scheme</u>			
Local Share Business Rate Growth (£3.0M) / Multiplier 4%	3.675	1.100	1.500
Business Rates Top Up Grant	1.578		
S31 Multiplier Cap	0.895		
Changes to RSG	1.007		
	7.155	1.100	1.500
<u>Other Specific Funding</u>			
General Services /NHB Grant	-1.452	-0.760	
BCF Inflation	0.800		
BCF Discharge Monies	3.143		
Market Sustainability Grant	2.518		
General Social Care Grant	13.375		
	18.384	-0.760	0.000
Replenish Reserves	-5.500		
TOTAL RESOURCES	256.639	259.246	264.431
NET SHORTFALL (CUMMLATIVE)	8.404	20.810	23.906
NET SHORTFALL (ANNUAL)		12.406	3.096
9. Efficiency Proposals			
2023-24 Efficiency Programme			
ASSETS	-1.220	-1.220	-1.220
PHASE 1 inc Digital	-7.184	-7.184	-7.184
Phase 2			
Shortfall after efficiencies	0.000	12.406	15.502

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BARNSELEY METROPOLITAN BOROUGH COUNCIL

2024/25 COUNCIL TAX OPTIONS

1. Introduction

1.1 This report considers the calculation and options for setting Council Tax levels for 2024/25.

2. Basis of Council Tax Calculation

2.1 The following stages are involved in determining options for setting the Council Tax:

- 1) Determining the Council Tax base;
- 2) A review of past performance in collecting Council Tax;
- 3) Identifying the potential impact on the Council's Medium Term Financial Strategy of various Council Tax increases; and
- 4) Options for setting the Council Tax in the context of national and local policy.

Step 1 – Determining the council tax base

2.2 The Council Tax Base represents the estimated number of chargeable dwellings in the area, expressed in terms of Band D equivalent properties after allowing for disabled persons relief, discounts and other statutory adjustments.

2.3 The calculation of the tax base is further complicated by the Government's Local Government Finance reforms that took effect from 1st April 2013. These changes are summarised below.

Technical Changes to Council Tax

2.4 Since 2013/14, local authorities have been afforded discretion to charge Council Tax on second homes and empty properties. The Council's current policy is as follows:

- A discount of 0% to be applied to second homes and empty furnished homes;
- A discount of 25% to be applied to properties that are vacant and undergoing repair or major structural alterations for up to 12 months, or 6 months after the completion of works, whichever is shorter;
- A discount of 8.3% (1 month) to be applied to properties that are vacant from the date the property becomes empty. This discount is only available to landlords of rented accommodation.
- A 100% premium to be charged on properties which have been empty and unfurnished for more than two years; and
- A 200% premium to be charged on properties which have been empty and unfurnished for more than five years; and

- A 300% premium to be charged on properties which have been empty and unfurnished for more than ten years.

- 2.5 From 1st April 2024, the Levelling Up and Regeneration Act 2023 will enable local authorities to charge an additional 100% premium (or a 200% council tax charge) for properties that are empty and unfurnished after one year. The Council's policy has been updated to take account of this change and from 1 April 2024 a 100% premium will now be applied to any property which has been empty for a period of 12 months.
- 2.6 Furthermore the Levelling Up and Regeneration Act 2023 will now also enable local authorities to charge an additional 100% (or a 200% council tax charge) for properties that are substantially furnished but are no one's sole or main residence, e.g. a 'second home'. At the time of preparing this report, the Department for Levelling up, Housing and Communities has yet to provide any official guidance, however, it is anticipated that there will be a requirement to give 12 months' notice of any decision to implement this additional premium. It proposed that the Council give notice of its intention apply this premium on "second homes" from 1 April 2025 and will adopt its policy at that time.

Property empty period	Additional Premium	Total Council Tax charge
Up to 1 year	0	100%
1 to 5 years	100%	200%
5 to 10 years	200%	300%
10 years and over	300%	400%

- 2.7 The 2024/25 Council Tax Base report approved in January 2024 (Cab.10.1.2024/7 refers) set a tax base of 66,800.90.

Step 2 - Review of performance in collecting council tax

- 2.8 Cabinet receive regular updates in relation to Council Tax collection. Whilst collection rates have remained relatively static over the last few years, the ongoing cost-of-living crisis may start to have a detrimental impact resulting in a fall in collection rates.
- 2.9 As at the end of December 23, the forecast collection rate for 2023/24 stood at 96.63% which remains above the estimated 95% collection rate. Collection rates will continue to be closely monitored throughout 2024/25 with updates reported to Cabinet as appropriate.

Step 3 – Potential Council Tax Yields 2024/25

- 2.10 Table 1 below provides information on the estimated yields that could be generated based on the currently estimated Council Tax base and different levels of Council Tax increase.

Table 1 – Council Tax Options (2024/25)

% Increase	0% £M	1.00% £M	2.00% £M	2.50% £M	2.90% £M	3.50% £M	3.90% £M	4.50% £M	4.90% £M	4.99% £M
Council Tax Income	113.934	115.073	116.098	116.782	117.238	117.921	118.377	119.061	119.517	119.619
Collection Fund Surplus	3.572	3.572	3.572	3.572	3.572	3.572	3.572	3.572	3.572	3.572
Total Council Tax Income	117.506	118.645	119.670	120.354	120.810	121.493	121.949	122.633	123.089	123.191

2.11 Each 1% increase in the Band D Council Tax generates additional income of approximately **£1.140M** per annum recurrently (0.5% = £0.570M).

2.12 Table 2 provides an analysis of the impact of the various increases on council tax bills for council services for each band.

Table 2 – Indicative 2024/25 Council Tax Levels for BMBC Services

% Increase	0.00%	1.00%	2.00%	2.90%	3.50%	3.90%	4.50%	4.90%	4.99%
Band A-	947.54	957.01	966.49	975.02	980.70	984.49	990.18	993.97	994.82
Band A	1,137.05	1,148.42	1,159.79	1,170.02	1,176.84	1,181.39	1,188.21	1,192.76	1,193.79
Band B	1,326.56	1,339.83	1,353.09	1,365.03	1,372.99	1,378.30	1,386.26	1,391.56	1,392.76
Band C	1,516.06	1,531.22	1,546.38	1,560.03	1,569.12	1,575.19	1,584.29	1,590.35	1,591.71
Band D	1,705.57	1,722.63	1,739.68	1,755.03	1,765.26	1,772.09	1,782.32	1,789.14	1,790.68
Band E	2,084.59	2,105.43	2,126.28	2,145.04	2,157.55	2,165.88	2,178.39	2,186.73	2,188.61
Band F	2,463.60	2,488.24	2,512.87	2,535.05	2,549.83	2,559.68	2,574.46	2,584.32	2,586.53
Band G	2,842.62	2,871.04	2,899.47	2,925.05	2,942.11	2,953.48	2,970.53	2,981.90	2,984.47
Band H	3,411.14	3,445.26	2,479.36	3,510.06	3,530.52	3,544.18	3,564.64	3,578.28	3,581.36

2.13 The majority of households in Barnsley are Band A or Band B properties. Based on the table above each 1% increase in Council Tax equates to an annual increase of approximately £11 (21p per week) for a Band A property and £13 (25p per week) for a Band B property.

2.14 However, it should be noted that the final overall Council Tax increase for properties in the borough will depend on the precepts levied by the Police and Fire Authorities. These are currently being finalised by the respective authorities. Table 4 below provides a breakdown of the additional cost if the maximum allowable increases are made during 2024/25 (assumed to be £13 for Police and 3% for Fire).

2.15 It should also be noted that properties situated within a Parish Council area will have an additional precept levied. This information is still being collected and it is not possible to provide an estimate as there are no restrictions or referendum limits imposed on parish or town councils in 2024/205. Any additional charges will be set out in the Council Tax Resolution paper which will be presented to members at the Budget Meeting, Full Council on 29 February 2024.

Step 4 – Options for setting council tax in the context of national and local policy**Options for 2024/25****Council Tax Referendums and Council Tax Capping****General Services**

- 2.16 Schedule 5 of the Localism Act introduced a new chapter into the 1992 Local Government Finance Act, making provision for Council Tax referendums to be held if an authority increases its Council Tax by an amount exceeding the principle determined by the Secretary of State and agreed by Parliament.
- 2.17 The Council Tax for general (core) services threshold is 3% before the requirement to hold a referendum. There remains the option to increase core Council Tax above 3% subject to holding a referendum (and/or receiving Secretary of State approval). The cost of holding a referendum is estimated to be around £0.5M so any additional income received for increases above 3% would be needed to cover this cost.

Additional Flexibility for Adult Social Care Pressures

- 2.18 Since 2016 Government have allowed further flexibilities to local authorities around the Adult Social Care (ASC) precept. This flexibility is offered in recognition of the increasing demand and cost for ASC services.
- 2.19 Members will recall that in the Chancellor's 2022 Autumn Statement these flexibilities would be extended into 2024/25. The Council has the option to increase the ASC precept by further 2% for 2024/25.
- 2.20 Table 3 below provides an analysis of the impact of an additional 4.99% increase (2% for ASC plus 2.99% for Core Service) on Council Tax bills across each charging band.

Table 3 – Indicative 2024/25 Council Tax Levels at 4.99%

% Increase	0.00%	ADULT SOCIAL CARE PRECEPT		GENERAL INCREASE		CUMULATIVE INCREASE		2024/25 TOTAL	
		2.00%		2.99%		4.99%			
BAND	Annual Charge £	Annual Increase £	Weekly Increase £	Annual Increase £	Weekly Increase £	Annual Increase £	Weekly Increase £	Annual Cost £	Weekly Cost £
Band A-	947.54	18.95	0.36	28.33	0.54	47.28	0.91	994.82	19.13
Band A	1,137.05	22.74	0.44	34.00	0.65	56.74	1.09	1,193.79	22.96
Band B	1,326.56	26.53	0.51	39.66	0.76	66.20	1.27	1,392.76	26.78
Band C	1,516.06	30.32	0.58	45.33	0.87	75.65	1.45	1,591.71	30.61
Band D	1,705.57	34.11	0.66	51.00	0.98	85.11	1.64	1,790.68	34.44
Band E	2,084.59	41.69	0.80	62.33	1.20	104.02	2.00	2,188.61	42.09
Band F	2,463.60	49.27	0.95	73.66	1.42	122.93	2.36	2,586.53	49.74
Band G	2,842.62	56.85	1.09	84.99	1.63	141.85	2.73	2,984.47	57.39
Band H	3,411.14	68.22	1.32	102.00	1.96	170.22	3.28	3,581.36	68.88

2.21 Table 4 below provides an analysis of the proposed increases of the South Yorkshire Police and Fire Authority precepts, which is in addition to the proposed 4.99% increase for BMBC services. Taking these into account in the Council Tax full charge gives an overall average percentage increase would be slightly lower than 4.99% at 4.96%.

Table 4 – Indicative 2024/2025 Additional Precept Levels

BAND	SOUTH YORKSHIRE FIRE AUTHORITY (3% proposed increase)			SOUTH YORKSHIRE POLICE AUTHORITY (£13 Band D or 5.46% proposed increase)			TOTAL CHARGE (overall increase 4.96%)		
	2023/24 £	2024/25 £	Increase £	2023/24 £	2024/25 £	Increase £	2023/24 £	2024/25 £	Total Increase
A-	45.88	47.26	1.38	132.24	139.46	7.22	1,125.66	1,181.54	55.88
A	55.05	56.71	1.66	158.69	167.36	8.67	1,350.79	1,417.86	67.07
B	64.23	66.16	1.93	185.14	195.25	10.11	1,575.93	1,654.17	78.24
C	73.40	75.61	2.21	211.59	223.15	11.56	1,801.05	1,890.47	89.42
D	82.58	85.06	2.48	238.04	251.04	13.00	2,026.19	2,126.78	100.59
E	100.93	103.96	3.03	290.94	306.83	15.89	2,476.46	2,599.40	122.94
F	119.28	122.86	3.58	343.84	362.61	18.77	2,926.72	3,072.01	145.29
G	137.63	141.77	4.14	396.73	418.40	21.67	3,376.98	3,544.64	167.66
H	165.16	170.12	4.96	476.08	502.08	26.00	4,052.38	4,253.56	201.18

Local Council Tax Support Scheme

2.22 The Local Council Tax Support Scheme (LCTS) was introduced in 2013/14. Funding for the scheme forms part of the overall resources allocated to the Council as part of the Local Government Finance Settlement.

2.23 Following a public consultation in Autumn 2019, the Council approved a new scheme to be implemented from 1st April 2020. The current scheme uses 4 income bands applied to different household circumstances / composition. The income considered in assessing eligibility for LCTS is attached at Appendix 1 – this being applied to the banding structure to determine the overall level of support awarded.

Band	Single Income		Couple Income		Family 1 Child Income		Family 2+ Children Income	
	From	To	From	To	From	To	From	To
1	£0.00	£91.00	£0.00	£143.00	£0.00	£226.00	£0.00	£309.00
2	£91.01	£135.00	£143.01	£187.00	£226.01	£270.00	£309.01	£353.00
3	£135.01	£179.00	£187.01	£231.00	£270.01	£314.00	£353.01	£397.00
4	£179.01	£223.00	£231.01	£275.00	£314.01	£358.00	£397.01	£441.00

2.24 During the Covid 19 pandemic there was a significant increase in the number of households in Barnsley claiming LCTS. As the country exited from restrictions during 2021 it was

envisaged that the number of claims would begin to reduce with the tax base being adjusted accordingly. This has not been the case and levels have remained consistent throughout the last financial year.

2.25 Furthermore in 2023/24 the Council provided additional one-year only support to all LCT claimants. This additional discount resulted in all working age claimants in Band 1 receiving a full (100%) discount on their council tax. Working age claimants in other bands were also protected from the 2023/24 (3.9%) and received a further one-off £50 council tax discount. Pensioners receiving council tax support were also protected from the 2023/24 council tax increase.

2.26 It is now proposed that these additional discounts be removed in 2024/25, with the scheme returning to the scheme approved in 22/23 (i.e. a maximum 92.8% discount for those households on the lowest income).

2.27 The table below shows the estimated amount each claimant will pay per year (dependent on the LCTS band they sit under for the majority of claimants e.g. those in CTAX property bands A and B.)

CTAX Band	Band 1		Band 2		Band 3		Band 4	
	A	B	A	B	A	B	A	B
2024/25 Bill*	£1,417.86	£1,654.17	£1,417.86	£1,654.17	£1,417.86	£1,654.17	£1,417.86	£1,654.17
Discount	£1,315.77	£1,535.07	£1,178.24	£1,275.64	£870.57	£1,015.66	£528.15	£616.18
Revised annual bill	£102.09	£119.10	£239.62	£279.55	£547.29	£638.51	£889.71	£1,037.99
Average Revised % Discount	92.8%		83.1%		61.4%		37.25%	

*includes an assumed council tax increase for South Yorkshire Police (£13) and South Yorkshire Fire (3%)

Conclusion

2.28 In considering any council tax increase for 2024/25 Members will need to give careful consideration as to whether to:

- Increase Council Tax over and above the referendum cap and hold a referendum.
- Increase Council Tax up to the existing 3% referendum cap for general (core) services (proposal to increase by 2.99%) or apply to the Secretary of State .
- Take the opportunity to increase the ASC precept by 2% to fund Adult Social Care pressures.

Local Council Tax Support Eligibility Criteria

Type of Income Source claimant received	Included or disregarded	Amount disregarded
Passported benefits (Jobseekers Allowance income-based, Employment Support Allowance income-related, Income Support)	Disregarded	All income received by applicants receiving passported benefits are disregarded
Jobseekers Allowance Contribution-based (JSA C)	Included	None
Employment Support Allowance Contribution-based (ESA C)	Included	None
Work Related Activity Component of ESA C	Included	None
Support Component of ESA C	Disregarded	Fully disregarded
Carers Allowance	Disregarded	Fully disregarded
Disability Living Allowance (DLA)	Disregarded	Fully disregarded
Personal Independence Payment (PIP)	Disregarded	Fully disregarded
Attendance Allowance	Disregarded	Fully disregarded
Armed Forces Independence Payment	Disregarded	Fully disregarded
Severe Disablement Allowance	Disregarded	Fully disregarded
Bereavement Support Payment	Disregarded	Fully disregarded
Guardians Allowance	Disregarded	Fully disregarded
Child Benefit	Disregarded	Fully disregarded
Child Maintenance	Disregarded	Fully disregarded
DLA/PIP paid for a child	Disregarded	Fully Disregarded
Child Tax Credit	Included	None
Working Tax Credit	Included	None
Industrial Injuries Benefit	Included	None
Statutory Maternity/Paternity/Adoption Allowance	Included	None
Statutory Sick Pay	Included	None
Earned income	Partial	£25 per week
Self-employed Earnings (Minimum Income Floor applies for self-employed earners)	Partial	£25 per week
Occupational/Private Pensions	Included	None
State Retirement Pension	Included	None
War Pensions	Disregarded	Fully disregarded
Student Finance	Partial	£693 per year plus £10 per week
Income from boarders/lodgers	Partial	£20 per week
Universal Credit:		
Standard Allowance	Included	None
Child Element	Included	None
Disabled Child Element	Disregarded	Fully Disregarded
Housing Element	Disregarded	Fully Disregarded
Limited Capacity for Work	Included	None
Limited Capability for Work Related Activity	Disregarded	Fully Disregarded
Child Care Element	Disregarded	Fully Disregarded
Earned Income assessed by Universal Credit	Included	None
Unearned income assessed by Universal Credit	Included	None

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RESERVES STRATEGY 2024 - 2027**1. Purpose of Report**

- 1.1 This report sets out the Council's Reserves Strategy for the period of the MTFS [2024/25 to 2026/27].
- 1.2 Under the 2003 Local Government Act, the Council's statutory finance officer (S151 officer) is required to give a statement to Budget Council on the adequacy of reserves. In addition, the Chartered Institute of Public Finance and Accountancy's (CIPFA) Financial Management Code recognises that it is good practice for a council to operate with a level of reserves appropriate to the risks to which it is exposed.
- 1.3 The Reserves Strategy supports longer-term financial stability and mitigates the potential impact of future events or developments which may cause financial difficulty and allows the Council to address these unexpected and unplanned pressures. Furthermore general and useable reserves are also a key measure of the financial resilience of the Council and they are used by the Office for Local Government and CIPFA to measure a council financial performance and stability.
- 1.4 The report provides:
- i) the Council's reserves strategy,
 - ii) an updated reserves position,
 - iii) a list of the existing commitments / investments to be funded from reserves and
 - iv) the level of uncommitted reserves along with a recommended approach for investment.

2 Recommendations

- 2.1 **Note the updated reserves position shown in Table 1 including anticipated future resources [Appendix 1 refers].**
- 2.2 **Note the existing commitments summarised in Table 2 and described throughout Section 4 of this report [Appendices 2 - 6 refer].**
- 2.3 **Note that reserves previously set aside to temporarily bridge budget shortfalls will be used to fund the 2023/24 forecast overspend (currently estimated to be £26M as at the end of December 2023).**
- 2.4 **Note the suggested reprioritisation of £23M reserves, previously set aside to fund future capital projects, to provide increased financial resilience for remainder of the planning period.**
- 2.5 **Note that a Minimum Working Balance of £20M will also be retained as a contingency for unforeseen events / emergency situations.**

3 Background

Reserves Strategy

- 3.1 The Council has a medium-term financial planning framework that incorporates a rolling three-year forecast and reserves strategy.
- 3.2 One of the key components of the reserves strategy is to maximise balances and one-off resources. This is achieved through a range of strategies and activities including:
- The 2024/25 budget and transformation proposals include the development of a refreshed Asset Management Strategy & Delivery Plan to ensure value for money in the use of the Council's significant asset portfolio. An element of this will be to use the proceeds from the disposal of assets [capital receipts] to reduce the need to incur additional debt financing costs.
 - Implementing other strategies (e.g., External Funding, Commercial, Digital Barnsley) to ensure the Council maximises and efficiently uses its available resources and in turn 'frees up' cash for one off investments.
- 3.3 The Council's strategy for using reserves to deliver the objectives outlined in the MTFS [Section 2] and Capital Investment Strategy [Section 6] is based on the clear principle that ongoing spending requirements must be matched with ongoing income. As such, reserves should only be used as a temporary bridging strategy to achieve this end and in addition should only be used in exceptional circumstances.
- 3.4 The Council continues to face significant financial pressures. The ongoing national macro-economic picture, inflation, high interest rates, wage growth and national sector specific issues such as workforce and provider shortages in adults and particularly children's social care coupled with significant rises in demand for services are all placing a significant strain on the Council's resources.
- 3.5 Consequently, it has been necessary to use reserves (currently forecast to be £26M as at end of December 2023) to support the 2023/24 budget. The Director of Finance (S151 Officer) supports this course of action *only* on the basis that a robust and deliverable transformation programme capable of delivering the savings identified in the MTFS is put in place [MTFS report at Section 2 refers].
- 3.6 Furthermore, the Director of Finance also recommends that reserves, previously set aside for future capital priorities, be re-prioritised (see paragraphs 3.8 - 3.12 below) to replenish the reserves used to balance the 2023/24 budget, thus providing additional future financial resilience.
- 3.7 This is over and above reserves that have previously been set aside in line with the Capital Investment Strategy:
- Setting aside sums required by statute (e.g., Minimum Working Balance).
 - Investing in priority development / regeneration schemes.

- Investing in 'one off' expenditure that delivers ongoing efficiencies / service improvement e.g., the Council's Transformation & Service Review programme;
- Setting aside provisions to fund one off service pressures / commitments (e.g., insurance liabilities).

Updated Reserves Position

- 3.8 As highlighted above the Council continues to face significant financial pressures, none more so than within Children's Social Care which has seen an exponential increase in demand and cost of service provision. To try to mitigate the ongoing impact of these pressures on the MTFS going forward, the Executive Director of Children's Services in conjunction with the Director of Finance have formulated a financial recovery plan.
- 3.9 In view of the Council's financial challenges, a fundamental review of all existing earmarked reserves has also been undertaken with the aim of replenishing the reserves used to mitigate the current 23/24 overspend in order to provide additional resilience going forward.
- 3.10 To deliver this, uncommitted resources held back for future economic regeneration priorities have been released, whilst leaving some contingency for unexpected pressures on existing capital priorities.
- 3.11 An extension of the MTFS planning period to 2026/27 has also been reflected in the revised position.
- 3.12 Table 1 below summarises the Council's reserves & balances as of 1 April 2023 along with assumptions around future resources. The position is in line with the Council's 2022/23 audited Statement of Accounts (SOA). A full breakdown of projected future resources is also provided at Appendix 1.

Table 1: Total Available Resources 2023/24-2026/27 (as of 1 April 2023)

	1 st April 2023 £M	Anticipated Future Resources £M	Total Balances £M
Reserves	219.669	-	219.669
Grants & Contributions	1.300	64.675	65.975
Borrowing	41.402	10.000	51.402
Capital Receipts	17.708	-	17.708
Sub Total - GF	280.079	74.675	354.754
Reserves	49.519	78.352	127.871
Grants & Contributions	3.951		3,951
Borrowing	-		-
Capital Receipts	21.587		21.587
Sub Total - Housing	75.057	78.352	153.409
GRAND TOTAL	355.136	153.027	508.163
	SOA	Appendix 1	

Future Anticipated Resources

3.13 The Council prudently estimates the resources that are expected in future periods. They are either earmarked to fund current commitments or are available for consideration for future investment. The funding streams highlighted below are excluded from the table above.

3.14 Long-Term Gainshare:

South Yorkshire Mayoral Combined Authority (SYMCA) has allocated Long-Term Gainshare funding across the four South Yorkshire authorities as part of the Government's devolution deal. The monies will be made available from 2024/25 financial year over a 26-year period. For Barnsley, this equates to a combined allocation of over £100m comprising; £60.32m in capital allocations; and £40.3m in revenue.

It is anticipated that capital funding of £36.1M from SYMCA will be available to support the Council's ambitions to further transform Barnsley town centre. This investment will fund the capital costs of providing health and well-being facilities at the Alhambra Centre in conjunction with Health partners (it should be noted that any costs incurred by the Council on behalf of health partners will be fully recovered from those partners). Resources will also be used to support the wider commercial strategy to facilitate increased footfall in the town centre by stimulating the local retail economy. Plans are also currently being formulated to utilise the remaining monies with updates provided to Cabinet during 2024/25.

3.15 Long-Term Plan for Towns (LTPT)

The Long-Term Plan for Towns was announced in October 2023. £20M has been awarded to the Council to fund socio-economic opportunities and challenges within the town centres. This funding will be received over ten years (£2M per year, split £1.5M capital and £0.5M revenue per annum) starting from the 2024/25 financial year.

Operating through a Town Board, the Council is required to produce a Town Plan by the Summer of 2024 following consultation with residents. The Town Plan will include a Delivery Plan and will prioritise initiatives and identify investment from the community and private investors.

3.16 Other grants

Grants are expected totalling £65.5M mainly relating to key Government funding streams such as the Towns Fund and Transforming Cities Fund.

3.17 Housing

As part of the HRA business planning process, resources are earmarked annually from the HRA to invest in the Council's housing stock, thereby maintaining the Barnsley Homes Decency Standard. For 2024/25 these total £17.939M.

The HRA business plan also includes a New Build and Acquisitions programme funded from capital receipts and borrowing totalling £42.861M.

3.18 These resources are shown in Appendix 1 to this report.

4 Current Use of Reserves

4.1 As shown at Table 1, the total level of reserves and balances available through to 26/27 is estimated at £508.162M. However, previous Council decisions have already committed the vast majority of this.

4.2 The following table shows how the resources are currently committed with further detail provided in Appendix 1

Table 2: Current Use of Available Resources 2023/24-2026/27 (as of 1 April 2023)

	Earmarked Under Statute	Grant Funding /Service Specific	Capital Priorities	Budget Mitigation 2023/24	Budget Mitigation Future	Minimum Working Balance	TOTAL
GENERAL FUND	£M	£M	£M	£M	£M	£M	£M
Reserves GF	50.002	58.807	43.627	24.233	23.000	20.000	219.669
Grants & Contributions	-	-	65.975	-	-	-	65.975
Borrowing	-	-	51.402	-	-	-	51.402
Capital Receipts	-	-	17.708	-	-	-	17.708
TOTAL	50.002	58.807	178.712	24.233	23.000	20.000	354.754
<i>Paragraph</i>	4.3	4.4	4.5	4.6	4.6	4.7	

HRA			£M			£M	£M
Reserves			121.913			7.000	128.913
Grants & Contributions			2.908			-	2.908
Borrowing			-			-	-
Capital Receipts			21.587			-	21.587
TOTAL			146.408			7.000	153.408

Resources Earmarked under Statute

4.3 Certain resources are required to be earmarked under statute or are recommended to support good financial practice e.g., Minimum Working Balance (MWB). Table 3 (appendix 2) provides a summary:

Table 3 Resources required to be earmarked under statute

Investment	£M	Description
Capital Financing	17.3	Resources earmarked in accordance with the agreed Treasury Management Strategy (e.g. MRP/BSF).
Transformation	9.8	Resources set aside to support the Council's Transformation Programme
Budget Mitigation / Organisational Re-design	10.0	Reserves set aside to fund costs (e.g. redundancy & pensions) associated with planning for 2030.
Insurance Fund	6.2	Resources earmarked in accordance with the Council's Insurance Strategy.
Other specific Government Funding	6.7	Government funding provided for specific purposes (e.g business rates relief)
TOTAL	50.0	

Specific Grants / Ringfenced Service Resources

- 4.4 The Council received a number of specific ringfenced grants from various sources which can only be spent on the priorities for which they were awarded (for example DSG safety valve monies / school balances). Table 6 provides a breakdown by Directorate with a full list provided at Appendix 3.

Table 4: Specific Grants / Ringfenced Service Resources

Investment	Amount £M	Description
Children's	10.8	Resources set aside for specific priorities or projects within Childrens Services including School Balances, DSG Safety Valve
Growth & Sustainability	3.8	Resources set aside for specific priorities or projects within Growth & Sustainability including Adults Skills funding and other European grant monies
Place Health & Adult Social Care	11.0	Resources set aside for specific priorities or projects within Place Health & Communities including monies earmarked as part of the Integrated Care Plan
Public Health & Communities	6.4	Resources set aside for specific priorities or projects within Public Health and Communities including monies set aside for the Public Health 4-year plan
Core	7.7	Resources set aside for specific priorities or projects within Core Service including monies set aside for BSF/PFI future costs
Corporate	19.1	Corporate Resources set aside including monies set aside for term time claims
TOTAL	58.8	

Resources Earmarked for Capital Investments

4.5 Cabinet has previously approved capital investment funded from reserves. Such investments include the Glassworks with other notable schemes set out in Table 5 with a full list provided at Appendix 4.

Table 5: Earmarked for Capital Commitments/Investment (as of 1st April 2023)

Investment	Amount £M	Description
Active Travel / Transforming Cities	23.9	Various projects across the borough including A61 Wakefield Road Improvement Works and Bus Rapid Transport Scheme
Glassworks	23.9	This amount reflects the <u>remaining</u> resources set aside to fund completion of the development.
Towns Fund - Goldthorpe	23.2	Grant resources relating to the Towns Fund deal at Goldthorpe
The Seam	23.4	Resources set aside to for development of the Seam
Principal Towns	11.8	Remaining resources set aside to complete the Principal Towns Programme
Royston Primary School	6.1	Resources set aside to fund a primary school in Royston
Youth Zone	5.0	Council contribution towards the build of a Youth Zone
Additional Highways Programme	6.1	Resources set aside for additional works on the highways, over and above monies received from SYMCA
Affordable Warmth	3.0	Monies set aside for the continuation of the Affordable Warmth Programme, assisting residents in energy efficiency e.g. boilers / insulation etc
Other	52.0	Various other capital priorities (see Appendix 2c).
Sub Total - GF	178.4	
EPC C Works	9.0	Monies set aside for investment in upgrading the Council's stock to EPC C energy efficiency
Existing Decency Works (inc. 2023/24)	25.2	2023/24 Decency works
Decency Works 2024-29	63.4	2024-29 Decency works
Development at St Michaels Avenue	2.3	The scheme seeks to build 37 new housing properties of which 18 will be affordable.
Development at Billingley View	0.5	Social housing development at Billingley View, Bolton on Dearne
Goldthorpe Market Phase 1	1.7	Social housing development at the old Market site in Goldthorpe
Barnsley Homes Standard	44.3	Various housing development scheme including the Council's new build and decarb programme (See Appendix 2c).
Sub Total Housing	146.4	
TOTAL	324.8	

Budget Mitigation & Support

- 4.6 As outlined in paragraph 3.5 above, it will be necessary to use some £26M of reserves to balance the current year (23/24) budget. Furthermore, it is considered prudent to replenish these reserves by re-prioritising reserves previously set aside for future capital priorities to provide further financial resilience for the Council's Medium term Financial Strategy. Appendix 5 refers.

Minimum working balance

- 4.7 The Council is required to set aside a minimum working balance as a contingency for un-foreseen events that may occur. The Council's current balance is equivalent to 8% of its net budget (General Fund and HRA).

Table 6: Minimum Working Balance (as of 1st April 2023)

Investment	Amount £M	Description
General Fund		
Minimum Working Balance	20.0	Minimum working balance set aside as a contingency for unforeseen events.
Sub Total - GF	20.0	
Housing		
Minimum Working Balance	7.0	Minimum working balance set aside as a contingency for unforeseen events.
Sub Total - Housing	7.0	
TOTAL	27.0	

Conclusion

- 4.8 The Council's reserves and balances position remains healthy over the life of the MTFS. These reserves have all been earmarked for existing and future priorities, with Minimum Working Balances (£27M, being £20M General Fund and £7M HRA) and a capital contingency being retained for unforeseen events (£17.8M).
- 4.9 Furthermore, as part of the Reserves Strategy, a further £23M has been re-prioritised to support the MTFS over the remainder of the planning period.

Table 7: Resources Available

	Current Resources	Future Resources Available	Total Resources Available	Committed	Available Resources
Sub Total – GF	280.079	74.675	354.754	(354.754)	-
Sub Total – Housing	75.057	78.352	153.409	(153.409)	-
GRAND TOTAL	355.136	153.027	508.163	(508.163)	-

**TREASURY MANAGEMENT STRATEGY AND POLICY STATEMENT
2024/25**

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1 EXECUTIVE SUMMARY

BACKGROUND

1.1 This document has been prepared in accordance with the Local Government Act 2003, which stipulates that local authorities must 'have regard to' the following guidance:

- The **Prudential Code** (CIPFA);
- The **Treasury Management Code** (CIPFA);
- **Statutory Guidance on Minimum Revenue Provision** (DLUHC), and
- **Statutory Guidance on Local Authority Investments** (DLUHC).

1.2 In line with the recommendations of these codes, the Treasury Management Strategy sets out the following each year for approval by Full Council:

The Treasury Management Policy Statement The Council's overall policies, practices and objectives in relation to treasury management
The Council's Capital Expenditure Plans The Council's indicative capital programme over the planning period
The MRP Policy Statement How capital expenditure will be charged to revenue over time
The Council's Borrowing Strategy How its ongoing borrowing requirement will be managed, with regard to interest rate and refinancing risk
The Annual Investment Strategy How any surplus cash will be managed, with regard to the principles of Security, Liquidity and Yield
The Council's Prudential and Treasury Indicators The limits and indicators designed to help monitor and control treasury management risk

1.3 CIPFA published updated Treasury Management and Prudential Codes in December 2021 and full implementation of the reporting changes has been required by local authorities from 2023/24. To comply with the code changes, the Council therefore must have regard to these Codes of Practice when preparing the following Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year which are taken to Full Council for approval. The updated requirements are summarised as follows:

- The Council's risk appetite and our governance processes for managing risk are defined;
- The adoption of a new liability benchmark treasury indicator to support the financing risk management of the capital financing requirement (CFR);

- No borrowing is undertaken to finance capital expenditure to invest primarily for commercial return;
- Increases in CFR and borrowing are undertaken solely for purposes directly related to the functions of the Authority;
- The Council's capital plans and investment plans are affordable and proportionate, and all borrowing is within prudent and sustainable levels;
- The inclusion of a high-level summary of the Council's investment policy in relation to environmental, social and governance aspects;
- The risks and rewards of significant investments are assessed over the **long term** (20 to 30 years);
- Treasury Management decisions are in accordance with good professional practice;
- A review of the knowledge and skills register for officers and members involved in the treasury management function. Ensuring that the Council has access to expertise in all areas of investment and capital expenditure, and to involve members in making informed decisions.

1.4 In addition to the above, the DLUHC are planning to provide further clarity in relation to the Minimum Revenue Provision regulations and guidance so that all local authorities understand the need and value in ensuring revenue is set aside annually in respect of their CFR. Confirmation is yet to be received as to when these changes will take effect.

1.5 If required, the Strategy will be revised accordingly to reflect any changes to legislation outlined in the paragraphs above.

OBJECTIVES

1.6 The objectives of the Treasury Management Strategy are to:

- Ensure the Council's capital expenditure plans are prudent, affordable and sustainable over the longer-term;
- Ensure that sufficient cash is available when needed to meet the Council's spending commitments;
- Manage the Council's exposure to interest rate and refinancing risk whilst maximising value for money; and
- Manage the investment of temporary surplus cash in a way that preserves the capital invested.

THE COUNCIL'S BORROWING STRATEGY

1.7 Within the context of borrowing costs being at their highest level since 2008, the proposed strategy is to:

- **Maintain an appropriate proportion of fixed rate borrowing** in order to limit the Council's exposure to interest rate risk (proposed targets in section 3);
- **Maintain a balanced maturity profile on long and short-term borrowing** in order to limit the Council's exposure to refinancing risk (proposed limits in Appendix C), and
- **Maintain an appropriate level of internal borrowing** in order to reduce the Council's financing costs.

THE ANNUAL INVESTMENT STRATEGY

- 1.8 In order to safely manage the Council's temporary surplus cash, the proposed strategy is to:
- **Invest only in secure products and counterparties** in order to minimise the risk of loss (proposed limits in section 4);
 - **Maintain an appropriate balance of liquid funds** to ensure that sufficient cash is available when needed; and
 - **Within this context, seek to optimise performance** in terms of yield.

TREASURY MANAGEMENT REPORTING

- 1.9 The Council is currently required to receive and approve the following treasury reports each year, which incorporate a variety of policies, estimates and actuals.
- Prudential and treasury indicators and treasury strategy** (this report)
 - The first, and most important report is forward looking and covers:
 - the capital plans (including prudential indicators);
 - a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
 - the Treasury Management Strategy (how the investments and borrowings are to be organised), including treasury indicators; and
 - an Annual Investment Strategy (the parameters on how investments are to be managed).
 - Quarterly treasury management reports** – These are primarily progress reports and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.
 - An annual treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

TRAINING

1.10 The CIPFA Treasury Management Code requires that staff and members with responsibility for treasury management receive adequate training. The Council carries out the following to monitor and review knowledge and skills:

- Provide training sessions for new Council members together with periodic training sessions at Audit and Governance Committee.
- Hold quarterly Treasury Management Panel meetings to discuss the latest treasury position in detail with panel members.
- Keep the CIPFA Treasury Management Skills Assessment up to date to identify any gaps in knowledge, plus regular communication with officers and Council members to encourage them to highlight training needs on an ongoing basis.
- Periodically review the training needs of treasury management officers through the Council's PDR process.
- Maintain a formal record of the training received by officers central to the treasury function within the Treasury Management Practices.

TREASURY MANAGEMENT CONSULTANTS

1.11 The Council currently uses LINK Group as its external treasury management advisors. The Authority recognises that responsibility for treasury management decisions remain with the organisation at all times but there is value in employing external providers of treasury management services to acquire access to specialist skills and resources.

The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subject to regular review.

2 CAPITAL EXPENDITURE PLANS & CAPITAL PRUDENTIAL INDICATORS

- 2.1 The Council's capital expenditure plans are a key driver of its treasury management activities. The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Investment Strategy and this report should be considered alongside the TMSS. The two reports will provide a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of Council services, together with how associated risks will be managed and the implications for future sustainability.
- 2.2 This section of the TMSS covers a range of prudential indicators designed both to inform members of future activity and to assess whether those plans are prudent, affordable and sustainable over the longer term and reflect the framework as set out in CIPFA's Prudential Code. The full suite of indicators can be found in Appendix C.

Estimates of Capital Expenditure

- 2.3 This indicator summarises the capital expenditure plans set out in the Council's Capital Investment Strategy. These plans are funded from a variety of sources including £37M from borrowing or finance lease (see Appendix C for further details). Members are asked to note that the Capital Investment Strategy includes an additional £8.8M planned for 2027/28, totalling £390.8M over the five-year planning period:

Table 1 - Estimates of Capital Expenditure

	2023/24 (£M)	2024/25 (£M)	2025/26 (£M)	2026/27 (£M)	Total (£M)
Indicative Capital Programme*	139.947	145.643	46.607	49.851	382.048
Funded from Borrowing / Finance Lease	24.208	11.902	0.433	0.477	37.020
Funded from Other Resources	115.740	133.740	46.174	49.374	345.028

* Includes new 2024 – 2027 investment subject to approval

Estimates of Capital Financing Requirement (CFR)

- 2.4 This indicator sets out the Council's CFR, which reflects the capital expenditure (both historic and planned) being funded from borrowing or other long-term liabilities. This includes the £37M identified in paragraph 2.3:

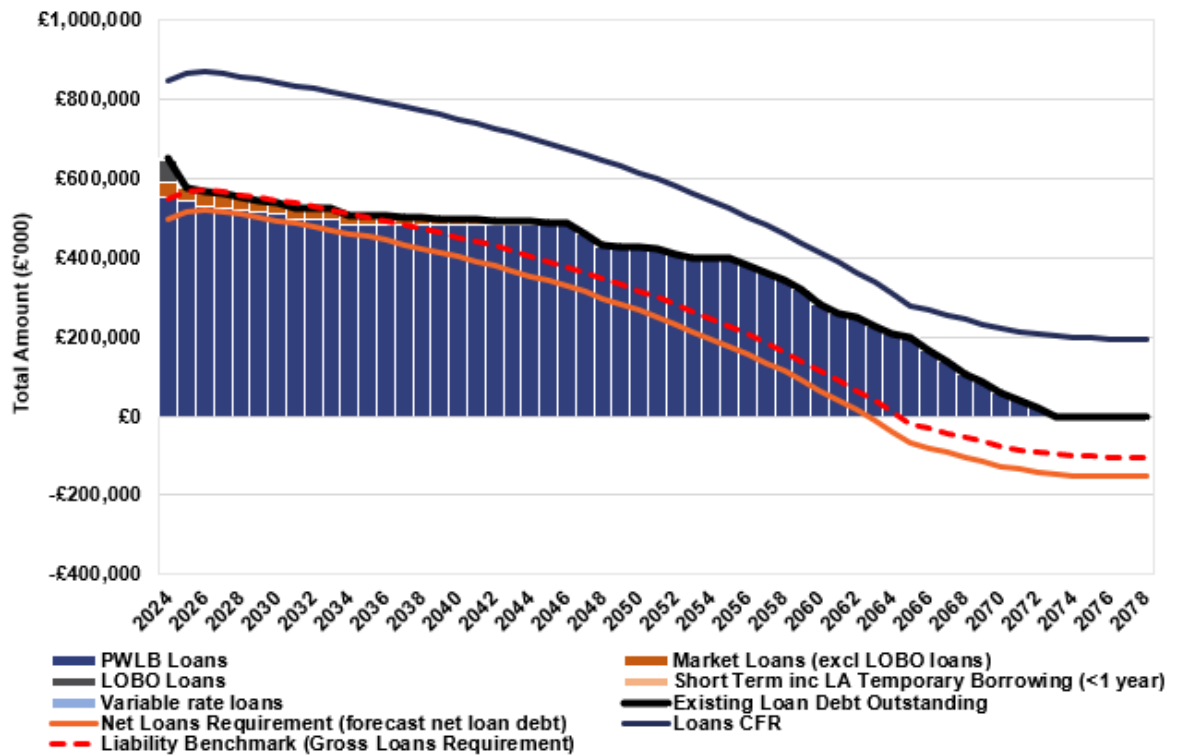
Table 2 - Estimates of Capital Financing Requirement

	2023/24 (£M)	2024/25 (£M)	2025/26 (£M)	2026/27 (£M)
Borrowing (Existing)	840.914	835.338	829.453	823.241
Other Long-Term Liabilities (Existing)	225.909	223.407	220.550	217.928
Planned Capital Investment (Cumulative)	24.208	36.110	36.543	37.020
Total Estimated CFR	1,091.031	1,094.855	1,086.546	1,078.189

2.5 New expenditure aside, the CFR will reduce over time via a statutory annual charge to the revenue account, known as the Minimum Revenue Provision (MRP). The Council's MRP policy is included in Appendix B.

Liability Benchmark

2.6 The Liability Benchmark (LB) Prudential Indicator has been developed by CIPFA to provide a longer-term view of a local authority's debt position. The Council is required to estimate and measure the LB and report this to members within the quarterly treasury management updates. The LB is effectively the Net Borrowing Requirement of the Council plus a liquidity allowance.



2.7 The graph above shows the Council's Liability Benchmark as at 2023/24 which includes the following four balances:

- **Existing loan debt outstanding (blue stacked bars):** the Council's existing loans that are still outstanding in future years.
- **Loans CFR (blue line):** the loans CFR projected into the future based on approved prudential borrowing and planned MRP.
- **Net loans requirement (orange line):** the Council's gross loan debt less treasury management investments at the last financial year-end, projected into the future based on approved prudential borrowing, planned MRP and any other major cash flow forecasts.
- **Liability benchmark (broken red line):** the net loans requirement plus a short-term liquidity allowance.

2.8 It should be noted that **only approved prudential borrowing** (£37M to 2026/27 as detailed in table 1) is included in the above calculations. In practice

this means that the Loans CFR will peak after four years, as is demonstrated in the graph above. This creates a slight anomaly in the model given that all other inputs are projected forward for 50 years+.

- 2.9 CIPFA recommends that the optimum position for external borrowing should be at the level of the LB (i.e. all balance sheet resources should be used to maximise internal borrowing). If the outputs show future periods where external loans are less than the LB, then this indicates a borrowing requirement, thus identifying where the Council is exposed to interest rate, liquidity and refinancing risks. Conversely, where external loans exceed the LB then this will highlight an overborrowed position which will result in excess cash in the organisation requiring investment, thus exposing the Council to credit and reinvestment risks and a potential cost of carry.
- 2.10 The latest graph shown at paragraph 2.6 shows that using current forecasts, the Council's external borrowing meets the level of the liability benchmark over the medium-term. This places the Council in the optimum position in terms of utilising balance sheet resources to maximise internal borrowing. Further details on the borrowing strategy are provided within section 3.

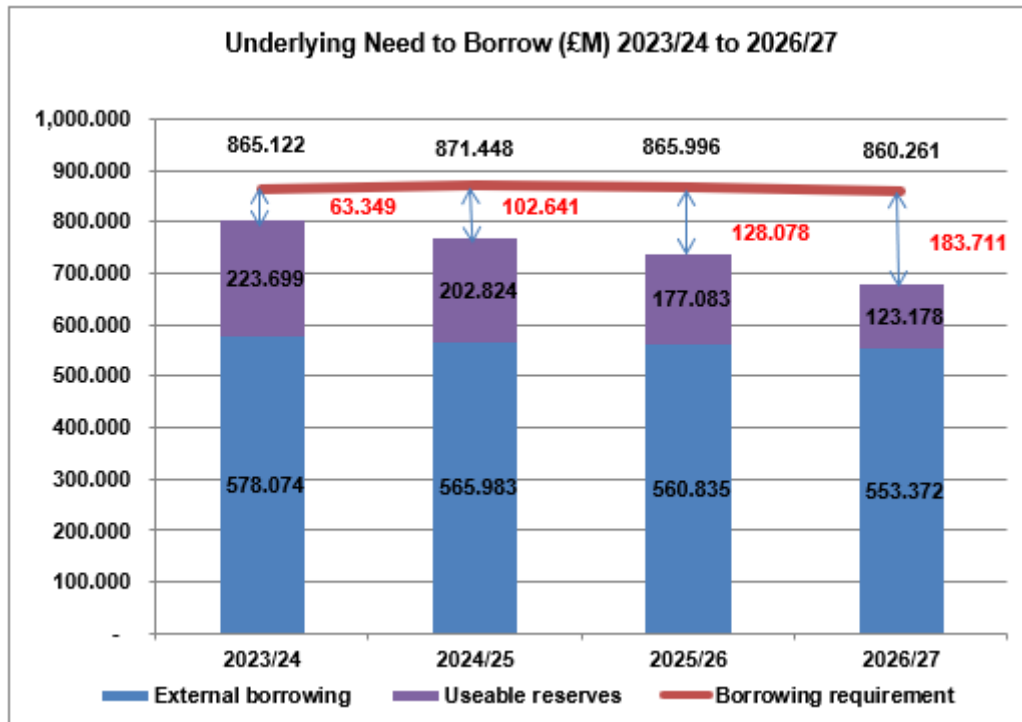
3 BORROWING STRATEGY

- 3.1 The capital expenditure plans set out in section 2 provide details of the capital activity across Council services and more detailed information can be found within the Capital Investment Strategy 2024/25.
- 3.2 The treasury management function will ensure that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet service activity and the plans included in the Capital Strategy. This will involve both the management of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities.
- 3.3 The Council's general policy objective is to ensure its level of debt is prudent, affordable and sustainable over the longer term. This requires the treasury function to keep financing costs to a minimum whilst addressing the key associated risks: interest rate risk and refinancing risk.
- 3.4 The indicator below compares the Council's expected borrowing position to its underlying borrowing need (referred to as the Borrowing CFR), to identify the extent to which the Council is under or over-borrowed. This excludes other long-term liabilities since each arrangement contains its own borrowing facility, therefore the Council is not required to borrow separately.

Table 3 – Gross Borrowing and the Capital Financing Requirement

	2023/24 (£M)	2024/25 (£M)	2025/26 (£M)	2026/27 (£M)
Borrowing CFR	865.122	871.448	865.996	860.261
Gross Borrowing	(578.074)	(565.983)	(560.835)	(553.372)
Under-Borrowed Position	287.048	305.465	305.161	306.889
Support from Usable Reserves	(223.699)	(202.824)	(177.083)	(123.178)
External Borrowing Requirement	63.349	102.641	128.078	183.711

- 3.5 As shown above, the Authority is currently maintaining an under-borrowed position. This means that the Borrowing CFR has not been fully funded with loan debt as cash supporting the Authority's reserves, balances and cash flow has been used as a temporary measure (also referred to as internal borrowing). By utilising the cash supporting these resources temporarily, the Council has the option to defer long-term borrowing until the related spending commitments occur. Whilst this is a cost-effective position, it is one that needs to be actively monitored and managed considering the Council's planned capital investment and the prevailing economic climate.
- 3.6 As illustrated by the following chart, the Council's underlying need to borrow for capital purposes (represented by the blue arrows) based on current forecasts is estimated at £184M over the period:



Debt Rescheduling

- 3.7 The Council entered into 'Lender Option Borrower Option' (LOBO) loan agreements in 2003 and 2004, like many other local authorities at that time as they were a cheaper option than borrowing from the Public Works Loans Board (PWLB). LOBOs provide the option for both parties to reconsider the loan at pre-defined periods. If the interest rate is increased, the borrower (the Council) has the option to continue at the new rate or repay the loan.
- 3.8 The use of LOBOs by local authorities has been criticised in the past due to the variable rate structure and the risk that the loans could tie the borrower into higher rates in future. However, despite this negative reputation Councils have so far benefited from LOBO deals as, until recently, interest rates have only fallen.
- 3.9 During 2023/24 debt rescheduling opportunities increased due to market conditions and the rising interest rate environment. The Council took a proactive approach and explored a number of options, including the repayment of the LOBO loans, to rebalance the debt portfolio and provide more certainty. Exiting these loans early would also help to de-risk the investment portfolio by reducing cash balances, thereby reducing exposure to credit and counterparty risk.
- 3.10 Options were discussed at Treasury Management Panel and officers worked with its Treasury Management Advisers, LINK Group, to negotiate the repayment of £55M of outstanding LOBO loans. This repayment was on the basis of using existing cash balances and delaying further long-term borrowing. The repayment has generated in the region of £10M in long-term savings over the remaining lifetime of the LOBO loans (32 years).

Interest Rate Risk

3.11 Interest rates are a key driver of treasury management activities and as such, the Council has appointed LINK Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. As shown below, the latest forecast (as at 7th November 2023) is that the Bank Rate has reached its peak of 5.25%, with a first cut to 5% in Q3 2024 to be followed by further rate cuts through 2024 and 2025. As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

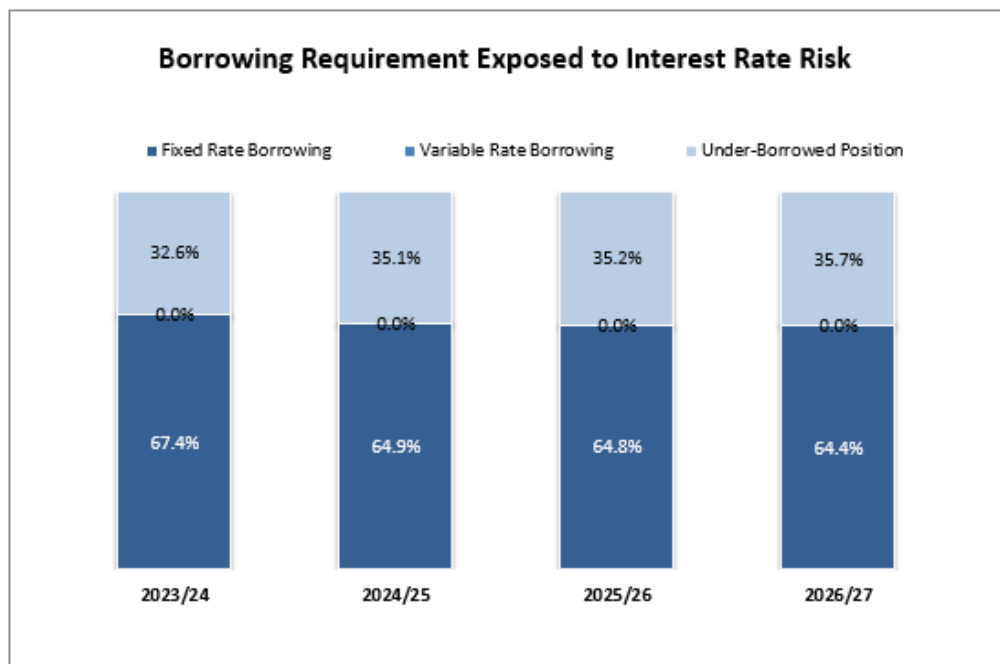
Table 4 - Latest Interest Rate Projections (provided by LINK Group as at 07.11.23)

	Latest	Mar-24	Sep-24	Mar-25	Sep-25	Mar-26
UK Bank Rate	5.25%	5.25%	5.00%	4.00%	3.25%	3.00%
PWLB Certainty Rate (50 Years)	5.30%	5.10%	4.70%	4.30%	4.00%	3.90%

3.12 Interest rate risk is the risk of an adverse movement in interest rates which leads to a rise in borrowing costs or lost opportunity costs. The Council measures this risk against its temporary and variable rate borrowing and any requirement which has yet to be financed (i.e. its under-borrowed position).

3.13 The Director of Finance has previously advised that a target of 70% fixed rate borrowing be maintained in order to manage risk and provide cost certainty, and the Authority has been working to this target over several years whilst interest rates have remained low.

3.14 Current fixed rate borrowing (forecast to 31 March 2024) is 67.4% as shown in the graph below. As outlined at paragraphs 3.7 to 3.10, the Council repaid £55M of variable rate LOBO loans during 2023/24 and as a result, the Authority's remaining long-term debt (£578M) consists entirely of fixed rate loans. The under-borrowed position accounts for 32.6% of the borrowing requirement as at 31 March 2024.



3.15 The graph shows that based on current capital programme spend forecasts, should no further fixed rate borrowing be undertaken, 35.7% of the Authority's borrowing requirement will be exposed to interest rate risk by 2026/27. If the Council were to continue to meet the 70% fixed rate borrowing target, this would require in the region of £50M of debt to be secured in additional fixed rate loans over the period to 2026/27.

3.16 As borrowing costs are at their highest since 2008, it is not considered prudent to undertake additional borrowing unless it is deemed essential. The recommended strategy is to hold off further long-term borrowing and closely monitor the profile of capital spend and funding requirements over the planning period. Temporary reserves and balances can be utilised in lieu of external borrowing until a time when rates begin to fall from their current high levels as forecast in Table 4 above. This prudent approach allows flexibility to use the under borrowed position to minimise costs and defer long-term borrowing until it becomes less expensive.

3.17 Remaining within a 65% to 70% fixed rate bracket over the planning period is considered the most cost-effective approach in light of the current forecasts for interest rates and wider economic climate. Interest rates in financial markets will continue to be closely monitored by officers to manage risks and caution will be adopted with the 2024/25 treasury operations. The Director of Finance will adopt a pragmatic approach to changing circumstances:

- If it was felt there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed until rates have fallen and it becomes less expensive to borrow. In the interim, internal resources can be temporarily used to support cashflow in lieu of external borrowing; or
- If it was felt that there was a significant risk of a much sharper RISE in borrowing rates than currently forecast, fixed rate funding will be secured earlier than planned whilst interest rates are lower than they are projected to be in the next few years; and
- Any decisions will be reported to the Treasury Management Panel at the next available opportunity.

3.18 Should the Council require external funding, the following options are available for consideration:

- **PWLB borrowing** - the Council has access to long-term PWLB funding at the 'Certainty Rate' (providing loans at 0.2% below the usual rate). The latest forecasts (at table 4) show a gradual decline in PWLB rates during the forecast period to March 2026. Officers will continue to closely monitor long-term PWLB rates and assess opportunities for securing long-term funding at attractive rates based on the approach at paragraph 3.17.
- **Local authority loans** - the Council may be able to borrow from other local authorities for periods of up to 3 years, which would provide additional budget certainty over the term whilst providing a saving against current long-term PWLB rates. This would be carried out in small tranches to minimise

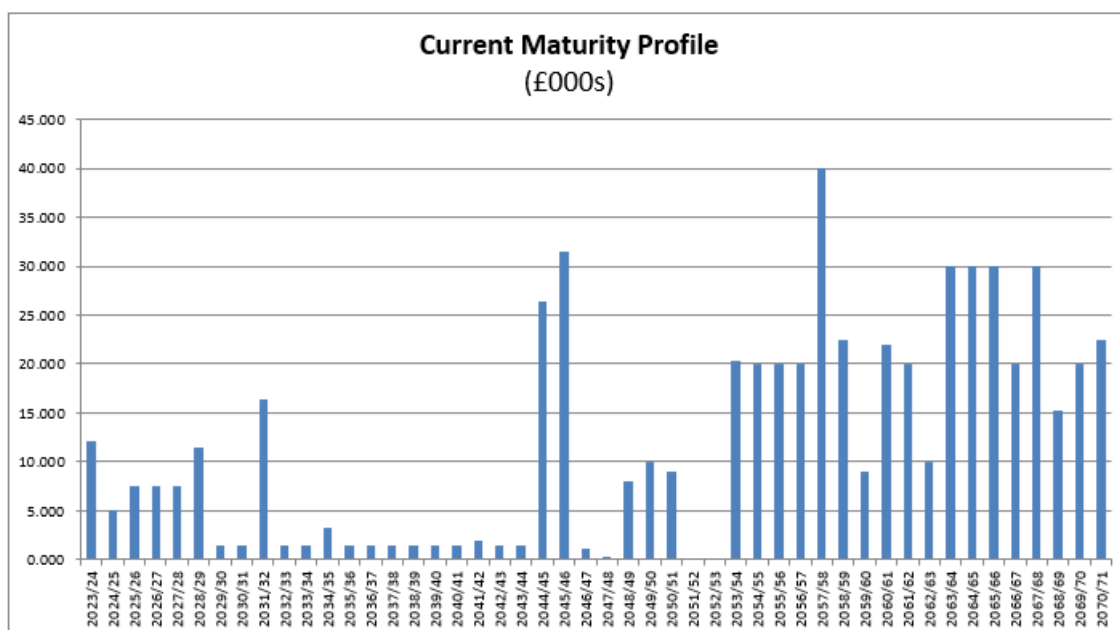
the cost of carry and mitigate credit risk. Opportunities for inter-authority lending are assessed by treasury officers on an ongoing basis.

- **Deferred loans** - the Council may be able to access long-term, fixed rate funding from financial institutions such as banks, insurance companies and pension funds on a deferred drawdown basis. Whilst they may no longer be cheaper than the PWLB, deferred loans can provide protection from interest rate risk without the additional cost of carry and credit risk. However, as the forecast is for borrowing rates to decrease over next 2 to 3 years (table 4) it may not be advantageous at present to lock into a forward borrowing rate.
- **The Municipal Bonds Agency (MBA)** - the MBA was established in 2014 with the intention of providing an alternative source of funding to the PWLB. Barnsley has been a leading authority in promoting the MBA and has committed to the next bond issue subject to 'due diligence' tests. Officers are monitoring the situation and any updates on the MBA bond launch will be reported.

Refinancing Risk

3.19 This is risk of refinancing debt on unfavourable terms, due to either a lack of availability of replacement financing or an increase in interest rates. The Council measures this risk against the maturity profile on long and short-term borrowing.

3.20 To protect the Council from refinancing risk, officers will operate within the maturity limits set out in Appendix C, which typically* allow for up to £70M of maturing loans (on average) in any given year - £50M General Fund and £20M HRA. As shown below the Council has a balanced maturity profile which is currently well within this limit:



* With an additional allowance for temporary borrowing

3.21 If the Council does undertake borrowing, the recommendation is to borrow in small tranches to spread refinancing risk and to allow officers to invest the cash safely whilst it becomes required to meet the Council's spending commitments.

4 ANNUAL INVESTMENT STRATEGY

CONTEXT

- 4.1 The Council's general policy objective is to invest its surplus funds prudently, which involves managing a variety of risks as outlined later in this section. The Authority's investment priorities (in order) are as follows:
- the **security of capital**;
 - the **liquidity of investments**, and
 - **optimum yield commensurate with the above**
- 4.2 The Department of Levelling Up, Housing and Communities (DLUHC) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, as managed by the treasury management function. Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy.
- 4.3 The borrowing of monies purely to invest or on-lend and make a return is considered unlawful. As such the Council will not engage in such activity and as per table 3 (paragraph 3.4) will keep external borrowing beneath the CFR.

STRATEGY

- 4.4 The Treasury Management function manages cash flow generated balances and ensures the Council has the ability to meet spending commitments as they fall due. Within this context, the Council's investment strategy will be to:
- **Invest any temporary surplus cash in secure products and counterparties** in order to minimise the risk of loss;
 - **Maintain an appropriate balance of liquid funds** to ensure that sufficient cash is available when needed; and
 - **Within this context, seek to optimise performance** in terms of yield.
- 4.5 The guidance from DLUHC and CIPFA places a high priority on the management of risk. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund.
- 4.6 The Council has a low-risk appetite in terms of the investment of surplus cash balances and has adopted a prudent approach to managing investment risk. Further details of the associated risks are provided below:

Credit and Counterparty Risk (Security)

- 4.7 This is the risk of a third party being unable to meet its contractual obligations to the Council, which put simply is the risk of default on any principal or interest payable. This would clearly have a detrimental impact on the Council's resources.

4.8 In order to mitigate this risk, the Council maintains a list of approved counterparties and investment limits based on the creditworthiness service provided by LINK Group (further details are available on request). This approach combines the credit ratings assigned by the three main rating agencies (Fitch, Moody's and Standard and Poor's) with a range of market factors to provide a suggested duration for investments, including:

- Credit 'watches' and 'outlooks' from the main rating agencies;
- Credit Default Swap (CDS) spreads to give early warning of likely changes in credit ratings; and
- Sovereign ratings to select counterparties from only the most creditworthy countries.

4.9 Members are asked to approve the investment counterparties and limits below:

Institution	Minimum Long-Term Rating (Fitch or Equivalent)	Maximum Amount	Maximum Duration
UK Government	AA-	Unlimited	5 Years
Barclays Bank PLC (The Council's own bank)	A	£25M	Overnight*
Banks	A+	£20M (£20M per group)	1 Year
	A	£10M (£20M per group)	6 Months
	A-	£10M (£20M per group)	100 Days
Building Societies	A	£10M	6 Months
	A-	£10M	100 Days
Local Authorities	AA-**	£20M	2 Years
Money Market Funds (including VNAV)	AAA	£20M per fund	Overnight***

**For liquidity purposes cash is placed with the Council's own bank (Barclays Bank PLC) on an overnight basis only.*

*** Not all Local Authorities are separately rated, but they are deemed to be in line with the UK Government reflecting the likelihood of intervention in the event of severe financial difficulty.*

**** Money Market Funds may be invested for longer periods than overnight, however funds can be withdrawn daily if required.*

4.10 It should be noted that local authority creditworthiness is an ongoing issue, particularly in light of recent volatility within the economy and several local authorities issuing Section 114 Notices. Whilst there are no issues foreseen from a credit perspective (there are regulations in place to avoid local authorities going bankrupt), officers recognise the reputational risk associated with such investments and will take this into consideration when deciding where to invest the Council's surplus cash.

4.11 In addition to the use of credit ratings, the Council will be advised of information in movements in CDS and other market data on a weekly basis, which will be used to inform the amount and duration of new investments. If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria (e.g. a credit rating below A-), it will be withdrawn

from the approved list immediately and any outstanding investments not re-invested at maturity.

4.12 Members are also asked to approve the limits in the following table which consider the Council's total exposure to loans, non-specified investments and foreign countries. These limits are designed to protect the Council from undue credit / counterparty risk and are additional to those set out in paragraph 4.9:

Type	Maximum Amount	Comments
Total loans or investments with unrated entities / entities rated below A-	£20M	This limits the overall amount that can be invested with entities without credit ratings or those with credit ratings below A- and covers any loans awarded to / shares held in local businesses.
Total long-term investments	£20M	This limits the overall amount that can be invested for longer than 12 months and covers any investments with the UK Government or other local authorities.
Total non-specified investments	£40M	The total of the two limits above.
Total investments with institutions domiciled in foreign countries	£50M	This limits the overall amount that can be invested with institutions from outside the UK and is subject to a minimum sovereign credit rating of AA-.

4.13 The process for approving such investments is detailed in Treasury Management Practice Document 5: Organisation, Clarity and Segregation of Responsibilities and Dealing Arrangements, which requires prior authorisation from the Head of Financial Services and Deputy S151 Officer.

Price Risk (Security)

4.14 This is the risk of a reduction in value of funds invested, due to an adverse change in market conditions. Due to the low-risk strategy that the Council has adopted, the risk of credit loss in relation to its treasury investments is deemed low / immaterial (therefore no impact on the general fund), however officers will continue to monitor this position on a regular basis to identify any potential risks.

Legal and Regulatory Risk (Security)

4.15 This is the risk that the Council or an organisation which it is undertaking treasury management activities with, fails to act in accordance with its legal powers or regulatory requirements, causing reputational damage and / or resulting in financial loss.

4.16 In order to mitigate this risk, the Council adopts the recommendations of the statutory guidance and receives professional advice from its Treasury

Management advisers (LINK Group). Officers attend regular training updates to keep up to date with the latest developments and regulatory changes.

Liquidity Risk

- 4.17 This is the risk that cash is not available when needed to meet the Council's spending commitments, causing reputational damage, compromising service objectives and potentially leading to additional unbudgeted costs.
- 4.18 In line with the DLUHC investment advice on the liquidity of investments, the Council will aim to maintain an appropriate balance of liquid funds (i.e. the Barclays Flexible Interest-Bearing Current Account and Money Market Funds).
- 4.19 In accordance with the Council's low-risk appetite, the majority of investment maturities are to be kept relatively short i.e. for periods less than 12 months (further details in the table at paragraph 4.9). While most cash balances are required in order to manage fluctuations in cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.

Yield

- 4.20 The pursuit of optimum returns is a secondary priority to security and liquidity. This is particularly important in a period of significant political and economic uncertainty and the Council continues to maintain a low-risk appetite for investments.

Diversification

- 4.21 Although the Council currently has a good spread of investment instruments, officers will continue to evaluate alternative investment options that meet the principles of security, liquidity and yield. Consideration will be given to alternative products and whether they are suitable for the investment portfolio. Proposals for new investment instruments will be taken to the Treasury Management Panel for discussion and where necessary, advice will be sought from LINK prior to making any investment decisions.
- 4.22 In addition to the core investment principles of security, liquidity and yield the Council will also seek to diversify investments to avoid concentration in specific banks, types of financial instrument, sovereign state etc. Consideration will also be given to the overall concentration of investments within each sector.
- 4.23 In order to diversify a portfolio largely invested in cash, investments will be placed with approved counterparties over a range of maturity periods. Maximum investment levels are set to ensure prudent diversification is achieved and these, together with minimum ratings and cash limits, are shown in the table at paragraph 4.9.

Environmental, Social and Governance (ESG) Considerations

- 4.24 In September 2019 Barnsley Cabinet declared a climate emergency to bring the effects of climate change to everyone's attention. Barnsley Council's existing Energy Strategy commits it to being zero carbon in its operations by 2040, with the aim of achieving this by 2035 or earlier if possible.
- 4.25 Changes to the CIPFA TM Code 2021 include ESG investment considerations which should be incorporated into the Council's treasury management practices and procedures. This is a developing area and the measurement of ESG considerations is more widely used in equity and bond markets rather than for short-term cash deposits that the Council uses.
- 4.26 Where possible, treasury officers will consider ESG investment options which are consistent with the Council's own environmental and climate change policies although it is recognised that this is currently difficult. Further information on this matter will be provided once it becomes available and any updates to the Annual Investment Strategy will be made as necessary.

Berneslai Homes

- 4.27 The funds of Berneslai Homes continue to be ring fenced in a segregated Barclays account, with clear separation from Council funds. Officers of the Council are responsible for the management of Berneslai Homes' cash balances, and the account is run in accordance with Treasury Management best practice and the effective management of risk.

TREASURY MANAGEMENT POLICY STATEMENT 2024/25**1 Introduction & Background**

- 1.1 The Treasury Management Code of Practice requires local authorities to produce a Treasury Management Policy and Strategy Statement on an annual basis.
- 1.2 The Council adopted the original CIPFA Code of Practice on 13th February 2002, and this resolution is carried through to the revised codes. Therefore, the Treasury Policy Statement for 2024/25 has been prepared in compliance with the latest Code which was published by CIPFA in December 2021.
- 1.3 The Council will create and maintain the following key documents in accordance with the revised Code of Practice and other relevant guidance:
 - The Treasury Management Policy Statement, outlining the key objectives of its Treasury Management activities;
 - The Treasury Management Strategy Statement including the Annual Investment Strategy setting out the specific expected Treasury Management activities for the forthcoming financial year;
 - Treasury Management Practices (TMPs) setting out the manner in which the Council will seek to achieve its objectives, and prescribing how it will manage and control those activities;
 - Prudential and Treasury Indicators as prescribed within the Prudential and Treasury Management Codes, and
 - The Capital Investment Strategy which sets the framework for all aspects of the Council's capital and investment expenditure including prioritisation, governance, planning, outcomes, management, funding and monitoring.
- 1.4 The Council will receive reports on its Treasury Management activities, including as a minimum, an annual strategy for the forthcoming year, an annual report after year end and interim quarterly reports.
- 1.5 The Council delegates responsibility for the implementation and monitoring of its Treasury Management policies and practices and for the execution and administration of Treasury Management decisions to the Section 151 Officer, who will act in accordance with the Council's Policy Statement and the CIPFA Treasury Management Code.
- 1.6 The Council nominates the Treasury Management Panel and the Audit Committee as being responsible for ensuring the effective scrutiny of the Treasury Management Strategy and Policies.
- 1.7 The Treasury Management Panel will meet on a quarterly basis (or as required) to monitor and review the Council's implementation of the Treasury Management Strategy and Policy. The Audit Committee will receive reports through which it will gain assurance regarding the effective implementation of the Strategy and Policy.

2. Policies and Objectives of Treasury Management Activities

2.1 The Council defines its Treasury Management activities as:

“the management of the organisation’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

2.2 Approved activities of the Treasury Management operation cover:

- Borrowing;
- Lending;
- Debt repayment and rescheduling;
- Consideration, approval and use of new financial instruments and treasury management techniques;
- Managing cash flow;
- Banking activities;
- Leasing, and
- Managing the risk associated with the Council’s Treasury Management activities.

2.3 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its Treasury Management activities will be measured. Accordingly, the analysis and reporting of Treasury Management activities will include their risk implications for the organisation.

2.4 The Council acknowledges that effective Treasury Management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in Treasury Management, and to employing suitable performance measurement techniques, within the context of effective risk management.

2.5 The Council’s borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The Section 151 Officer has delegated powers to select the most appropriate form of capital financing (including leasing arrangements) from the approved sources. Both the source and type of borrowing should allow the Council transparency and control over its debt.

2.6 The Council will not borrow more than (or in advance of) it’s needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within the approved CFR estimates for the prescribed planning period. Moreover, future borrowing transactions will be considered carefully before they are undertaken to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds. Borrowing in advance of need will only be undertaken when there is a clear business case for doing so.

2.7 The Council’s primary objective in relation to investment remains the security of capital. The liquidity of the Council’s investments and the yield earned remain important but secondary considerations.

- 2.8 The Annual Investment Strategy details the categories of investment the Council will invest in, maturity periods and criteria for selecting investment counterparties. Any revisions to these criteria will require Council approval.

3. Treasury Management Scheme of Delegation

Full Council

- Receiving and reviewing reports on treasury management policies, practices and activities, and
- Approval of the annual strategy.

Cabinet

- Approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- Budget consideration and approval;
- Approval of the division of responsibilities; and
- Receiving and reviewing regular summary reports and acting on recommendations.

Treasury Management Panel / Audit Committee

- Approving the selection of external service providers and agreeing terms of appointment; and
- Reviewing the treasury management policy and procedures and making recommendations to the responsible body.

The S151 (responsible) officer

- Recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- Submitting regular treasury management policy reports;
- Submitting budgets and budget variations;
- Receiving and reviewing management information reports;
- Reviewing the performance of the treasury management function;
- Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- Ensuring the adequacy of internal audit, and liaising with external audit;
- Implementing the treasury management strategy and policies in compliance with member approvals, and
- Recommending the appointment of external service providers.

4. Policies on the use of Derivatives

- 4.1 The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of financial derivatives. The CIPFA Code requires authorities to clearly detail their policy on the use of derivatives in the TMSS. The Council will only use derivatives where they can be clearly demonstrated to reduce the overall level of financial risk.

- 4.2 Derivatives may be arranged with any organisation that meets the Council's approved investment criteria.
- 4.3 The Council will only use derivatives after seeking a legal opinion and ensuring that officers have the appropriate training to effectively manage their use.

2024/25 MINIMUM REVENUE PROVISION (MRP) STATEMENT

The Authority is required to make a prudent provision for debt repayment known as the Minimum Revenue Provision (MRP). Guidance on MRP has been issued by the Secretary of State and local authorities are required to “have regard” to such Guidance under Section 21(1A) of the Local Government Act 2003. The four MRP options available are:

- Option 1: Regulatory Method;
- Option 2: CFR Method;
- Option 3: Asset Life Method, and
- Option 4: Depreciation Method.

NB This does not preclude other prudent methods

MRP in 2024/25: Options 1 and 2 may only be used for General Fund supported expenditure. Methods of making prudent provision for General Fund self-financed expenditure include Options 3 and 4 (which may also be used for supported expenditure if the Authority chooses).

The MRP Statement is required to be submitted to the Authority before the start of the financial year for approval. Any revision of which must also be submitted to the Authority for approval. The Authority is recommended to approve the following statement:

- **For capital expenditure incurred before 1st April 2008, MRP will be determined in accordance with Option 3;**
- **For supported capital expenditure incurred after 1st April 2008, MRP will be determined in accordance with Option 3;**
- **For non-supported (prudentially borrowed) capital expenditure incurred after 1st April 2008, MRP will be determined in accordance with Option 3;**
- **Within Option 3, MRP is permitted to be calculated in one of two ways - equal instalments or on an annuity basis. The Authority has chosen to calculate MRP on an annuity basis, and**
- **MRP will normally commence in the financial year following the one in which expenditure is incurred. However, MRP Guidance permits local authorities to defer MRP until the financial year following the one in which the asset becomes operational. The Authority has chosen to employ this option for significant qualifying projects.**

MRP in respect of on balance sheet leases will match the annual principal repayment for the associated deferred liability, which will produce an MRP charge comparable to that under Option 3, in that it will run over the life of the lease term.

Changes introduced by the revised (DLUHC) guidance on MRP mean that any charges made over the statutory minimum revenue provision (MRP) can, if needed, be reclaimed in later years if deemed necessary or prudent. In order to do so this policy must disclose the cumulative overpayment made each year. To date, the Authority has not made any voluntary repayments over and above the statutory MRP.

On occasion, where the Council incurs capital expenditure that relates to capital loans or capital disposals, which results in capital receipts being received, the Council's policy is to prudently reduce the Capital Financing Requirement by the value of those receipts in the year they are received. The Council then adjusts the ongoing statutory minimum revenue provision that relates to that capital expenditure, prospectively over the remainder of the policy, to ensure that no overprovision occurs and that the full amount is repaid. Therefore, there are no overpayments that can be reclaimed at any point in the future.

PRUDENTIAL AND TREASURY INDICATORS 2023/24 – 2026/27**Estimates of Capital Expenditure (General Fund and HRA)**

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Capital Expenditure	2023/24 (£M)	2024/25 (£M)	2025/26 (£M)	2026/27 (£M)
General Fund	100.761	121.932	42.857	42.601
HRA	39.186	23.711	3.750	7.250
Other Long-Term Liabilities	-	-	-	-
Total	139.947	145.643	46.607	49.851

Estimates of Capital Financing Requirement (General Fund and HRA)

This indicator sets out the Council's CFR, which reflects the capital expenditure (both historic and planned) being funded from borrowing or other long-term liabilities (e.g. PFI schemes, finance leases). The Council is asked to approve the CFR projections below:

CFR	2023/24 (£M)	2024/25 (£M)	2025/26 (£M)	2026/27 (£M)
General Fund Borrowing	593.388	599.714	594.262	588.527
HRA Borrowing	271.734	271.734	271.734	271.734
Other Long-Term Liabilities	225.909	223.407	220.550	217.928
Total	1,091.031	1,094.855	1,086.546	1,078.189

The Operational Boundary (Overall)

This is the limit beyond which external debt is not normally expected to exceed, based on the Council's CFR (see above). The Council is asked to approve the limits set out below:

Operational Boundary (£M)	2023/24 (£M)	2024/25 (£M)	2025/26 (£M)	2026/27 (£M)
General Fund Debt	593.388	599.714	594.262	588.527
HRA Debt	271.734	271.734	271.734	271.734
Other Long-Term Liabilities	225.909	223.407	220.550	217.928
Total	1,091.031	1,094.855	1,086.546	1,078.189

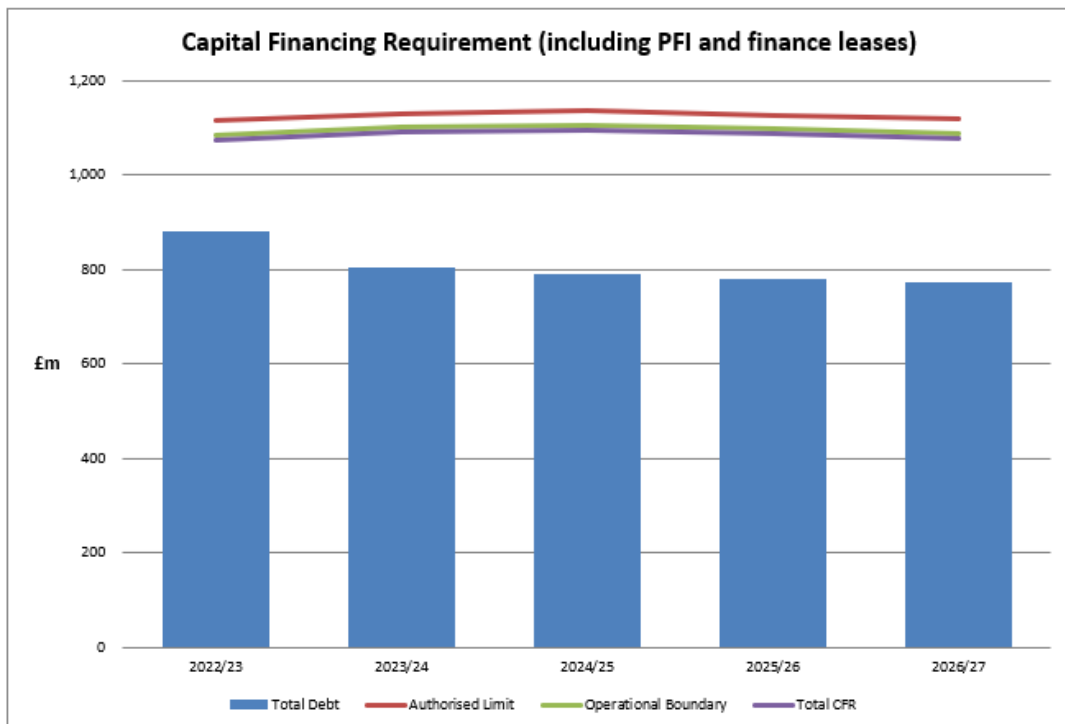
The Authorised Limit for External Debt (Overall)

A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. The authorised limit has been set at £30M above the operational boundary (£20M General Fund and £10M HRA).

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised. The Council is asked to approve the following authorised limit:

Authorised Limit (£M)	2023/24 (£M)	2024/25 (£M)	2025/26 (£M)	2026/27 (£M)
General Fund Debt	613.388	619.714	614.262	608.527
HRA Debt	281.734	281.734	281.734	281.734
Other Long-Term Liabilities	225.909	223.407	220.550	217.928
Total	1,121.031	1,124.855	1,116.546	1,108.189

From 1st April 2024, the Council is required to implement IFRS 16, replacing the previous accounting standard applied for leases. This standard removes the distinction between finance and operating leases which means that many of the Council's existing leases will now be brought onto the balance sheet, increasing the Council's CFR. Once analysis has been undertaken to identify the leases affected, the operational boundary and authorised limit will require adjustment to account for the increased CFR and any amendments to the Strategy will require approval by the Council mid-year.



Maturity Structure of Borrowing (General Fund and HRA)

These gross limits are set to reduce the Council's exposure to large, fixed rate sums falling due for refinancing and are required for upper and lower limits. The Council is asked to approve the following limits:

General Fund: Loan Maturity Structure (All Years)		
	Lower	Upper
Under 12 months	0%	50%
12 months to 2 years	0%	25%
2 years to 5 years	0%	25%
5 years to 10 years	0%	40%
10 years to 20 years	0%	75%
20 years to 30 years	0%	75%
30 years to 40 years	0%	75%
40 years to 50 years	0%	75%
HRA: Loan Maturity Structure (All Years)		
	Lower	Upper
Under 12 months	0%	25%
12 months to 2 years	0%	25%
2 years to 5 years	0%	25%
5 years to 10 years	0%	40%
10 years to 20 years	0%	75%
20 years to 30 years	0%	75%
30 years to 40 years	0%	75%
40 years to 50 years	0%	75%

Maximum Principal Sums Invested for more than 365 Days (General Fund)

These limits are set in relation to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end. The Council is asked to approve the treasury indicator and limit:

(£M)	2023/24	2024/25	2025/26	2026/27
Principal Sums Invested >365 Days	20.000	20.000	20.000	20.000

Ratio of Financing Costs to Net Revenue Streams (General Fund and HRA)

This indicator identifies the estimated trend in the cost of capital (borrowing and other long-term liabilities) against the Council's net revenue streams.

Ratio of Financing Costs to Net Revenue Streams (%)	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
GF	18.27%	17.03%	17.52%	17.57%
HRA	37.09%	36.90%	41.45%	41.28%

DEFINITION OF TERMS

Treasury Management refers to the management of the organisation's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

CIPFA is the Chartered Institute of Public Finance and Accountancy - the leading accountancy body for the public services providing education and training in accountancy and financial management.

DLUHC is the Department for Levelling Up, Housing and Communities (formerly the MHCLG - Ministry of Housing, Communities and Local Government) - a ministerial department responsible for UK Government policy on housing and public services.

MRP refers to the Minimum Revenue Provision - a statutory annual charge to the revenue account for the repayment of debt (as measured by the Capital Financing Requirement).

Capital Financing Requirement (CFR) represents the authority's underlying indebtedness for capital purposes, based on historic capital expenditure which hasn't yet been financed (e.g. from grants, capital receipts or revenue contributions).

Debt refers to the sum of borrowing and other long-term liabilities.

Other Long-Term Liabilities mean the liabilities outstanding under credit arrangements (e.g. PFI contracts or finance leases).

Internal Borrowing / Under-Borrowed refers to the temporary use of cash resources (e.g. reserves earmarked for future capital expenditure or grants received in advance of expenditure) to avoid borrowing immediately, which seeks to reduce investment counterparty risk and create a short-term budget saving. The Council will replace these cash resources with external borrowing as these spending commitments occur.

Specified Investments are short-term investments (i.e. less than 12 months) denominated in pounds sterling with a high credit quality.

Non-Specified Investments refers to any financial investments (excluding loans) that do not meet the criteria to be treated as a specified investment.

Investments in Foreign Countries refer to investments placed with counterparties from countries outside the UK (subject to a minimum sovereign rating of AA-).

BARNSELY METROPOLITAN BOROUGH COUNCIL

FEES AND CHARGES 2024/25

1. **Purpose of the report**

- 1.1 The purpose of this report is to outline the council's proposed 2024/25 fees and charges which are an integral part of the 2024/25 budget process.

2. **Recommendation**

It is recommended that Cabinet:

- 2.1 Approve the new and existing fees and charges set out in Appendix 1 for implementation from 1 April 2024 or later in 2024/25 as applicable.**
- 2.2 Note that additional reports will be submitted during the year if any further amendments to fees and charges are required.**
- 2.3 Note the council's Commercial Strategy, Fees & Charges policy, and Income Generation Strategy in relation to fee implementation.**

3. **Introduction & Background**

Work Undertaken on Fees & Charges

- 3.1 The council is continuing to face unprecedented financial pressures/challenges due to the current socio-economic climate; pay, utilities, fuel and material costs have all risen expediently, with the Consumer Price Index at 6.7% in September 2023. All of this, and the potential effects to the public and other Barnsley Council stakeholders, has been considered in the review work carried out to determine proposed fees and charges for 2024/25.
- 3.2 All fees and charges for 2024/25 have been proposed in the light of the council's Fees & Charges Policy, which is included at Appendix 2. This provides a corporate framework within which all decisions on implementation and/or changes to the levels of fees and charges are considered and approved.
- 3.3 It should be noted that there may be further changes to fees and charges to be finalised as part of a wider consideration of individual service transformation plans.

Fees & Charges Policy

- 3.4 A significant element of the council's activity is underpinned by income generated through a variety of fees and charges made in relation to such activities.
- 3.5 Whilst being an important element of the overall financing of the council's services and activities, fees and charges can also have an important role in other areas such as:

- Demonstrating the value of a service
- Discouraging abuse of a service
- Strengthening service and corporate objectives; and
- Promoting and encouraging access to services.

3.6 Therefore, as well as ensuring that fees and charges are in line with council objectives, it is also sound practice to ensure that the impact on service users of any change in fees and charges is appropriately evidenced. The objectives of any charging policy should also be clearly communicated to the public who should have the opportunity to hold the council to account.

Commercial Strategy/Income Generation Strategy

3.7 The overriding principle is to ensure that the council's fees and charges are set within a value for money context where financial, performance, access and equality issues are considered fully and appropriately, and decisions are taken in a transparent and balanced way.

3.8 To aid delivery of this, the council has in place an overarching Commercial Strategy and an Income Generation Strategy, which sits below the Commercial Strategy and addresses income generation opportunities. These focus on the following themes:

- Developing a **commercial culture**.
- Ensuring that we demonstrate **Value for Money** across all activities.
- Effective **commissioning, procurement, and contract management**.
- Identifying and developing innovative ways to **maximise income generation**.
- Effective **commercial governance** arrangements.
- **Support consistency** across the council in its approach to income generation and commercial opportunities, including marketing, setting prices, and collecting fees and charges.
- Aim towards achieving **full cost recovery** where it is appropriate to do so and to **develop a standard approach to charging**.

3.9 The Commercial Strategy (Appendix 3) is a key document in enabling the council to adapt to an ever-changing marketplace and sets the framework for helping it to seek out new opportunities. This will support us to achieve our commercial aspirations but also potentially help deliver much needed additional income. We will seek to achieve this by:

- Identifying and implementing opportunities for cross selling our services providing our customers with the ability to buy bundles of products.
- Working collaboratively with other local authorities where significant commercial opportunities exist.

- Horizon scanning the marketplace to seek out and secure new commercial opportunities.
- Setting discretionary fees and charges in markets where flexibility is required.

3.10 With the above in mind, a full review of all existing charges has been undertaken by respective business units. New opportunities have also been considered and reviewed. The outcome of these reviews is presented in sections 4 and 5 below, with full details of all charges at Appendix 1 to this report.

4. **Existing Fees and Charges**

4.1 All relevant service areas have undertaken a full review of the current fees and charges under their respective remits. The following changes to existing fees and charges are proposed based on a fundamental value for money review of the existing service provision and current charges being made.

Service	Basis of changes proposed
Property Services	Property services includes a wide range of fees and charges at various rates due to the size of the asset portfolio and unique circumstances of each asset. The various charges are specific to an asset and are to be considered as part of Barnsley Council's Asset Management Strategy on which detailed work is ongoing.
Learning & Skills	CPI applied; SYMCA control funding governance and fees are to come into policy September 2024.
Building Control	Proposed to increase fees based on rounded CPI (net of VAT) where applicable, with consideration given to associated construction costs and the market conditions, however, where this is not the case reasons are identified on Appendix 1.
Music Service	Increases are proposed in line with market intelligence and based on rounded CPI where applicable.
Development Management	Increases either in line with other local authorities, as per national guidelines or based on rounded CPI where applicable.
District Markets	District market rent charges increased in line with CPI and rounded appropriately where necessary.
Commercial Space Management	No change in pricing policy for existing fees as relatively new charges.
Museums & Heritage Centres/Arts & Events	Fees based on market intelligence, benchmarking, and CPI considerations. Scalable charges are appropriate to allow for bespoke quotes. Car parking at Cannon Hall and Worsbro Mill not considered for this review of fees, therefore no changes proposed as charges are due to be reviewed as part of the upcoming car parking strategy, which is yet to be concluded. A separate report will be tabled.
Gypsy & Traveller Sites	7.7% increase to match social housing (HRA) rents

Waste	Review of fees based on market intelligence, benchmarking, and CPI considerations.
Neighbourhood Services	Operation of the allotments is under review therefore no rent increases planned until this is completed. Other fees individually priced and increases consider CPI.
Stores/Depot	Review of fees based on market intelligence, benchmarking, and CPI considerations. Price on application model used where appropriate to allow for market changes and seasonality. Sub soil/stone (mixed) tipping reviewed to increase by 56% (£4.50) in cost per tonne due to a need to restrict type of material that comes in and reduce volume, however, this is still cheaper than private sector.
Engineers	Increases to prices are derived from a combination of CPI consideration, market knowledge and benchmarking. Dropped Crossing licence fee reviewed and decreased by 14% based on market intelligence; typically, the licence should be 3x the admin fee (admin plus 2 inspections).
Highways Licences, Permits & Services	Increases have been determined from a combination of CPI, market knowledge and benchmarking.
Traffic Signals	Increases to prices are derived from a combination of CPI consideration, market knowledge and benchmarking.
Car Parking	No change has occurred to current pricing; it should be noted that a full review of car parking charging is ongoing and a future report from the service will inform the strategic direction of the service and approach to fee-setting. EV charging fees, missed from last year's report, have been added to Appendix 1 for 2024/25.
Pest Control & Drainage	Review of fees based on market intelligence and CPI considerations. Price on application model used where appropriate.
Sports	Review of fees based on market intelligence and CPI considerations.
Bereavement Services	Review of fees based on market intelligence (c7.5% increase) and CPI considerations. Some new fees introduced for 2024/25.
Parks Services	Review of fees based on market intelligence and CPI considerations.
Adult Assessment & Care Management	Some fees determined individually (means-tested) or determined by government therefore cannot be increased. Review of Assisted Living Technology charges has led to an increase by CPI across the board.
Education, Early Start Provision & Safeguarding	All education welfare and governance/clerking fees are charges to schools who will not receive a CPI increase in their 2024/25 allocation, instead seeing an average increase of 2% in funding. Based on this and market intelligence, an increase of 3% is deemed more appropriate. Appeal fees are currently under review, pending approval. Outdoor education fees are negotiated individually with schools.

Environmental & Trading Standards	Review of fees based on CPI considerations where applicable; some fees are statutory and set by government, some determined on a case-by-case basis.
Animal Welfare	Review of fees based on CPI considerations where applicable; some fees are statutory and set by government, some determined on a case-by-case basis or through contractual terms.
Registrars Marriages & Ceremonies	Review of fees based on market intelligence, benchmarking, and CPI considerations. New charges introduced as outlined in 5.2 of this report.
DBS Checks/Human Resources/Performance Services	Review of fees based on market intelligence, benchmarking, and CPI considerations. Some fees determined on an individual basis. Taxi driver DBS fees are to be reviewed outside of this exercise by the service.

4.2 As stated in 4.1 all other relevant fees and charges have also been reviewed and have either increased in line with inflation (rounded to nearest appropriate measurement), or no changes have been made (e.g., where the charges are set by statute).

4.3 It should be noted that inflation is volatile, and the current socio-economic climate may result in fees and charges being reviewed at more regular intervals than in previous financial years when the fiscal climate was more sedate.

4.4 In accordance with the overall review of all fees and charges, it is recommended that the schedule of existing fees and charges as set out in Appendix 1 are implemented from 1 April 2024 or later in 2024/25 as applicable.

5. **New Fees and Charges**

5.1 In line with the council's Commercial Strategy, a review of all new opportunities available to the council, for which a charge can be levied in accordance with the council's policy, has been undertaken.

5.2 This review has identified the following new proposed fees and charges:

Charge	Basis of charges
Commercial Waste	New charging opportunity identified to reflect an increase in demand/requests – replacement of Duty of Care Notice.
Residential Waste	New charging opportunity identified for an additional grey bin, therefore bringing charging in line with other neighbouring councils.
Highways Permits	New charging opportunity identified for additional USRNs on the same Temporary Traffic Regulation Order, and variation to an existing Temporary Traffic Regulation Order – this applies to both planned and special events.

Bereavement Services	New charging opportunities identified as per Transformation proposals. These are: transfer of ownership, record searches, removal of headstone, and refurbishment of marble plaque.
Registrars, Marriages & Ceremonies	New charges introduced to provide more options and flexibility; charges are based upon market intelligence and benchmarking with neighbouring authorities.

5.3 It is recommended that these are implemented from 1 April 2024 as set out in Appendix 1 to this report.

FEES & CHARGES PROPOSALS FOR 2024/25
APPENDIX 1

Fee / Charge description	Income type - (Statutory or Discretionary)	Basis of charge	Charge for 2024/25
GROWTH AND SUSTAINABILITY			
REGENERATION & CULTURE			
PROPERTY SERVICES			
Land and Building Rent; Maintenance, Service Charges	Discretionary	Market Value	Various rates, priced to market rates as contracts expire and are renewed
Garage rent	Discretionary	per site	Various rates, priced to market rates as contracts expire and are renewed
LEARNING AND SKILLS			
Tuition / course fees			
With SYMCA public subsidy	Discretionary	Per tuition	£3.20
Without SYMCA public subsidy	Discretionary	Per tuition	£6.40
With SYMCA public subsidy - in receipt of eligible means tested benefit	Discretionary	Per tuition	£1.60
Without SYMCA public subsidy - in receipt of eligible means tested benefit	Discretionary	Per tuition	£3.20
BUILDING CONTROL			
Building regulation application charges			
New housing			
1 Dwelling	Statutory	1 Dwelling	£666.67
2 Dwelling	Statutory	2 Dwelling	£933.33
3 Dwelling	Statutory	3 Dwelling	£1,200.00
4 Dwelling	Statutory	4 Dwelling	£1,441.67
5 Dwelling	Statutory	5 Dwelling	£1,708.33
6 or more Dwellings	Statutory	6 or more Dwellings	Determined individually
Sites containing one or more dwellings more than 300m2	Statutory	Varying number of dwellings	Determined individually
Domestic building works			
Attached/detached garage or carport, i.e. 60m2	Statutory	Domestic Building Type	£266.67
Attached/detached garage or carport, 60-100m2	Statutory	Domestic Building Type	£350.00
Conversion of a garage to a habitable room(s)	Statutory	Domestic Building Type	£308.33
Extension – floor area up to 10m ²	Statutory	Domestic Building Type	£366.67
Extension – floor area over 10m ² and up to 40m ²	Statutory	Domestic Building Type	£516.67
Extension 40 - 60m ²	Statutory	Domestic Building Type	£616.67
Extension 60 - 100m ²	Statutory	Domestic Building Type	£691.67
Replacement window/s & door/s to one property	Statutory	Domestic Building Type	£108.33
Replacement window/s & door/s to more than one property in the same locality	Statutory	Domestic Building Type	Determined individually
Controlled domestic electrical work (not CPS)	Statutory	Domestic Building Type	£417.91
Renovation of a thermal element (non-structural)	Statutory	Domestic Building Type	£108.33
Renovation of a thermal element (structural)	Statutory	Domestic Building Type	£183.33
Any alterations to a dwelling consisting of the provision of one or more rooms in an existing roof space, including means of access	Statutory	Domestic Building Type	£516.67
Any alterations to a dwelling consisting of the provision of additional room(s) or floor area in an existing roof space, not requiring new means of access	Statutory	Domestic Building Type	£416.67
Other domestic work - estimated cost < £2,000	Statutory	Domestic Building Type	£166.67
Other domestic work - estimated cost £2,000 - £5,000	Statutory	Domestic Building Type	£258.33
Other domestic work - estimated cost £5,000 - £25,000	Statutory	Domestic Building Type	£383.33
Other domestic work - estimated cost £25,000 - £50,000	Statutory	Domestic Building Type	£550.00
Other domestic work - estimated cost > £50,000	Statutory	Domestic Building Type	Determined individually
Additional charge to above categories for electrical work not carried out by a registered 'Competent Person'	Statutory	Domestic Building Type	£300.00
Multiple Works scheme	Statutory	Domestic Building Type	Determined individually
Non-domestic building works			
Installation of < 20 windows and doors	Statutory	Domestic Building Type	£266.67
Installation of 20 - 50 windows and doors	Statutory	Domestic Building Type	Determined individually
Other non-domestic work - estimated cost < £5,000	Statutory	Domestic Building Type	£300.00
Other non-domestic work - estimated cost £5,000 - £10,000	Statutory	Domestic Building Type	£400.00
Other non-domestic work - estimated cost £10,000 - £25,000	Statutory	Domestic Building Type	£425.00
Other non-domestic work - estimated cost £25,000 - £50,000	Statutory	Non-domestic Building Type	£558.33
Other non-domestic work - estimated > £50,000	Statutory	Domestic Building Type	Determined individually
Regularisation Applications - unauthorised works	Statutory	All Building Types	20% uplift on the above identified charges
MUSIC SERVICE			
Instrument Hire Theory	Discretionary	per term	£19.50
Instrument Hire Aural	Discretionary	per term	£17.50
Contin Lessons per term	Discretionary	per term	£41.50
Group Lessons per term	Discretionary	per term	£57.50
20 minute Individual Lessons per term	Discretionary	per term	£115.00
30 minute Individual Lessons per term	Discretionary	per term	£166.00
Ensemble Rehearsal Charge	Discretionary	per session (minimum 10 per term)	£34.00
Ensemble Performance Charge	Discretionary	per member of staff	£34.00
KS1 projects per year	Discretionary	per year	£1,380.00
KS2 full year projects	Discretionary	per year	£895.00
DEVELOPMENT MANAGEMENT			
Planning Application Fees	Statutory	Per application	Various rates
Admin charge for refunding application fee prior to validation	Statutory	Per application	£55 or 20% of the original fee (whichever is greater)
Householder Enquiry Forms	Discretionary	Per enquiry	£35.00
Minor Pre-application Advice	Discretionary	Per enquiry	£35.00
Residential pre-app - 1 to 5 dwellings	Discretionary	Per enquiry	£35.00
Residential pre-app - 6 to 19 dwellings	Discretionary	Per enquiry	£35.00
Residential pre app - 20 dwellings +	Discretionary	Per enquiry	£1,600.00

Non - residential pre-app : 0 to 99sqm of additional floorspace	Discretionary	Per enquiry	£150.00
Non - residential pre-app : 99 to 500sqm of additional floorspace	Discretionary	Per enquiry	£300.00
Non - residential pre-app: 500 - 4,999 sqm of additional floorspace	Discretionary	Per enquiry	£800.00
Non - residential pre app: 5,000 sqm + of additional floorspace	Discretionary	Per enquiry	£1,600.00
Change Of Use	Discretionary	Per enquiry	£200.00
Other pre-apps not within above categories	Discretionary	Per enquiry	30% of planning app fee or £1600.00 (whichever is lowest)
Listed Building & Conservation Area Advice	Discretionary	Hourly Rate	£150.00
Sec 106 Legal Agreement Enquires	Discretionary	Hourly Rate	£150.00
Planning Policy Evidence Based & Land Allocation Discussions	Discretionary	Hourly Rate	£150.00
MARKETS			
Barnsley Outdoor Market			
Pitch and Gazebo in Zone A - Regular Trader	Discretionary	Day Rate	£18.00
Pitch and Gazebo in Zone B - Regular Trader	Discretionary	Day Rate	£15.00
Pitch and Gazebo - Casual Trader	Discretionary	Day Rate	£21.00
Table hire	Discretionary	Day Rate	£2.50
Barnsley Glassworks Market			
Stall rental	Discretionary	Per annum per Square Foot	£31.00
Café rental	Discretionary	Per annum per Square Foot	£37.20
Market Kitchen Rental	Discretionary	10% or 15% of Turnover dependant on Business type	10% or 15% of Turnover
Basement storage	Discretionary	Per annum per Square Foot	£12.75
Service Charge	Discretionary	Per annum per Square Foot	£13.00
Trader car parking - Standard trader bay	Discretionary	Per Bay per annum	£1,000.00
Indoor Pitch Table Hire	Discretionary	Per Day	£50.00
Indoor Pitch Table Hire 2m x 4m (£8p/sqm)	Discretionary	Per Day	£68.00
DISTRICT MARKETS			
Wombwell Market			
Pitch 3m x 3m - Regular Trader	Discretionary	Day Rate	£14.00
Pitch and Gazebo - Regular Trader	Discretionary	Day Rate	£18.00
Pitch 3m x 3m - Casual Trader	Discretionary	Day Rate	£18.00
Pitch and Gazebo - Casual Trader	Discretionary	Day Rate	£21.50
Hoyland Market			
Market Stall - Regular Trader	Discretionary	Day Rate	£13.00
Pitch 3m x 3m - Regular Trader	Discretionary	Day Rate	£15.00
Pitch and Gazebo - Regular Trader	Discretionary	Day Rate	£18.00
Market Stall - Casual Trader	Discretionary	Day Rate	£16.00
Pitch 3m x 3m - Casual Trader	Discretionary	Day Rate	£18.00
Pitch and Gazebo - Casual Trader	Discretionary	Day Rate	£21.50
Goldthorpe Market			
Temporary Market Rate	Discretionary	Day Rate	£10.50
Pitch 3m x 3m - Regular Trader	Discretionary	Day Rate	£14.00
Pitch and Gazebo - Regular Trader	Discretionary	Day Rate	£17.00
Pitch 3m x 3m - Casual Trader	Discretionary	Day Rate	£17.00
Pitch and Gazebo - Casual Trader	Discretionary	Day Rate	£20.50
Penistone Market			
Pitch 2m x 3m - Regular Trader	Discretionary	Day Rate	£11.00
Pitch 3m x 3m - Regular Trader	Discretionary	Day Rate	£14.00
Pitch 2m x 3m - Casual Trader	Discretionary	Day Rate	£14.00
Pitch 3m x 3m - Casual Trader	Discretionary	Day Rate	£17.50
Table hire	Discretionary	Day Rate	£2.50
Penistone - Community Building Hire	Discretionary	1/2 day rate	£53.50
Penistone - Commercial Building Hire	Discretionary	Day Rate	£210.00
COMMERCIAL SPACE MANAGEMENT			
Barnsley from 4m x 4m (£8 per sqm)	Discretionary	Day Rate	£128.00
Principal Towns from 3m x 3m (£8 per sqm)	Discretionary	Day Rate	£72.00
Barnsley Roaming and Samples (up to 3 people)	Discretionary	Day Rate	£120.00
Principal Towns Roaming and Samples (up to 3 people)	Discretionary	Day Rate	£65.00
Daily Leaflet Permit	Discretionary	Per Distributor	£20.00
Monthly Leaflet Permit	Discretionary	Per Distributor	£50.00
Monthly Leaflet Permit	Discretionary	Additional badge	£35.00
Replacement for lost monthly permit	Discretionary	Per Distributor	£20.00
Quarterly Leaflet Permit	Discretionary	Per Distributor	£90.00
Quarterly Leaflet Permit	Discretionary	Additional badge	£45.00
Replacement for lost quarterly permit	Discretionary	Per Distributor	£20.00
MUSEUMS AND HERITAGE CENTRES			
Commission on Artists work sales	Discretionary	Commission on Artists work sales	40% + VAT
Cooper Gallery			
Sadler Room Hire Per Day	Discretionary	Per Day	£200 - £500
Sadler Room Hire Per hr within core hrs	Discretionary	Per Hour	£60.00
Sadler Room Hire Per hr outside core hrs	Discretionary	Per Hour Outside Core Hours	£80.00
Sadler Room Hire Charities - per day	Discretionary	Charity Full Day	£150 - £300
Sadler Room Hire Charities Per Hour	Discretionary	Charity Per Hour	£30.00
Sadler Room Hire Per hr outside core hrs	Discretionary	Charity Per hr outside core hrs	£35.00
Sadler Room Hire Gallery Hire (2 hours)	Discretionary	Gallery Hire (2 hours)	£590.00
Cannon Hall			
Spencer Wing Conference Hire	Discretionary	Per Day	£200 - £500
Spencer Wing Conference Hire	Discretionary	Per Day within core hours	£60.00
Spencer Wing Conference Hire	Discretionary	Per Hour outside core hours	£80.00
Spencer Wing Conference Hire	Discretionary	Charities full day	£150 - £300
Spencer Wing Conference Hire	Discretionary	Charity per hour within core hours	£30.00
Spencer Wing Conference Hire	Discretionary	Charities per hour outside core hours	£35.00
Experience Barnsley			
Hire of Learning Lab (office hours)	Discretionary	Per day	£240.00
Hire of Learning Lab	Discretionary	Per hr	£55 - £150
Hire of Learning Lab	Discretionary	Charities -full day	£160.00
Hire of Learning Lab	Discretionary	Per hr	£30 - £60
Hire of galleries (evening function)	Discretionary	Dependent on length (from)	£650.00
Victorian Wing	Discretionary	per day	£200 - £500
Victorian Wing	Discretionary	Per Hour	£60.00
Victorian Wing	Discretionary	Per Hour Outside Core Hours	£80.00
Victorian Wing	Discretionary	Charities Per Day	£150 - £300
Victorian Wing	Discretionary	Per Hour Charity within core hours	£30.00
Victorian Wing	Discretionary	Per Hour Charity outside of core hours	£35.00
Visitor Centre Meeting Room			
Private & Commercial Mon-Fri	Discretionary	Per day	£240.00
Charity Per Day	Discretionary	Per day	£160.00
Per Hour	Discretionary	Per hour	£60.00
Per Hours Out of Core Hours	Discretionary	Per Hour Outside Core Hours	£80.00
Per Hour Charity	Discretionary	Per hour	£30.00
Per Hour Charity Out of Hours	Discretionary	Per Hour Outside Core Hours	£35.00
Weekends and evenings			
Ballroom Hire for ceremony	Discretionary	All prices are Plus VAT	£1200 - £1500
Deer Shelter for Ceremony	Discretionary	All prices are Plus VAT	£1200 - £1500

Library Hire for ceremony	Discretionary	All prices are Plus VAT	£1300 - £1550
Ballroom Hire for private functions	Discretionary	All prices are Plus VAT	£950 - £1700
Gallery Hire for functions	Discretionary	For 2 hours	£590.00
Drink Functions (Spencer wing)	Discretionary	Per Hour	£110 - £330
Car Parking at Cannon Hall	Discretionary	up to 2 hours - cars and minibuses	£1.00
Car Parking	Discretionary	All day - cars and minibuses	£5.00
Car Parking	Discretionary	Coaches	£5.00
Car Parking	Discretionary	Motorcycles	Free
Car Parking	Discretionary	Season Ticket (includes VAT)	£125.00
Car Parking	Discretionary	Land Hire per day	£1250 - £3000
Car Parking	Discretionary	per day per pitch (charities)	£50.00
Car Parking	Discretionary	per day per pitch (charities)	£25.00
Land hire for commercial marketing or photography use	Discretionary	Land Hire per day	£550 - £2200
Walled Garden Exclusive use	Discretionary	2 hours	£1050 - £3200
North Range Hire	Discretionary	Full day	£220 - £530
North Range Hire		Per Hour Within Core Hours	£60.00
North Range Hire	Discretionary	Per Hour Outside Core Hours	£80.00
North Range Hire	Discretionary	Charities full day	£150 - £300
North Range Hire		Charities per hour within core hours	£30.00
North Range Hire	Discretionary	Charities per hour outside core hours	£35.00
Seminar Corridor Meeting Room	Discretionary	Full day	£85.00
Seminar Corridor Meeting Room	Discretionary	Per Hour Outside Core Hours	£20.00
Eisecar			
Building 21 - hire per hour weekdays	Discretionary	All prices are Plus VAT	£65 - £120
Building 21 - hire per hour weekdays (Charity)	Discretionary	All prices are Plus VAT	£35 - £75
Building 21 - hire all day	Discretionary	All prices are Plus VAT	£550 - £4800
Building 21 - Wedding Ceremony only	Discretionary	All prices are Plus VAT	£1600 - £2200
Building 21 - Wedding Ceremony and reception	Discretionary	All prices are Plus VAT	£2700 - £4800
Building 21 - Wedding reception only	Discretionary	All prices are Plus VAT	£2200 - £4800
Building 21 - kitchen and bar pitch hire (non wedding)	Discretionary	All prices are Plus VAT	£55 - £110
Stage Hire	Discretionary	Per day	£270 - £420
Tiered seating	Discretionary	Per day	£270 - £550
Trestle tables	Discretionary	Per table	£5.00
Additional chairs(over 50)	Discretionary	Per chair	£2.00
Marketing support packages	Discretionary	Per event	From £50
Crash barriers	Discretionary	Per barrier per day	£22.00
Pitch Fee (outdoors)	Discretionary	Per day per pitch	£55.00
Pitch Fee (outdoors) Charity rate	Discretionary	Per day per pitch Charity Rate	£25.00
Hard based space outside	Discretionary	All prices are Plus VAT	£530.00
Worsbro Mill			
Season Ticket (incl VAT)	Discretionary	Includes VAT	£125.00
Car Parking	Discretionary	per hour	£1.00
Car Parking	Discretionary	per day	£3.00
Car Parking	Discretionary	per day coaches	£5.00
Land hire	Discretionary	Per day	£1250 - £3000
Pitch	Discretionary	Charities	£25.00
Pitch	Discretionary	Non-charities	£50.00
Classroom Hire (per day)	Discretionary	Non-charities	£65.00
Classroom Hire (per day)	Discretionary	Charities	£35.00
Archives			
Various copying, printing charges	Discretionary		£1.00 to £25.00
Bespoke digitisation orders (hourly rate)	Discretionary	Hourly fee	£25.00
Commercial use of images or documents	Discretionary	Various charges	£140 - £500
Commercial use of exhibitions	Discretionary	Various charges	£80 - £200
Television - first broadcast	Discretionary	Plus VAT	£400.00
Television - for subsequent repeats	Discretionary	Plus VAT	£200.00
SCHOOL VISITS			
Visits per class (full day) Arts Award	Discretionary	Visits per class (full day) Arts Award	£14.00
Visits per class (full day)	Discretionary	Visits per class (full day)	£280 (£210 for groups under 20)
Visits per class (half day)	Discretionary	Visits per class (half day)	£160 (£125 for groups under 20)
Use of Learning Lab per hour	Discretionary	Use of Learning Lab per hour	£35.00
Talks and Tours on Site	Discretionary	Talks and Tours on Site	£60-£110
Outreach full day	Discretionary		£280 (£210 for groups under 20)
Outreach half day	Discretionary		£160 (£125 for groups under 20)
Virtual workshops	Discretionary		£70.00
Loan Box Hire per half term	Discretionary	Loan Box Hire 1/2 term	£60.00
PROFESSIONAL CONSULTANCY (CULTURE/LEISURE)	Discretionary	Per day + expenses (from)	From £350 per day
ARTS & EVENTS - Film			
Application to undertake filming	Discretionary	Per application	£45.00
Facilitation of clearance to film small production	Discretionary	Per application	£60.00
Facilitation of clearance to film medium production	Discretionary	Per application	£75.00
Facilitation of clearance to film large production	Discretionary	Per application	£110.00
Facilitation of clearance to film major production	Discretionary	Per application	£140.00
TRANSPORT			
Section 38 / section 278 Highways Act 1980 & Commuted Sums	Discretionary	Based on size and scale of project	Variable
HOUSING			
Landlords Accreditation Scheme			
Landlords with more than 1 property	Discretionary	Per Landlord	£50.00
GYPSY & TRAVELLER SITES			
Pitch rents at Smithies Lane Gypsy & Traveller site (Small improved pitch)	Discretionary	per week per pitch	£60.00
Pitch rents at Smithies Lane Gypsy & Traveller site (Large improved pitch)	Discretionary	per week per pitch	£100.00

Hire of caravans (Ings Road site etc)	Discretionary	per week - 28ft caravan	£86.60
Hire of caravans (Ings Road site etc)	Discretionary	per week - 35ft caravan	£86.60
ENVIRONMENT & TRANSPORT			
WASTE			
Commercial waste collection			
Others			
Zone B	Discretionary	Commercially Sensitive Information - available on request	Commercially Sensitive Information - available on request
Zone C	Discretionary		
charity a	Discretionary		
charity b	Discretionary		
charity c	Discretionary		
charity d	Discretionary		
Paper & card recycling per bin	Discretionary	Per Bin	£262.00
Commercial Waste Bin delivery (admin fee)	Discretionary	Per Bin	£31.00
Bin delivery charges (admin fee)	Discretionary	Per Bin	£31.00
Standard Bulky Collection	Discretionary	up to 2 items	£26.00
1 to 2 items	Discretionary	each item above 2 (up to 12)	£8.00
Above 12 items	Discretionary	Above 12	Determined individually
None standard Collection	Discretionary	Premium Upgrade	£17.50
Additional none standard item	Discretionary	Additional premium item	£10.00
Replacement of Duty of Care Notice	Discretionary	Per notice	£10.00
Residential Waste			
Provision of 4 new bins to houses on new development	Discretionary	Per bin	£129.00
Additional grey bin	Discretionary	Per bin	£43.00
NEIGHBOURHOOD SERVICES			
Allotment rent - with water	Discretionary	Per allotment	Site dependent
Allotment rent - without water	Discretionary	Per allotment	Site dependent
Parcels of work	Discretionary	Individually priced	individually priced
Disposal of dead animals following RTA	Discretionary	per Animal	£36.00
TRANSPORT			
Transport (Day Care)	Discretionary	Per Journey	£3.00
STORES / DEPOT			
Weighbridge	Discretionary	Per use (Plus VAT)	£14.00
Material Recycling Plant			
Clean Rubble Hard Core tipping	Discretionary	Cost per ton	£4.00
Sub soil/stone (i.e. mixed) tipping	Discretionary	Cost per ton	£12.50
Concrete with rebar tipping	Discretionary	Cost per ton	£26.00
Plainings Sales	Discretionary	Cost per ton	£10.00
Plainings 20mm screened Sales	Discretionary	Cost per ton	£12.00
Recycled clean stone sales	Discretionary	Cost per ton	£10.00
Type 1 aggregates sales	Discretionary	Cost per ton	£9.30
Type 2 aggregates sales	Discretionary	Cost per ton	£7.50
Topsoil sales	Discretionary	Cost per ton	£9.00
Grit sand sales	Discretionary	Individually priced	price on application
20mm clean stone sales	Discretionary	Individually priced	price on application
building sand sales	Discretionary	Individually priced	price on application
10mm pipe bedding sales	Discretionary	Individually priced	price on application
ENGINEERS			
Street Lighting - external	Discretionary	Individually priced	individually priced
Street Lighting Design	Discretionary	Individually priced	individually priced
Other (dropped crossings)	Discretionary	Individually priced	individually priced
Dropped Crossing licence	Discretionary	per licence	£264.00
Dropped Crossing Admin (included in licence)	Discretionary	per licence	£88.00
Other (signs)	Discretionary	Individually priced	individually priced
Other (Engineering Services external works)	Discretionary	Individually priced	individually priced
Mechanical sweeping - external	Discretionary	per hour	£90.00
Cesspit emptying - domestic	Discretionary	per visit	£377.00
Cesspit emptying-Domestic-additional load	Discretionary	per visit	£120.00
Cesspit emptying - industrial	Discretionary	per hour + disposal costs + vat	£150.00
Drain Clearance - 9:00am - 5:00am	Discretionary	per hour + vat	£126.00
Preparation & site induction for mechanical sweeping & cesspit emptying where required	Discretionary	actual costs +10%	actual costs +10%
Professional Fee's - Engineering	Discretionary	Per hour	£195.00
HIGHWAYS LICENCES, PERMITS AND SERVICES			
Licensing of builders' skips placed on the highway	Discretionary	Licence	£37.00
Licensing of builder's skips placed on the highway - retrospective license	Discretionary	Licence	£103.00
Licence charge for scaffolding and other structures on highways (Fixed)	Discretionary	First week	£237.00
	Discretionary	Subsequent weeks	£89.00
Licence charge for scaffolding and other structures on highways (Mobile)	Discretionary	Licence	£70.00
Licensing of builder's materials deposited on the highway	Discretionary	Licence	£15.00
Licence to dispense with erection of a hoarding	Discretionary	Licence	£106.00
Site inspections to monitor compliance with duties relating to the erection of hoardings	Discretionary	Licence	£68.00
Section 50 license to install private apparatus in the highway	Discretionary	Licence	£559.00
Various licences to make openings in the street or footway for constructing works, cellars or the admission of light into premises	Discretionary	Licence	£249.00
Section 171 licence to carry out highways works	Discretionary	Licence	£264.00
Licence to construct a vehicle crossing - use of private contractors	Discretionary	Licence	£264.00
Licence to construct a vehicle crossing - use of BMBC Engineering Services or private contractors	Discretionary	Licence	£88.00
Clearance of accident debris	Discretionary	Actual costs +10%	Actual costs +10%
Recovery of costs following accident / call out	Discretionary	Actual Costs	Actual Costs
Temporary Traffic Regulation Orders (Planned) per USRN	Discretionary	Road Closure Order	£1,288.00
Temporary Traffic Regulation Orders (Planned): Additional USRNs on the same order	Discretionary	Road Closure Order	£133.00
Temporary Traffic Regulation Order (Planned): Variation to existing order	Discretionary	Road Closure Order	£48.00
Temporary Traffic Regulation Notice (Emergency)	Discretionary	Road Closure Notice	£945.00
Temporary Traffic Regulation Order on the grounds of road safety issue arising from private domestic property (i.e. non-commercial) (e.g. for unsafe tree, wall etc.)	Discretionary	Road Closure	£258.00
Temporary Traffic Regulation Orders (Special Events) per USRN	Discretionary	Road Closure Order	£1,288.00
Temporary Traffic Regulation Orders (Special Events): Additional USRNs on the same order	Discretionary	Road Closure Order	£133.00
Temporary Traffic Regulation Order (Special Events): Variation to existing order	Discretionary	Road Closure Order	£48.00
Application for a traffic sign to specified land or premises (permanent)	Discretionary	Application	£100.00
Application for a traffic sign to specified land or premises (temporary)	Discretionary	Application	£69.00
Pavement café licences	Statutory	Licence	£100.00
Pavement café licences (continuation fee)	Statutory	Licence	
Consideration of applications for consent for overhead beams, Rails, wires, banners etc above the highway	Discretionary	Application	
Licence to Over sail the Highway with Tower Cranes etc	Discretionary	Licence	£121.00

Consideration of applications to buildings, structures, balconies etc over the highway	Discretionary	Application	£786.00
Penalty charges to Statutory Undertakers for exceeding permitted licence to occupy the Highway (Section 74 New Roads and Street works Act)	Statutory	Variable	Variable
Bus lane enforcement	Discretionary	Per enforcement	£77.00
Increased Highways Act enforcement	Discretionary	Actual costs to clear the highway	Actual costs
Retrospective Licenses for Section 184, Section 171, Section 50 & Scaffold licences in addition to the normal licence fee	Discretionary	Licence	£100.00
Water Course Consenting	Statutory	Per Consent	£50.00
Demolition Notices under Section 80 of the Building Act 1984	Discretionary	Per notice	£320.00
Status Enquiries	Discretionary	per status enquiry	£78.00
Status Enquiries Incl Highways DC	Discretionary	per status enquiry	£112.00
H-Markings Application Fee	Discretionary	Per request	£26.00
H-Markings Inspection Fee	Discretionary		£63.00
H-Markings Installation Fee - up to 6.0m in length	Discretionary		£238.00
H-Markings extra for markings over 6.0m in length	Discretionary		£50.00
Traffic Signals Only Application	Discretionary	Per application	£88.00
Permit scheme: Provisional Advance Authorisation on Road categories 0, 1, 2 or Traffic sensitive	Statutory	Application	£105.00
Permit scheme: Major Works permit on Road categories 0, 1, 2 or Traffic sensitive	Statutory	Application	£213.00
Permit scheme: Standard Activity permit on Road categories 0, 1, 2 or Traffic sensitive	Statutory	Application	£121.00
Permit scheme: Minor Activity Permit on Road categories 0, 1, 2 or Traffic sensitive	Statutory	Application	£65.00
Permit scheme: Immediate Activity Permit on Road categories 0, 1, 2 or Traffic sensitive	Statutory	Application	£57.00
Permit scheme: Provisional Advance Authorisation on Road categories 3, 4 and Non-traffic sensitive	Statutory	Application	£74.00
Permit scheme: Major Works permit on Road categories 3, 4 and Non-traffic sensitive	Statutory	Application	£150.00
Permit scheme: Standard Activity permit on Road categories 3, 4 and Non-traffic sensitive	Statutory	Application	£75.00
Permit scheme: Minor Activity Permit on Road categories 3, 4 and Non-traffic sensitive	Statutory	Application	£45.00
Permit scheme: Immediate Activity Permit on Road categories 3, 4 and Non-traffic sensitive	Statutory	Application	£40.00
PUBLIC RIGHT OF WAY			
Road Closure Orders (Planned) PROW Initial fee	Discretionary	Road closure order	£644.00
Road Closure Orders (Planned) PROW weekly fee	Discretionary	Road closure order	£120.00
Road Closure Orders (Planned) PROW Extension	Discretionary	Road closure order	£322.00
Road Closure Notice (Emergency) PROW	Discretionary	Road closure order	£322.00
Public Path Orders (Diversion Orders)	Discretionary	Dependant on dwelling numbers, sliding scale for more	minimum £3,296, maximum £5,665
TRAFFIC SIGNALS			
Switch Off / On Traffic Signals (Monday to Friday Daytime)	Discretionary	Application	£500.00
Switch Off / On Traffic Signals (Evenings & Weekends)	Discretionary	Application	£550.00
Switch Off / On Traffic Signals (Less than 5 days notice)	Discretionary	Application	£670.00
Bag Over Traffic Signals - Pelican / Puffin/Pegasus (Monday to Friday Daytime)	Discretionary	Application	£555.00
Bag Over Traffic Signals - Pelican / Puffin/Pegasus (Evenings & Weekends)	Discretionary	Application	£640.00
Bag Over Traffic Signals - Up to 4 arm junction (Monday to Friday Daytime)	Discretionary	Application	£650.00
Bag Over Traffic Signals - Up to 4 arm junction (Evenings & Weekends)	Discretionary	Application	£700.00
Bag Over Traffic Signals - Over 4 arm junction	Discretionary	Price on Application	Variable
Bag Over Traffic Signals (Less than 5 days notice) - Pelican / Puffin/Pegasus (Monday to Friday Daytime)	Discretionary	Application	£695.00
Bag Over Traffic Signals (Less than 5 days notice) - Pelican / Puffin/Pegasus (Evenings & Weekends)	Discretionary	Application	£800.00
Bag Over Traffic Signals (Less than 5 days notice) - Up to 4 arm junction (Monday to Friday Daytime)	Discretionary	Application	£810.00
Bag Over Traffic Signals (Less than 5 days notice) - Up to 4 arm junction (Evenings & Weekends)	Discretionary	Application	£875.00
Bag Over Traffic Signals (Less than 5 days notice) - Over 4 arm junction	Discretionary	Price on Application	Variable
Amendment of traffic signal removal from service change of date/time	Discretionary	Per Change	£45.00
Cancellation of traffic signal removal from service request (Less than two days notice)	Discretionary	Per Cancellation	Variable
Cancellation of traffic signal removal from service request (more than two days notice)	Discretionary	Per Cancellation	£90.00
Traffic Signal Engineer standing time (Monday to Friday Daytime)	Discretionary	Hourly Charge	£90.00
Traffic Signal Engineer standing time (Evenings & Weekends)	Discretionary	Hourly Charge	£105.00
Traffic Signal Scheme Design	Discretionary	Price on Application	Variable
RESIDENT PARKING ZONES			
AWAITING FULL REVIEW OF CAR PARKING			
Residents - First Permit	Discretionary	Residents - First Permit	£26.00
Residents - Second Permit	Discretionary	Residents - Second Permit	£52.00
Business - First Permit	Discretionary	Business - First Permit	£39.00
Business - Second Permit	Discretionary	Business - Second Permit	£77.50
CAR PARKING			
AWAITING FULL REVIEW OF CAR PARKING			
Off Street Parking			
Market Gate, Pontefract Road	Discretionary	available separately	available separately
Lambra Rd	Discretionary	available separately	available separately
Burleigh St, Joseph St, Pitt St	Discretionary	available separately	available separately
St Marys Place, Grahams Orchard	Discretionary	available separately	available separately
John St, Sackville St	Discretionary	available separately	available separately
Churchfield, County Way/Court House, Multi Storey, Mark Street	Discretionary	available separately	available separately
West Road Pogmoor	Discretionary	available separately	available separately
Wellington House	Discretionary	available separately	available separately
On Street parking			
Premium Parking	Discretionary	Per Hour	£0.90
Public Season Tickets	Discretionary	Per week	£28.00
	Discretionary	Per month	£104.00
	Discretionary	Per quarter	£292.00
	Discretionary	Per year	£978.00
Staff Discounted Season Tickets	Discretionary	Staff Season Ticket	£17.50 to £35.00
Charges for Fixed Penalty Notices	Discretionary	Fixed Penalty Notice and depends on severity of offence	£50 or £70
Parking place suspension	Discretionary	Estimated loss of parking revenue plus 10% to cover administration costs	Determined individually
Visitor Vouchers (residential)	Discretionary		£12.50
Replacements (manual change of circumstances)	Discretionary		£10.00
Bay Closures (Utilities) p.d.	Discretionary	Inner Town Centre	£50.00
Bay Closures (Utilities) p.d.	Discretionary	Outer Town Centre (less popular area)	£25.00
Reserved Bays (E.g., for Business)	Discretionary	Per year	£1,300.00
NHS Permits	Discretionary		£30.00
EV Charging (Fast Charging)			
Church Street Car Park, Darton	Discretionary	Per kilowatt hour	£0.61
John Street Car Park, Town Centre	Discretionary	Per kilowatt hour	£0.61
Mark Street Car Park, Town Centre	Discretionary	Per kilowatt hour	
Market Gate Car Park, Town Centre	Discretionary	Per kilowatt hour	
West Road Car Park	Discretionary	Per kilowatt hour	
EV Charging (Rapid Charging)			

Church Street Car Park, Darton	Discretionary	Per kilowatt hour	£0.71
John Street Car Park, Town Centre	Discretionary	Per kilowatt hour	£0.71
Mark Street Car Park, Town Centre	Discretionary	Per kilowatt hour	£0.71
Market Gate Car Park, Town Centre	Discretionary	Per kilowatt hour	£0.71
West Road Car Park	Discretionary	Per kilowatt hour	£0.71
PEST CONTROL & DRAINAGE			
Pest Control Fees (Owner occupiers, B Homes, Private contracts)			
Rats & Mice (3 visits)	Discretionary	Rats & Mice (3 visits)	£136.00
Wasps, Bees, Flies Ants (1 visit)	Discretionary	Wasps, Bees, Flies	£70.00
Fleas (1 visits)	Discretionary	Fleas (1 visits)	£129.00
Moles (3 visits)	Discretionary	Moles (3 visits)	£270.00
Cockroaches (2 visits)	Discretionary	Cockroaches (2 visits)	£270.00
Bed Bugs (2 visits)	Discretionary	Bed Bugs (2 visits)	£248.00
Squirrels (2 visits)	Discretionary	Squirrels (2 visits)	£248.00
Proofing premises for rodents	Discretionary	1 visit	price on application
Others (per hour)	Discretionary	Others (per hour)	£86.50
Premium Upgrade	Discretionary	Premium Upgrade	price on application
Call out fee	Discretionary	Call out fee	£43.00
SPORTS			
Golf Course - Green Fees	Discretionary	Per Round -	£21.00
Golf Course - Green Fees	Discretionary	Per Round - weekends	£27.00
Golf Course - Green Fees	Discretionary	Season Ticket (per annum)	£779.00
BEREAVEMENT SERVICES			
Purchase of right of burial in grave(dug for 2 only)	Discretionary	per burial / cremation	£1,107.25
Prew Purchase of right of burial in grave(dug for 2 only)	Discretionary	per burial / cremation	£1,290.00
Renew EROB for 50 years	Discretionary	per burial / cremation	£256.93
Transfer of Ownership	Discretionary	Per Burial/Cremation	£50.00
Record Searches	Discretionary	Per Burial/cremation	£5.00
Interment fee	Discretionary	per burial / cremation	£1,073.93
Additional excavation charge for coffins exceeding 6'6" x 26"	Discretionary	per burial / cremation	£69.88
Additional grave space (for 3)	Discretionary	per burial / cremation	£301.00
Test dig grave	Discretionary	per burial / cremation	£118.25
Purchase of right of burial 4'6" x 2' (Childs grave for 1)	Discretionary	per burial / cremation	£308.53
Interment fee up to 18 yrs.	Discretionary	per burial / cremation	£320.35
Cremation of a child up to 18 yrs.	Discretionary	per burial / cremation	£308.53
Delivery charge to a cemetery	Discretionary	per burial / cremation	£25.00
Interment fee All caskets or urns containing ashes - 2ft depth in grave	Discretionary	per burial / cremation	£247.25
Interment fee All caskets or urns containing ashes - full depth engrave	Discretionary	per burial / cremation	£612.75
Interment Fee All caskets or urns containing ashes - cremation plots	Discretionary	per burial / cremation	£247.25
Exhumation fee of cremated remains (from a cemetery)	Discretionary	per burial / cremation	£279.50
purchase of a cremation plot	Discretionary	per burial / cremation	£451.50
Prepurchase of a cremation plot	Discretionary	per burial / cremation	£602.00
Vaulting All graves 9' x 4' - full depth	Discretionary	per burial / cremation	£263.38
Vaulting All graves 9' x 4' - to height of coffin	Discretionary	per burial / cremation	£53.75
Vaulting All graves 4'6" x 2' - full depth	Discretionary	per burial / cremation	£99.98
Vaulting All graves 4'6" x 2' - to height of coffin	Discretionary	per burial / cremation	£37.63
Flagging of graves	Discretionary	per burial / cremation	£161.25
Removal of Headstone	Discretionary	Per burial/Cremation	£100.00
Headstone Nc. Inscription, flower holders & photo illustrations	Discretionary	per burial / cremation	£268.75
Each additional inscription plus inspection	Discretionary	per burial / cremation	£75.25
Additional memorial vase	Discretionary	per burial / cremation	£75.25
Kerbstones (where permitted)	Discretionary	per burial / cremation	£215.00
Tablets inc. Into kerb sets 18" x 18"	Discretionary	per burial / cremation	£155.88
Children's headstone	Discretionary	per burial / cremation	£99.98
Children's Kerbs	Discretionary	per burial / cremation	£99.98
Cremation (strewn)	Discretionary	per burial / cremation	£967.50
Double cremations (for second cremation)	Discretionary	per burial / cremation	£425.70
Medical referee fee	Discretionary	per burial / cremation	£20.00
Environmental levy Mercury abatement	Discretionary	per burial / cremation	£48.38
Direct Cremation	Discretionary	per burial / cremation	£395.00
Foetal Urn	Discretionary	per burial / cremation	£23.65
Card foetal urn	Discretionary	per burial / cremation	£6.00
Child or Baby urns inc. wooden baby urns	Discretionary	per burial / cremation	£23.65
Plastic urns	Discretionary	per burial / cremation	£23.65
Wooden casket	Discretionary	per burial / cremation	£59.13
Adult cardboard	Discretionary	per burial / cremation	£20.00
Interment of cremated remains	Discretionary	per burial / cremation	£118.25
Postage of ashes	Discretionary	per burial / cremation	£37.63
Disinter cremated remains from the crematorium grounds	Discretionary	per burial / cremation	£161.25
Cancelation fee	Discretionary	per burial / cremation	£26.00
Usage of chapel facilities for additional half hour	Discretionary	per burial / cremation	£120.00
Usage of chapel facilities for additional half hour or part thereof without prior notice	Discretionary	per burial / cremation	£182.00
Handling charge for non crematorium supplied Urns	Discretionary	per burial / cremation	£23.65
Book of remembrance 2 line entry	Discretionary	per burial / cremation	£91.38
Book of Remembrance 5 line entry	Discretionary	per burial / cremation	£161.25
Book of remembrance 8 line entry	Discretionary	per burial / cremation	£220.38
Any flower - only available with 5 or 8 line	Discretionary	per burial / cremation	£123.63
Any other memorial design - entries in book of remembrance	Discretionary	per burial / cremation	£161.25
Rose bush & plaque for 5 years (100mm x 55mm)	Discretionary	per burial / cremation	£172.00
Rose standard & plaque for 5 years (100mm x 55mm)	Discretionary	per burial / cremation	£198.88
Renew rose bush and plaque for 5 years	Discretionary	per burial / cremation	£106.43
Renew rose standard and plaque for 5 years	Discretionary	per burial / cremation	£137.60
Additional/joint plaque to existing rose (100mm x 55mm)	Discretionary	per burial / cremation	£74.18
Bronze plaque for 25 yrs. (175mm x 67mm)	Discretionary	per burial / cremation	£320.00
Renew bronze plaque for 25 years	Discretionary	per burial / cremation	£187.00
Replace bronze plaque with joint within first 10 years of lease period	Discretionary	per burial / cremation	£241.88
Bronze joint plaque for 25 yrs. (175mm x 67mm)	Discretionary	per burial / cremation	£322.50
Marble plaque for 10 yrs. (195mm x 147mm)	Discretionary	per burial / cremation	£408.50
Replace marble plaque	Discretionary	per burial / cremation	£347.23
Extra posy holder for marble plaque	Discretionary	per burial / cremation	£5.00
Refurbish Marble Plaque	Discretionary	per burial/cremation	£20.00
Renew marble with joint within first 5 years	Discretionary	per burial / cremation	£301.00
Renew marble	Discretionary	per burial / cremation	£247.25
Planter plaque for 10 yrs.	Discretionary	per burial / cremation	£370.00
Renew Planter plaque with joint within first 5 years	Discretionary	per burial / cremation	£315.00
replace planter plaque with joint	Discretionary	per burial / cremation	£370.00
Picture or emblem	Discretionary	per burial / cremation	£129.00
Memorial tree plaque for 15 yrs. (151mm x 100mm)	Discretionary	per burial / cremation	£301.00
Additional tree plaque to existing tree	Discretionary	per burial / cremation	£301.00
Renew memorial tree and plaque for 15 years	Discretionary	per burial / cremation	£301.00
Marble plaque baby memorial (295mm x 105mm)	Discretionary	per burial / cremation	£260.00

Penistone & Thurnscoe cemetery plaques (perpetuity 175mm x 67mm)	Discretionary	per burial / cremation	£280.00
Plaque for Garden seat (at home)	Discretionary	per burial / cremation	£70.00
Wombwell railing plaque	Discretionary	per burial / cremation	£80.00
baby memorial plaque Thurnscoe & Wombwell	Discretionary	per burial / cremation	£60.00
Sanctum 2000 15 years	Discretionary	per burial / cremation	£790.13
Renew sanctum 2000 10 years	Discretionary	per burial / cremation	£537.50
Hoyland New niche for 25 yrs.	Discretionary	per burial / cremation	£140.00
Hoyland Re-open niche	Discretionary	per burial / cremation	£105.00
Hoyland Memorial plaque for 25 yrs. (123mm x 73mm)	Discretionary	per burial / cremation	£151.58
Renew Hoyland columbarium niche for 25yrs	Discretionary	per burial / cremation	£96.75
Hoyland Renew wall plaque for 25 yrs.	Discretionary	per burial / cremation	£96.75
Memorial seat plaque for 15 yrs. (200mm x 63mm)	Discretionary	per burial / cremation	£299.00
Renew memorial seat plaque for 15 yrs.	Discretionary	per burial / cremation	£182.75
Extra plaque for garden seat	Discretionary	per burial / cremation	£64.50
Pet Cremation Fees			
Small Pets	Discretionary	per cremation	£74.18
Rabbits & Cat	Discretionary	per cremation	£99.00
Small Dog	Discretionary	per cremation	£160.00
Medium Sized Dog	Discretionary	per cremation	£182.75
Large Dog	Discretionary	per cremation	£225.75
Extra Large Dog	Discretionary	per cremation	£322.50
Collect & Delivery	Discretionary	per cremation	£60.00
Wooden Casket	Discretionary	per cremation	£35.00
Same Day Cremation additional Charge	Discretionary	per cremation	£50.00
PARKS SERVICES			
Fairs & Circuses	Discretionary		£240.00
Grange Lane	Discretionary		£470.00
Playground Inspections - Yearly	Discretionary	Per Inspection	£68.00
Playground Inspections - Bi Monthly	Discretionary	Per Inspection	£68.00
Football Pitch Adult	Discretionary	Per Season	£478.00
Football Pitch Junior	Discretionary	Per Season	£247.00
Football Cat A Adult	Discretionary	Per Season	£671.00
Football Cat A Junior	Discretionary	Per Season	£345.00
Football Cat B Adult	Discretionary	Per Season	£610.00
Football Cat B Junior	Discretionary	Per Season	£320.00
Football Cat C Adult	Discretionary	Per Season	£550.00
Football Cat C Junior	Discretionary	Per Season	£284.00
Mini Soccer	Discretionary	Per Season	£164.00
PLACE HEALTH & ADULT SOCIAL CARE			
Adult & Wellbeing			
ADULT ASSESSMENT AND CARE MANAGEMENT			
Client Care Contributions - covers charges made by service users eligible for social care support towards their assessed care costs (residential, nursing and community based care e.g. homecare).	Discretionary	Fees based on ability to pay	Determined individually
Community based support: Shared Lives	Discretionary	Board Payment per week	£50.00
Community based support: Shared Lives	Discretionary	HB claim payment per week	£58.07
Provider Services			
Assisted Living Technology			
Alarm + Intercom	Discretionary	Weekly charge	£1.46
Alarm + Intercom + non timed telecare	Discretionary	Weekly charge	£2.07
Alarm + Intercom + timed telecare	Discretionary	Weekly charge	£2.63
non timed telecare only	Discretionary	Weekly charge	£0.62
timed telecare only	Discretionary	Weekly charge	£1.18
GSM Alarm + smoke alarm + intercom	Discretionary	Weekly charge	£3.42
Alarm 1 service user	Discretionary	Weekly charge	£3.76
Alarm 2 service users	Discretionary	Weekly charge	£5.79
Alarm3 service users	Discretionary	Weekly charge	£7.82
Alarm 4 service users	Discretionary	Weekly charge	£9.85
Alarm + 1 service user non timed telecare	Discretionary	Weekly charge	£4.38
Alarm 1 service user plus timed telecare	Discretionary	Weekly charge	£4.94
Alarm 1 service user	Discretionary	Weekly charge	£4.71
Alarm 2 service users	Discretionary	Weekly charge	£7.28
Alarm 3 service users	Discretionary	Weekly charge	£9.86
Alarm 4 service users	Discretionary	Weekly charge	£12.44
Alarm 5 service users	Discretionary	Weekly charge	£15.01
Alarm + non timed telecare 1 service user	Discretionary	Weekly charge	£5.32
Alarm + non timed telecare 2 service users	Discretionary	Weekly charge	£7.90
Alarm + non timed telecare 3 service users	Discretionary	Weekly charge	£10.48
Alarm + non timed telecare 4 service users	Discretionary	Weekly charge	£13.05
Alarm + non timed telecare 5 service users	Discretionary	Weekly charge	£15.63
Alarm + non timed telecare + mobile care 1 service user	Discretionary	Weekly charge	£6.44
Alarm + timed telecare 1 service user	Discretionary	Weekly charge	£5.88
Alarm + timed telecare 2 service users	Discretionary	Weekly charge	£8.46
Alarm + timed telecare 3 service users	Discretionary	Weekly charge	£11.04
Alarm + timed telecare 4 service users	Discretionary	Weekly charge	£13.61
Alarm + timed telecare 5 service users	Discretionary	Weekly charge	£17.31
Alarm + timed telecare 6 service users	Discretionary	Weekly charge	£19.89
Alarm + timed telecare + mobile care 1 service user	Discretionary	Weekly charge	£7.00
Alarm + mobile care 1 service user	Discretionary	Weekly charge	£5.83
Alarm + mobile care 2 service users	Discretionary	Weekly charge	£8.96
mobile care 1 service user	Discretionary	Weekly charge	£3.24
mobile care 2 service users	Discretionary	Weekly charge	£5.03
Smart hub 1 service user	Discretionary	Weekly charge	£7.67
Smart hub 2 service users	Discretionary	Weekly charge	£11.76
Smart hub 1 service user non timed telecare	Discretionary	Weekly charge	£8.29
Smart hub 2 service users non timed telecare	Discretionary	Weekly charge	£12.38
Smart hub 1 service user timed telecare	Discretionary	Weekly charge	£8.85
Smart hub 2 service user timed telecare	Discretionary	Weekly charge	£12.94
Lone Worker Charges	Discretionary	weekly charge/per person	£1.68
CHILDREN'S SERVICES			
EDUCATION & EARLY START PREVENTION			
Education Welfare			
EWO Buy Back for maintained schools / academies	Discretionary	Per Hour (Plus VAT where applicable)	£35.69
School Workforce Modernisation			
Tuition Fees - Governor Development (with buy back)	Discretionary	Per Governor	£70.30
Tuition Fees - Governor Development (outside buy back)	Discretionary	Per Governor	£54.08
School Organisation & Governance			
Governor Clerking for schools - full service - Primary	Discretionary	Per annum	£1,746.37
Governor Clerking for schools - partial service - Primary	Discretionary	Per annum	£1,533.90
Governor Clerking for schools - additional committee service - Primary	Discretionary	Per meeting	£134.07
Additional FOB - Primary	Discretionary	Per meeting	£207.93
Governor Clerking for schools - full secondary service	Discretionary	Per annum	
Governor Clerking for schools - partial service - Secondary	Discretionary	Per annum	
Governor Clerking for schools - additional committee service - Secondary	Discretionary	Per meeting	£101.35

Additional FGB - Secondary	Discretionary	Per meeting	£249.97
Confidential Meetings	Discretionary	Per meeting	£209.06
Bespoke Service	Discretionary	Per annum	£848.76
Admission services (Academy)	Discretionary	Charge per pupil	tbc
Appeals - panel member cost	Discretionary	Per half day	tbc
Appeal hearing	Discretionary	Per Full day	tbc
Outdoor Education			
Educational Visits & Journeys (Academies, VA and Trust Schools)	Discretionary	Per Acad/VA/trust school: Negotiated fee around	£199.00
		Variable fee - pp on roll	£1.00
CHILDREN ASSESSMENT AND CARE MANAGEMENT			
Safeguarding			
Multi-agency child protection and safeguarding training - schools & academies	Discretionary	Per person	£146.00
Multi-agency child protection and safeguarding training - schools & academies	Discretionary	Training session per hour	£90.00
PUBLIC HEALTH AND COMMUNITIES			
ENVIRONMENTAL AND TRADING STANDARDS			
Pollution Control			
Environmental Searches	Discretionary	Hourly rate	Variable
Misc. Fees & Charges	Discretionary	Various	Variable
PPC Permits			
		Based on annual risk	
Part 1 permit	Statutory	Low risk	£79.00
		Medium risk	£158.00
		High risk	£237.00
PVR Stage 2	Statutory	Low risk	£113.00
		Medium risk	£226.00
		High risk	£341.00
Part 2 Permit	Statutory	Low risk	£228.00
		Medium risk	£365.00
		High risk	£548.00
Part B Permit	Statutory	Low risk	£771.00
		Medium risk	£1161.00
		High risk	£1747.00
A2 Permit	Statutory	Low risk	£1343.00
		Medium risk	£1507.00
		High risk	£2230.00
Local Site Operator Contracts	Discretionary	Tendered contract	Variable
Trading Standards			
Stamping Fees	Discretionary	Hourly rate	Variable
Second Hand Dealer Registration	Discretionary	Per registration	£20.54
Primary Authority Work	Discretionary	Hourly rate	Variable
Food Hygiene			
Reinspection Charge	Discretionary	Per inspection	£226.73
Premises Endorsement (no visit required)	Discretionary	Per certificate	£156.83
Health and Safety			
Skin Piercing Registrations (eg Tattooing, Acupuncture, Ear Piercing etc)	Discretionary	Per registration	£132.16
ANIMAL WELFARE			
Dog Warden Fees			
Dog Release Fee	Statutory	Per dog (plus rechargeable vets fees)	£53.35
Dog Release Kennelling Fee	Discretionary	Per dog (daily fee)	£15.00
Dog Surrender Fee	Discretionary	Per dog	£122.71
Animal Health - Licence Fees			
Home Dog Boarders	Statutory	Per licence	£298.76
Performing Animals	Statutory	Per licence	£197.40
Dangerous Wild Animals (+ vets fees)	Statutory	Per licence (plus rechargeable vets fees)	Variable
Dog Day Care (Low Volume)	Statutory	Per licence	£313.67
Dog Day Care (High Volume)	Statutory	Per licence	£434.27
Dog Breeders	Statutory	Per licence	£400.13
Pet Shops	Statutory	Per licence	£385.33
Boarding Kennels (Dogs / Cats)	Statutory	Per licence	£298.76
Greyhound Racing Track	Statutory	Per licence	£173.28
Hiring out of Horses (+ vets fees)	Statutory	Per licence (plus rechargeable vets fees)	£325.44
Zoo (+ vets fees)	Statutory	Per licence (plus rechargeable vets fees)	Variable
SAFER, STRONGER & HEALTHIER COMMUNITIES			
Safer Communities			
Abandoned vehicle	Statutory		£200.00
Vehicle for Sale on Highway	Statutory		£100.00
Vehicle Repairs on Road (Business)	Statutory		£100.00
Breach of PSPO	Statutory		£100.00
Depositing litter	Statutory		£100.00
Controlled Waste Documents	Statutory		£300.00
No Waste Transfer Notes	Statutory		£300.00
Graffiti	Statutory		£100.00
Flyposting	Statutory		£100.00
Duty of Care	Statutory		£250.00
Fly tipping	Statutory		£400.00
FPNS	Statutory		£50.00
MEES False Presentation	Statutory		£1,000.00
MEES let Substandard Property under 3 months	Statutory		£2,000.00
MEES let Substandard Property over 3 months	Statutory		£4,000.00
Failure to Comply with Community Protection Notice	Statutory		£100.00
HMO License	Statutory		£505.00
Civil Penalty	Discretionary		Determined individually
Works in Default	Discretionary	Charged at cost	Determined individually
CORE SERVICES			
FINANCE			
School Meals	Discretionary		Commercially Sensitive
Summons	Statutory	Per Order	£28.00
Benefits/Taxation - Liability Order	Statutory	Per Summons	£52.00
Court of Protection Fees	Discretionary	Application	
Court of Protection Fees	Discretionary	Year 1 Management Fee	
Court of Protection Fees	Discretionary	Year 2 management Fee	
Court of Protection Fees	Discretionary	Management fee (assets <£16k)	Set individually
Court of Protection Fees	Discretionary	Annual property management fee	
Court of Protection Fees	Discretionary	Prep of OPG reports	
Payroll for schools	Discretionary	Per payslip	Commercially Sensitive
DPA Associated Administration Costs	Discretionary	Per DPA	£600.00
Property Valuation	Discretionary	Per DPA	£450.00
Unregistered Property	Discretionary	Per DPA (Case dependent)	£250.00
Annual Finance Admin Cost	Discretionary	Per DPA	
BACS service	Discretionary	Per BACS File	

Free school meals eligibility checking (Academy)	Discretionary		£160 (primary schools) £270 (secondary schools) plus £5.50 per eligible student
Procurement E-tendering Contract SPG	Discretionary	Set contract price	£20,000.00
Internal Audit - Support to External Bodies	Discretionary	Per day - minimum	Commercially Sensitive
CSC Support Charges to Berneslai Homes	Discretionary		Commercially Sensitive
Insurance Charge to Berneslai Homes	Discretionary		Commercially Sensitive
IT			
Registrars			
Non Refundable booking fee	Discretionary		£39.00
Ceremony Amendment fee	Discretionary		£39.00
Notice of intention to marry (weekdays)	Statutory		£35.00
Reduction to 28-day notice period	Statutory		£60.00
Notice of intention to marry (Saturday)	Discretionary		£55.00
General Search	Statutory	General Search	£18.00
Certificates	Statutory	Per certificate	£11.00
Certificates (Priority Service)			£35.00
Marriages (Register Office)	Statutory	Marriages (Register Office)	£46.00
Marriages / Ceremonies (Ceremony Suite):			
- Monday - Thursday	Discretionary	Per Ceremony	£220.00
- Friday	Discretionary	Per Ceremony	£242.00
- Saturday (am)	Discretionary	Per Ceremony	£259.00
- Saturday (pm)	Discretionary		£292.00
Twilight ceremony 5-6	Discretionary		£250.00
Mid range ceremony	Discretionary		£130.00
Ceremony room visit	Discretionary		£25.00
Marriages (Approved Premises)			
- Monday - Thursday	Discretionary	Per Ceremony	£402.00
- Friday	Discretionary	Per Ceremony	£523.00
- Saturday	Discretionary	Per Ceremony	£572.00
- Sunday	Discretionary	Per Ceremony	£605.00
- Bank Holiday	Discretionary	Per Ceremony	£605.00
Twilight ceremony 5-6	Discretionary		£605.00
Marriage ceremony religious building (registrar in attendance)	Statutory		£97.00
Non Stat Ceremony (Naming/Renewal of vows)			
Town Hall Monday -Thursday	Discretionary		£187.00
Town Hall - Friday & Saturday	Discretionary		£220.00
Approved premise	Discretionary	Per Ceremony	£275.00
Private citizenship ceremonies Town Hall	Discretionary	Per day - maximum	£154
Ceremony Premises Licence			
New premises or renewal	Discretionary		£1,815.00
Additional rooms	Discretionary	Per day - maximum	£61.00
Customer Experience			
Blue Badges		Per Badge	£10.00
DBS CHECKS / HUMAN RESOURCES / PERFORMANCE SERVICES			
Recruitment - DBS checks for Schools	Discretionary	Per check	£52.79
Recruitment - DBS checks Taxi Drivers	Discretionary	Per check	£58.00
Recruitment - DBS checks for BMBC Internal (cost centre)		Per check	£46.68
Recruitment - DBS checks for External Customers (Umbrellas)		Per Check	*£38 + Admin Fee
Recruitment - DBS checks for civil enforcement	Discretionary	Per check	£22.68
Occupational Health - Pre-Employment Checks: Engage	Discretionary	Per check	£19.70
Occupational Health - Pre-Employment Checks: Nurse follow-up	Discretionary		£40.65
Recruitment - online advertising (external)	Discretionary		Various rates
Recruitment - NS1 Form check	Discretionary	Per Check	£42.43
Recruitment - VC01 Form check	Discretionary	Per Check	£21.21
Recruitment - Barred List / Dfe check	Discretionary	Per Check	£7.27
Barnsley HR Services - Provision of HR Services	Discretionary	Per employee - fixed fee arrangement	£156.50
Barnsley HR Services - Provision of HR Services	Discretionary	Per hour - consultancy arrangement	£93.50
Health and Safety - Provision of health and safety services	Discretionary	Per hour. Fixed fee terms available.	£93.50
Health and Safety - Training Courses	Discretionary	Per delegate	£100.00 to £438.00
Schools Information Management Service	Discretionary	Per SLA	Determined individually
OWI - Assessment Centre Qualification Fees	Discretionary	Per qualification: based on total cost of qualification	Determined individually
OWI - Workforce Development - Training Fees	Discretionary	Per qualification: based on total cost of qualification	Determined individually
Street naming & property numbering charges			
New property addresses on existing street			
1	Discretionary	1 property	£69.36
2 to 5	Discretionary	2 to 5 properties	£112.04
6 to 10	Discretionary	6 to 10 properties	£133.38
11 to 50	Discretionary	11 to 50 properties	£202.73
51+	Discretionary	51+ properties	£277.42
Change to a new development after notification			
1	Discretionary	1 property	£69.36
2 to 5	Discretionary	2 to 5 properties	£112.04
6 to 10	Discretionary	6 to 10 properties	£133.38
11 to 50	Discretionary	11 to 50 properties	£202.73
51+	Discretionary	51+ properties	£277.42
Re-addressing of properties on existing street	Discretionary	per property	£170.72
New property addresses requiring new street names:			
1	Discretionary	1 property	£101.37
2 to 5	Discretionary	2 to 5 properties	£133.38
6 to 10	Discretionary	6 to 10 properties	£192.06
11 to 50	Discretionary	11 to 50 properties	£277.42
51+	Discretionary	51+ properties	£368.12
LEGAL, ELECTIONS & GOVERNANCE			
Land Charge Searches - Various Types	Statutory	Dependant on type of Search	Determined individually
ENTERTAINMENT LICENCES			
Licence Fees - Premises, Alcohol & Gambling	Statutory	Per establishment	Variable. Dependent on rateable value of premises
Licence Fees - Premises, sex establishments			
New application	Statutory	Per establishment	£234.00
Renewal	Statutory	Per establishment	£112.00
Variation	Statutory	Per establishment	£234.00
Transfer	Statutory	Per establishment	£34.00
HACKNEY CARRIAGE LICENCES			
Private hire vehicle	Statutory	Per licence application	£164.00
A Hackney Carriage vehicle	Statutory	Per licence application	£164.00
A 12 month driver licence	Statutory	Per licence application	£137.00
A 3 year driver licence	Statutory	Per licence application	£221.00
An Operator licence (1 year)	Statutory	Per licence application	£63.00
An Operator licence (1 year)	Statutory	Per licence application	£127.00

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Fees and charges policy

This policy explains how fees and charges are created and maintained across the council

1.0 Purpose

The council has reshaped and transformed itself into an effective, efficient, high performing and sustainable council. This has provided the foundations to ensure we are able to achieve our agreed priorities and outcomes as we continue our journey to 2030 and beyond.

The current council structure means that delivery of our key services is based on a Business Unit model supported by a strong and lean core. The financial outlook for the Future Council framework has been developed around a reducing resource envelope. By using its powers to charge for goods and services the council can generate additional income to support investment in services and/or reduce the overall level of expenditure to be met by local taxpayers.

Whilst being an important element of the overall financing of the council's services and activities, fees and charges can also have an important role in other areas such as:

- Demonstrating the value of a service
- Discouraging abuse of a service
- Strengthening service and corporate objectives
- Promoting and encouraging access to services

2.0 Scope

The overriding aim of this Fees and Charges Policy is to ensure that the council makes use of all the powers available to it to recover the full cost of providing services to enhance the social and economic wellbeing of the communities the council serves. In using these powers, the council must ensure that the consequences of charging on individuals and the wider aims of the council itself (and/or other organisations) do not adversely impact on those who are vulnerable or in difficulties.

Therefore, as well as ensuring that fees and charges are in line with council objectives, it is also good practice to ensure that the impact of any change on service users is appropriately evidenced. The objectives of any charging policy should also be clearly communicated to the public who should have the opportunity to hold the council to account.

Maximisation of income, following a decision to charge, is also dependent on a charge being raised and that amount being collected in a timely way.

The Policy applies to all existing fees and charges as well as any new fee or charge which the council is eligible to levy, excluding:

- Council Tax & NNDR
- Housing rents and service charges
- Fees and charges fixed by statute

Managers must consider the application of this policy when:

- Setting fees and charges (excluding rates); and
- Reviewing fees and charges

3.0 Legal Position

The majority of the council's statutory services (Building Control being a key exception) are funded directly from the council's main sources of revenue, i.e., government grants and local taxation.

Income received by the council from fees and charges is generated by statutory and discretionary services and advertising and sponsorship opportunities. Where fees and charges apply to statutory services, these are often set nationally, for example, some planning and licensing fees.

Discretionary services are those that an authority has the power to provide but is not obliged to do so. They include services provided directly to the public in general, such as leisure services, as well as charges for the costs incurred by the council (such as legal costs) when entering into planning or highways agreements with specific persons.

Advertising and sponsorship provide an opportunity for organisations to publicise information likely to be of interest to residents through various council communication channels. All advertising and sponsorship must comply with the council's advertising and sponsorship policy which is located at <https://www.barnsley.gov.uk/media/23557/advertising-and-sponsorship-policy.pdf>

The legal powers that the council possesses to raise fees and charges are enshrined in specific provisions contained in both the Local Government Act 2003 and the Localism Act 2011.

Under the Localism Act 2011, there is a general power of competence which explicitly gives councils the power to do anything that an individual can do which is not prohibited by other legislation. This activity can include charging (e.g., to recover the costs of providing a discretionary service which the person has agreed to) or trading (e.g., to generate efficiencies, surpluses, and profits) through a special purpose trading company.

These powers are in addition to similar powers set out in the Local Government Act 2003. The 2003 Act empowers councils to charge for any discretionary services on a cost recovery basis. For example, the council could decide to provide a new discretionary service, that is an addition to or an enhancement of a statutory service, and then charge for it.

Statutory guidance published in 2003 outlines how costs and charges should be established, and that guidance remains in force (see: '*General Power for Best Value Authorities to Charge for Discretionary Services*', ODPM, 2003).

The guidance explains that for each discretionary service for which a charge is made, councils need to ensure that, taking one year with another, the income from charges for that service does not exceed the costs of provision. The requirement establishes the idea of balancing the books over a period of

time (not less than 1 year and no more than 3 years). Any over or under recovery that results in a surplus or deficit of income in relation to costs in one period should be addressed when setting charges for future periods so that over time income equates to costs.

The 2003 Act also enables councils to trade in activities related to their functions on a commercial basis with a view to profit through a company.

4.0 Council Policy

The council's Fees and Charges Policy provides a corporate framework within which all decisions on implementation and / or changes to the levels of fees and charges are considered and approved. This is supported by detailed schedules of fees and charges which are maintained by each service, and which must be reviewed on a quarterly basis in line with the council's quarterly forecasts and annual budget setting. The objective of this process is to provide flexibility to introduce new charges and/or amend existing ones within an agreed governance structure but at various times in the year and not just at budget setting.

To avoid changes impacting on the budget and MTFs, any in-year changes should be restricted to increases in rates. Any downward changes in prices will need the service to identify mitigations to bridge any income gap resulting from the change.

Clearly, future decisions on whether to charge and at what level to charge need to be considered within a framework that is used throughout the council to ensure clarity and consistency in the approach to decision making. All services must therefore comply with this Policy.

The key features to consider include:

- Fees and charges will be structured to support the council's Corporate Plan and encourage public engagement in policy development.
- The income generated from fees and charges will be used to support the work of the council.
- Fees and charges will normally be calculated on a full cost recovery basis, depending on the state of the market and any other relevant factors. Any fees and charges agreed to generate income greater than full costs should be clearly articulated as part of the decision. For example, at present, we generate a net revenue surplus on cremation charges. A justification for making this surplus may be that:
 - There are significant capital costs which are not included; revenue surpluses are required to contribute to capital costs.
 - We run the crematorium and burial services as a consolidated service. When considered together, a breakeven position is achieved.

- We are setting rates at market rates to generate reserves for the future and/or to support other associated services.
- Where appropriate, fees and charges should be reviewed every quarter in line with the quarterly forecast and annual budget processes.
- All concessions will be specified.
- Benchmarking and horizon scanning through market research, comparative data, management knowledge and any other relevant channels will be used where appropriate to ensure that charges are competitive, proportionate and do not adversely affect the take up of services.
- Fees and charges will not be used in such a way that would restrict access to information or services;
- The impact on income from fees and charges will be taken into consideration when a decision is taken to change any services provided by the council.
- The cost of collection will be considered to ensure that fees and charges are economical to collect; and
- The income generated from fees and charges will be monitored monthly as part of the council's budget monitoring process.

Through consideration of these factors and assessment of their relative importance for individual services, it is envisaged that the overall principal will be achieved.

5.0 Guidance on setting fees and charges

The overall principle aim of the policy is to ensure that the council's fees and charges are set within a framework of Value for Money, whereby financial performance, access, and equality are considered fully and appropriately, and decisions taken represent a transparent and balanced approach. To aid delivery of this, the Council has in place:

1. A Commercial Strategy which can be accessed through the Commercial Toolkit:
<https://barnsleycouncil.sharepoint.com/sites/toolkit/SitePages/Commerciality.aspx>
2. An Income Strategy – Barnsley Income Generation Strategy
3. Guidance for Managers set out in Appendix A of this policy.

The Commercial Strategy focuses on five key themes: -

- Developing a commercial culture
- Ensuring that we demonstrate Value for Money across all activities

- Developing the commercial lifecycle through effective, commissioning, procurement, and contract management.
- Identifying and developing innovative ways to maximising income generation
- Effective commercial governance arrangements

The Commercial Strategy is a key document to support the council in an ever-changing environment and sets out a framework for helping it to seek out the new opportunities on offer. We will seek to achieve this by:

- Identifying and implementing opportunities for cross selling our services and providing our customers with the ability to buy a package of products;
- Working collaboratively with other local authorities and partners where significant commercial opportunities exist;
- Horizon scanning the marketplace to seek out and secure new commercial opportunities;
- The ability to set discretionary fees and charges in markets where flexibility is required.

The Guidance for Managers, which is attached at Appendix A, sets out information for applying the fees and charges. The aim is to encourage a consistent and cost-effective approach to the setting of charges for services provided by:

- a. Specifying the process and frequency for reviewing existing charges for all areas of the council's work for which charges could in principle be set;
- b. Providing guidance on the factors that need to be taken into consideration when charges are being reviewed;
- c. Requiring more active use of market intelligence when setting charges;
- d. Establishing parameters for calculating different levels of charges;
- e. Recommending the criteria for applying concessions or discounted charges consistently across the council; and,
- f. Ensuring Finance is consulted at an early stage to provide support and ensure compliance with Financial Regulations.

6.0 Payment Methods

The council provides a range of cost effective 24/7 payment options with a choice of frequencies. Not all payment methods will be available to all customers and there is a requirement for customers to use the most cost efficient and effective payment method for their circumstances. Payment by direct debit is the council's preferred/default payment option.

Payment for services, where possible, will be in advance or at the point of service delivery. To manage collection costs, a minimum level will be set below which a debt will not be raised and payment in advance will be required. These levels are outlined in the council's debt process appendices and more information can be found in the Corporate Debt Policy which is located at <https://homel.barnsley.gov.uk/Finance/Pages/Finance.aspx>

7.0 Equality Impact Assessments

Under Section 149 of the Equality Act 2010, the council has a duty when exercising its functions to have 'due regard' to the need to eliminate discrimination and other conduct prohibited under the Act, promote equality of opportunity, and foster good relations between those who share a "protected characteristic" and those who do not. This is the public sector equality duty.

The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. The purpose of the duty is to enquire into whether a proposed decision disproportionately affects people with a protected characteristic. In other words, the indirect discriminatory effects of a proposed decision.

Before the council exercises its fees and charging powers, the impact on individuals or groups of individuals who share a protected characteristic must be carefully considered and properly factored into the decision-making process using the council's EA screening template.

8.0 Review of Policy

This Policy is to be reviewed every year to ensure consistency with wider council and departmental objectives and priorities, as well as national policy changes and initiatives.

Appendix A

Fees and Charges Policy - Guidance for Managers

1. Frequency for reviewing charges

The setting of appropriate fees and charges should be an integral part of service planning and improvement and therefore they should be reviewed on an ongoing basis and at least quarterly as part of the quarterly forecast exercise and the annual Service and Financial Planning process. This approach provides the flexibility to amend and vary the fees and charges at several times during the year to ensure that they remain consistent with the council's priorities, are fully recovering all costs and take account of service aims, market sensitivity and customer preferences.

To avoid changes impacting on the budget and MTFs, any in-year changes should be restricted to increases in rates. Any downward changes in prices will need the service to identify mitigations to bridge any income gap resulting from the change.

It is recognised that there may be services where it is appropriate to undertake annual reviews and implement within different timescales (e.g., education related services and packages will be based around the academic year).

This will allow the detailed schedule of fees and charges to be agreed and published each year following the setting of the overall budget but provide flexibility for these to be amended and updated proactively to reflect decisions made outside the annual budget setting cycle.

To assist this process, it will be important for services to challenge areas where charges could be made but are currently not to ensure that existing charges are set at the right price.

2. Factors to consider when reviewing and setting new fees and charges

Reviews of charges will need to consider the following factors:

Charge Related	External Factors	Internal factors
Is the service applying the council's definition of full cost recovery?	Any special statutory requirements that need to be complied with e.g., requirement to consult or publish a notice in a local newspaper and social media.	Method and cost of income collection. Please refer to the council's Income and Debt collection policy for charges and minimum billing values.
Charges should be increased in line with inflation unless there is a good reason not to do so.	Trends in user demand and the forecast effect of price changes	Time factors where advance bookings have been taken, notifications to customers of any change to fees must be timely and in

		advance.
A consistent measure of inflation across services where possible. Services should use the Consumer Price Index (CPI) in the current year and compare to the previous year to derive the percentage change to apply.	Customer survey results.	Council-wide and service budget targets.
If fees are amended regularly during the year, consideration needs to be given to amending internal systems, particularly for prepayment customers.	Competitor charges and market conditions.	Proposals for targeted promotions during the year, and evaluation of any that took place in the previous year.
Whether it is being subsidised, and to what extent. Cross subsidisation is illegal.	The public sector equality duty (i.e., section 149 of the Equality Act 2010).	Cost structure implications arising from developments such as investments made in the service.
Alternative delivery models that could be more effective e.g., set up a Trading Company. The creation of BPL to manage and run the council's leisure facilities is a good example where this approach has worked very well.		

A list of questions to assist service managers to review fees and charges is provided at **Appendix B**.

4. The use of market intelligence

Services with existing charges or where new charges are being introduced (particularly for services that have previously been provided for free) should consult with the market and users of the service on the range, quality and cost of the services. Where cost effective to do so, and we can identify willing parties, benchmarking should be carried out to compare the council's charges with others and to provide justification of any subsidy given by the council. This is necessary to understand the needs, behaviour and expectations of the market and its users, and their ability to pay.

Managers should take steps to identify competitors offering similar or related services, and make use of comprehensive and dynamic market intelligence in evaluating comparability especially with regards to:

- the charging policy
- the range of services provided
- the quality of services provided

- their cost structure

Benchmarking should be undertaken regularly with other councils in the local area, service providers and with relevant national groupings of authorities, to ensure that charges are at comparable levels and that significant differences are understood and justified. For support and guidance in this area, refer to the Benchmarking Toolkit which can be accessed through the Commercial Toolkit:

<https://barnsleycouncil.sharepoint.com/sites/toolkit/SitePages/Commerciality.aspx>

4. Calculation of Fees and Charges

As noted earlier in sections 2 and 3, fees and charges must be set on a full cost recovery basis. Charges cannot be set at a level to recover more than cost if that is all the council has the legal power to do. The definition of cost includes:

a.	Direct costs of service provision*	Need to include fixed and variable costs in each area.
b.	Indirect costs; * and	
c.	Overheads and Central Service Charges (CSCs) which need to include financing and premises costs.	

*see Appendix C for more information on each of these.

The cost recovery limit applies to the overwhelming majority of services which the council can set a charge for. If, however, the Council has the legal power to do so, careful consideration should be given to charging more than the full cost of the service. For example, charging could be used as a tool to manage excess demand e.g., demand for Tee times at the golf course on weekends. In overview, there are three ways in which fees and charges may be set:

- Fees and charges prescribed by legislation, usually in a regulatory context, and varied from time to time which the person liable has an obligation to pay;
- Fees and charges reviewed and set by members (e.g., Cabinet or Full Council) from time to time (usually annually); and
- Fees and charges reviewed and set by officers from time to time acting under delegated powers.

As part of the annual budget cycle each service will carry out a recalculation of existing fees and charges together with opportunities to raise additional income from new areas of charging, and present proposals for revised charges.

Guidance on calculating full costs is set out in **Appendix C**.

5. VAT

It is important that the correct treatment of VAT is applied to fees and charges. VAT is a very complex area, and it is recommended that managers discuss the VAT treatment with Financial Services.

6. Fines/Penalties

There may be circumstances where income generation is not the only key driver for the way in which charges are set, for example, where the council wishes to manage demand, or deter or incentivise certain behaviours such as encouraging re-cycling, discouraging trade use of civic amenity waste sites etc. In this context, however, the general principles of charging should apply and any charged activities, enforcement etc. must at least recover cost of providing the activity.

7. Concessions

The purpose of offering concessions must be to support council priorities. It is important to note that concessions are not always appropriate or legal, for instance, if used to undercut competitors. For this reason, and to assess the impact on the overall income position, managers should consult with Financial Services prior to implementing concessions.

Generally, the reasons for operating concessionary charges will fall into one of two categories:

- to influence the level of demand for a service; or
- to reflect the circumstances of service users.

Concessions must also be reviewed at least on an annual basis, to confirm both the level of subsidy and their ongoing relevance.

Each service will maintain a list of concessions in operation and keep under review requests for concessions to be offered.

Some examples of concessions include, staff parking permits, parking season tickets, golf club weekday, weekend and twilight rates, golf discounts for societies etc., and a £5 staff discount for MOTs at Smithies.

Concessionary charges should not normally apply at times or in situations which would result in the loss of income from customers paying the full charge. Within the overall aim of minimising any social or economic barriers to the take-up of services, managers should at all times consider ways in which a proportion of income generated from charges could be used in the interests of social inclusion. The types of mechanisms that might be made available to encourage take-up of council services by disadvantaged groups might include transport to facilities, provision of childcare, additional promotional discounts to encourage use, or development activity to raise levels of aspiration. Accurate user statistics should be maintained to ensure that a subsidy being provided on social inclusion grounds is effective.

8. Unrestricted Statutory Fees and Charges

The pure maximisation of revenue is not a bona fide consideration for imposing or increasing fees and charges. The key driver must be to manage demand or recover costs. In these instances, the council will have discretion as to whether to apply charges and the level of these charges. The council is also able to use any surpluses resulting from these charges across a wider range of services. One example of these is on-street car parking.

There are no legal limits on the amount that a local authority may charge for on-street parking but there are limits on the level of penalty charges that may be imposed. However, the level of on-street parking charges must be set for traffic management reasons, such as to ration available space and ensure that there is a rapid turnover of parking spaces and not to maximise revenue.

Whilst it is reasonable for a council to take due regard of estimated costs and income arising from the management of parking, it is not lawful for a local authority to use the Road Traffic Regulation Act 1984 to justify imposing charges to raise revenue. This is because section 122 of the Road Traffic Regulation Act 1984 does not include the maximisation of revenue from parking charges as one of the relevant considerations in securing the safe, expeditious and convenient movement of traffic.

If the amount raised exceeds the cost of administration of the current or previous year, the local authority may either roll the surplus forward to cover the costs of future parking controls or it may use the surplus for approved purposes, which are, in summary:

- Contributing to the cost of off-street parking.
- Where it appears to the local authority that there is sufficient off-street parking, contributing to the public passenger transport services, road improvements, environmental improvements and for some local authorities, any other lawful activity.

Therefore, local authorities are empowered not only to designate and control parking spaces in their area, but to keep the charges recovered. Surpluses may be carried forward until they are applied to projects that fall within the specific statutory purposes. These purposes are wide-ranging and, although in general they relate to transport services or to road improvements, are not limited to parking facilities or even vehicular transport.

9. Process for Reviewing and Setting New Charges

In broad terms, setting fees for regulatory services (e.g., licensing, planning, etc.) are non-executive functions. These therefore need to be submitted to Full Council for approval annually. This can be done as part of the budget setting and approval process. Full Council can, however, delegate this function to a committee, officer etc.

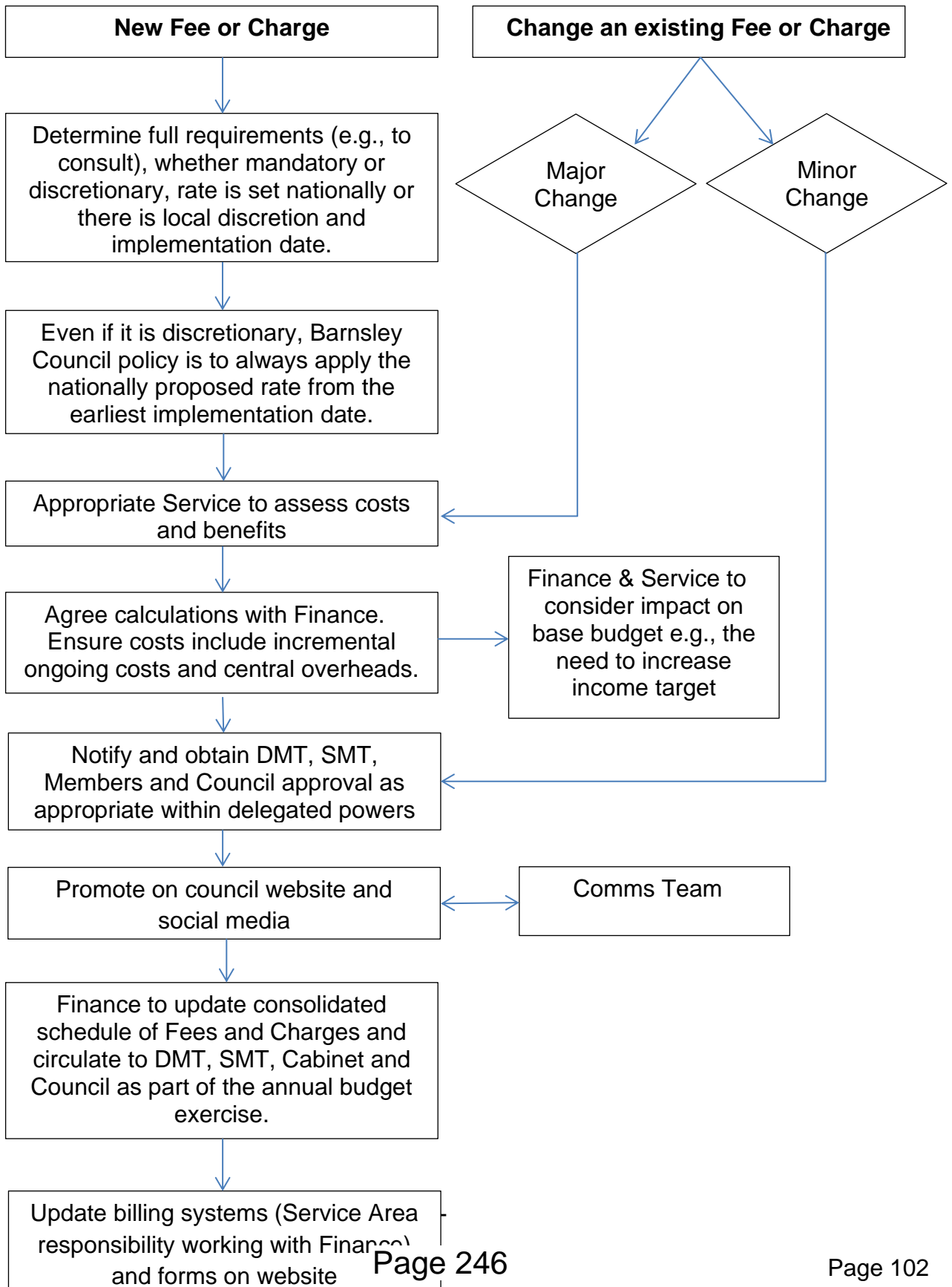
Fees and charges for discretionary services are usually executive functions and therefore need to be approved by Cabinet. Cabinet can, however, delegate this function.

As indicated previously, the process provides flexibility to amend or create new charges at almost any time throughout the year. Depending on the size and political sensitivity of these, the changes will need to be approved via the existing DMT/SMT/Cabinet reporting governance process in line with delegated powers.

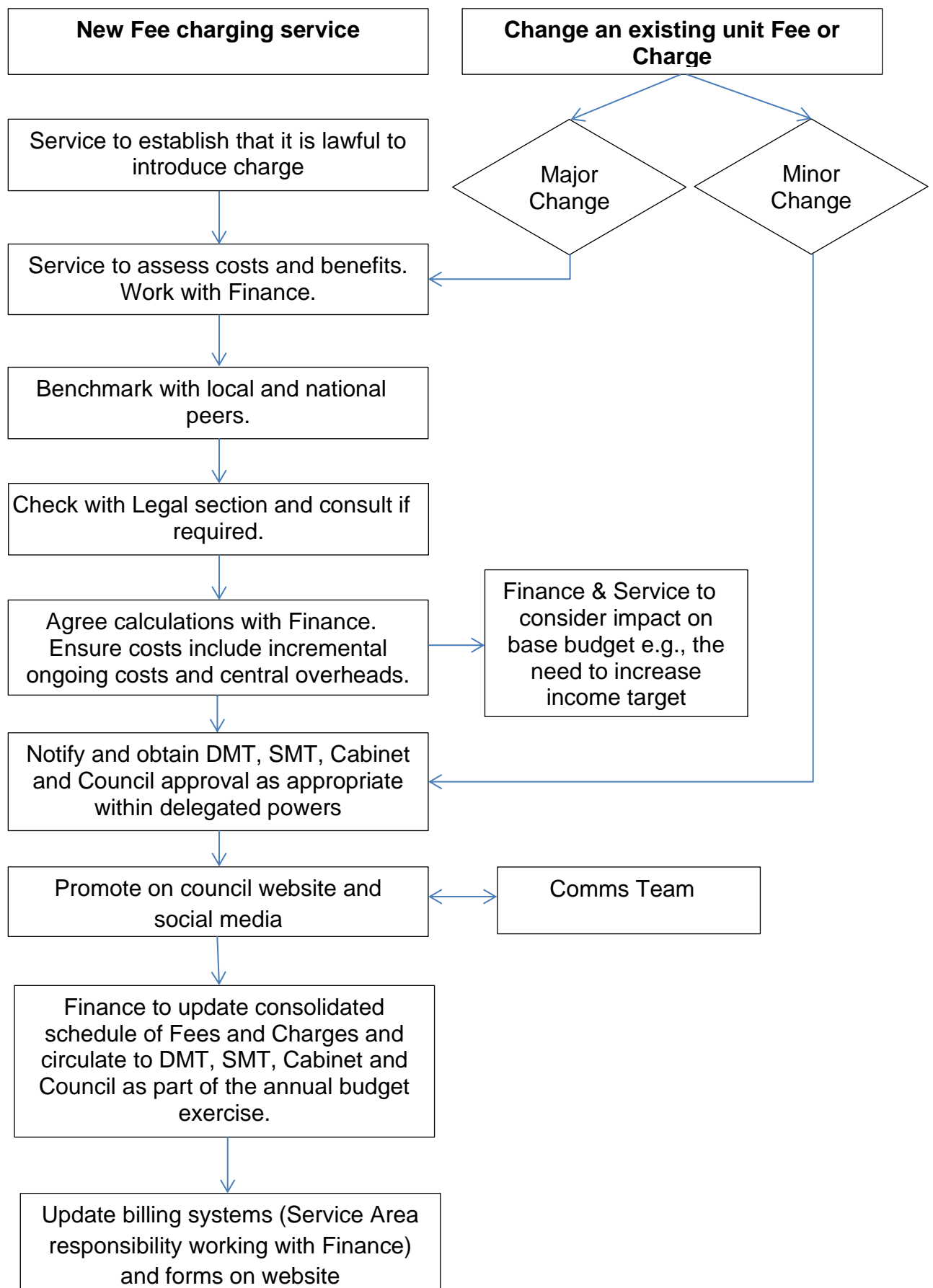
The processes in the charts below should be followed for reviewing and setting new fees and charges.

Process for reviewing and setting fees and charges for regulatory services

On a regular basis, annually as a minimum and well in advance of budget setting (as there may be need to consult), scan government notifications for service area and identify new fees and charges and/or changes to existing fees and charges.



Process for reviewing and setting fees and charges for discretionary services



Appendix B: Questions to be considered when setting charges

The Head of Service is responsible for the target setting and performance management of income generation for their service area.

Charging Review – Questions to be considered

The following questions, based on the Audit Commission's 2008 document "*Positively Charged*", are provided to assist service managers to undertake a review of their charges. These questions should be considered in conjunction with the council's Commercial Strategy which can be accessed through the Commercial Toolkit:

<https://barnsleycouncil.sharepoint.com/sites/toolkit/SitePages/Commerciality.aspx>

1. What do we want to achieve including:

- What objectives are we supporting with charges?
- How much income are we trying to generate and why?
- Whose use of services does the council wish to subsidise and by how much?
- Whose behaviour does the council wish to influence and in what ways?
- How will charges help improve value for money, equity and access to services?
- What principles should underpin our approach to charging?

2. What's the current picture?

- What is the current charge and what assumptions is this based on?
- How do charges compare to similar councils and other service providers?
- How are charges structured and why?
- Are cost effective mechanisms available for paying and collecting charges?
- Are the charging objectives being met?
- Are income targets being achieved?
- What is the impact, intended or unintended, of charges on local people?
- Which people are using services, and which aren't?
- Which users are paying for services, and which aren't?
- Are concessions being taken up by the people at whom they are targeted?
- Is the take-up of related benefits in this area being maximised?

3. What do local people think of our charges?

- Have service users and the public been consulted about the current and proposed charges plus their views on value for money of the service?
- Do service users and taxpayers understand our objectives and how the structure of our charges contributes to achieving them?

4. What are the next steps?

- What changes, if any, should be made to the level and structure of charges?
- How will the impact of charges be evaluated?
- What data will be required?
- Can the data be collected cost effectively?
- When will approach be reviewed?

Appendix C

Calculation of Overheads Costs in Fees

1.0 Calculating the total cost of delivery

Calculating the costs of a service is a complex process that overlays direct costs, service overheads and corporate overheads to produce a total service unit cost.

1.1 Direct service costs

Direct service costs are those costs which are directly attributable to providing the service that is being charged for and include items such as pay, national insurance and pension plus any associated costs such as travel, materials, printing, stationery – any costs that the service manager has within their budgetary control. The unit of cost would be based upon the service being offered – per instance, per hour, per session and would include all the direct service costs for providing that unit of service. Units may be combined if appropriate such as visits per week to calculate the cost of a visit.

1.2 In-direct service costs

These are costs which often need apportioning across different activities in the service area or directorate and so service managers must seek Finance support to derive these costs. This will include items such as, training, fleet costs, service management and service administration and support.

1.3 Central Service Charges

Central Services Charges (“CSCs”) include all central support services and overheads. It will include the Core and Corporate Services directorates and Financing and Investment costs and all other income and expenditure. It will also need to include property and associated asset management costs.

It’s difficult to calculate the corporate overheads in a complex organisation such as a council due to the range of services offered and how some of these are funded. However, this does need to be done to generate an indication of the true cost of operating the service for recharging purposes and to demonstrate that we are not making a profit.

For the reasons given above, and as calculating corporate overheads requires financial information from across the council, the calculation will be the responsibility of Financial Services who will provide the information in an easy to apply format in line with the budget setting timetable each financial year.

Incorporating the overheads into the cost of an activity provides the indicative full costs to the council of these services. Any cost generated in this way is for indicative purposes only and should not be treated as the cost that must be recovered through charging. The fees and charges applied will depend on political, economic and market factors and could range from nil to full cost recovery.

2.0 Alternatives for consideration

The limiting factor in charging for goods and services provided is that in most cases it is limited to cost recovery only.

In comparison, trading for services allows for fees and charges to be regulated by the market. The limiting factor for trading is the market price for the service and the sustainability of any company set up specifically to trade for that service.

Ultimately, the maximum price for a service is set by the market. The decision as to whether to charge or to trade in the service is determined by the cost base for delivery of the service. If the market price is significantly higher than current charges and benchmarked charges, then serious consideration should be given to setting up a trading company for that service.

Barnsley

2030



Commercial Strategy 2021 – 2024

We will adopt a more commercial approach to doing business, generating income and leveraging our assets and resources, making sure we are lean and efficient, embedding a culture of commercialism in everything we do.



1. Why do we need a commercial strategy?



We launched our Commercial Strategy in 2017 against a backdrop of austerity, which has seen Government funding cuts equating to 58 per cent of the Council's budget since 2010. In response to this, the Council has achieved £120M in efficiency savings over the last decade.

The Government has set out a clear statement of intent that local authorities should ultimately become self-financing using local income streams such as council tax, business rates and other income.

Our Commercial Strategy enables us to respond positively to these challenges, building on our strengths, assets and capabilities, making sure that we adopt a more commercial, outward-facing approach to doing business, generating income and leveraging our resources and assets.

As detailed in our Corporate Plan 2021-2024, '**Barnsley - the place of possibilities**' is our vision, supported by five externally facing priorities. The Council Plan sets out our commitment to organisational improvement via our '**Be Even Better Barnsley Strategy**', which contributes to our **Enabling** corporate priority aimed at being a modern, inclusive, efficient, productive and high-performing council.

Our **Be Even Better Strategy** is underpinned by a set of organisational design principles, one of which is to 'seek income opportunities that leverage the council's assets and resources and consider commercial opportunities' in line with our **Commercial Strategy**. This strategy is therefore key in delivering our 'Be Even Better programme'.

Our **Commercial Strategy** is one of seven key enabling strategies that will support the delivery of our ambitions and is closely aligned to our **Medium-Term Financial Strategy (MTFS)**, which provides the basis for our **Be Even Better Strategy**. Our MTFS is a key tool in understanding our financial position and in formulating our ongoing financial plans. To ensure success, we need to make sure that our staff are aware of the need to think commercially when designing and delivering services, and our **Commercial Strategy** will support us to do that.

We cannot ignore the impact that COVID-19 has had on our communities, businesses, our partners and our own organisation. Our recovery can be defined as the process of rebuilding, restoring, rehabilitating and moving on to the 'new normal'. It is also an opportunity to realign our values and build back better, work towards our Barnsley 2030 ambitions and Corporate Plan 2021-2024 priorities. Our **Commercial Strategy** and new **Organisational Design Principles** will be fundamental to supporting that.

Council Plan 2021-2024

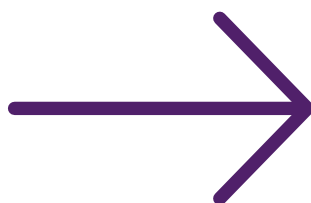


Our Values



Our Design Principles

Active and connected communities
Customer focused
New delivery models



Digital
Data and intelligence
Smart working
Workforce planning

Our Key Enabling Strategies

People strategy
Commercial Strategy
Digital Barnsley
Medium term financial strategy
Response, recovery and renewal
Communications and marketing strategy
Customer Experience

2. Embedding our commercial approach

We recognise that adopting a commercial approach is not just about generating income; it is much more than that. Our strategy focuses on the key themes we feel are important to support us on our journey to operate as a more commercially focused organisation.



We will adopt a more commercial, outward-facing approach to doing business, generating income and leveraging our resources and assets, making sure we are lean and efficient, and that value of money is at the heart of our core business. We will embed a culture of commercialism right across our organisation to support the delivery of our strategic ambitions, improvements and efficiencies. ”

Our commercial strategy sets out how we will make this happen across five key themes:

1. Developing a Commercial Culture
2. Ensuring that we demonstrate Value for Money across all activities
3. Developing the commercial lifecycle through effective commissioning, procurement and contract management
4. Identifying and developing innovative ways to Maximise Income Generation
5. Effective Commercial Governance arrangements

The table on the next page sets out some of the key challenges that we face over the next three years and beyond and examples of how our Commercial Strategy can help overcome these across each of the five key themes. Our strategy is also supported by a detailed action plan that sets out our priorities for the next three years.

Challenges	How our Commercial Strategy can help	Lead theme
Commercial Governance	Adopting a best practice approach, equipping officers and Members with the tools and skills required to ensure effective commercial governance to strengthen existing and new arrangements, e.g. commercial training for Members and Officers.	Governance
Climate Emergency	Identify ways to support the climate emergency and the SEAP Action plan, e.g. incorporating environmental factors into commissioning and procurement processes.	Cross-cutting
Inclusive Economy / COVID Recovery	Building the Barnsley economy and recovery from COVID-19, e.g. making sure this is a key consideration when sourcing goods and services and supporting the local supply chain.	Procurement
Uncertain Government Funding Landscape	Increase the proportion of commercial income that contributes to our core budget, enabling us to become more self-sufficient Council/less reliant on Government funding, e.g. optimising funding opportunities by embedding our external funding strategy and income policy.	Income
Highly indebted Council	Develop business cases that demonstrate a clear return on investment/debt repayment period, e.g. Implement a standardised approach to whole life costing and business case development.	VfM
Increasing demand on services	Utilising any surpluses from income generated as well as pursuing opportunities to generate efficiencies and financial savings in service delivery {VFM} to support statutory services, e.g. develop an overarching position of all commercial activity to support and embed best practices more broadly and identify new opportunities for growth and efficiencies.	Income
Risk/ Uncertainty economic landscape	Adopting a risk-aware approach, seeking to balance opportunities and risk, whilst making sure commercially informed decisions are made, accepting that not all initiatives will be viable or successful, e.g. embedding a robust finance and commercial governance framework.	Governance
Increased market competition	Know the marketplace in which each service operates and act competitively, ensuring service offers are current, relevant and informed by detailed market analysis and customer feedback, e.g. implementing better planning, increased market engagement and supplier interaction.	Procurement

3. Commercial culture



We are committed to continuous development and embedding a modern, more business-like commercial approach to doing business, generating income and leveraging resources and assets. Our **People Strategy** will support us to develop an engaged, skilled and innovative workforce to support the delivery of our strategic ambitions.

We will embed our new organisation design principles and design enablers, encouraging an environment where innovation and efficiency is welcomed, empowering staff to be innovative through our **Commercial Investment Fund**.

We will continue to communicate and embed our vision, values and behaviours in everything we do, as part of our branding and key messages, by:

- Being open to change and willing to work in different ways
- Using resources wisely, not wastefully
- Working with colleagues, partners, customers and the wider community
- Continually assessing our successes and failures and identify ways to improve and learn
- Making sure our partners understand our commitment to focussing on outcomes and making every penny count, removing bureaucracy and running our organisation well for our customers and residents

We will continue to develop commercial skills across the workforce, driving better behaviours, more informed decision making relative to risk and uncertainty and improved commercial results through the implementation of a **commercial toolkit and commercial training package**.

Enabling Barnsley

We are a modern, inclusive, efficient, productive and high-performing council

“Barnsley Council is a high-performing council with clear and tangible ambitions for its residents, communities and stakeholders.”



How will we measure success?

We believe that by achieving the outcomes of the other four key themes, we will have created a culture of commercialism across the organisation, supported with commercial tools and training to equipped Members and Officers with the right skills and behaviours.

4. Demonstrating value for money (Vfm)

We will explain the principles of how the organisation's VfM arrangements are measured and how these can be applied to individual services:

- Providing guidance and advice around the practicalities, benefits and limitations of benchmarking
- Providing a suite of techniques and analysis tools to assist with the comparison with similar services in other organisations
- Embed a VfM framework to assess how well VfM is achieved across our services
- Identify and recommend areas for consideration and improvement
- Provide guidance around effective procurement and commissioning of supplies and services



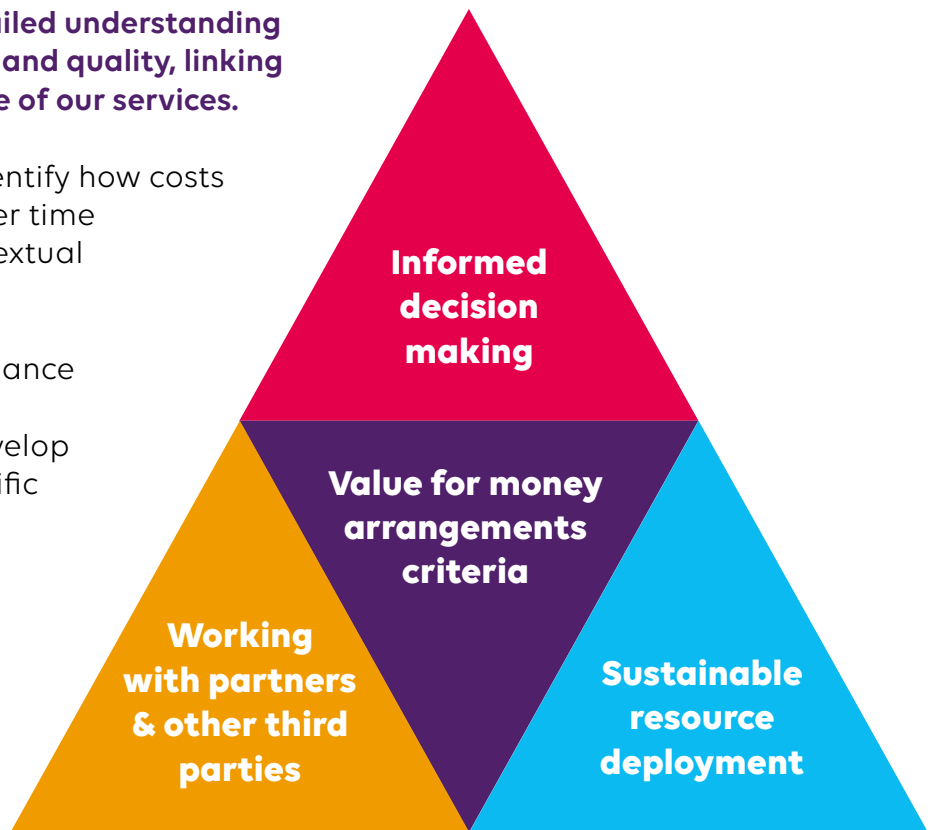
We will make sure that our Members and Officers understand the concept of VfM, their responsibilities in securing it and what it means for their services. To embed this, we will provide:

- Training sessions designed to ensure the whole organisation understands the concept of VfM and how it should be applied
- Provide challenge and scrutiny of business proposals from independent, experienced finance professionals
- Embed the Council's Financial Competency Framework
- Develop a framework to hold managers accountable for their fiscal responsibilities
- Strengthen and embed VfM into our Governance arrangements to support the recommendations of the Redmond Review
- Adopt the principles of the CIPFA Financial Management Code

We will make sure there is a detailed understanding of service unit costs, cost drivers and quality, linking each of these to the performance of our services.

We will provide:

- Financial analysis tools to identify how costs and performance change over time
- Detailed analytical and contextual analysis of variances
- Challenge and scrutiny from independent, experienced finance professionals
- Support and guidance to develop and understand service specific unit costs, cost drivers and performance measures to understand and appreciate VfM
- Assistance with performance benchmarking across relevant market sectors



How will we measure success?

- External Audit annual VfM Report
- CIPFA Financial Management Code compliance
- VfM Assurance Framework Outcomes
- CIPFA Financial Resilience Framework
- Benchmarking ourselves against best practice – CIPFA statistics
- Measuring added value either through getting more for less or the same
- Achievement of efficiency targets

5. Procurement and contract management

We will implement best practice and continuous improvement.

- Review internal policy, process and documentation
- Consider central Government's National Procurement Policy Statement
- Consider central Government's Public Procurement Transformation rules reform
- Continue to work collaboratively with other local authorities on both a regional and national basis

We will maximise social value and sustainability opportunities

- Continue to develop the social value and sustainability toolkit
- Continue to link in with local authority national and regional social value taskforces
- Support the Inclusive Economy strategy
- Support the zero 40/45 targets and action plans

We will ensure effective planning and decision making.

- Create a better link with strategic commissioning and ensure early engagement
- Ensure only appropriate approvals are in place
- Ensure commercial input into business cases and cabinet reports
- Implementation of Category Strategy Plans.

We will implement effective contract and supplier management.

- Introduce a contract management methodology and framework
- Provide contract management support to services
- Implement segmentation to ensure the appropriate level of management per contract
- Review central Government contract management best practice and training
- Lead regional local authority Contract Management collaboration.

How will we measure success?

- Increased procurement innovation, learning and compliance
- Better strategic planning with early commercial input and approval
- More social value being generated via contracts and commercial relationships
- Structured and consistent council-wide contract management in place.



6. Maximising income generation



We will review our commercial activities seeking to reduce cost and maximise income. To do this, we will:

- Share knowledge of best practice and experience across all our commercial activities internally and externally with our partners
- Provide clear and focused action plans for all activities reviewed, adopting a consistent approach to how we operate commercially
- Monitor and report reduction in costs and additional income secured

We will provide our services with the tools that will enable them to maximise their income:

- Embed a framework for identifying and pursuing income generation opportunities
- Ensure smooth and efficient processes to support commercial activity
- Provide effective marketing and communication frameworks
- Flexibility and guidance to set discretionary fees and charges through a new Income Generation policy
- Optimise all external funding opportunities and strengthen our skills to support successful funding bids and attract inward investment;
- Implementing one point of contact through our Commercial Portal enhancing the customer experience and ability to secure income growth

We will seek out, assess and take forward new commercial opportunities by:

- Identifying and implementing opportunities for cross-selling our services providing our customers with the ability to buy a package of products
- Helping to shape the commercial services agenda at a regional level
- Working collaboratively with other local authorities and partners where significant commercial opportunities exist
- Horizon scanning the marketplace to seek out and secure new commercial opportunities
- Exploiting our legal powers in setting discretionary charges
- Becoming a centre for commercial excellence to support income-generating activities
- Stimulate innovation through our Commercial Investment Fund to support new opportunities



We will understand our customers and build our offer around their needs by:

- Ensuring that our commercial strategy is fully aligned with and supports the Customer Experience and Digital Strategies
- Seeking to understand our customers' buying habits, wants and needs
- Adopting a culture of seeking customer feedback to assist with performance management and help shape new service offers
- Involving customers in the design of new services to ensure that they are successful
- Providing our customers with online, automated services, offering 24/7 contact, with the ability to speak to service experts where required

How will we measure success?

- Achievement of Council income targets
- Achievement and measure of efficiencies
- Measuring levels of new income generation
- Achieving a balanced Council budget
- Customer satisfaction and feedback

7. Governance

We will make sure our governance arrangements are robust and agile to support our commercial activities. We will balance protecting public money against the need to take more managed risks to improve service delivery, achieve cost efficiencies and generate income. We will reflect on best practice and failures elsewhere to improve our financial and commercial governance arrangements, continually striving for excellence in all of our commercial activities and interests.

We will instil good commercial governance across all commercial activities through:

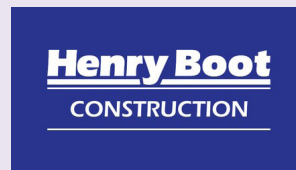
- Ensuring Members and Officers have the appropriate commercial skills to deliver best commercial practice
- Support everyone to understand their respective roles in good commercial governance (e.g. board representation, avoiding conflicts of interest, etc.)
- Ensure that governance arrangements provide enough flexibility to support commercial activity but fundamentally keep us safe, well-governed and prevent failure.
- Ensure robust arrangements to support decision making through business cases, whole life costing, monitoring and reporting
- Adopt a culture of continually reviewing the effectiveness of commercial relationships and partnerships and learning from best practice and failures both internally and throughout the sector



How will we measure success?

- Reduction in the number of reported governance recommendations in IA reports
- Positive governance arrangements / no key governance recommendations in the External Audit VfM report
- Compliance with CIPFA's Financial Management Code [good governance elements].
- More informed decision making

8. Some of our commercial relationships



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BARNSELY METROPOLITAN BOROUGH COUNCIL

2024/25 BUDGET RECOMMENDATIONS

1. 2024/25 Revenue Budget, Capital Programme and Council Tax

1.1 Further to previous reports submitted by the Director of Finance (S151 Officer).

RECOMMENDED:

1.2 That Council are recommended:

- a) that the report of the Director of Finance (S151 Officer), under Section 25 of the Local Government Act 2003 at **Section 1** be noted, that the 2024/25 budget proposals be agreed and that the Chief Executive and Senior Management Team (SMT), in consultation with Cabinet Spokespersons, submit, for early consideration, detailed plans that ensure the Council's ongoing financial sustainability in 24/25 and beyond.
- b) that the revised Medium Term Financial Strategy (MTFS) and Budget Forecast for 24/25 to 26/27 contained at **Section 2** (supported by the suite of background papers in **Sections 2a – 2d**) be noted and that these are monitored as part of the arrangements for the delivery of the MTFS.
- c) that provision be made of **£34.6M** to cover anticipated demographic and other cost pressures in 24/25:
 - Pay (£8.9M),
 - Children's Social Care (Children in Care / Practice Improvement) (£14.9M),
 - Adult Social Care (Provider Fees / Practice Improvement) (£6.6M),
 - Home to School Transport (£1.4M),
 - Waste Services (£0.6M),
 - Inflation on major contracts e.g. PFI (£1.4M),
 - Funding borrowing costs (£0.6M),
 - Investment in legal services (£1.0M),
 - Commercial income budget re-alignment (£0.8M),
 - Other minor investment £0.7M,
 - Savings on Capital Financing / Investment Income (-£2.3M)

be approved for inclusion in the budget as identified at **Section 2**.

- d) that the increase in the specific Adult Social Care Market Sustainability grant of **£2.5M** received in the 2023 Local Government Finance Settlement (£5.4M in total) be used to contribute to the funding of inflationary pressures in the care sector.
- e) that the increase in the Better Care Fund of **£3.9M** received in the 2023 Local Government Finance Settlement be used to fund inflationary and hospital discharge costs within Adults Social Care.
- f) that the increase in the general social care funding received over the last two years including the Council's share of the additional £1.2bn funding announced in the 2023 final Local Government Finance Settlement be baselined to fund the significant

financial pressures relating to Children and Adults Social Care (circ. £30M of General Social Grant now baselined) .

- g) note that other core funding has increased by inflation, in line with previous assumptions.
- h) that the proposed Phase 1 service review savings of £8.4M in 24/25 highlighted in **Section 2** and detailed at **Section 4a – 4e** be approved for implementation and that Members also note the further development of the transformation programme to help deliver balanced budget positions over the medium term (25/26 – 26/27).
- i) that the one-off General Services Grant / New Homes Bonus received as part of the 2023 Local Government Settlement be used to temporarily address the 24/25 budget shortfall pending the submission of further budget savings.
- j) that the Chief Executive, in conjunction with the Director of Finance and the Senior Management Team be tasked with formulating alternate savings plans (over and above the current transformation programme) based on various planning scenarios for Member consideration during 24/25.
- k) that the Council's Reserves Strategy and updated reserves position at **Section 2b** be approved including the setting aside of £23M for additional one-off support to the budget over the planning period (over and above the retention of the £20M Minimum Working Balance .
- l) that the proposed changes to the 24/25 fees and charges policy and accompanying schedule of charges set out at **Section 2d** be approved.
- m) submit to Council for approval the cash limited budgets for each Service with overall net expenditure for 24/25 of **£256.6M** as highlighted in **Section 5a**.
- n) to consider the budgets for all services and approve, for submission into Council, the 24/25 – 25/26 budget proposals presented at **Sections 5a – 5c**, subject to Cabinet receiving detailed implementation reports where appropriate.
- o) to consider and approve the changes to the schools funding formula including the transfer of funding from the schools' block to the high needs block and approve the proposed 24/25 schools block budget as set out at **Section 5d**.
- p) that the capital investment schemes totalling £45.6M in 24/25 (£20.9M in Housing, £10.4M in Roads, £6.7M Asset Replacement and £7.6M Schools), be included within the capital programme and released subject to receiving further detailed business cases where appropriate **Section 6 Appendix 1**.
- q) note that the above includes £2M provisionally set aside for additional investment in repairing the Borough's highways (principal roads / side streets) and that this will be released subject to receiving a further detailed report on plans for its use.
- r) that the Chief Executive and SMT, in consultation with Cabinet Spokespersons, be required to submit reports into Cabinet, as a matter of urgency, in relation to the detailed General Fund Revenue Budget for 24/25 on any further action required to achieve an appropriately balanced budget in addition to those proposals set out above.

- s) that the Chief Executive and SMT be responsible for managing their respective budgets including ensuring the implementation of all approved saving proposals.
- t) that the Authority's SMT be charged with ensuring that the budget remains in balance and report regularly into Cabinet on budget / savings monitoring including any action required.
- u) that Cabinet and the Director of Finance (Section 151 Officer) be authorised to make any necessary technical adjustments to form the 24/25 budget.
- v) that appropriate consultation on the budget proposals takes place with the Trade Unions and representatives of Non-Domestic Ratepayers and that the views of consultees be considered by Cabinet and the Council.
- w) that the budget papers be submitted for the consideration of the full Council.

2. Council Tax 2024/25

RECOMMENDED:

2.1 that Cabinet note the contents of **Section 2a** (24/25 Council Tax options) and that:

- a) the Council Tax Collection Fund net surplus as at 31st March 2023 relating to BMBC of £3.6M be used to reduce the 24/25 Council Tax requirement, in line with statute.
- b) the 24/25 Band D Council Tax increase for Barnsley MBC services be set at 4.99% (2.99% for Core Council Services and an additional 2.0% for the Adult Social Care precept).
- c) the Band D Council Tax for Barnsley MBC's areas be determined following confirmation of the South Yorkshire Police and Crime Commissioner and South Yorkshire Fire Authority precepts for 24/25.
- d) the Band D Council Tax for areas of the Borough with Parish / Town Councils be determined following confirmation of individual parish precepts for 24/25.
- e) 12 months' notice be given to apply an additional 100% council tax premium (200% in council tax charge) to all properties that are substantially furnished but not some one's no one's sole or main residence (e.g. "second homes") after one year, with this premium becoming effective on 1st April 2025 onwards.
- f) that the local council tax support scheme reverts back to the scheme approved in 22/23 as highlighted in **Section 2a**, effectively reducing the maximum discount for the lowest income households from 100% to 92.8% off the relevant bill.
- (g) that a full review of the current scheme be undertaken during 24/25 including the necessary consultations for any proposed changes with an update being provided to Members later in 2024.

3. Treasury Management Strategy & Policy Statement 2024/25

RECOMMENDED:

3.1 that Cabinet approve the 24/25 Treasury Management Strategy and Policy Statement (included in the main papers at **Section 2c**) and specifically:

- a) approve the 24/25 Treasury Management Policy Statement (**Section 2c Appendix A**).
- b) approve the 24/25 Minimum Revenue Provision (MRP) Statement (**Section 2c Appendix B**).
- c) approve the 24/25 Borrowing Strategy at **Section 2c** including the full suite of Prudential and Treasury Indicators (**Section 2c Appendix C**).
- d) approve the 24/25 Annual Investment Strategy at **Section 2c**.

BARNSELY METROPOLITAN BOROUGH COUNCIL
SUMMARY EFFICIENCY PROPOSALS
2024-2026

Directorate	2024/25	2025/26	TOTAL
CHILDRENS SERVICES			
Education, Early Start and Prevention	-	976,000	976,000
Children's Social Care and Safeguarding	2,650,000	4,398,000	7,048,000
Total Children's	2,650,000	5,374,000	8,024,000
GROWTH & SUSTAINABILITY			
Regeneration & Culture	780,000	150,000	930,000
Highways & Engineering		1,430,000	1,430,000
Asset Management	1,220,000	2,680,000	3,900,000
Total Growth & Sustainability	2,000,000	4,260,000	6,260,000
PLACE HEALTH & ADULTS			
Adult Social Care	1,261,000	200,000	1,461,000
Total Place Health & Adults	1,261,000	200,000	1,461,000
PUBLIC HEALTH & COMMUNITIES			
Public Health	-	-	
Communities	169,000	643,000	812,000
Public Health & Communities	169,000	643,000	812,000
CORE			
Finance	222,000	290,000	512,000
Business Improvement, HR & Comms	-	350,000	350,000
Customer Information & Digital Services	498,000	720,000	1,218,000
Legal & Governance	384,000	45,000	429,000
Total Core	1,104,000	1,405,000	2,509,000
TOTAL	7,184,000	11,882,000	19,066,000

Equality Impact assessments

Under Section 149 of the Equality Act 2010, the Council has a duty when exercising its functions to have 'due regard' to the need to eliminate discrimination and other conduct prohibited under the Act, and promote equality of opportunity and foster good relations between those who share a 'protected characteristic' and those who do not. This is the public sector equality duty.

The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and, marriage and civil partnership.

The purpose of the duty is to assess whether a proposed decision disproportionately affects people with a protected characteristic. In other words, the indirect discriminatory effects of a proposed decision. Before the Council exercises its fees and charging powers, the impact on individuals or groups of individuals who share a protected characteristic must be carefully considered and properly factored into the decision making process using the Council's Equality Impact Assessment process.

We have assessed the proposed efficiency savings for 2024/25 to ensure that none of the protected characteristic groups have the potential to be disproportionately adversely affected.

All areas undertaking efficiency savings will separately also undertake an Equality Impact Assessment to ensure due regard is paid to our legal obligations. Mitigations will be considered if there is potential to disproportionately adversely affect a protected characteristic group.

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**2024/25 PHASE 1 TRANSFORMATION
CHILDREN'S DIRECTORATE**

SERVICE AREA	PROPOSAL	EFFICIENCY SAVING £M
Looked After Children	LAC Sufficiency Plan actions: <ul style="list-style-type: none"> •Reduction in LAC numbers through planning for permanency initiative and exiting from care •More stabilised services Children's development plan •Increase in the number of in-house foster carers •Reduce placements with expensive external foster agencies •Development of new children's home in borough •Utilise full capacity of Spring Lane children's home – 3 bed unit •Reduce residential care placements through reviews, step downs, etc •Maximising health funding for high-cost placements •Improved commissioning / contract management / procurement to secure better value for money (relating to high-cost placements) 	1,580,000
Children services - Development plan	Fall-out of non-recurrent funding:	1,070,000
	•Cease use of over-establishment agency staff (£1.000M)	
	•Development Board / project support costs (£0.070M)	
TOTAL		2,650,000

**2025/26 PHASE 2 TRANSFORMATION
CHILDRENS SERVICES DIRECTORATE**

Item 5a

SERVICE AREA	EFFICIENCY SAVING £M
Early Start and Family Centres	308,000
Inclusion Services	295,000
Education & Partnerships	123,000
Targeted Youth Support	250,000
Assessment & Care Management	609,000
Children Disability & Short Breaks	124,000
Children in Care & Leaving Care	2,305,000
Childrens Development Plan	1,360,000
TOTAL	5,374,000

2025/26 PHASE 1 TRANSFORMATION

GROWTH & SUSTAINABILITY DIRECTORATE

SERVICE AREA	PROPOSAL	EFFICIENCY SAVING £
Property Services	•Modernisation of service delivery model with a streamlined property structure / externalisation of property valuations to provide more internal focus on delivering the asset management strategy (£0.085M)	175,000
	•Microsoft digital transformation of facilities management back-office processes (£0.090M)	
Economic Development	•Fundamental review of Enterprising Barnsley and Regeneration project delivery models (£0.100M)	165,000
	•Maximisation of income sources through capitalisation of staffing resources working on specific projects (£0.065M)	
Culture & Visitor Economy	•Review of cultural sites opening hours (e.g., closure during quiet times) (£0.100M)	200,000
	•Review of supporting operating structures and deletion of vacant positions (£0.055M)	
	•Review of cultural fees and charges (£0.045M)	
Employment & Skills	•A new streamlined operating model that focuses on place and people who are economically inactive and socially excluded from the labour market rather than aspects of young people and adults needing employability support whilst maximising UK Shared Prosperity Fund. (£0.240M)	240,000
Waste, Recycling and Neighbourhoods	•Waste round re-balancing to increase productivity & support demographic changes (£0.095M)	500,000
	•Digitisation of back-office processes via Microsoft (£0.120M)	
	•Maximisation of income opportunities(e.g. grounds maintenance) (£0.195M)	
	•Minor restructure & deletion of vacant posts enabled through digitisation of processes (£0.090M)	
Commercial & Operational	•Review of operating models & digitisation of processes (£0.085M)	220,000
	•Maximisation of commercial opportunities – Waste & Pest control (£0.040M)	
	•Introduction of an internal driver training programme to reduce fuel, vehicle damage & costly repairs (£0.030M)	
	•Increase / review fees & charges in line with inflation / reflecting changes in cost bases / market (e.g. Commercial & Bulky Waste charges) (£0.065M)	
	•Future opportunities around car parking and fleet to be developed for 2025/26	
Bereavement and Sport	•Expansion & growth of commercial business – pet crem & stone masons (£0.020M)	170,000
	•Increase / review fees & charges (e.g., burial & cremation fees) by 7.5% to bring in line with benchmarked rate	

2025/26 PHASE 1 TRANSFORMATION
GROWTH & SUSTAINABILITY DIRECTORATE

SERVICE AREA	PROPOSAL	EFFICIENCY SAVING £
	(Note an additional £0.100M for 2025/26 and £0.025 for 2026/27)	
Highways & Strategic Transport	<ul style="list-style-type: none"> •Improved long term planning to deliver work in-house, maximising the use of the City Region Strategic Transport & SYMCA Grants and other strategic transport funding opportunities (to be reviewed annually) (£0.100M) •Review of operating models & digitisation of back-office processes (£0.155M) •Maximisation of other income opportunities – fees & charges / capex (£0.075M) 	330,000
TOTAL		2,000,000

**2025/26 PHASE 2 TRANSFORMATION
GROWTH & SUSTAINABILITY DIRECTORATE**

SERVICE AREA	EFFICIENCY SAVING £
Housing & Energy	50,000
Planning & Building Control	100,000
Bereavement, Sport & Transport (Transport)	430,000
Waste, Recycling & Neighbourhoods	1,000,000
TOTAL	1,580,000

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2024/25 PHASE 1 TRANSFORMATION PLACE HEALTH and ADULTS DIRECTORATE

SERVICE AREA	Proposal	EFFICIENCY SAVING £M
<p>The £1.3m service review savings for 24/25 will be delivered via the ongoing programme of works within the Better Lives programme through managing demand into ASC and access to statutory care / support :</p>		
Reablement Service	<ul style="list-style-type: none"> Expand the community pathway service – to provide short term / intensive support to people with declining health, reducing the need for costly residential care placements 	825,000
	<ul style="list-style-type: none"> People (at first point of contact) can access Reablement to help them regain their independence and stay in their home longer / return home from hospital 	
A&C – Front Door	<ul style="list-style-type: none"> Creation of a Front Door team (across all locality teams) / single point of contact, created via re-design of existing service; 	236,000
	<ul style="list-style-type: none"> Maximise use of universal services, partner / voluntary organisations and access to minor equipment / tech 	
	<ul style="list-style-type: none"> People receive the right support at the right time 	
	<ul style="list-style-type: none"> Reduction in statutory assessments / referrals and those requiring long term care / support 	
A&C – Reviewing team	<ul style="list-style-type: none"> Continued review of high-cost care packages 	200,000
	<ul style="list-style-type: none"> Extend review to cover 6-week hospital discharge packages 	
TOTAL		1,261,000

**2025/26 PHASE 2 TRANSFORMATION
PLACE HEALTH and ADULTS DIRECTORATE**

SERVICE AREA	EFFICIENCY SAVING £M
Day Services	200,000
TOTAL	200,000

SERVICE AREA	PROPOSAL	EFFICIENCY SAVING £M
Safer Barnsley	Maximisation of income opportunities via stricter application of rules around littering and dog fouling	10,000
	Provision of in-house temporary accommodation (homeless) via Berneslai Homes, reducing reliance on costly external provision (£221K deliverable over 3 years)	74,000
Stronger Communities	Reduction in project officer support, enabled through streamlined and improved processes & procedures	85,000
TOTAL		169,000

**2025/26 PHASE 2 TRANSFORMATION
PUBLIC HEALTH and COMMUNITIES DIRECTORATE**

SERVICE AREA	EFFICIENCY SAVING £M
Safer Barnsley	74,000
Stronger Communities	264,000
Healthier Commissioning	85,000
Library Services	220,000
TOTAL	643,000

**2024/25 PHASE 1 TRANSFORMATION
CORE DIRECTORATE**

SERVICE AREA	PROPOSAL	EFFICIENCY SAVING £M
Strategic Procurement & Contract Management	•Fundamental review of delivery model / restructure to strengthen commercial culture, leadership and skills across the council through the adoption of a business partnering approach to enhance the role of & impact of procurement. (£0.060M)	165,000
	•Production of a Procurement Strategy linked to MTFS. Streamlined and more efficient procurement processes.	
	•Capitalisation of procurement costs (£0.080M)	
	•Maximisation of commercial income e.g., procurement advice (£0.025M)	
Internal Audit	•Fundamental review of operating model to maximise effectiveness of organisational approach to assurance.	57,000
	•More corporate assurance focus and move away from traditional roles of internal audit	
	•Ceasing provision of services to outside bodies e.g SY Police	
Service Design & Compliance	•Consolidate functions across Customer, Information and Digital Services (£0.035M)	498,000
	•Review IT contracts across the Authority and improve contract management. (£0.392M)	
	•Streamlined processes removing waste. (£0.071M)	
Council Governance	•Fundamental review of organisational approach to Council Governance	54,000
	•Review of commercially traded services – JAGU and School Appeals	
Business Support	•Business Support Service transferred to Customer, Information & Digital	215,000
	•Radical redesign of Business Support Service, with a revised vision.	
	•Collaborative redesign of services to reduce waste	
	•Enhanced use of technology and automation. (£653K deliverable over 2 years)	
Legal Services	Extensive review of operating model to ensure fit for purpose and sustainable to support organisational needs including:	115,000
	•Increased operational management capacity to support compliance & client relationships via the introduction of a Practice & Legal Services Manager	
	•More sustainable financial & workforce resilience through enhanced career progression opportunities, utilising Paralegals & Legal Executives, reducing need for more costly solicitors.	
	•Better utilisation of technology & automation to drive efficient working practices & processes	
TOTAL		1,104,000

2025/26 PHASE 2 TRANSFORMATION
CORE DIRECTORATE

SERVICE AREA	TARGET EFFICIENCY SAVING £M
Operational Finance & Schools Catering	140,000
Corporate Finance & Business Partnering	150,000
Human Resources	180,000
Communications & Marketing	50,000
Business Improvement & Intelligence	120,000
Continual Service Improvement	100,000
Service Operations	190,000
Business Support	430,000
Elections	45,000
TOTAL	1,405,000

DIRECTORATE SUMMARY SPENDING PLANS 2024/25

DIRECTORATE	OPENING 2024/25 RESOURCE ENVELOPE	ADD			SUB -TOTAL PRE EFFICIENCIES	LESS	REVISED 2024/25 RESOURCE ENVELOPE
		Pay*	Demography & Demand	Investment		Efficiencies	
	£M	£M	£M			£M	
<u>CHILDRENS DIRECTORATE</u>							
Education and Early Start Prevention	12.633	1.049	-	-	13.682		13.682
Children Assessment and Care Management	37.505	0.831	9.510	5.400	53.246	-2.650	50.596
TOTAL CHILDRENS	50.138	1.880	9.510	5.400	66.928	-2.650	64.278
<u>GROWTH & SUSTAINABILITY</u>							
Regeneration and Culture	18.882	1.065	-	0.900	20.847	-2.000	18.847
Environment and Transport	40.539	1.273	1.950	0.150	43.912	-1.220	42.692
TOTAL GROWTH & SUSTAINABILITY	59.421	2.338	1.950	1.050	64.759	-3.220	61.539
<u>PLACE HEALTH & ADULTS</u>							
Adults Assessment and Care Management	55.906	1.086	6.635	-	63.627	-1.261	62.366
TOTAL PLACE HEALTH & ADULTS	55.906	1.086	6.635	0.000	63.627	-1.261	62.366
<u>PUBLIC HEALTH & COMMUNITIES</u>							
Public Health	3.369	-	-	-	3.369	-	3.369
Safer, Stronger & Healthier Communities	7.049	0.526	-	-	7.575	-0.169	7.406
TOTAL PUBLIC HEALTH & COMMUNITIES	10.418	0.526	-	-	10.944	-0.169	10.775
<u>CORE DIRECTORATE</u>							
Finance	5.600	0.638	-	0.250	6.488	-0.222	6.266
IT	10.888	0.504	-	-	11.392	-0.498	10.894
HR, Performance & Communications	5.449	0.398	-	0.230	6.077	-0.384	5.693
Legal & Governance	4.778	0.393	0.600	-	5.771	-	5.771
TOTAL CORE	26.715	1.933	0.600	0.480	29.728	-1.104	28.624
<u>CORPORATE BUDGETS</u>							
Levies	0.947	-	-	-	0.947	-	0.947
Corporate & Democratic Core	0.465	-	-	-	0.465	-	0.465
Capital Financing	19.842	-	-	-1.730	18.112	-	18.112
Corporate Budgets & Provisions	6.570	1.148	-	1.815	9.533	-	9.533
TOTAL CORPORATE	27.824	1.148	0.000	0.085	29.057	0.000	29.057
TOTAL NET BUDGET	230.422	8.911	18.695	7.015	265.043	-8.404	256.639

*pay budgets to be finalised following agreement of 2024 pay offer

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DIRECTORATE SUMMARY SPENDING PLANS 2025/26

DIRECTORATE	OPENING 2025/26 RESOURCE ENVELOPE	ADD			SUB -TOTAL PRE EFFICIENCIES	LESS	REVISED 2025/26 RESOURCE ENVELOPE
		Pay	Demography & Demand	Investment		Efficiencies (Provisional)*	
	£M	£M	£M			£M	
<u>CHILDRENS DIRECTORATE</u>							
Education and Early Start Prevention	13.682	0.335	-	-	14.017	TBC	14.017
Children Assessment and Care Management	50.596	0.299	0.600	-	51.495	TBC	51.495
TOTAL CHILDRENS	64.278	0.634	0.600	0.000	65.512	0.000	65.512
<u>GROWTH & SUSTAINABILITY</u>							
Regeneration and Culture	18.847	0.467	-	-	19.314	TBC	19.314
Environment and Transport	42.692	0.462	0.700	0.150	44.004	TBC	44.004
TOTAL GROWTH & SUSTAINABILITY	61.539	0.929	0.700	0.150	63.318	0.000	63.318
<u>PLACE HEALTH & ADULTS</u>							
Adults Assessment and Care Management	62.366	0.331	4.317	-	67.014	TBC	67.014
TOTAL PLACE HEALTH & ADULTS	62.366	0.331	4.317	0.000	67.014	TBC	67.014
<u>PUBLIC HEALTH & COMMUNITIES</u>							
Public Health	3.369	0.222	-	-	3.591	TBC	3.591
Safer, Stronger & Healthier Communities	7.406	0.218	-	-	7.624	TBC	7.624
TOTAL PUBLIC HEALTH & COMMUNITIES	10.775	0.440	0.000	-	11.215	0.000	11.215
<u>CORE DIRECTORATE</u>							
Finance	6.266	0.243	0.000	0.250	6.759	TBC	6.759
IT	10.894	0.147	-	-	11.041	TBC	11.041
HR, Performance & Communications	5.693	0.234	-	-	5.927	TBC	5.927
Legal & Governance	5.771	0.098	-	-	5.869	TBC	5.869
TOTAL CORE	28.624	0.722	0.000	0.250	29.596	0.000	29.596
<u>CORPORATE BUDGETS</u>							
Levies	0.947	0.000	-	-	0.947	TBC	0.947
Corporate & Democratic Core	0.465	0.002	-	-	0.467	TBC	0.467
Capital Financing	18.112	0.000	-	0.570	18.682	TBC	18.682
Corporate Budgets & Provisions	9.533	0.353	1.000	4.015	14.901	TBC	14.901
TOTAL CORPORATE	29.057	0.355	1.000	4.585	34.997	0.000	34.997
TOTAL NET BUDGET	256.639	3.411	6.617	4.985	271.652	*TBC	271.652

*Current gap of £12.4M to be addressed in 25/26 via Phase 2 Transformation Programme

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DIRECTORATE SUMMARY SPENDING PLANS 2026/27

DIRECTORATE	OPENING 2026/27 RESOURCE ENVELOPE	ADD		SUB -TOTAL PRE EFFICIENCIES	LESS	REVISED 2026/27 RESOURCE ENVELOPE
		Pay	Demography & Demand		Efficiencies	
	£M	£M	£M		£M	
<u>CHILDRENS DIRECTORATE</u>						
Education and Early Start Prevention	14.017	0.335		14.352	TBD	14.352
Children Assessment and Care Management	51.495	0.299	0.600	52.394	TBD	52.394
TOTAL CHILDRENS	65.512	0.634	0.600	66.746	TBD	66.746
<u>GROWTH & SUSTAINABILITY</u>						
Regeneration and Culture	19.314	0.467		19.781	TBD	19.781
Environment and Transport	44.004	0.462	0.700	45.166	TBD	45.166
TOTAL GROWTH & SUSTAINABILITY	63.318	0.929	0.700	64.947	TBD	64.947
<u>PLACE HEALTH & ADULTS</u>						
Adults Assessment and Care Management	67.014	0.331	2.000	69.345	TBD	69.345
TOTAL PLACE HEALTH & ADULTS	67.014	0.331	2.000	69.345	TBD	69.345
<u>PUBLIC HEALTH & COMMUNITIES</u>						
Public Health	3.591	0.222		3.813	TBD	3.813
Safer, Stronger & Healthier Communities	7.624	0.218		7.842	TBD	7.842
TOTAL PUBLIC HEALTH & COMMUNITIES	11.215	0.440	0.000	11.655	TBD	11.655
<u>CORE DIRECTORATE</u>						
Finance	6.759	0.243		7.002	TBD	7.002
IT	11.041	0.147		11.188	TBD	11.188
HR, Performance & Communications	5.927	0.234		6.161	TBD	6.161
Legal & Governance	5.869	0.098		5.967	TBD	5.967
TOTAL CORE	29.596	0.722	0.000	30.318	TBD	30.318
<u>CORPORATE BUDGETS</u>						
Levies	0.947	0.000		0.947	TBD	0.947
Corporate & Democratic Core	0.467	0.002		0.469	TBD	0.469
Capital Financing	18.682	0.000	0.570	19.252	TBD	19.252
Corporate Budgets & Provisions	14.901	0.353	1.000	16.254	TBD	16.254
TOTAL CORPORATE	34.997	0.355	1.570	36.922	TBD	36.922
TOTAL NET BUDGET	271.652	3.411	4.870	279.933	TBD	279.933

*Current gap of £15.5M to be addressed in 25/26 - 26/27 via Phase 2 Transformation Programme/other efficiencies

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BARNSELY METROPOLITAN BOROUGH COUNCIL

2024/25 SCHOOLS DELEGATED BUDGETS

1. Purpose of the Report

- 1.1 To seek approval for the proposed 2024-25 schools' budget and for the transfer of schools' funding to the high needs budget, following consultation with schools and the Barnsley's Schools Forum.

2. Recommendations

- 2.1 That Cabinet approves the local schools funding formula and the proposed schools' budget as outlined in this report - subject to the outcome of the submitted Disapplication Request to DfE (see para 2.2).
- 2.2 That Cabinet approves the transfer of funding (1%) from the schools' block (£1.9M) to the high needs block (subject to DfE's approval).

3. Schools Funding Settlement 2024/25

- 3.1 Details of the 2024/25 funding settlement for schools was announced on 19 December 2023. The total schools funding for Barnsley for 2024-25 is **£272.5M**. This equates to a **£16.7M** increase in funding compared to 2023-24. The table below compares Barnsley's DSG allocation for 2024/25 to the current year on an equivalent basis.

	2023-24 £M	2023-24 £M	Change £M
Schools Block*	197.269	202.747	5.477
High Needs Block	40.384	42.154	1.769
Early Years Block	16.538	25.991	9.453
Central Schools Services	1.602	1.575	-0.027
	255.793	272.467	16.672

* Schools block allocation for 23/24 has been adjusted to include £6.316m mainstream schools additional grant (to make it comparable to 24/25)

- 3.2 The following summarises the main funding changes in 2023-24:

- **Schools Block** – the increase in funding of £5.5M is attributed to increase in pupil numbers (£1.5M) as per the October 2023 schools census and increased funding (as announced by the Govt in the 2022 Autumn Statement) allocated through the National Funding Formula (£4.0M).
- **High Needs Block** – the £1.8M funding increase is due to increased funding through the high needs National Funding Formula (£1.6M); and the increase

in pupils in special schools (£0.2M). The increased high needs funding reflects the additional £440M investment by the Govt to support SEND pupils and address increasing pressures in the high needs budget.

- **Early years Block** – the significant increase in funding mainly relates to the following:
 - a 6% increase in the 3 & 4 year old early years funding rate
 - extension of the 2 year old early years childcare entitlement to working parents from April 2024; and
 - the introduction of early years childcare funding entitlement for working parents with children aged 9 months and above from September 2024.

4. **Barnsley's Schools Funding formula (2024/25)**

4.1 A consultation exercise was undertaken in November 2023, which sought views on changes to Barnsley's schools' funding formula. The aim was to deliver on the Government's requirement for further alignment of the local school's formulae to the national formula. The outcome of the consultation was reported to the Schools Forum on 12 December 2023.

4.2 The following, reflects the main implemented changes to Barnsley's local funding formula for 2023-24:

- Increase in the basic entitlement unit funding for primary and secondary in line with the 2024-25 national formula values.
- Increase in the unit funding rates in the Barnsley's formula to the national formula level for the following funding factors: Deprivation; Low Prior Attainment; Mobility, sparsity and English as an Additional Language (EAL).
- A formulaic approach to allocating split sites funding has been introduced to ensure that funding for schools which operate across more than one site will be provided on a consistent basis. Only two schools are impacted by the inclusion of this funding factor.
- Increase in the Lump Sum factor to £134,000 per school to match the NFF amount.
- Continue to protect schools from adverse formula changes by setting the Minimum Funding Guarantee (MFG) at 0.5% (in line with the national formula).
- Growth funding will be managed outside the funding formula based on the Council's Pupil Growth criteria. The amount to be top sliced from the schools' block for 2024-25 is £600k (based on an assessment of existing commitments and planned growth).

5. Funding transfer to high needs

- 5.1 Barnsley continues to face increased cost pressures in the high needs block, with a deficit budget currently projected for 2024-25 (as per the DSG management plan). There is local flexibility for the transfer of funding from the schools to high needs block in 2024-25, subject to Schools Forum approval (NB DfE approval required for transfers above 0.5%).
- 5.2 The Council has consulted with schools and the Schools' Forum on the proposal to transfer 1% of the schools' funding to the high needs block. The transferred funding (£2.0M) will be used to fund the commissioning of new SEND places in local Barnsley schools – to stem the placements in costly independent settings.
- 5.3 The 1% funding transfer proposal was approved by the Schools' Forum on 12 December 2023. DfE approval of the proposal would not be confirmed till the end of January 2023. However, the attached school budget proposal put forward for assumes the 1% funding transfer.

6. Proposed 2024/25 Schools Delegated Budget

- 6.1 Submission of Barnsley's schools funding formula and confirmation of political ratification of the schools' budget is required by DfE. The table below outlines the proposed schools' budget for 2024/25 and reflect the changes to Barnsley's local schools' formula as detailed in paragraph 4.2 and the 1% funding transfer as outlined in paragraph 5.3 (subject to DfE decision).

	2023/24 Budget	2024/25 Budget	Variance
	£'000	£'000	£'000
Schools block funding*	190,953	202,747	11,795
Growth fund	-474	-600	-126
Funding transfer to high needs block**	-1,877	-2,010	-133
	188,602	200,137	11,536

* The mainstream schools additional grant of £6.317m was excluded from 23/24 block funding (as it was allocated as a separate grant funding to schools), however it has been rolled into 2024/25 DSG budget allocation by DfE

**2024/25 funding transfer subject to DfE approval

1) Age Weighted Pupil Unit (AWPU)	132,695	139,827	7,132
2) Deprivation	20,141	23,262	3,121
3) English as an Additional Language	689	873	184
4) Mobility	80	104	24
5) Prior Attainment	11,633	11,918	285
6) Lump sum	11,264	11,792	528
7) Sparsity	29	46	16
8) Split Site(NEW)	26	121	95
9) Minimum pupil funding	528	367	-161
10) Minimum Funding Guarantee	194	52	-142
11) Rates	1,626	1,753	127
12) PFI funding	9,696	10,024	327
	188,602	200,137	11,536

2024/25 – 2027/28 CAPITAL INVESTMENT PROGRAMME

1. Purpose of Report

- 1.1 To agree the 24/25 capital investment programme and future year emerging priorities.

2. Recommendations

It is recommended that:

- 2.1 Members note the Council's plan for identifying and prioritising capital investment needs;**
- 2.2 Members note the Council's current approved capital investment programme totalling £259.0M [General Fund £216.3M and Housing £42.7M];**
- 2.3 Members note the Council's overall highways and transport capital funding totalling £85.9M over the 5-year period to 27/28, and approve the £10.4M for immediate consideration as part of the 24/25 highways maintenance programme;**
- 2.4 Members approve the Council's operational asset replacement programme allocations totalling £7.6M for immediate consideration, as set out at paragraph 5.10;**
- 2.5 Members approve the Council's schools and disabled facilities grant allocations (£7.6M) for immediate consideration, as set out in paragraphs 5.12 – 5.18 and detailed in Appendix 2;**
- 2.6 Members note the Council's Housing Investment Programme for 2024/25-2027/28 totalling £38.4M, described in paragraphs 5.19 – 5.21, already approved by Council on 24th January 2024 (Cab. 24.01.2024/ refers);**
- 2.7 Members note and agree 'in principle' the external funding opportunities available as outlined in section 6. Additional reports are to be submitted for Members' consideration as funding is confirmed;**
- 2.9 Members note the Council's approach to maintaining a live pipeline of capital investment proposals including health and safety / regulatory / business critical priorities, as outlined at paragraph 7.5 but that these proposals will only be brought forward should additional funding become available.**

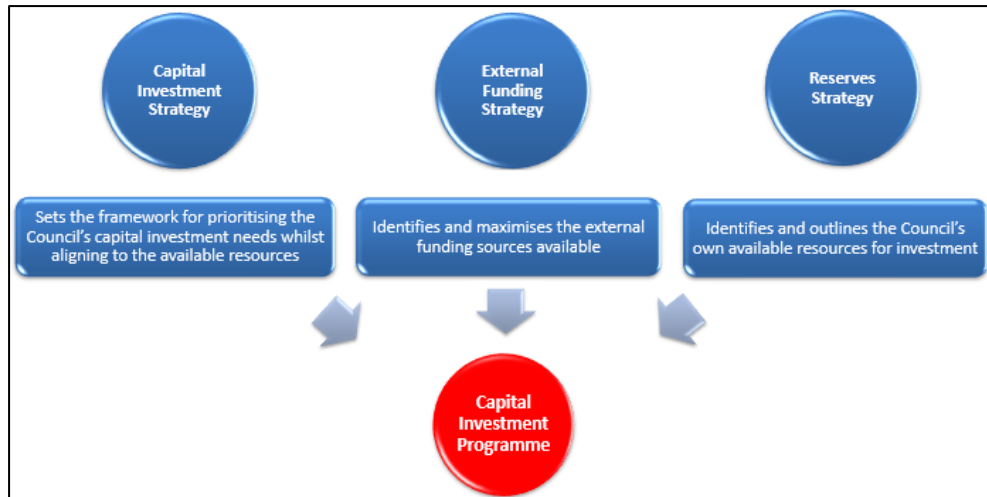
3. Background and Context

- 3.1 The proposed 24/25 Capital Investment Programme is largely derived via detailed consideration of the following three key strategies':
- **The Capital Investment Strategy 2024/25** – this strategy sets out the overall framework for identifying and prioritising the Council's capital investment priorities and seeks to align those priorities against all available resources.

Members are asked to note that included within, and integral to this, is the Council's Place Based Investment Plan (PBIP).

The PBIP, which was approved by Cabinet in 2022, seeks to deliver the infrastructure and assets necessary to support the delivery of the Barnsley 2030 vision and wider South Yorkshire Renewal Fund Programme – which is reflected in the scheme proposals contained in this report.

- **The External Funding Strategy** – this strategy provides a framework that supports the Council in identifying and then optimising external funding opportunities in support of the Council's strategic objectives; and
 - **The Reserves Strategy 2024/25** – this strategy aims to maximise, and efficiently allocate, all available internal balances (e.g. year-end underspends) and “one off” resources (e.g. capital receipts) to support investment proposals that achieve the Council's strategic objectives.
- 3.2 All three strategies work together to identify priorities and all available resource options (whether they be internal, external or combined) to progress our ‘pipeline’ of investment proposals that meet the Council's priorities. The strategies also work to identify where any funding gaps or barriers, such as funding eligibility, exist.
- 3.3 The diagram below describes the interaction between these strategies when considering investment proposals.



- 3.4 This report introduces the totality of investment proposals being considered as part of the 2024/25 to 2027/28 Capital Investment Programme and provides a more detailed overview of those resources currently available to support these proposals, along with identifying future funding gaps and opportunities.

4. **The Prioritisation Approach**

- 4.1 The Capital Investment and External Funding strategies set out the principles and processes which govern the prioritisation of the Capital Investment Programme and it is within this context that all new investment proposals have been considered.
- 4.2 Members should note that no new investment proposals have been considered, outside of any external funding allocations (Section 5 details) and external funding opportunities (Section 6 details).
- 4.3 As a result, there is no new internal funding identified towards future capital schemes at this time. This falls in line with the wider council message to reduce non-essential spend during the current economic climate.

5. **Capital Programme and 24/25 Proposals**

Current Capital Programme

- 5.1 The Council's current capital programme totals £259.0M, split between general fund investments of £216.3M and housing investments of £42.7M. These investments all relate to previous decisions taken by the Council and are fully funded. A breakdown of the major schemes in progress are shown within Appendix 3.
- 5.2 After consideration of the 2024/25 investment proposals, the specific programmes will be added to the Capital Programme. This consolidated position is reflected in the Council's 24/25 Capital Investment Strategy.

Future Funding Identified

- 5.3 The Council has also identified a further £67.8M of funding which has been provisionally set aside for future capital schemes. This is made up entirely of external funding opportunities detailed in Section 6.
- 5.4 Any amounts will be released into the programme only if formal approval is reached for use against a specific project.

2024/25 Investment Proposals

Highways Capital Investment

- 5.5 The Council has allocated resources across the 5-year period 23/24 through 27/28, (£80.5M) as part of the City Region Sustainable Transport Settlement (CRSTS). This funding is split into two allocations:
- £27.3M being of 5 years' funding for the Council's highway maintenance programme – equating to c.£5.1M per annum through to 25/26 and c.£6.0M per annum from 26/27; and
 - £53.3M in respect of one-off strategic highways infrastructure projects.

- 5.6 The allocation for 24/25 totals £5.1M and comprises the Local and Neighbourhood Transport Programme (£1.1M) and a Transport Network Asset Maintenance Programme (£4.0M); both of which are available to invest in the Borough's highways maintenance needs. In addition, a further £3.3M of the council's own resource is considered annually towards the highways maintenance budget.
- 5.7 Furthermore, it is recommended that a further £2M be provisionally set aside to repair and improve the Borough's classified roads. These resources will be released pending approval of future detailed reports.
- 5.8 It should be noted that the Council has also developed a number of strategic infrastructure projects totalling £53.3M, including active travel hubs and routes, quality bus corridors and improvements to key roundabouts. These have been approved previously, with members asked to note the re-profiled amounts split between the individual projects as stated in Appendix 1. These amounts will then be drawn down and released into the programme via the full approval process.

Table 1 – Highways & Transport Capital Investment

	2023/24 £M	2024/25 £M	2025/26 £M	2026/27 £M	2027/28 £M	TOTAL £M
Specific Funding to be Approved						
<u>Highways Maintenance</u>						
Local Highways Maintenance Programme	5.100	5.100*	5.100	6.000	6.000	27.300
BMBC Highways Maintenance	-	3.300*	-	-	-	3.300
BMBC Classified Roads Investment Programme	-	2.000	-	-	-	2.000
Total for Approval	5.100	10.400	5.100	6.000	6.000	32.600
Funding Allocations to be Re-Profiled						
<u>Strategic Infrastructure</u>						
Various Infrastructure Projects (Appendix 1)	1.640	11.727	19.550	20.366	-	53.283
Total Highways Investment	6.740	22.127	24.650	26.366	6.000	85.883

* This report is seeking approval in principle of the £5.1M Local Highways Maintenance Programme for 24/25 monies, and £3.3M Highways Maintenance monies, which are considered on an annual basis

- 5.9 It is recommended that the proposals that relate to specific annual government allocations are progressed immediately, in line with the Council's existing governance arrangements. **Recommendation 2.3 refers.**

Council Replacement Programmes

5.10 The Council has two rolling programmes whereby certain assets are replaced when required to ensure services can be delivered effectively. The two priorities requiring approval as part of this report are:

- **Bin Replacement Programme:** A three year rolling programme where bins are replaced across the borough.
- **Vehicle Replacement Programme:** Dealing with replacing specialist council vehicles at the end of their useful life.

5.11 These costs have already been set aside within current budgets, and as such no new funding is required to be identified as part of this approval.

Table 2 – Replacement Programme Funding

	2024/25 £M	2025/26 £M	2026/27 £M	Total £M
Specific Funding to be Approved				
Bin Replacement Programme	0.394	0.433	0.477	1.304
Vehicle Replacement Programme	6.345	-	-	6.345
Total	6.739	0.433	0.477	7.649

Schools / Disabled Facilities Capital Investment

5.12 The Council also receives annual allocations to invest in its schools infrastructure and in disabled facilities in private properties

School Maintenance Programme

5.13 Anticipated resources in 24/25 (£0.678M) relate to investment and maintenance in the schools' stock, early years settings and children's centres (maintenance allowance).

School Admission / Basic Need Programme

5.14 In February 2021, the government announced they would be determining Basic Needs allocations based on the Department for Education's annual Schools Capacity (SCAP) survey. This assesses the number of places available in individual areas, overlaid by the ONS birth data to identify where shortfalls potentially exist in 4/5 years' time. This formula expects no shortfall of places in Barnsley and therefore no funding is anticipated for 24/25 or 25/26, however due to a recent change in the survey funding is expected to be available from 26/27.

School High Needs Provision (SEND)

5.15 This grant (estimated at £3.278M for 24/25) is provided to support the Council with the delivery of new and improved provision for children with special educational needs and disabilities within the Borough.

5.16 Members should note that as part of the safety valve programme and the Council's deficit reduction plan, the Council has submitted a joint bid with Sheffield City Council to develop a 200-place free special school near the border of both authorities. This school is to be funded directly by the Department for Education under the free school programme and is due to be completed by 2026/27.

Disabled Facilities Programme (DFG)

5.17 The Council is expected to receive an estimated grant allocation totalling £3.672M for 24/25 relating to the DFG element of the Better Care Fund.

Table 3: Specific Funding - Schools / Disabled Facilities Capital Investment

	2024/25 £M
Specific Funding to be Approved	
School Maintenance Programme (indicative) *	0.678
School Admissions Programme	-
High Needs Provision (SEND) *	3.278
Disabled Facilities Programme (indicative) *	3.672
Total	7.628

* Figures based on 2023/24 allocation as no indicative figures released by Central Government at the time of writing this report.

5.18 It is recommended that the proposals that relate to specific annual government allocations are progressed immediately, in line with the Council's existing governance arrangements. **Recommendation 2.5 refers.**

Housing Capital Investment

5.19 The Council's housing capital investment is considered as follows:

- **Core Programme** – including the annual Decency programme that maintains key components [kitchens, bathrooms, windows, doors, heating systems, roofs etc.] of c.1,200 house, and the supplementary programme that provides for structural works, disabled adaptations and major void works to the housing stock;
- **Housing Growth / Added Value Investments** – targeted investment based on the Council's strategic housing priorities.

5.20 These schemes, already approved by Council for period 2024-28, are shown in the table below.

Table 4: Housing Capital Investments

<u>Programme</u>	<u>Investment Proposal</u>	TOTAL £M
Core	HRA BHS Programme	8.636
Core	HRA Supplementary Works	9.303
Sub Total – Core Programme		17.939
Housing Growth	New Build Programme	20.500
Sub Total - Housing Growth / Added Value		20.500
2024 - 2028 Capital Investments		38.439

5.21 It should be noted that the council's five-year programme only covers the period to 2027/28 whereas the full HRA report is to 2028/29. A further £22.3M is requesting approval in this additional year, taking the full HRA approval to £60.8M. This additional amount will therefore see formal inclusion in the 25/26 capital budget papers.

Revised Total Capital Investment Programme

5.22 On the basis that the above investment proposals are approved alongside the housing investment of £38.4M (already approved by Members on 1st Feb 24), the total revised approved capital programme will be **£323.0M**, aligned to the Council's Corporate Priorities.

	2023/24 £M	2024/25 £M	2025/26 £M	2026/27 £M	2027/28 £M	Total £M
Current Capital Investment Programme	139.9	77.0	21.4	20.7	-	259.0
<u>New Approvals</u>						
Highways & Transport Investment (Table 1)	-	10.4	-	-	-	10.4
Replacement Programme (Table 2)	-	6.7	0.4	0.5	-	7.6
Schools & Disabled Facilities Investment (Table 3)	-	7.6	-	-	-	7.6
Housing Investment (Table 4) *	-	20.9	3.0	7.2	7.3	38.4
Total New Approvals	-	45.6	3.4	7.7	7.3	64.0
Revised Current Capital Investment Programme	139.9	122.6	24.8	28.4	7.3	323.0

* Already approved as part of 24/25 HRA Budget process

6. External Funding Bids / Opportunities

6.1 This section provides an overview of the main externally provided sources of capital funding that are considered likely to impact on Council's capital programme from 2024/25 onwards.

Funding Bids Notionally Agreed - Pending Formal ApprovalLong Term Gainshare (LTGS)

- 6.2 Significant LTGS Gainshare allocations have been made to the four South Yorkshire Authorities as part of government's devolution deal with SYMCA. Allocations by authority are shown in the table below:

Business Stock	Allocation Adjusted		26 Years		Annual	
	%	%	Capital £m	Revenue £m	Capital £m	Revenue £m
MCA		20.00%	£94	£62	£3.60	£2.40
BMBC	16.11%	12.89%	£60	£40	£2.32	£1.55
DMBC	23.42%	18.74%	£88	£58	£3.37	£2.25
RMBC	19.02%	15.22%	£71	£47	£2.74	£1.83
SCC	41.45%	33.16%	£155	£103	£5.97	£3.98
	100.00%	100.00%	£468	£312	£18.00	£12.00

- 6.3 LTGS will be made available from 2024 and will be released over a 26-year period. For Barnsley this equates to a combined allocation of over £100m comprising; £60.32m in capital allocations; and £40.3m in revenue funding.
- 6.4 In order to deliver our Place Based Investment Plan (PBIP) at scale and pace a financial mechanism for the rapid utilisation of Gainshare funds has been agreed.
- 6.5 This mechanism will entail the Council 'forward funding' projects and then using annual Gainshare allocations to cover off the associated financing ('principal' and 'interest') costs.

- **Town Centre Improvements – requiring £36.1m Gainshare**

It is proposed that long term gainshare will fund further improvements within the town centre, specifically the costs of providing health and wellbeing facilities within the Alhambra centre to the benefit of all residents across the borough. The outline business case was approved in principle by SYMCA in October 23. Work has now commenced on the full business case which will be submitted for approval to SYMCA in March 2024. It is anticipated that the scheme will be implemented in two distinct phases:

- **Phase 1:** Supporting leasehold acquisition and initial capital works; and
- **Phase 2:** Funding additional capital works and commercial strategy to facilitate retail consolidation and creation of NHS health and wellbeing hub.

- **Principal Towns & Local Centres Programme – requiring £20M Gainshare**

The current programme includes proposals for new centres that will bring enterprise and business support to the high street, new commercial property, and place-

making programmes to bring buildings and spaces back into productive economic and social uses.

The council will seek to use £20m in Gainshare to complete the funding package required to support Phase 3.

- 6.6 Remaining LTGS will be released subject to further reports into cabinet. The release of funding is incumbent on Full Business Case (FBC) approval by SYMCA. BMBC Officers are currently working to develop the requisite business cases to secure the release of funding.

Long Term Plan for Towns (LTPT)

- 6.7 Announced on 1 October 2023, Barnsley will be one of 55 towns across the UK to receive £20m over a ten-year period via the LTPT initiative. £2m per annum will be awarded and this will be split down as follows; £1.5m in capital and £0.5m in revenue.
- 6.8 The aim of the funding is to address socio-economic opportunities and challenges in built-up areas of between 20,000 and 100,000 in population. The funding to be used to support the following themes:
- Safety and security: addressing crime and antisocial behaviour; increasing footfall and activity.
 - High streets, heritage and regeneration: addressing oversupply of retail property; increasing attractiveness and accessibility; supporting business.
 - Transport and connectivity: highways infrastructure; increasing active travel.

Brownfield Funding Bid

- 6.9 The South Yorkshire Mayoral Combined Authority (SYMCA) has been allocated £53.3M from Government to support the development of housing schemes on brownfield land (at least 3,300 new homes by the end of March 2025).

UK Shared Prosperity Fund

- 6.10 The final (and largest) tranche of capital funding provided via the Shared Prosperity Funding is expected to support the delivery of a range of schemes in 2024/25 (circa £0.816m).
- 6.11 The delivery plan for year three is currently in the process of being finalised and will be submitted to Cabinet for approval shortly.

Funding Bids Recently Confirmed – Projects Underway

Levelling Up Round 2

- 6.12 In 2023 LUF2 funding to the value of £10.243M was awarded to support the Barnsley Futures programme. The programme comprises the following three distinct elements:

- **Youth Place & Space** – Upgrade the Youth Hub at the YMCA
- **The Civic** – Restoration and development of The Civic
- **The NAVE (Northern Academy of Vocal Excellence)** – Purpose built centre for use by Barnsley Voice Choir

Arts Council – Cannon Hall Museum & Estates Development Fund (MEND)

6.13 £0.900M in MEND funding was awarded to the Council in 2023 by Arts Council England from the Museum Estate Development Fund (MEND) to support extensive roof repairs / replacement at Cannon Hall.

Cultural Development Fund

6.14 The total value of the capital element of the award is £3.230m and this is accompanied by a £0.700m revenue allocation to support project management and the delivery of a range of cultural activities in cultural hubs across Principal Towns.

Table 5: External Funding Opportunities

Source		Funding Confirmed £M	Notionally Agreed £M	Total £M
External Funding Bids:				
SYMCA	Long Term Gainshare	-	60.320	60.320
SYMCA	Long Term Plan for Towns (LTPT)	-	15.000	15.000
SYMCA	Brownfield Funding	-	0.260	0.260
DLUHC	Levelling Up Fund Round 2	10.243	-	10.243
Arts Council	MEND – Cannon Hall Roof	0.900	-	0.900
Arts Council	Cultural Development Fund	3.230	-	3.230
SYMCA	Shared Prosperity Fund	-	1.280	1.280
Sub Total – External Funding Bids		14.373	76.860	91.233

6.15 Of the above amounts, £14.4M relates to funding already confirmed and released into the programme. A further £76.8M has been notionally agreed and will be drawn down as and when business cases are formally approved. It is expected this will be released into the programme as per the below table, with £67.8M relating to this reporting period to 2027/28.

2024/25 £M	2025/26 £M	2026/27 £M	2027/28 £M	In Period £M	Future Years £M	Total £M
23.040	21.820	21.500	1.500	67.860	9.000	76.860

7. Conclusion and Next Steps

- 7.1 This report is seeking the formal approval of the highways & transport, replacement programme and schools / disabled facilities investments for 24/25 – 27/28 which totals £75.1M.
- 7.2 On the basis that the above are approved by Members, the revised approved programme will sit at £323.0M, with the total indicative capital programme over the period estimated at £390.8M. This includes any funding which has been identified for use on future schemes pending formal approval. Section 6 details these amounts.

	2023/24 £M	2024/25 £M	2025/26 £M	2026/27 £M	2027/28 £M	Total £M
Revised Current Capital Investment Programme	139.9	122.6	24.8	28.4	7.3	323.0
Funding Identified for Future Use Pending Further Approval	-	23.0	21.8	21.5	1.5	67.8
Revised Total Indicative Capital Investment Programme	139.9	145.6	46.6	49.9	8.8	390.8

- 7.3 The Council has also set aside a small contingency pot to be used against capital projects should any urgent works need undertaking. Any use of this will be communicated through necessary approval channels and/or future quarterly capital monitoring reports.
- 7.4 Progress against external funding bids will be reported as circumstances dictate.

Health & Safety / Regulatory / Business Critical Proposals

- 7.5 Any proposals regarding the above are ordinarily regulatory or statutory in nature, but also includes proposals that keep the Council safe and maintain / protect service delivery. Any such proposals will be considered on an exceptions basis as they emerge and if agreed as a priority will be funded from the capital contingency reserve.

APPENDIX 1 – HIGHWAYS INVESTMENT FOR APPROVAL

Proposal Name	Brief Description	2023/24 £M	2024/25 £M	2025/26 £M	2026/27 £M	2027/28 £M	TOTAL £M
ADDITIONAL HIGHWAYS INVESTMENT 23/24							
Council's Own Resources	An annual highways maintenance allocation set aside to repair the Borough's highways (principal roads / side streets).	-	3.300	-	-	-	3.300
Classified Roads Investment Programme	A further £2M has been provisionally set aside to repair and improve the Borough's classified roads	-	2.000	-	-	-	2.000
SUB TOTAL – ADDITIONAL HIGHWAYS INVESTMENT 23/24		-	5.300	-	-	-	5.300
Local Transport Programme	Monies for maintenance of the Borough highways infrastructure including the Local and Neighbourhood Transport Complementary Programme (ITB) and the Transport Network Asset Maintenance (HMB)	-	5.100	-	-	-	5.100
SUB TOTAL – LOCAL TRANSPORT PROGRAMME		-	5.100	-	-	-	5.100
TOTAL HIGHWAYS INVESTMENTS TO BE APPROVED		-	10.400	-	-	-	10.400
A635 Quality Bus Corridor - BRT	A bus priority scheme; also improves capacity on the overall network. Includes new bus lanes, bus shelters, active travel routes and improved links to the Trans-Pennine Trail	0.668	3.500	12.000	9.000	-	25.168
Royston Active Travel and Bus Priority Measure infrastructure scheme	Provision of infrastructure mitigation required to deliver 2 major Mixed Use (employment / residential) sites allocated in the Local Plan. MU3 and MU5 – which have been approved in the Royston Masterplan. The scheme will provide mitigation at several local junctions; provide active travel routes and an alternative bus priority route into the town centre. The full requested CRSTS request is for £14.2m, the scheme has been re-profiled to defer £12.2m into the next settlement period (2027 onwards)	-	0.400	0.800	0.800	-	2.000
A628 Bus and Active Travel priority corridor - Shafton to Barnsley Town Centre - Phase 1	Bus / AT priority scheme; also mitigation for Local Plan developments. Will also include Active Travel routes to tie into existing routes delivered through TCF / AT funding	-	0.960	1.976	5.000	-	7.936
River Dearne Long Route	The proposed 'River Dearne Long Route' scheme consists of a package of measures which seeks to improve walking and cycling connectivity between A61 Gyratory at Old Mill Lane and A633 Grange Lane via A628 Pontefract	0.056	0.418	-	-	-	0.474

SECTION 6

Proposal Name	Brief Description	2023/24 £M	2024/25 £M	2025/26 £M	2026/27 £M	2027/28 £M	TOTAL £M
	Road. The list of interventions includes infrastructure improvements to 2.45km of off-road active travel route and improving widths to achieve LTN 1/20 and the higher MCA standards, Provision of Toucans crossing at Grange Lane and Pontefract Road, improvements to public realm, improvements to lighting, incorporation of a dish channel to the existing steps within the park to allow easy access for cyclists.						
Darton Active Travel Route	The 'M1 J38 Darton Active Travel Link' is a package of measures which seeks to promote walking and cycling connectivity between 'The Yorkshire Sculpture Park' located at J38 M1 and the proposed A61 Active Travel Link via Darton Rail Station. By linking to the proposed A61 Active Travel Link an uninterrupted walking and cycling route will be established connecting J38 with Barnsley Town Centre. The proposal will also complement the establishment of an Active Travel Hub at the Church Street car park (subject to a separate OBC / funding bid).	0.138	1.200	0.589	-	-	1.927
Wombwell to Vorsborough Trans Penine Trail	Active Travel Route along the TPT	0.141	1.048	-	-	-	1.189
Bikeworks Active Travel Hub	Active Travel hub at the interchange in Barnsley. The new Hub will be located close to the transport interchange on a site identified for low carbon town centre residential development and new green public realm and will provide more safe / secure cycle storage than at present and have the capacity for more e-bike / bike loan	0.467	0.371	-	-	-	0.838
Elsecar Active Travel Hub	Active Travel hub at Elsecar Heritage Centre	0.050	0.440	-	-	-	0.490
Penistone Station Accessibility Improvements - Phase 1	The scheme will improve accessibility to the proposed Park and Ride scheme at the Penistone station. The creation of a Park and Ride site at Penistone station is a priority of South Yorkshire Passenger Transport Executive (SYPTE), and follows other similar rail based park and ride facilities which have been built in recent years at Wombwell and Elsecar and which have proved very popular with commuters. This Park and Ride site will also complement the bid Kirklees Council have recently submitted to increase the number of trains on the Penistone Line, which connects Huddersfield with Sheffield via Barnsley. Services at Penistone are currently restricted to 2 trains per hour. In addition	-	0.990	2.895	2.115	-	6.000

SECTION 6

Proposal Name	Brief Description	2023/24 £M	2024/25 £M	2025/26 £M	2026/27 £M	2027/28 £M	TOTAL £M
	the proposed scheme will also mitigate congestion from major housing allocations which are coming forward in Penistone.						
Town End Roundabout - Phase 1 (development)	The proposed scheme will see the development of a "Dutch style" roundabout at the existing Town End roundabout within Barnsley town centre on the A628. The existing roundabout will be replaced and existing priority for motorists will be removed and replaced with pedestrian and cyclist priority at crossing points.	-	0.420	1.290	1.290	-	3.000
A61 Active Travel - Barnsley – Royston via Smithies - Phase 1	An active travel scheme, already in the TCF programme which provides 7.5km of new on and off-road cycle routes. Includes new pedestrian / cycle crossings at key junctions. Also ties into the A61 Royston Bus Priority measures scheme being delivered by the SYPTE This element is to deck an existing disused rail bridge to provide better connectivity	0.110	1.890	-	-	-	2.000
Restoring Your Railway: North Barnsley to Wakefield via Royston (1)	The restoration proposal for the North Midland Line is to run passenger services from Barnsley to Wakefield Kirkgate via the semi-operational freight route from Wakefield to Lundwood. This could form the first phase of a more fundamental reinstatement between Lundwood and Barnsley and / or Lundwood and Swinton on disused tracks. Currently, the route is a single track, infrequently used freight line, which runs parallel to parts of the National Cycle Network. Restoring the railway on this route would include potentially double-tracking the freight route, ensuring it all adheres to modern passenger rail safety standards. The restoration of this route would create a new, connection between North Barnsley and Wakefield, potentially offering connections to Leeds and Huddersfield beyond. This reduced allocation would specifically be for the feasibility on the freight line.	0.010	0.090	-	-	-	0.100
Remaining Funding	Remaining funding available for Active Travel Schemes which is yet to be determined how it will be used specifically.	-	-	-	2.161	-	2.161
SUB TOTAL – SYMCA SUSTAINABLE TRANSPORT SETTLEMENT (CRSTS) – RE-PROFILING		1.640	11.727	19.550	20.366	-	53.283
GRAND TOTAL – HIGHWAYS CAPITAL INVESTMENT		1.640	20.127	19.550	20.366	-	61.683

APPENDIX 2 – SCHOOLS & DISABLED FACILITIES INVESTMENT FOR APPROVAL

Proposal Name	Brief Description	2024/25 £M
		-
School Maintenance	Monies ringfenced for maintenance the Council's schools' stock	0.678
High Needs Provision (SEN)	Monies ringfenced for providing additional school places	3.278
Disabled Facilities Grant	Monies earmarked for provision of disabled facilities grant to allow residents to adapt their own homes	3.672
GRAND TOTAL –		7.628

APPENDIX 3 – CURRENTLY APPROVED MAJOR CAPITAL PROJECTS

Project	Description	Approved Budget Remaining £M
Barnsley Homes Standard Schemes	Works undertaken to upkeep the council house stock	29.437
Goldthorpe Town Fund	Development of the Goldthorpe area	18.674
Schools Capital Schemes	All capital spend in relation to developing and upkeep of schools	7.893
Disabled Facilities Grant	Installation of disabled facilities in applicable housing, utilising national grant funding available	7.253
Transforming Cities Fund	Development of hubs around the borough, focusing on active travel and travel infrastructure	5.971
LUF – Youth Place & Space	Upgrade of the youth hub located at the YMCA	5.834
Glassworks Development Phase 2	Development works within Barnsley town centre	5.820
Sustainable Warmth	Investment to upgrade energy efficiency in homes across the borough	5.362
Youth Zone	Development of the Barnsley Youth Zone close to the town centre	4.243
LUF – NAVE	Purpose built centre for use by Barnsley Voice Choir	4.032

**2024/25 SERVICE AND FINANCIAL PLANNING
REDUNDANCY COMPENSATION AND PROCEDURES**

1. Purpose of Report

- 1.1 To consider the maximum amount of compensation to be paid under the Discretionary Compensation Regulations 2006.
- 1.2 To consider the period of notice to be afforded to employees declared compulsorily redundant.

2. Recommendations

- 2.1 That for the purpose of the 2024/2025 budgetary procedures, payments in accordance with the Discretionary Compensation Regulations 2006 be up to a maximum of 30 weeks' actual pay based on the Statutory Redundancy Scheme.**
- 2.2 That any employee (excluding Teachers) declared redundant be afforded the maximum of 12 weeks' notice of termination of employment.**

3. Introduction/Background

- 3.1 The above regulations provide Local Authorities with the power to make discretionary one-off lump sum payments (enhanced redundancy payments) to employees who are made redundant.
- 3.2 With effect from 1 April 2007, the Council introduced a revised scheme of compensation using the Statutory Redundancy Scheme, but based on actual pay.

4. Current Position

- 4.1 Employees are entitled by their contract of employment to receive a period of notice if their employment is to be terminated by reason of redundancy.
- 4.2 This period of notice is the greater of either that specified within their contract of employment or that specified by statute.
- 4.3 In previous years, the Council has agreed the maximum of 12 weeks' notice, irrespective of an employee's length of service, would be served on any employee declared compulsorily redundant. In addition to this, redeployment opportunities will be available for affected employees during the statutory consultation and notice period.
- 4.4 The advantages of affording 12 weeks' notice to all employees are:
 - (i) The maximum time will be available to pursue and achieve redeployment opportunities.

(ii) Successful redeployment will negate the need to make a redundancy payment (maximum up to 30 weeks' actual pay).

4.5 The disadvantage is if no redeployment opportunities exist, then there is a cost over and above what the contractual/statutory notice entitlement would have provided for employees with less than 12 years' service.

4.6 We commenced our initial service transformation reviews with only four compulsory redundancies in 2023/24. For the 2024/25 financial year, there are currently no confirmed compulsory redundancies.

5. Options

5.1 To accept the report recommending payment up to a maximum of 30 weeks' actual pay to all employees who are redundant, and any employee declared compulsorily redundant to be offered the maximum of 12 weeks' notice of termination.

5.2 Not accept the report.

6. Local Area Implications

6.1 There are no direct Local Area implications.

7. Compatibility with European Convention on Human Rights

7.1 There are no implications.

8. Ensuring Social Inclusion

8.1 There are no implications.

9. Reduction of Crime and Disorder

9.1 There are no implications.

10. Risk Assessment

10.1 There are no implications.

11. Consultations

11.1 Service Director (Finance) and the Trade Unions have been consulted.

12. Proposal

12.1 It is recommended that Cabinet approve the recommendations of this report.

13. Glossary

13.1 None

14. List of Appendices

14.1 None

15. Background Papers

15.1 Discretionary Compensation Regulations 2006 – available for inspection from Human Resources.

Officer Contact: Michael Potter, Service Director Business Improvement, HR and Communications

Date: 19 December 2023

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Telling our story of investment, regeneration and funding

Our guiding principles

- Clear and open
- Key messages
- The how and why?
- Benefit to people and to Barnsley

Our focus is on

- Showing our journey and motivation
- A clear Barnsley position
- Celebrating excellence
- Managing expectations
- Engaging with employees in Enabling Barnsley, showing progress and achievements
- Support available for residents and employees
- Partnership working
- Reputation management
- No Place for Hate

Our culture

Enabling Barnsley

Be bold, be innovative, be brave

Our people

Digital innovation

Delivering our services

Support and grow our people

People strategy

Modern workplace

M365

CRM system

Manage our budget and assets

MTFS and Asset Management Strategy

Service reviews

Value for money

Enabling Barnsley

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Public Document Pack



MEETING:	Full Council
DATE:	Thursday 29 February 2024
TIME:	10.00 am
VENUE:	Council Chamber, Barnsley Town Hall

SUPPLEMENTARY AGENDA

3. Medium Term Financial Strategy 2024-27 (Cab.7.2.2024/6) (*Pages 5 - 10*)

2. Council Tax

RECOMMENDED TO COUNCIL:- see attached recommendations which replace 2 (a) – (d) on the original summons.

A handwritten signature in black ink, appearing to be 'S Norman', followed by a horizontal line.

Sarah Norman
Chief Executive

DATE PUBLISHED – 28 February 2024

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COUNCIL TAX 2024/25 - CALCULATIONS

- (i) in respect of the Council Tax 2024/25 calculations:
- (a) that the Council Tax Collection Fund surplus relating to Barnsley M.B.C. of £3.572M be used to reduce the Council Tax Requirement for 2024/25;
- (b) that the Band D Council Tax for Barnsley M.B.C.'s services be set at £1,790.68 which includes the cumulative special precept earmarked specifically for Adult Social Care of £256.92; and
- (c) that the Band D Council Tax for Barnsley M.B.C.'s area be set at £2,126.77 including the Police and Fire precepts* as set out in (ii)(c).

COUNCIL TAX 2024/25 - DECLARATION

- (ii) that, in respect of the Council Tax 2024/25 declaration:
- (a) that it be noted that at its meeting of its Cabinet on the 11th January 2024 the Council made the following calculations for the year 2024/25 in accordance with Regulations made under Section 31(B) of the Local Government Finance Act 1992 as amended (the "Act"):-
- (1) in accordance with Section 31B (3) of the Local Government Act 1992, as amended, the number of adjusted Band D equivalent properties calculated by the Council as its Council Tax base for the year shall be 66,800.90 (Item T in the formula in Section 31B (1) of the Act);
- (2) that the number of adjusted Band D equivalent properties calculated by the Council, as the amounts of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate shall be as follows:-

TABLE 1				
Column	A	B	C	D = C / B
Parish Area	Band D equivalent chargeable properties	95% of Band D equivalent chargeable properties	Precept Issued (after Council Tax Support Grant) (£)	Band D Equivalent Charge (£)
Billingley	94.40	89.68	1,490.00	16.61
Cawthorne	615.00	584.25	24,720.0	42.31
Dunford	252.40	239.78	10,536.00	43.94
Great Houghton	644.31	612.09	29,669.00	48.47
Gunthwaite and Ingbirchworth	311.20	295.64	8,300.00	28.07
High Hoyland	69.20	65.74	-	-
Hunshelf	164.00	155.80	5,208.00	33.43
Langsett	106.20	100.89	3,957.00	39.22
Little Houghton	177.60	168.72	14,014.00	83.06
Oxspring	482.91	458.76	22,930.00	49.98
Penistone	4,504.40	4,279.18	227,995.00	53.28
Shafton	936.31	889.49	40,703.00	45.76
Silkstone	1,207.80	1,147.41	76,154.00	66.37
Stainborough	159.71	151.72	5,067.00	33.40
Tankersley	750.11	712.60	21,998.00	30.87
Thurgoland	802.91	762.76	12,985.00	17.02
Wortley	311.00	295.45	8,646.00	29.26
Barnsley and Other Non-Parish Areas	58,727.31	55,790.94		
Total	70,316.77	66,800.90	514,372.00	

(b) that the following amounts be now calculated by the Council for the year 2024/25 in accordance with Sections 31-36 of the “the Act”:-

- (1) £257,154,119 being the net aggregate amount the Council estimates for items set out in Section 31A (2) and 31A (3) of the Act taking into account all Precepts issued to it by Parish Councils;
- (2) £133,448,711 being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of the Business Rate Retention Scheme and other specific grants;
- (3) £3,572,000 being the amount which the Council estimates will be transferred in the year from its Collection Fund to its General Fund in accordance with Section 97 (3) of the Local Government Finance Act 1988 (Council Tax Surplus);
- (4) £120,133,408 being the amount by which the amount at (ii)(b) (1) above exceeds the aggregate of amounts at (ii)(b) (2) and (ii)(b) (3) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (Item R in the formula in Section 31B (1) of the Act);
- (5) £1,798.38 calculated by the Council as being the amount at (ii)(b) (4) above (Item R in the formula in Section 31B (3)); all divided by the Council Tax base as highlighted in (ii) (a) (1) above (Item T in the formula in Section 31B (1) of the Act);
- (6) £514,372 being the aggregate amount of all special amounts (Parish Precepts) referred to in Section 31A (2) of the Act; as per column C in the table in (ii)(a) (2) above;
- (7) £1,790.68 calculated by the Council as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special items relate being the amount at (ii)(b) (5) above less the result given by dividing the amount at (ii)(b) (6) above divided by the amount at (ii)(a) (1) (Item T in the formula in Section 31B (1) of the Act) above in accordance with Section 34 (2) of the Act.

(8) the following amounts calculated by the Council as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate:-

TABLE 2	
Section 34(3) Calculation :	
Part of the Council's Area	
Parish of :-	£
Billingley	1,807.29
Cawthorne	1,832.99
Dunford	1,834.62
Great Houghton	1,839.15
Gunthwaite & Ingbirchworth	1,818.75
High Hoyland	1,790.68
Hunshelf	1,824.11
Langsett	1,829.90
Little Houghton	1,873.74
Oxspring	1,840.66
Penistone	1,843.96
Shafton	1,836.44
Silkstone	1,857.05
Stainborough	1,824.08
Tankersley	1,821.55
Thurgoland	1,807.70
Wortley	1,819.94
This table represents the Council Tax for Barnsley MBC plus Local Parishes for Band D only	

being the amounts given by adding to the amount at (ii)(b) (7) above the amount of the special items in (ii)(a) (2) Col D in accordance with Section 34 (3) of the Act;

(9) the amounts calculated by the Council as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands are shown below.

TABLE 3

**Section 36(1) Calculation :
Part of the Council's Area**

Parish of :-	Valuation Bands								
	A-	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£	£
Billingley	1,004.05	1,204.86	1,405.67	1,606.47	1,807.29	2,208.91	2,610.53	3,012.15	3,614.58
Cawthorne	1,018.33	1,222.00	1,425.66	1,629.32	1,832.99	2,240.32	2,647.65	3,054.99	3,665.98
Dunford	1,019.23	1,223.08	1,426.93	1,630.77	1,834.62	2,242.31	2,650.01	3,057.70	3,669.24
Great Houghton	1,021.75	1,226.10	1,430.45	1,634.79	1,839.15	2,247.85	2,656.55	3,065.25	3,678.30
Gunthwaite & Ingbirchworth	1,010.41	1,212.50	1,414.58	1,616.66	1,818.75	2,222.92	2,627.09	3,031.25	3,637.50
High Hoyland	994.82	1,193.79	1,392.75	1,591.71	1,790.68	2,188.61	2,586.54	2,984.47	3,581.36
Hunshelf	1,013.39	1,216.08	1,418.75	1,621.43	1,824.11	2,229.47	2,634.83	3,040.19	3,648.22
Langsett	1,016.61	1,219.94	1,423.25	1,626.57	1,829.90	2,236.55	2,643.19	3,049.84	3,659.80
Little Houghton	1,040.96	1,249.16	1,457.35	1,665.54	1,873.74	2,290.13	2,706.52	3,122.90	3,747.48
Oxspring	1,022.59	1,227.11	1,431.62	1,636.14	1,840.66	2,249.70	2,658.73	3,067.77	3,681.32
Penistone	1,024.42	1,229.31	1,434.19	1,639.07	1,843.96	2,253.73	2,663.50	3,073.27	3,687.92
Shafton	1,020.24	1,224.30	1,428.34	1,632.39	1,836.44	2,244.54	2,652.64	3,060.74	3,672.88
Silkstone	1,031.69	1,238.04	1,444.37	1,650.71	1,857.05	2,269.73	2,682.41	3,095.09	3,714.10
Stainborough	1,013.38	1,216.06	1,418.73	1,621.40	1,824.08	2,229.43	2,634.78	3,040.14	3,648.16
Tankersley	1,011.97	1,214.37	1,416.76	1,619.15	1,821.55	2,226.34	2,631.13	3,035.92	3,643.10
Thurgoland	1,004.28	1,205.14	1,405.99	1,606.84	1,807.70	2,209.41	2,611.12	3,012.84	3,615.40
Wortley	1,011.08	1,213.30	1,415.51	1,617.72	1,819.94	2,224.37	2,628.80	3,033.24	3,639.88
Barnsley and Other Non-Parish Areas	994.82	1,193.79	1,392.75	1,591.71	1,790.68	2,188.61	2,586.54	2,984.47	3,581.36

**This table shows the total Council Tax for Barnsley MBC and local parishes (excluding Police and Fire Precepts).
The charge for individual valuation bands is calculated as a proportion of a Band D property, as per Section 5 of the Local Government Finance Act 1992.**

being the amounts given by multiplying the amount at (ii)(b) (8) above by the number which, in the proportion set out in Section 5 of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D in accordance with Section 36 (1) of the Act;

- (c) that it be noted that for the year 2024/25 the under-mentioned precepting Authorities have stated the following draft amounts in precepts issued to the Council in accordance with Section 42A of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

	Total Precept	TABLE 4								
		Valuation Bands								
		A-	A	B	C	D	E	F	G	H
Precepting Authority:	£	£	£	£	£	£	£	£	£	£
South Yorkshire Fire Authority*	5,681,417	47.25	56.70	66.15	75.60	85.05	103.95	122.85	141.75	170.10
South Yorkshire Police Authority*	16,769,698	139.47	167.36	195.25	223.15	251.04	306.83	362.61	418.40	502.08

* subject to confirmation

(d) that having calculated the aggregate in each case of the amounts at (ii)(b) (9) and (ii)(c) above, the Council in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the amounts shown below as the amounts of Council Tax for the year 2024/25 for each of the categories of dwellings shown below:-

Section 30(2) Calculation :

TABLE 5

Part of the Council's Area

Valuation Bands

Parish of :-	A-	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£	£
Billingley	1,190.77	1,428.92	1,667.07	1,905.22	2,143.38	2,619.69	3,095.99	3,572.30	4,286.76
Cawthorne	1,205.05	1,446.06	1,687.06	1,928.07	2,169.08	2,651.10	3,133.11	3,615.14	4,338.16
Dunford	1,205.95	1,447.14	1,688.33	1,929.52	2,170.71	2,653.09	3,135.47	3,617.85	4,341.42
Great Houghton	1,208.47	1,450.16	1,691.85	1,933.54	2,175.24	2,658.63	3,142.01	3,625.40	4,350.48
Gunthwaite & Ingbirchworth	1,197.13	1,436.56	1,675.98	1,915.41	2,154.84	2,633.70	3,112.55	3,591.40	4,309.68
High Hoyland	1,181.54	1,417.85	1,654.15	1,890.46	2,126.77	2,599.39	3,072.00	3,544.62	4,253.54
Hunshelf	1,200.11	1,440.14	1,680.15	1,920.18	2,160.20	2,640.25	3,120.29	3,600.34	4,320.40
Langsett	1,203.33	1,444.00	1,684.65	1,925.32	2,165.99	2,647.33	3,128.65	3,609.99	4,331.98
Little Houghton	1,227.68	1,473.22	1,718.75	1,964.29	2,209.83	2,700.91	3,191.98	3,683.05	4,419.66
Oxspring	1,209.31	1,451.17	1,693.02	1,934.89	2,176.75	2,660.48	3,144.19	3,627.92	4,353.50
Penistone	1,211.14	1,453.37	1,695.59	1,937.82	2,180.05	2,664.51	3,148.96	3,633.42	4,360.10
Shafton	1,206.96	1,448.36	1,689.74	1,931.14	2,172.53	2,655.32	3,138.10	3,620.89	4,345.06
Silkstone	1,218.41	1,462.10	1,705.77	1,949.46	2,193.14	2,680.51	3,167.87	3,655.24	4,386.28
Stainborough	1,200.10	1,440.12	1,680.13	1,920.15	2,160.17	2,640.21	3,120.24	3,600.29	4,320.34
Tankersley	1,198.69	1,438.43	1,678.16	1,917.90	2,157.64	2,637.12	3,116.59	3,596.07	4,315.28
Thurgoland	1,191.00	1,429.20	1,667.39	1,905.59	2,143.79	2,620.19	3,096.58	3,572.99	4,287.58
Wortley	1,197.80	1,437.36	1,676.91	1,916.47	2,156.03	2,635.15	3,114.26	3,593.39	4,312.06
Barnsley and Other Non-Parish Areas	1,181.54	1,417.85	1,654.15	1,890.46	2,126.77	2,599.39	3,072.00	3,544.62	4,253.54
This table shows the total Council Tax for Barnsley MBC, local parishes and the Police & Fire Precepts									
The table is the sum of the total Council Tax for Barnsley MBC and local parishes (Table 3) and the precept amounts for the Police and Fire Authorities respectively (Table 4).									

(e) that the Director of Finance (S151 Officer) be authorised to serve notices, enter into agreements, give receipts, make adjustments, initiate proceedings and take any action available to the Council to collect or enforce the collection of non-domestic rates and the Council Tax from those persons liable in accordance with the Council's agreed policy; and

(f) that the Director of Finance (S151 Officer) determines in accordance with the principles determined by the Secretary of State and set out in the Referendums Relating to Council Tax Increases (Principles) (England) Report 2024/25, that Barnsley Metropolitan Borough Council's relevant basic amount of Council Tax for the year 2024/25 as defined by Section 41 of the Local Audit and Accountability Act 2014 is not excessive.

(g) that the Director of Legal and Governance be authorised to publish the Council Tax Notice in accordance with the provisions of Section 38 of the Local Government Finance Act 1992.

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Item 11

BARNSLEY METROPOLITAN BOROUGH COUNCIL

REPORT OF: The Director of Finance (Section 151 Officer)

TITLE: CORPORATE FINANCE PERFORMANCE QUARTER 3 2023/24

REPORT TO:	Cabinet
Date of Meeting	06 March 2024
Cabinet Member Portfolio	Core Services
Key Decision	No
Public or Private	Public

Purpose of report

To consider the financial performance of the Authority during the third quarter ended 31st December 2023 and assess the financial implications against the Council's Medium-term Financial Strategy (MTFS).

Council Plan Priority

All

Recommendations

That Cabinet:

CORPORATE FINANCE PERFORMANCE

- 1. Note the £20.7M projected cost pressure on the Council's 2023/24 General Fund budget, a slight improvement of £0.5M since Quarter 2.**
- 2. Note the significant ongoing cost pressures within Children's Social Care and the plans the Executive Director of Children's Services in conjunction with the Director of Finance are undertaking to mitigate these pressures.**
- 3. Receive further updates from Executive Directors on the delivery of their service reviews / efficiencies and future spending plans, ensuring that these are managed within agreed resource envelopes.**
- 4. Note the requirement to utilise reserves as agreed in Quarter 2.**
- 5. Note the current forecast pressure of £1.0M on the Housing Revenue Account, an increase of £0.2M since Q2.**

6. Endorse the accounting write-off of historic bad debts totalling £0.512M as detailed in the report [NB: all debts remain liable for collection].

CAPITAL PROGRAMME PERFORMANCE

7. Note the forecast position on the Capital Programme (paragraph 3)
8. Note scheme slippage totalling £19.1M.
9. Note scheme rephasing totalling £1.4M.
10. Endorse new schemes to be released into the programme totalling £2.2M in line with the agreed 2023/24 Capital Programme.

TREASURY MANAGEMENT

11. Note the key messages from the Council's Q3 Treasury Management activities (paragraph 4).

1. INTRODUCTION

- 1.1 The Council's 2023/24 budget of £230.4M was agreed by Full Council on 23rd February 2023. During the year, £6.1M has been drawn down from specific earmarked reserves, increasing the revenue budget to £236.5M.
- 1.2 A balanced budget for 2023/24 was predicated on the delivery of several key assumptions, whilst also highlighting several significant emerging risks that would also require addressing over the planning period.
- 1.3 At the meeting on 13th December 2023, Cabinet noted the Quarter 2 cost pressure of £21.3M against the revised budget of £236.5M. This report provides an update as at Quarter 3 (to the end of December 2023) with a cost pressure of £20.7M now reported, an improvement of £0.6M.

2. PROPOSAL

Overall General Fund Position to the Quarter Ending December 2023

- 2.1 The table below summarises the Council's forecast financial performance for 2023/24.

Directorate	Opening (Approve) Budget	Use of Earmarked Reserves	Other Budget Adjustments	Revised Net Budget 2023/24	Projected Net Outturn 2023/24	Variance	Position @ Q2	Movement since Q2
	£000	£000	£000	£000	£000	£000	£000	£000
Children's Services	49,553	3,669	1,731	54,933	71,597	16,664	15,574	+1,090
Growth & Sustainability	55,892	1,064	2,471	59,427	62,247	2,820	1,830	+990
Place Health & Adult Social Care	55,061	1,448	645	57,154	54,732	(2,422)	(782)	(1,640)
Public Health & Communities	10,498	(537)	545	10,506	9,892	(614)	(596)	(18)
Core Services	23,760	1,507	1,365	26,632	28,586	1,954	1,725	229
Directorate Totals	194,744	7,151	6,757	208,651	227,053	18,402	17,751	650
Corporate / General Items	35,678	(1,103)	(6,757)	27,819	30,119	2,300	3,500	(1,200)
TOTAL General Fund	230,423	6,048	0	236,470	257,172	20,702	21,251	(549)
HRA					980	980	787	193

- 2.2 The revised budget at Quarter 3 totals £236.5M, an increase of £6.1M from the original budget approved by Full Council (£230.4M). This reflects the drawdown of specific earmarked reserves required to fund expenditure during 23/24 (e.g. school balances). Furthermore, Directorate budgets have increased by £6M reflecting the 2023 employee pay award that was agreed on 1st November, together with other minor budget adjustments during the period.
- 2.3 The forecast position for 2023/24 shows a year-end cost pressure of £20.7M compared to the revised net budget, a reduction of £0.6M from the position reported in Quarter 2. This includes a deterioration in the Children's Services position of £1.1M compared to Quarter 2. Similarly, the position in the Growth and Sustainability Directorate has also worsened by almost £1.0M.
- 2.4 These increased cost pressures have been offset by forecast underspends within Place Health and Adult Social care [£2.4M] and in Public Health and Communities totaling [£0.6M], together with an improvement in the Treasury Management position of £1.2M.
- 2.5 As agreed by Cabinet (Cab 20.9.2023/8 refers), £7.4M of resources previously set aside will be used to partly offset this pressure, with the remaining £13.3M to be addressed via a re-prioritisation of existing reserves (£0.6M less than in Quarter 2).
- 2.6 However, the Executive Director of Childrens Services in conjunction with the Director of Finance are compiling a financial recovery plan to help mitigate the pressures within Children's Services with the intention of reducing the currently reported overspend by the end of 2023/24. This plan is due to be presented to Cabinet during Quarter 4.

2.7 Detailed explanations of each Directorate's position are highlighted below at paragraph 2.12. However, in summary the main pressures are as follows:

Pressure	£M	£M
Children In Care (LAC/Other)	10.4	
Children's Development Plan	4.6	
Other Children's Services	1.7	
Sub Total – Children's Directorate		16.7
Commercial Income	1.0	
Home to School Transport	0.8	
Waste Collection	0.6	
Winter Maintenance	0.8	
One-off income / savings	(0.4)	
Sub Total - Growth & Sustainability		2.8
Legal Fees (Children's Services related)	1.3	
Net Staffing Pressures (Structure/agency staff)	0.7	
Sub Total - Core Directorate		2.0
Employee Pay	3.5	
Treasury Management Activity	(1.2)	
Sub Total - Cross Council Pressures		2.3
Total Cost Pressures		23.7
Underspend within Place Health / Other		(3.0)
Net Cost Pressure (current call on reserves)		20.7

2.8 A formal moratorium on expenditure across all services has been in place since Q1 to help mitigate the above cost pressures as far as is possible. It is anticipated that the increased scrutiny of all spending above £10,000 and the tightened recruitment / procurement processes will prevent further cost pressures before the end of the financial year.

2.9 However, most of these pressures will continue over the medium term, so it remains imperative that the development and delivery of a transformation and efficiency plan to address the anticipated budget gaps over the medium term progresses at pace.

2.10 Therefore, it is recommended that Executive Directors continue to provide regular updates on actions to mitigate the above costs, including an update on the delivery of service reviews (transformation) and future spending plans, ensuring that these are managed within agreed resource envelopes.

Corporate Resources

2.11 The above position (as reported in the table at paragraph 2.1) excludes any impact in relation to the collection of core taxation income (Council Tax and Business Rates). The Council Tax collection rate is currently 96.63%, which is 0.13% above the stretch target of 96.5%. This is an improvement on Q2 (96.37%). Collection below 95% would result in a financial pressure over and above that reported in this report and therefore this position will be closely monitored throughout the remainder of the year.

2.12 Business Rates collection is also above target at 98.34% [compared to the stretch target of 98%]. This is an improvement of 1.22% on the Q2 position. Although this falls short of the 22/23 position by 0.19%, it is an excellent position considering the wider economic challenges and increased cost pressures that businesses are experiencing.

2.13 Overall, the current arrears (debt) position as at the end of December 2023 stood at £20.904M, a net reduction of £0.109M in the quarter. The Council's overall bad debt provision has also been revised to reflect current arrears. Approval is now being sought to write off historic debts [in accounting terms] against the approved provision for bad debts (Cab.14.6.2023/9 refers) of £0.512M which have become uneconomical to pursue any further at this time. [NB: all debts remain liable for collection]. T.

2023/24 Efficiency Proposal Update

2.14 The following table provides an update against the agreed 23/24 efficiency proposals.

Directorate	Target £	Already Delivered £	To be Delivered £	Progress
CHILDRENS SERVICES				
Education, Early Start and Prevention	283,000	283,000	-	Fully delivered
Children's Social Care and Safeguarding	479,600	249,600	230,000	Savings attached to a new residential care home and student placements is yet to be delivered
Total Children's	762,600	532,600	230,000	
GROWTH & SUSTAINABILITY				
Regeneration & Culture	1,540,000	1,040,000	500,000	The efficiency saving attached to Gateway Plaza is unlikely to deliver in full during this year
Highways & Engineering	200,000	200,000	-	
Total Growth & Sustainability	1,740,000	1,240,000	500,000	
PLACE HEALTH & ADULTS				
Adult Social Care	3,010,000	3,010,000	-	Fully delivered
Total Place Health & Adults	3,010,000	3,010,000		
PUBLIC HEALTH & COMMUNITIES				
Public Health	700,000	700,000	-	Fully delivered
Communities	360,000	360,000	-	Fully delivered
Public Health & Communities	1,060,000	1,060,000	-	
CORE				
Finance	190,000	190,000	-	Fully delivered
Business Improvement, HR & Comms	275,000	275,000	-	Fully delivered
Customer Information & Digital Services	299,000	299,000	-	Fully delivered
TOTAL	7,336,600	6,060,600	730,000	

DIRECTORATE UPDATES

2.15 The following detailed updates have been provided by Executive Directors.

SECTION 1 - Executive Director's Summary for Children's Services

Highlights

The latest approved budget for 23/24 for the Children's Services Directorate is **£54.933M**. The Directorate is forecasting an outturn of **£71.597M** as at the end of Quarter 3, resulting in a forecast cost pressure of **£16.664M**. Key pressures include:

- Children in Care (LAC / Other) £10.355M
- Children's Development Plan £4.598M
- Other Children's Services £1.711M

Quarter 3 position to the end of December 2023

Children's Directorate	Approved Net Budget	Projected Net Outturn	Variance	Devt Plan Costs	Other BAU Costs
	£'000	£'000	£'000	£'000	£'000
Education, Early Start & Prevention	11,522	11,330	-192	-50	-142
Children Social Care	38,835	55,691	16,856	4,648	12,207
Sub-Total	50,357	67,021	16,664	4,598	12,066
Schools	4,576	4,576	0	0	0
Total – Children's	54,933	71,597	16,664	4,598	12,066

Explanation of Key Variances

Education, Early Start & Prevention (Underspend of £0.192M)

2.16 An overall underspend of -£0.192M is forecast for the Business Unit. This represents a decrease of £0.050M compared to the Q2 position. The following explain the key operational variances in Q3:

Inclusion Services (overspend of £0.190M):

- The overspend mainly relates to increased Mediation contract costs (£0.070M) and the use of agency staff (£0.163M) to deal with EHCP demand pressures within the SEND Assessment & Review team.

- The overall cost pressure has been offset by vacant posts across Inclusion Services; particularly within the Education Psychology Service (-£0.087M) where there has been difficulty in recruiting qualified psychologists.

Education and Partnerships (underspend of £0.191M):

- The underspend relates to reduced spend on externally procured professional support for schools and staff vacancies within School Improvement (-£0.062M) and Education Welfare (-£0.100M). A further contribution to the underspend is an increase in Fixed Penalty Notices income.

Early Start and Family Services (underspend of £0.179M)

- The underspend is mainly due to staff turnover and slippage in recruitment to vacant posts in the Family Centre's and Targeted Youth Support teams, as well as the increase in the 2-year funding rate, which is partially offset by agency use in the contextual safeguarding team (£0.148M).

BU3: Children Social Care (overspend of £16.856M)

- 2.17 An overspend position of **£16.856M** is currently forecast for the year, this is an increase as compared to Q2 of £1.039M. The latest forecast overspend is due to significant cost pressures in LAC placements, Children Disability Service and increased agency spend (relating to the Children's Services Development Plan).
- 2.18 The above forecast outturn includes the costs of implementing the range of actions included in the Development Plan aimed at improving and strengthening Children's Services.
- 2.19 The following explains the key cost pressures across Children's Social Care for Q3.

Children in Care (overspend of £10.355M):

The above pressure represents an increase of £0.450M compared to Q2 and relates to an increase in agency staff costs (Fostering and Children in Care Teams) and increased LAC costs.

The overall forecast overspend is mainly attributable to increased placements in residential care homes as well as the continued competitive pressures in the children's care home provider market. The Council continues to face challenges (and increasing costs) in placing young children, especially those with complex / multiple needs. The following explains some of the key issues / pressures:

- LAC Population: - Barnsley's LAC number at the end of Q3 is 403, this represents a net decrease of 21 since the end of Sept 2023. We continue to face challenges relating to placement moves (due to breakdowns) and changes due to complexity of needs. This explains the change in forecast cost since Q2.

- External Residential Care (+£8.675M): - The number of placements (and costs) in external residential care continues to exert pressure on resources – with an overspend of £8.7M forecast for the year (an increase of £0.164M compared to Q2).

There are currently 82 young people placed in external care homes (including 39 in semi-independent accommodation) at the end of Q3, compared to the planned number of 65 for the financial year.

The above pressure is due to the competitive pressures in the care market, particularly for young people with complex needs. It is also evident that the change to regulated provision of a number of semi-independent homes has contributed to the increase in the weekly cost charged by providers.

- Foster Care: (+£0.017M)- no significant cost pressure is currently forecast for foster care for the year. The increase in independent foster agency placements costs has been offset by a forecast reduction in placements with in-house foster carers.
- Other Placements Costs: (+£0.065M) - The cost pressure is due to a higher number of placements than planned for the following placement options - Special Guardianship Orders, Adoption support and S38(6) support payments made in advance of the issue of formal court care orders.
- Other Children in Care budgets (+£1.598M): Staffing cost pressures are currently forecast across the Children in Care social worker teams (including fostering) and the Council owned homes (Spring Lane and Newsome Avenue). Most of these pressures relate to the use of agency staff (to address increased caseloads; cover staff vacancies / absences) and the outcome of job evaluation of staff at both Council owned homes. This cost pressure is an increase of £0.282M compared to Q2.

Children's Social Care Development Plan Phase 2 - £4.648M

As previously reported, there are further cost pressures associated with the Development Plan. The total cost now stands at £8.090M, with a forecast overspend against budget of £4.648M. The forecast cost pressure, which mainly relates to unbudgeted Phase 2 costs, represents an increase of £0.277M compared to Q2. Key variances are highlighted below:

- Care Leavers (overspend of £0.680M) - The overspend is mainly due to increased staffing costs (personal advisers) and the use of agency staff. The forecast position also includes additional spending associated with the improved local offer to care leavers.
- Children in Care (overspend of £0.157M) - The forecast cost pressure relates to increased agency cover costs for Service Manager posts.

- Assessment & Care (overspend of £3.305M) – The forecast pressure relates to the use of project teams / agency staff (across the Integrated Front Door and Children & Young People Teams) to address increased caseloads, vacancies and long-term staff absences.
- Safeguarding & Quality Assurance (overspend of £0.147M) - The forecast overspend is mainly attributable to the increased use of agency staff to cover absences, vacancies and to provide extra capacity where needed.
- Children’s Disability & Short Breaks (overspend of £0.292M) – a forecast overspend is anticipated on staffing related costs due to the increased use of agency staff.
- Service Management (overspend of £0.067M) - The forecast overspend is due to project management / support costs associated with the Development Plan and Ofsted readiness work.

Other Children Social Care cost pressures (£1.853M)

The forecast cost pressures on other children social care service areas are £1.853M (an increase of £0.312M compared to Q2) and is mainly attributed to the following:

- Assessment & Care (overspend of £0.329M) – relates to S17 / family support costs, IT, and car mileage / travel costs as well as agency spend in the Emergency Duty Team.
- Care Leavers (overspend of £0.360M) – relates to the increased placement costs and other staffing, travel, and operating costs.
- Safeguarding & QA (overspend of £0.617M) - relating to increased use of agency staff to cover absences, vacancies and to provide extra capacity mainly in the Independent Review Team.
- Children Disability Team (overspend £0.664M) - is attributable to increased direct payments / childminding / family support costs and a reduction in continuing care funding to meet identified health needs.
- Targeted Early Help (underspend of £0.122M) – relates to staff vacancies and turnover across the teams transferred from BU1.

Schools Dedicated Schools Grant (DSG)

2.20 The latest DSG budget for 23/24 totals £99.9M, comprising £63.2M delegated to schools and £36.7M retained centrally by the Council. The following outlines the forecast position for the schools’ budgets:

Schools Delegated budgets (underspend of £1.9M)

The schools delegated budget consists of funding allocated directly to schools and includes formula funding, high needs, and early years funding. The latest reported schools position shows a projected surplus of £1.9M for the year. This balance is held in schools' bank accounts and therefore is not included in the Council's outturn reported above as under the DSG grant conditions surplus balances at year end will be carried forward and earmarked for spend by schools. It is expected that a reduction in school surplus balances will be seen as schools continue to raise sustainability concerns relating to cost of living pressures, inflation and energy costs.

Schools Centrally Retained budgets (overspend of £3.2M)

This consists of schools' budgets retained by the Council and managed on behalf of schools. An overall DSG overspend of £3.2M is currently forecast for Q3 (a worse position compared to Q2). This represents an increase of £0.6M when compared with the planned deficit of £2.6M for the year. The overspend mainly relates to the high needs funding block. The change in the reported position for the year can be explained as follows:

- Inflationary pressures (£0.3M) – higher than planned increases in fee rates for placements in independent non-maintained settings and special academies in other local authorities.
- Increase in average unit cost and numbers (£0.7M) – this cost pressure has arisen due to growth in placements (24) higher than planned growth (20) and an increase in the average unit cost of new INMSS placements in the year – compared to the budgeted average unit cost and reflects the increasing complexity of needs of the pupils placed in independent non-maintained settings.
- Slippage in new SEND places (-£0.2M) – whilst the Council has exceeded its target number of new commissioned SEND places for the year, there has been minor slippage [although with no detriment to plan placements].
- Other Variances (-£0.2M) – reflects other variances and adjustments to the Council's high needs grant allocation.

The latest overall financial risk to the system for 23/24 is forecast at £15.8M comprised of the cumulative deficit carried forward from 22/ 23 net of the DfE support funding received under the Safety Valve programme.

Approved Savings Position

2.21 The Directorate has total approved savings of £0.762M to deliver in 23/24 including:

- £0.170M - decommissioning of the MST contract.
- £0.068M - Maximising the use of the Supporting Families Grant.
- £0.045M - Targeted Youth – deletion of vacant post.
- £0.200M - LAC placements (developing a new children's care home).

- £0.249M - LAC placements (increase in in-house foster carers).
- £0.030M - Safeguarding (increase in student placement income).

2.22 A £0.230M shortfall is currently forecast against the delivery of the approved savings target due to slippage on developing a new children's care home (£0.200M) and reduced student placement income (£0.030M).

Current Actions and Risks

2.23 Children's Social Care

A key risk facing Children's Social Care is the continued increase in service demand / caseloads; the number of looked after children and the increasing use of agency staff (on the back of the Development Plan).

A financial recovery plan has been developed by the Executive Director of Children's Services in conjunction with the Director of Finance and presented to SMT / Cabinet to address the key areas of cost pressures in the Business Unit, with particular focus on reducing the number and cost of agency staff by 31st March and stemming the rise in LAC placement costs.

Going forward, any further increase in LAC numbers beyond those anticipated will continue to exert pressure on the budget in future years. Implementing the commissioning actions set out in the refreshed LAC Placement / Sufficiency Plan continues to be the focus of the service. These would ensure that children are placed in the right placements that meet needs and where possible are placed in family type placements.

2.24 Education, Early Start, & Prevention

Rising EHCP numbers and demand for SEND support may continue to pose financial / sustainability risks in the current year and beyond. The development of the DSG management plan and the commencement of the Safety Valve Programme will help address the sustainability issue over the medium term.

SECTION 2 – Executive Director's Summary for Growth and Sustainability

Highlights

The latest approved budget for 23/24 for the Growth and Sustainability Directorate is **£59.427M**. The Directorate is forecasting an outturn of **£62.247M** as at the end of Quarter 3, resulting in a cost pressure of **£2.820M** (This includes £0.750M relating to Winter Maintenance)

The Council's Housing Revenue Account is also reporting cost pressures of **£0.980M**

Quarter 3 position to the end of the quarter ending December 2023

Directorate	Approved Net Budget 2023/24 £'000	Projected Net Outturn 2023/24 £'000	Variance £'000
Regeneration & Culture	18,887	19,737	850
Environment & Highways	40,540	42,510	1,970
Total Growth & Sustainability	59,427	62,247	2,820
Housing Revenue Account	Nil	980	980

Key Variances

Regeneration & Culture – Overspend of £0.850M:

2.25 Regeneration and Culture are reporting a forecast overspend of £0.850M. Key variances are as follows.

Commercial Income £1.000M overspend - Underachievement of commercial income is forecast due to an unachieved Gateway occupancy KLOE and under occupancy more generally across the estate.

Markets £0.200M overspend - An overspend is currently forecast within the Markets Service relating to outside market stall set up cost pressures. Work is ongoing to review alternative arrangements and proposals are being developed with a view to mitigating costs.

Planning £0.375M overspend underachievement of planning income due to a decline in planning application fees mainly due to the current external socio-economic climate.

Transformation (-£0.315M underspend) early transformation savings released by Economic Development, Learning & Skills & Culture & Visitor Economy.

(£0.410M) vacancy factor across the business unit is expected due to current market conditions.

Environment & Highways – Overspend of £1.970M:

2.26 Environment and Highways are reporting a forecasted overspend of £1.970M. Key variances are as follows.

Home to school transport £0.770M overspend which is mainly due to an increase in pupil numbers & ongoing inflationary pressures.

Waste £0.565M overspend due to additional disposal requirements in relation to Persistent Organic Pollutants (POPs), together with the continued decline in the mixed recyclates market and a decline in the paper/card market due to increased contamination. Collection costs have also increased due to increased vehicle and staffing costs.

Highways £0.380M overspend increased costs on reactive pothole works and Traffic Signals maintenance in this financial year.

Winter Maintenance £0.750M pressure. The winter maintenance service began in November and runs through to the end of March. The currently reported pressure is based on historical 3-year average costs. This is subject to change depending on the severity of the winter season.

Car Parking Income (-£0.325M underspend) additional car parking income is currently forecast mainly due to one off income from a time limited commercial car parking agreement.

Staffing costs (-£0.150M underspend) a vacancy factor across the business unit is expected due to current market conditions.

Housing Revenue Account - Outturn £0.980M

- 2.27 The HRA is reporting an increased call on reserves to fund a projected overspend of £0.980M; key information is as follows.

Disrepair claims £0.350M overspend due to an increase in disrepair claims from tenants based on the estimated value of claims in the system to date.

Fuel Costs £0.530M overspend a forecast overspend relating to fuel costs as a result of the Bio Mass fuel contract price increase and an increase in usage and prices across the District Heating scheme

Consultant Fees £0.100M overspend unbudgeted consultant fees on the Service Charge and PRIP contract review.

Dwellings rental income breakeven it is expected that budgeted rent levels will be achieved despite an increase in void turnover levels. The balanced position is achieved due to stock levels being higher than originally anticipated due to a downturn in the Housing Market resulting in less Right to Buy sales.

Repairs and Maintenance budget balanced a balanced position is forecast on the repairs and maintenance budget. The responsive repairs budget has been realigned to reflect the volume of work experienced in the last financial year and uplifted to reflect an anticipated CPI contract inflation uplift. Berneslai Homes are undertaking detailed monitoring under their delegated powers to deliver responsive repairs on budget and ensure all resources are utilised in an efficient way to deliver value for money and ensuring the Council's tenants are safe and that stock is maintained to the agreed decency standards.

Approved Savings Position

- 2.28 The Directorate has total approved savings of £1.740M to deliver in 23/24 as below.
- Town Centre Building Review £0.500M
 - Industrial Properties rent review £0.070M
 - Fees & Charges £0.550M
 - Contracts review £0.300M
 - Closure of Glassworks Cultural Units £0.170M
 - Right to Buy income £0.050M
 - Reduction in agency costs £0.100M

- 2.29 The £0.500M saving from the Town Centre Buildings Review will not be fully achieved in this financial year. Work is ongoing to resolve the issue. All other efficiencies currently remain on track to be delivered in full.

Current Actions and Future Risks for the Directorate

- 2.30 The current outturn position for the Directorate shows a Business-as-Usual overspend of £2.820M. The Directorate continues to work hard to bring forward necessary mitigations for all pressures and deliver a balanced budget. The key current actions and risks to note are as follows:

2.31 Regeneration & Culture

Work continues to implement the key elements of the recently approved Asset Management Strategy, which is expected to deliver significant efficiencies (£5.8M FYE over 5 years). This programme includes ensuring buildings are fully utilised, reviewing the operating cost of buildings and implementing interventions to reduce costs, and undertaking a programme of rationalisation and disposal of surplus assets.

Planning applications have continued to steadily fall mainly due to the high levels of inflation on the construction costs of new houses, high interest rates impacting house sales and private developments. This impacts income generation within the service, although it is hoped that conditions will improve as inflation and interest rates start to fall.

2.32 Environment & Highways

A Home to School transport action plan is in place to review routes, bring more routes in-house, increase travel training along with an external end-to-end review of the service planned in Quarter 4. Nonetheless demand and inflation continue to increase costs.

Highways are continuing to review their approach to vacancy management to reduce the dependency on outside agency workers to fulfil statutory functions.

The winter maintenance programme is dependent on several factors including the weather which could have an impact on budget forecasts. An independent external review of winter maintenance is also planned during Quarter 4.

2.33 HRA

There are wider strategic risks to note in relation to the finances and business plan for the HRA such as damp / mould, emerging Government legislation, BHS, disrepair claims, new IT system, responsive repairs, inflationary pressures, stock condition surveys and developing strategies including but not limited to – Asset Management, New Build / Housing Growth, Stock decarbonisation. BH are currently working in conjunction with the Council on these to assist in mitigating expected cost pressures.

Finally, the current socio-economic climate and the cost-of-living crisis are putting pressure on services throughout the Directorate. Energy and fuel costs have seen unprecedented price rises but are currently forecast to be contained within approved resources. However, this could change dependent on consumption and how the flexible utility tariffs work in practice. An energy group has been established to closely monitor the situation as well as working with Utilidex on improving reporting and sensitivity analysis.

SECTION 3 - Executive Director's Summary for Place Health and Adult Social Care

Highlights

The latest approved budget for 23/24 for the Place Health and Adult Social Care Directorate is **£57.154M**. The Directorate is forecasting an outturn of **£54.732M** as at Quarter 3, resulting in a forecast underspend position for the year totaling **£2.422M**.

Quarter 3 position to the end of the quarter ending December 2023

Directorate	Approved Net Budget 2023/24 £'000	Projected Net Outturn 2023/24 £'000	Variance £'000
Older People	25,854	25,470	(384)
Working Age Adults	27,697	27,154	(543)
ED / SD Management	3,603	2,108	(1,495)
Total for Directorate	57,154	54,732	(2,422)

Adult Social Care – Underspend of £2.422M

2.34 The Place Health and Adult Social Care Directorate is reporting an overall underspend totalling £2.422M as at Quarter 3. This position includes underspends on provisioning costs and staffing vacancies / turnover across the Directorate.

2.35 The key operational variances for the Directorate are as follows:

Older People (underspend of -£0.384M)

- Locality Teams (-0.263M underspend) – an underspend is currently forecast for the Assessment and Care Locality Teams. This underspend relates to staffing vacancies / turnover (-£0.243M), reduced care provision costs (-£0.081M) and other minor variances relating to non-staffing spend (£0.061M) across the service.
- Re-ablement (-£0.121M underspend) – a forecast underspend is also reported within Re-ablement, relating to staff turnover and vacancy savings on support worker posts – a reflection of the continued difficulty of recruiting and retaining care workers / staff.
- Assisted Living Technology balanced position – a forecast balanced position is reported for the year as at Quarter 3.

Working Age Adults (underspend of -£0.543M):

- Specialist / Mental Health teams (-£0.429M underspend) – an overall underspend is reported across the Specialist and Mental Health teams. This relates to a reduction in care provision costs (-£0.273M), underspends relating to staffing vacancies / turnover (-£0.136M) and other minor underspends totaling (-£0.020M).
- In-house Day Services / Shared Lives Team (-£0.114M underspend) – an underspend is reported across these services due to staff turnover / vacancy savings (-£0.142M), partly offset by minor miscellaneous overspends.

SD/ED/Management Services (underspend of -£1.495M):

- ED/SD Management (-£1.475M underspend) – this underspend mainly relates to specific grant funding which is pending allocation.
- Commissioning/Safeguarding/Quality/Training Services (-£0.020M underspend) – an underspend of £0.020M is reported across the Commissioning/ Safeguarding/ Quality and Training services. The underspend relates to staff turnover / vacancy savings (-£0.050M), various other minor underspends totaling (-£0.025M) offset by overspends within the Quality Team relating to carers support payments (£0.055M).

Approved Savings Position

2.36 The Directorate has total approved savings of £3.010M to deliver in 23/24 including:

- £1.350M - Review of the ASC operating model (Re-ablement and Front Door)
- £0.320M - Targeted reviews of high-cost care packages
- £0.200M - ACSES Contract - TUPE cost reduction
- £0.840M - Maximising the use of grant funding (e.g., Winter Pressures / DFG)
- £0.300M - Direct Payments - surplus balances claw back

All the above savings are currently forecast to be delivered in full.

Current Actions and Future Risks

2.37 Whilst the current outturn forecasts a balanced position, work is ongoing to manage emerging risks and changes in the care market and operating landscape. The following outline some of the issues / risks facing the Directorate over the medium term:

- Adult Social Care continues to respond to the pressures / challenges facing the NHS in relation to **hospital discharges**. Government grant funding has been used to enhance capacity in the care market and within adult social care services to facilitate discharges from hospital and ensure support at home or in the community.
- **Staff workforce** challenges (in terms of recruitment / retention) continue to be evident in the year so far. The Government has recently launched a Call for Evidence to develop the first ever national care workforce pathway for adult social care. This 'pathway' would set out the skills, knowledge, and behaviors that people working in adult social care need to deliver high-quality, personalised, compassionate care and support.
- Barnsley Place faces significant **financial pressures across the health and care system**, in relation to increased demand for NHS services and delivery of efficiencies. It is unclear what impact the actions / measures being implemented by the Barnsley ICB would have on the Council's financial position. However, it does present opportunities for ensuring value in the way services are delivered and resources deployed.
- The Council is embarking on a significant **Service Review** programme, with adult social care expected to transform its services and deliver efficiency savings by 2026. This would bring the total savings to be delivered by 2025 to £4.4M (made up of £3M in 23/24; £1.2M in 24/25; and £0.2M in 25/26). The Better Lives Programme continues to form the focal point for improving adult social care provision and for delivering savings.

SECTION 4 – Executive Director’s Summary for Public Health & Communities

Highlights

The latest approved net budget for the Public Health & Communities Directorate is **£10.506M**. The Directorate is projecting a net outturn underspend for the year of **£0.614M**

Quarter 3 position as at the end of December 2023

Directorate	Approved Net Budget 2023/24 £'000	Projected Net Outturn 2023/24 £'000	Variance £'000
Communities	7,061	6,547	(514)
Public Health	3,445	3,345	(100)
Total for Directorate	10,506	9,892	(614)

2.38 The Public Health and Communities Directorate is currently reporting a more favorable position than at Q2. Variances include:

2.39 **Communities – Underspend of £0.209M**

SD Account (-0.019M underspend) The underspend within the SD account is mainly due to transport and supplies and services.

Healthier Communities (-£0.209M underspend) The underspend within the Healthier Communities Service mainly relates to vacancies (£0.095M) and the switching of core budget with grant funding (£0.092M).

Safer Communities (-£0.189M underspend) the Safer Communities service is currently forecasting an underspend of £0.189M which is mainly due to staffing vacancies and switch funding of the Homeless Prevention top up grant with base budget.

Library Service (-0.074M) An overall underspend of £0.074M is currently forecast within the Libraries Service mainly due to staffing vacancies/turnover.

Stronger Communities (-£0.023M) A minor underspend is currently forecast within Stronger Communities due to staffing/employee costs.

2.40 **Public Health – Underspend of £0.100M**

An underspend is also currently forecast within Public Health (£0.100M). This relates to an underspend on Integrated Sexual Health contracts (£0.070M) and staff vacancies within Health Improvement (£0.030M).

2.41 Approved Savings Position

The Communities Business Unit is currently going through a Service Review, efficiency savings of £360K have been achieved in 23/24 and further efficiency savings of £170K are to be delivered in 24/25.

The Public Health Business Unit implemented their initial service review activity during 23/24 achieving £0.700M of savings.

2.42 Current Actions and Future Risks

- Government requirement to provide long-term accommodation for rough sleepers; locally there are several pressing issues, a lack of affordable housing, under supply of social housing & the changing landscape in the private rented sector.
- New Burdens Domestic Abuse Bill and Protect Duty - the Government has placed new duties on local authorities to ensure families can access the right support in safe accommodation when they need it.
- There are currently issues with recruitment and retention across the Directorate and this is expected to be an ongoing problem for the rest of the financial year. A plan is currently in place to train existing staff to be able to complete roles.

SECTION 5 - Executive Director's Statement for Core

Highlights

The latest approved budget for 23/24 for the Core Directorate is **£26.632M**. The Directorate is forecasting an outturn of **£28.586M** as at the end of Quarter 3, resulting in a cost pressure of **£1.954M**.

Quarter 3 Position to the end of the quarter ending December 2023

Core Directorate	Approved Net Budget 2023/24	Projected Net Outturn 2023/24	Variance
	£'000	£'000	£'000
Customer Information & Digital Services	10,803	10,740	-67
Financial Services	5,601	5,611	10
Business Improvement, HR & Communication	5,449	5,699	250
Law & Governance	4,779	6,536	1,757
Total – Core	26,632	28,586	1,954

Key Variances

- 2.43 Cost pressures totalling £1.954M are currently forecast within the Core Services Directorate. Key variances include:

Customer Information & Digital Services (-£0.067M underspend)

- 2.44 The underspend is primarily due to staff vacancies (-£0.963M), offset by an overspend on the cost of the Council's IT contracts and Developments (including one-off contracts such as CoPilot) - (£0.670M) and other minor variances of £0.076M. These figures include spending of £0.126M relating to the Children's Services Development Fund.

Financial Services –£0.010M overspend

- 2.45 A minor cost pressure of £0.010M is forecast within Financial Services mainly relating to underspends on staffing costs (-£0.304M) and the early implementation of service reviews savings within Internal Audit and Procurement (£-0.097M). These are offset by an overspend in Catering Services (£0.276M) due to the rising cost of food, together with the loss of income from the South Yorkshire Police audit contract (£0.127M).

Business Improvement, HR and Communication – £0.250M overspend

- 2.46 A cost pressure of £0.250M, after earmarkings of £0.105M for Corporate Training, is currently forecast. This predominantly relates to the cost of additional staffing and IT costs within the Business Improvement Service to support the Children's Services Development Plan (£0.465M), partially offset by staff vacancies.

Law and Governance – £1.765M overspend

- 2.47 Law and Governance is forecasting an overspend of £1.765M. This predominantly relates to the use of barristers and other external legal support to address the rising number of complex children in care caseloads (£0.988M), the use of locum (agency) solicitors to temporarily fill vacant positions pending recruitment (£0.662M), together with cost pressures within the Elections Service (£0.122M).

Approved Savings Position

- 2.48 The Directorate had total approved savings of £0.764M to deliver in 23/24.
- Staffing savings across the Directorate £0.434M
 - Fraud income £0.050M
 - Contracts review £0.030M
 - Smart Working £0.250M

All savings will be delivered in full-by the end of 23/24.

Current Actions and Future Risks

- 2.49 MTFS / Transformation – The current MTFS position requires transformation and efficiencies to be delivered from all services across the Authority. The following Core Services will be reviewed in the first tranche with an implementation date of 1st April 2024.
- Customer Information & Digital – Service Design & Compliance
 - Law & Governance - Business Support
 - Law & Governance - Legal Services
 - Law & Governance – Governance
 - Internal Audit, Anti-Fraud & Assurance
 - Strategic Procurement & Contract Management
- 2.50 Technology - The delivery of the Cloud Enrolment for Dynamics solution will be key in supporting the workforce to operate with the right infrastructure, which should enable the rationalisation of other contracts, licences and systems across the Authority.
- 2.51 Customer Information and Digital Services - Uncertainty remains regarding the increased cost of software licenses along with changes in contracting arrangements from external suppliers. Work is ongoing to monitor these arrangements with a view to mitigating these pressures and driving out value for money wherever possible.
- 2.52 Benefits & Taxation - Further delays associated with the implementation of Universal Credit are impacting the Benefits and Taxation structure. Household Support Grant has also been extended to March 2024 and may be extended further, again causing resourcing issues within the Service.
- 2.53 Legal Services - Potential impact on Legal services and the need to appoint locums to meet increasing demands as a result of commercial contract variations and other policy changes. The cost of Children’s Social Care continues to place a burden on the budget. Work is being undertaken to monitor these arrangements with a view to mitigating these pressures and driving out value for money wherever possible.
- 2.54 Staffing - Workforce challenges (in terms of recruitment / retention) are expected to continue in 2023/24. There are recruitment issues across the Business Unit which reduces the effectiveness of services and the ability to create income generation.

Section 6 Corporate / Council Wide Budgets

Highlights

There is currently a projected overspend within Corporate Budgets of **£2.300M**.

Pay Costs - £3.500M overspend

- 2.55 The budget approved in February 2023 assumed an employee pay award of 4% (equivalent to a cost of £4.0M), but it was highlighted at the time that this may not be sufficient given the ongoing cost-of-living crisis.
- 2.56 The 2023/24 Local Government pay award was agreed on 1st November 2023. The pay award of at least £1,925 on all NJC pay points 1 and above backdated to 1st April 2023 equates to a year-on-year cost increase of circa £7.5M, £3.5M more than originally anticipated.

Treasury Management Activity - £1.200M additional income

- 2.57 The Treasury Management team has been able to take advantage of the current high Bank Interest Rate (5.25%) and earn additional investment on temporary cash balances.

Current Action

- 2.58 In anticipation of the emerging risks highlighted in the 23/24 budget proposals, a provision of £7.4M (equivalent to the full increase in the General Social Care Grant) was set aside as a mitigation strategy. It is now clear that this provision is not sufficient to meet the £20.7M cost pressure currently forecast at Q3. As a result, a full review to re-prioritise existing general fund reserves to address the remaining gap has been undertaken.
- 2.59 A formal moratorium on expenditure was implemented in August 2023 which increased scrutiny on procurement and recruitment expenditure to help address these cost pressures together with working with services, particularly Children's Services, on a financial recovery plan.

Future Action

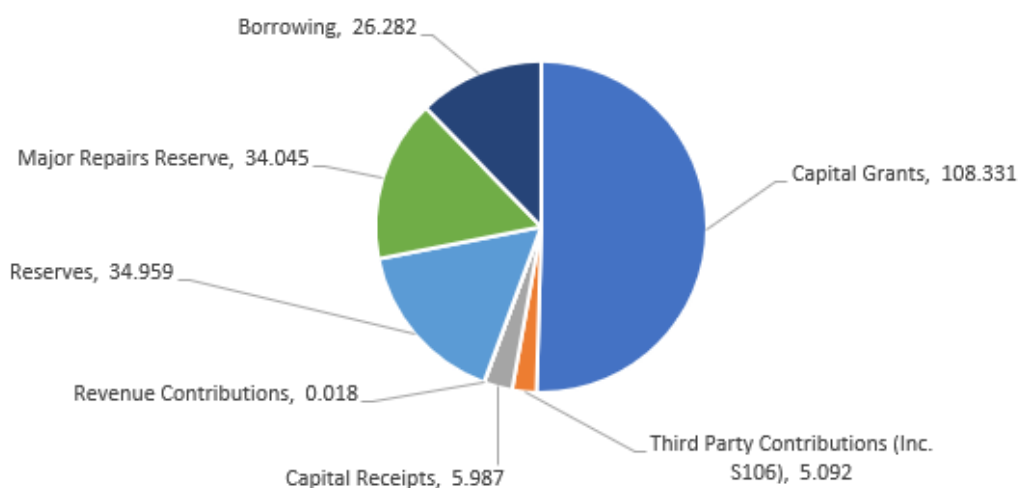
- 2.60 The cost pressures highlighted within this report are likely to have an ongoing detrimental impact on the MTFS, with significant budget deficits forecast for future periods. The financial strategy is in the process of being revised, including providing an update on the ongoing programme of transformational / efficiency activity to address the anticipated budget gaps on an ongoing and sustainable basis over the medium term.

3. Overall Capital Programme Position to the Quarter Ending December 2023

3.1 The Council's capital programme is planned over the five-year period 23/24 through to 27/28 and has a total budget of £214.712M (£141.991M in 2023/24). Forecast spend for 23/24 is £124.832M, £17.2M lower than originally planned:

<u>Directorate</u>	2023/24 Capital Programme £M	2023/24 Actuals £M	2023/24 Projected Outturn £M	2023/24 Variance £M	Total Capital Programme £M	Total Projected Outturn £M	Total Variance £M
Children's Services	8.157	3.567	7.203	(0.954)	8.985	8.985	-
Growth & Sustainability	79.411	38.581	63.377	(16.034)	145.631	146.214	0.583
Public Health & Communities	0.571	0.125	0.439	(0.132)	0.571	0.571	-
Place Health & Adult Social Care	5.656	4.280	6.248	0.592	7.253	7.253	-
Core Services	8.960	4.707	8.960	-	9.515	9.515	-
Housing Revenue Account	39.236	19.712	38.605	(0.631)	42.757	42.757	-
Total	141.991	70.792	124.832	(17.159)	214.712	215.295	0.583

3.2 The above costs are to be funded from a variety of sources as highlighted in the chart below, the majority of which are from external grants and reserves specifically earmarked for capital priorities:



3.3 The table below shows the breakdown of variations across the totality of the programme. Further detail is provided in the following paragraphs.

	2023/24 £M	Future Years £M	Total £M
Slippage	(19.116)	19.116	-
Rephasing	1.368	(1.368)	-
Funding Increase/(Decrease)	0.589	(0.006)	0.583
Total	(17.159)	17.742	0.583

Scheme Slippage

3.4 Of the total 23/24 variation in expenditure against approved plans, £19.116M relates to scheme slippage (where expenditure plans are expected to be utilised in a future year rather than the current year, due to events largely outside of the Council's control). This position is constantly reviewed by Finance Officers in conjunction with project leads to ensure schemes progress as planned and that there are no adverse implications in terms of funding. Those schemes that have seen significant slippage are explained further below:

Directorate	Scheme	£M	Explanation
Growth & Sustainability	Glass Works Development Phase 2	4.500	Budget related to the letting of vacant units to be used in 24/25
Growth & Sustainability	Youth Zone	4.117	Project is currently in the planning stage. The budget is to be realigned to 24/25 in line with the revised timescales.
Growth & Sustainability	Property Investment Fund	2.397	Start of the programme has seen delays, a detailed report will be submitted to cabinet in due course to reflect updated plans
Growth & Sustainability	Parkside Sports Facilities	1.979	An application for grant funding to the Football Foundation will be made during January 2024. Pending the outcome of this, construction is now not expected to begin until the 24/25 financial year.
Growth & Sustainability	Cultural Development Fund – Elsecar	1.978	Most of the works will be completed in 24/25.
Children's Services	Children in Care Residential Home	0.990	Proposals currently under review for the purchase of a site, with the formal purchase expected to take place in 24/25
Various	Other	3.155	
	Total	19.116	

Re-phasing

3.5 Of the total 23/24 variation in expenditure against approved plans, £1.368M relates to scheme rephasing. This is where additional works have been or are anticipated to be completed earlier than originally planned due to proactive project planning. This position is constantly reviewed by Finance Officers in

conjunction with project leads to ensure schemes progress as planned and that there are no adverse implications in terms of funding. Those schemes that have been accelerated are explained further below.

Directorate	Scheme	£M	Explanation
Place, Health & Adult Social Care	Disabled Facilities Grant	0.592	Funding has been accelerated into 2023/24 due to a combination of an increased number of reviews taking place compared to previous estimates, complexity of these cases leading to increased costs and overall inflationary pressures.
Growth & Sustainability	Junction 36 Phase 2	0.363	Work has accelerated at a faster pace than initially anticipated, with the majority of works now due to be completed in the current financial year. The re-phasing will also align with the related Towns Fund spend profile for the project.
Various	Other	0.413	
	Total	1.368	

Overall Variation in Scheme Costs

- 3.6 An amount totalling £0.583M relates to an overall estimated net increase in expenditure across several schemes within the highways programme. Members should note that the overall increase will be fully funded by additional grant funding due to be received in quarter 4, so there is no additional cost to council resources. Further detail provided below.

Highways Programme Update

- 3.7 The Highways Capital Programme for 2023/24 has a budget of £16.560M, whilst a further allocation of £0.842M has been accepted from SYMCA for pothole maintenance (as awarded by the Department for Transport). At quarter three it is expected that £0.582M, of this pothole maintenance funding will be claimed, following a programme of carriageway patching.
- 3.8 Highways and Engineering has delivered an accelerated programme of works, with final programmed carriageway/footway schemes being completed shortly before Christmas and the start of Winter.
- 3.9 At quarter three the programme includes total slippage of £3.967M and re-phasing of £0.413M. £0.408M has also been re-profiled within the programme to support overspends on Carriageways, Footways, Principal Roads, Bridges & Structures and Street Lighting Maintenance. This is due to increased costs arising from both inflationary pressures and the extended scope of works carried out.
- 3.10 As well as planned works, Highways and Transport service have identified several emerging unforeseen risks that will put additional strain on the resources available. These include emergency maintenance work in the Town Centre, replacement of stolen gully grates and infrastructure damage due to a car fire. At current, this is expected to be managed within budget, but this will be closely monitored throughout the financial year.

New Approvals

3.11 In addition to the above, several new schemes have been approved during the Quarter totaling £2.213M:

Reconciliation Between 23/24 Quarter 2 and 23/24 Quarter 3 Positions:	Directorate	Total Capital Programme £M
23/24 Quarter Two Approved Programme		139.778
<u>Approved Schemes During Quarter 3:</u>		
Libraries Refurbishment	Public Health & Communities	0.409
Transforming Cities Fund	Growth & Sustainability	0.311
Locke Park Works	Growth & Sustainability	0.226
Town Centre to Oakwell	Growth & Sustainability	0.210
TPT – Bullhouse Bridge Deck	Growth & Sustainability	0.156
Cremulator Upgrade	Growth & Sustainability	0.150
Other	Various	0.751
Total New Approvals		2.213
23/24 Quarter Three Programme		141.991

Future Funding

3.12 The below paragraphs identify funding which the council has set aside for future projects, however is yet to see formal approval for specific projects and is therefore yet to be included in the approved programme. All figures are subject to change and are additional to the funding identified at Paragraph 3.1.

3.13 The Council currently receives various external funding allocations which, whilst approved, have yet to be formally allocated to specific projects. This primarily relates to Section 106 Contributions and School's grant monies, currently totalling £26.2M [currently shown as 'unallocated' resource].

3.14 Furthermore, there are additional funding streams the council has available which have been identified for use on capital schemes over the reporting period, however are awaiting formal approval to be drawn into the programme. This includes:

- Internal resources set aside for future schemes and/or contingency amounts for any urgent works (33.5M)
- Annual Allocations (HRA/replacement works) to be approved via the capital strategy (£32.7M)
- External resources granted and to be drawn down upon specific reports being approved. This primarily includes CRSTS monies identified in paragraph 3.19 (£51.5M)

These amounts totalling £117.7M will be released into the programme when formal approval is granted [currently shown as Funding Identified For Use on Future Capital Projects].

3.15 Amounts are analysed in the table below, showing the total indicative position currently expected over the reporting period.

Indictive Future Funding	2023/24 £M	Later Years £M	Total £M
Schools Grant Funding	4.819	10.000	14.819
Section 106 Grant Funding	5.358	6.000	11.358
Total Unallocated Resources	10.177	16.000	26.177
Funding Identified For Use on Future Capital Projects	0.750	117.007	117.757
Total Future Funding	10.927	133.007	143.934
Current Approved Funding	141.991	72.721	214.712
Total Indictive Funding over the Reporting Period	152.918	205.728	358.646

- 3.16 Of the total indictive funding projected over the period, £42.549M is projected to be funded via prudential borrowing in line with the treasury management strategy.
- 3.17 Ongoing reviews of existing resources / unallocated balances will be carried out by the Capital Oversight Board. Any unrestricted resources will be considered as part of the update on the strategic reserves strategy.

Capital Funding Available / Potentially Available Moving Forward

- 3.18 Work continues to identify and secure those external funding opportunities that can be utilised to support the delivery of the Council's strategic objectives.
- 3.19 The following paragraphs outline some of the key capital funding opportunities that have either recently been awarded or are being pursued (via 'live' bids with funder decisions pending).

Secured Funding.

- **Levelling Up Round 2** – the Council recently secured £10.2M in LUF2 grant and is currently working with local partners to deliver the Town Centre Barnsley Futures programme which comprises:
 - **Youth Place & Space:** a new outdoor Activity Park and revamped Youth Services Hub providing health and wellbeing support;
 - **The NAVE:** a new facility offering outstanding musical experiences for young people from Barnsley and the North; and
 - **Young Civic:** supporting the further development of Barnsley Civic Arts Centre, offering better space for young people to participate in cultural and creative activity.
- **Cannon Hall Roof** – £0.900M was recently awarded to the Council by Arts Council England for funding from the Museum Estate Development Fund (MEND) for Cannon Hall Roof repairs / replacement.

A bid to secure further funding to support Phase 2 of renovations at Cannon Hall is currently in development.

- **Cultural Development Fund** – good progress is being made in terms of the utilisation of the £3.9M in funding awarded by the Arts Council England to support a range of capital schemes at Elsecar Heritage Centre. The total value of the capital element of the award is £3.2M and this is accompanied by a £0.7M revenue allocation to support project management and the delivery of a range of cultural activities in hubs across Principal Towns.
- **The Towns Fund (Goldthorpe)** - £23.1M has been awarded to support the delivery of the schemes in Goldthorpe, Thurnscoe and Bolton upon Dearne.
- **City Region Sustainable Transport Funding (CRSTS)** – several key sustainable transport/active travel schemes are now progressing through SYMCA's governance processes - these will utilise the circa £50M in funding awarded to Barnsley via the MCA.

Capital Funding Bids Submitted/Pending

- **SYMCA Gainshare Allocations:** collaboration remains ongoing between the Council and SYMCA regarding the allocation, governance processes and ultimate release of the Council's Capital Gainshare allocations – detailed updates in respect of Gainshare availability will feature in future reports.
- **Long Term Plan for Towns Funding** – the Government recently announced that Barnsley would be one of 55 towns to receive a total of £20m over a 10-year period from 24/25. The fund is being provided to focus “on the issues that matter most to local people; including high streets, heritage and regeneration, and public safety and security.”

4. Treasury Management Update as at 31st December 2023

Highlights

Economic Summary

- The UK Bank Rate was held at 5.25% during the Quarter.
- A decline in PWLB borrowing rates during the third quarter of 2023/24.
- Consumer Price Index (CPI) inflation in the UK reduced to 3.9% in November 2023.
- Latest forecasts are that the Bank Rate has reached its peak of 5.25%.

Borrowing Activity

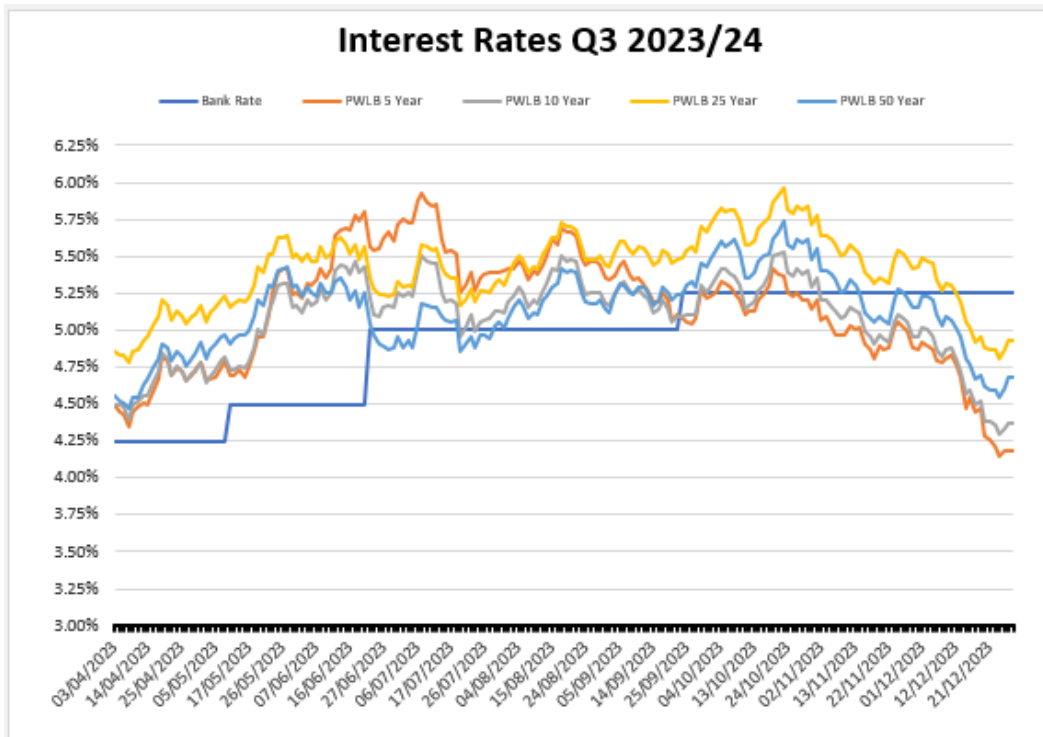
- The Council repaid £55 Million of LOBO loans during the Quarter, generating in the region of £10 Million in savings over the remaining lifetime of the loans (32 years).
- No new long-term borrowing was undertaken during the Quarter. Short-term temporary loans were secured for cashflow purposes in relation to the LOBO loan repayment.
- There is an underlying need to borrow up to £91.1 Million by the end of 25/26.
- Of this, approx. £50.0 Million may need to be secured in fixed rate borrowing to meet the Council's agreed interest rate exposure targets.

Investment Activity

- A net decrease in investment balances of £48.0 Million during the Quarter primarily due to the LOBO loan repayment.
- Security and liquidity remained the key priorities, and with this in mind an appropriate balance of cash was deposited in secure Money Market Funds and instant access accounts;

Key Messages – Economic Summary

- 4.1 The UK economy performed better than expected during 2023, but the outlook is currently weak, and the economy remains vulnerable to shocks. The concern for the UK continues to relate to containing inflation alongside avoiding recession within a stagnant economy. CPI inflation fell to 3.9% in November; a bigger than expected fall and a sign of an easing in domestic inflationary pressures. However, the latest forecasts are for the recent downward trends in CPI to stall over the next few months before starting to decline more decisively again in February 2024.
- 4.2 PWLB rates were on a downward trend during the latter part of the year and officers continue to closely monitor interest rates and forecasts.



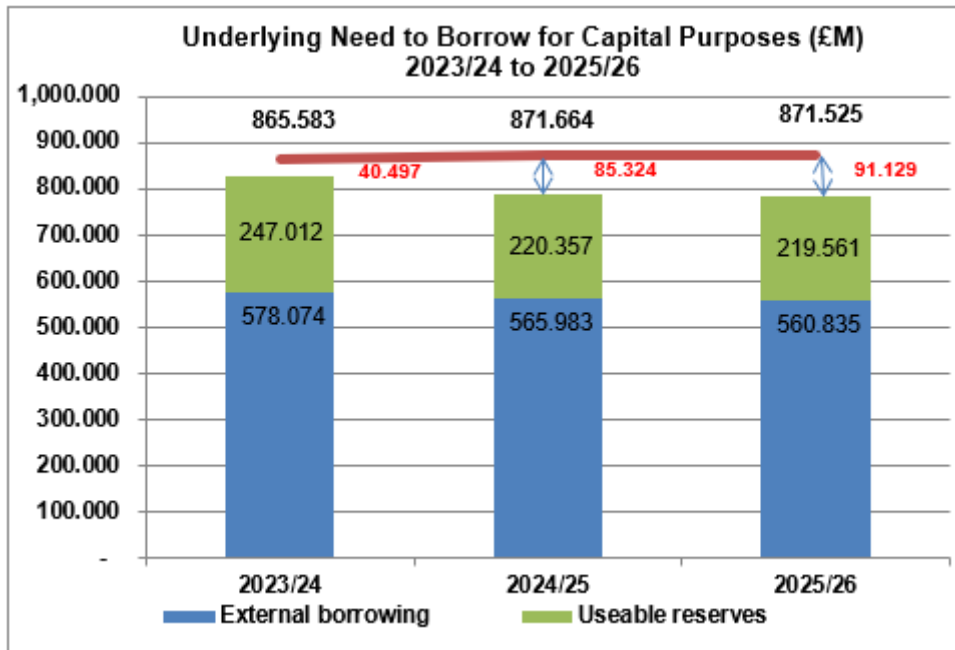
4.3 The latest forecast (as at 7th November 2023) is that the Bank Rate has reached its peak of 5.25%, with a first rate cut to 5% in Q3 2024, to be followed by further rate cuts through 2024 and 2025. As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

	<i>Latest</i>	<i>Sep-23</i>	<i>Mar-24</i>	<i>Sep-24</i>	<i>Mar-25</i>	<i>Sep-25</i>	<i>Mar-26</i>
UK Base Rate ~ Link Group	5.25%	5.25%	5.25%	5.00%	4.00%	3.25%	3.00%
UK Base Rate ~ Capital Economics	5.25%	5.25%	5.25%	5.25%	4.75%	3.75%	-
PWLB Certainty 50 Years ~ Link Group	5.30%	5.30%	5.10%	4.70%	4.30%	4.00%	3.90%
PWLB Certainty 50 Years ~ Capital Economics	5.30%	5.20%	5.00%	4.60%	4.50%	4.60%	-

Key Messages – Borrowing Activity

- 4.4 The Council’s borrowing strategy is to limit its exposure to interest rate risk whilst maintaining an appropriate level of internal borrowing to minimise its financing costs.
- 4.5 During 23/24 debt rescheduling opportunities increased due to market conditions and the rising interest rate environment. The Council took a pro-active approach and explored several options, including the repayment of LOBO loans to rebalance the debt portfolio and provide more certainty. Exiting these loans early also helps to de-risk the investment portfolio by reducing cash balances, thereby reducing exposure to credit and counterparty risk.
- 4.6 Options were discussed at the Treasury Management Panel and officers worked with the Council’s Treasury Management Advisers, LINK Group, to negotiate the repayment of £55M of outstanding LOBO loans. This repayment was based on using existing cash balances and delaying further long-term borrowing. The repayment has generated in the region of £10M in savings over the remaining lifetime of the LOBO loans (32 years).
- 4.7 The chart shows the Council’s underlying need to borrow for capital purposes

(represented by the blue arrows) is £91.1M over the period to 2025/26. This is an updated position based on the latest capital spend projections and the temporary use of available reserves:



Projected external borrowing requirement 2023/24 – 2025/26	£M
Planned capital investment	42.549
Maturing loans / reduced support from useable reserves	65.124
Amounts set aside to repay debt	(16.544)
Total	91.129

- 4.8 The Director of Finance has previously advised that a target of 70% fixed rate borrowing be maintained to manage risk and provide cost certainty, and the Authority has been working to this target over several years whilst interest rates have remained low.
- 4.9 To deliver against this target, the Council would require in the region of £50M of fixed rate debt over the period to 2025/26. As borrowing costs are at their highest since 2008, it is not considered prudent to undertake this additional borrowing at this time with the precise timing to be kept under review.
- 4.10 The recommended approach for the remainder of 23/24 is to hold off further long-term borrowing and closely monitor the profile of capital spend and funding requirements over the planning period. Temporary reserves and balances can be utilised in lieu of external borrowing until a time when rates begin to fall from their current high levels. This prudent approach allows flexibility to use the under borrowed position to minimise costs and defer long-term borrowing until it becomes less expensive.

Key Messages – Investments

- 4.11 There has been a net decrease in investment balances of £48.0M during the Quarter mainly as a result of the LOBO loan repayment. The use of cash balances to repay debt enables the Authority to reduce exposure to credit and counterparty risk.

- 4.12 The Council's investment strategy remains focused on security (loss avoidance) and liquidity (ensuring cash is available when needed to meet the Council's spending commitments).
- 4.13 To reflect this strategy, officers continue to place investments in secure Money Market Funds and instant access accounts. The Council has also placed a significant level of short-term deposits with reputable banks and other local authorities to diversify the investment portfolio and help spread counterparty risk.

5. IMPLICATIONS OF THE DECISION

5.1 Financial and Risk

- The Authority's outturn as at the end of December 2023 stands at a cost pressure of £20.702M, an improvement of £0.549M on the position reported as at the end of September 2023.
- This position is mainly due to the continuing cost pressures within Children's Social Care (£16.664M). The Executive Director of Children's Services in conjunction with the Director of Finance are formulating a financial recovery plan to help mitigate these pressures. Furthermore, the moratorium on all non-essential expenditure is to continue.
- Subject to this recovery plan, the remaining cost pressure is to be partly offset by the approved release of previously earmarked reserves of £7.4M with the remaining balance (currently £13.3M) to be funded via a re-prioritisation of strategic reserves.
- However, it is highly likely that a large proportion of these pressures will continue so it is recommended that Cabinet receive further updates from Executive Directors on the delivery of their service reviews / efficiencies and future spending plans, ensuring that these are managed within agreed resource envelopes.
- The current forecast pressure of £0.98M on the Housing Revenue Account. This is to be funded via HRA Reserves.
- Approval is also sought to write-off of historic bad debts totalling £0.512M as detailed in the report [NB: all debts remain liable for collection].

5.2 Legal

There are no direct legal implications as a result of this report, however part of the cost pressure relates to legal costs mainly linked to addressing rising caseloads in Children's Services. Plans are being progressed to address this pressure ongoing.

5.3 Equality

Not applicable as individual EIA's will have been completed in relation to the budgets proposals as appropriate.

5.4 Sustainability

Decision Wheel not applicable.

5.5 Employee

There are no direct employee implications as a result of this report.

5.6 Communications

Communication will be made in line with the normal performance monitoring arrangements of the Council.

6. CONSULTATION

N/A

7. ALTERNATIVE OPTIONS CONSIDERED

7.1 N/A

8. REASONS FOR RECOMMENDATIONS

8.1 Whilst the corporate pressures currently being experienced were, in general, anticipated as part of the 2023/24 budget setting process, the overspend position reported is significantly higher than expected. Therefore, Executive Directors are requested to bring forward action plans to address the pressures within their respective areas to address the current position.

9. GLOSSARY

N/A

10. LIST OF APPENDICES

N/A

11. BACKGROUND PAPERS

- Service and Financial Planning 2023/24 – The Council's Medium Term Financial Strategy – 2023/24 Budget recommendations (Cab.8.2.2023/6).

12. REPORT SIGN OFF

Financial consultation & sign off	Steve Loach 06/02/24
Legal consultation & sign off	Legal Services officer consulted and date. Andrew Perriman 14 February 2024

Report Author: Neil Copley

Post: Director of Finance (S151 Officer)

Date: 31st January 2024

Item 12

Report of the Head of Corporate Assurance

AUDIT AND GOVERNANCE COMMITTEE – 20th March 2024

COMMITTEE WORK PLAN 2023 – 2024

1. Purpose of the Report

- 1.1 To share the current version of the Work Plan with the Committee (Appendix 1) and to note any amendments to the plan.

2. Recommendation

- 2.1 **The Committee is asked to note the updated Work Plan.**

3. Updated Position

- 3.1 The work plan has been updated to reflect that the briefing session on Budget Training has been incorporated into the Medium-Term Financial Strategy update being provided at this meeting.

4 Future Briefing/ Training sessions

- 4.1 Members are asked to consider what areas of focus they would like to include in future scheduled briefing/ training sessions. To support Members, the following suggestions of strategic activity within the Council may be of interest:

- Asset Management Strategy
- Transformation Programme – Individual Service Reviews
- Digitalisation/ Microsoft Project
- Health on the High Street - Alhambra

Contact Officer: Gillian Martin - Corporate Assurance Manager

Email: [OBJ] gillianmartin@barnsley.gov.uk

Date: [OBJ] 5th March 2024

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AUDIT AND GOVERNANCE COMMITTEE – WORK PROGRAMME

2023/2024 Municipal Year

NOTE – all Meetings to commence at 2.00 p.m.

	Mtg. No.	1	2	3	Dev. Mtg.	4	5	6	1
Committee Work Area	Contact / Author	31.05.23	26.07.23	20.09.23	11.10.23	15.11.23	24.01.24	20.03.24	29.05.24
Committee Arrangements									
Committee Work Programme	GM	X	X	X		X	X	X	X
Minutes/Actions Arising	DT	X	X	X		X	X	X	X
Review of Terms of Reference	AS				X			X	
Committee Effectiveness Review	SB				X		X		
Committee Annual Report	RW/AS		X(D)	X(F)					
Internal Control and Governance Environment									
Local Code of Corporate Governance	GM						X		
Annual Governance Review Process	GM						X		
Annual Governance Statement (Draft/Final)	GM		X(D)			X(F)			X (D)
AGS Action Plan Update	GM		X				X		X
Anti-Fraud									
Annual Fraud Report	SB		X (Ex)						X
Corporate Anti-Fraud Framework	LG							X	
Corporate Fraud Team – Update Report	LG					X		X	
Corporate Risk Management									
Risk Management Policy & Strategy	GM								X
Annual Risk Management Report	GM	X							X
Strategic Risk Register	GM	X	X	X		X	X	X	X
Corporate Assurance (Internal Audit)									
Corporate Assurance Charter (Annual)	SB	X							X
Corporate Assurance Plan (Consultation/Draft)	SB						X	X	
Corporate Assurance Progress Report	SB		X			X		X	

	Mtg. No.	1	2	3	Dev. Mtg.	4	5	6	1
Committee Work Area	Contact / Author	31.05.23	26.07.23	20.09.23	11.10.23	15.11.23	24.01.24	20.03.24	29.05.24
Other Corporate Functions contributing to overall assurance programme to be determined:									
Update on Glassworks	KMcA		X (Ex)	X(Ex)					
Information Governance and Cyber Security update (twice yearly)	SM/SW	X				X			X
DPO Update (twice yearly)	RW	X				X			X
Annual Health & Safety Report	SD			X					
Annual Sickness and PDR Report	PQ			X					
Annual Equality and Inclusion Report	MH			X					
Annual Customer Feedback Report and Annual Review Letter	KR/CD			X					
The People Strategy	MP/PQ			X					
Confidential Reporting (Whistleblowing) Annual Report	RW	X							X
Procurement (Annual)	NC/JL								
Asset Management (Annual)	KMc								
Ethical Framework (Annual)	MP/RW								
Partnerships (Annual)	NC/RW								
Constitution Review	PC							X	
DSG Grant/SEND Updates (quarterly)	NS/SD		X(Q4)			X(Q1)	X(Q2)	X(Q3)	
Report of Monitoring Officer – LGSCO Case	SG/KB			X					

Strategic Risk Presentations

Risk	SMT Lead	31.05.23	26.07.23	20.09.23	11.10.23 (Dev. Mtg.)	15.11.23	24.01.24	20.03.24	29.05.24
Health Protection Emergency	AH	X							
Safeguarding Children	CS					X			
SEND	CS					X			
Educational Outcomes Progress	CS							X	
Inclusive Economy	MO'N			X					
Zero Carbon and Environmental Commitments	MO'N			X					
Emergency Resilience	WP		X						
Organisational Resilience	WP		X						
Safeguarding Adults	WL								X
Responsibilities under the Care Act 2014	WL								X
Partnership and Collaboration Governance	NC						X		
Financial Sustainability (included with the MTFS/TM update)	NC							X	
Threat of Fraud/ Cyber	NC						X		

Training / Awareness Sessions

NOTE – Training session to commence at 1.00 p.m.

Subject / Theme	Contact / Author	31.05.23	26.07.23	20.09.23	11.10.23 (Dev. Mtg.)	15.11.23	24.01.24	20.03.24	29.05.24
Budget Training Session	NC/SL								
Cyber Security Threat	SW/SM			X					
Climate and Sustainability Commitments	PC/SC								
People Strategy	MP/PQ								
Designated Schools Grant Safety Valve Prog.	JA/NS					X			
Partnership Governance	NC/RW								
MCA – Understanding the Finances	GS/MT*								
VFM	NC						X		
Transformation Programme (Digital)	DR		X						
New Corporate Assurance Team	SB						X		

*GS – Gareth Sutton MT- Mike Thomas from SYCMA

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Item 14

By virtue of paragraph(s) 7 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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

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