

Public Document Pack

MEETING:	Cabinet
DATE:	Wednesday, 13 January 2021
TIME:	10.00 am
VENUE:	THIS MEETING WILL BE HELD VIRTUALLY
PUBLIC WEB LINK:	https://barnsley.public-i.tv/core/portal/webcasts

AGENDA

1. Declaration of pecuniary and non-pecuniary interests
2. Leader - Call-in of Cabinet decisions

Minutes

3. Minutes of the previous meeting held on 16 December 2020 (Cab.13.1.2021/3) (Pages 3 - 6)

Items for Noting

4. Decisions of Cabinet Spokespersons (Cab.13.1.2021/4) (Pages 7 - 10)

Petitions

5. Petitions received under Standing Order 44 (Cab.13.1.2021/5)

Items for Decision/Recommendation to Council

Core Services Spokesperson

6. Calculation of Council Tax Base 2021/22 (Cab.13.1.2021/6) (Pages 11 - 26)
RECOMMENDATION TO FULL COUNCIL ON 25TH FEBRUARY 2021
7. 2021/22 Business Rates - Calculation of the Authority's Local Share (Cab.13.1.2021/7) (Pages 27 - 34)
RECOMMENDATION TO FULL COUNCIL ON 25TH FEBRUARY 2021

Joint Regeneration and Culture and Core Services Spokespersons

8. Housing Revenue Account - Draft 2021/22 Budget and Investment Proposals 2021-26 (Cab.13.1.2021/8) (Pages 35 - 48)
RECOMMENDATION TO FULL COUNCIL ON 4TH FEBRUARY 2021

Regeneration and Culture Spokesperson

9. Goldthorpe Masterplan Framework (Round 1 Consultation) (Cab.13.1.2021/9) (Pages 49 - 58)

Children's Spokesperson

10. Proposed opening of a new BMBC Managed Children's Residential Home (Cab.13.1.2021/10) (Pages 59 - 70)

11. Exclusion of Public and Press (Cab.13.1.2021/11)
It is likely that the public and press will be excluded from this meeting during consideration of the items so marked because of the likely disclosure of exempt information as defined by the specific paragraphs of Part I of Schedule 12A of the Local Government Act 1972 as amended, subject to the public interest test.

Children's Spokesperson

12. Decommissioning of the Multi-Systemic Therapy Service (Cab.13.1.2021/12)
(Pages 71 - 86)
Reason restricted:
Paragraph (2) Information which is likely to reveal the identity of an individual.

Joint Adults and Communities and Regeneration and Culture Spokespersons

13. Homeless and Rough Sleeper Plan - Acquisition of Cluster Accommodation and Recruitment of Intensive Housing Management Team (Cab.13.1.2021/13)
(Pages 87 - 128)
Reason restricted:
Paragraph (3) Information relating to the financial or business affairs of any particular person (including the authority holding that information)

To: Chair and Members of Cabinet:-

Councillors Houghton CBE (Chair), Andrews BEM, Bruff, Cheetham, Gardiner, Howard, Lamb and Platts

Cabinet Support Members:

Councillors T. Cave, Cherryholme, Franklin, Frost, McCarthy and Tattersall

Chair of Overview and Scrutiny Committee
Chair of Audit Committee

Sarah Norman, Chief Executive
Matt Gladstone, Executive Director Place
Melanie John-Ross, Executive Director Children's Services
Wendy Lowder, Executive Director Adults and Communities
Shokat Lal, Executive Director Core Services
Julia Burrows, Director Public Health
Neil Copley, Service Director Finance (Section 151 Officer)
Martin McCarthy, Service Director Governance, Member and Business Support
Garry Kirk, Service Director Legal Services
Michael Potter, Service Director Business Improvement and Communications
Katie Rogers, Head of Communications and Marketing
Anna Marshall, Scrutiny Officer

Corporate Communications and Marketing

Please contact Martin McCarthy on email governance@barnsley.gov.uk
Tuesday, 5 January 2021

MEETING:	Cabinet
DATE:	Wednesday, 16 December 2020
TIME:	10.00 am
VENUE:	THIS MEETING IS TO BE HELD VIRTUALLY

MINUTES

Present Councillors Houghton CBE (Chair), Andrews BEM, Bruff, Cheetham, Cherryholme, Gardiner, Lamb and Platts

Members in Attendance: Councillors T. Cave, Franklin, Frost, McCarthy, Shepherd and Tattersall

26. Declaration of pecuniary and non-pecuniary interests

Councillor Tattersall declared a non-pecuniary interest as Berneslai Homes Board member in respect of Minute Number 36.

27. Leader - Call-in of Cabinet decisions

The Leader reported that no decisions from the previous meeting held on 2 December 2020 had been called in.

28. Minutes of the previous meeting held on 2nd December 2020 (Cab.16.12.2020/3)

The minutes of the meeting held on 2 December 2020 were taken as read and signed by the Chair as a correct record.

29. Decisions of Cabinet Spokespersons (Cab.16.12.2020/4)

There were no Records of Decisions by Cabinet Spokespersons under delegated powers to report.

30. Petitions received under Standing Order 44 (Cab.16.12.2020/5)

It was reported that no petitions had been received under Standing Order 44.

Core Services Spokesperson

31. LGA Recovery and Renewal Panel Report Findings (Cab.16.12.2020/6)

RESOLVED that Cabinet note the areas of good practice identified and are informed and assured on the progress against areas for further consideration.

Adults and Communities Spokesperson

32. Winter Plan - Adult Social Care 2020-21 (Cab.16.12.2020/7)

RESOLVED the contents of the Winter Plan – Adult Social Care 2020-21 and the associated resourcing of the plan, be noted.

Children's Spokesperson

33. Measures to maximise and strengthen support to the Borough's examination cohort (2021) (Cab.16.12.2020/8)

RESOLVED:-

- (i) that the current arrangements to support Barnsley's young people due to take exams in the academic year 2020/21, be noted; and
- (ii) that the additional measures to mitigate the impact of Covid19 on the exam cohort as detailed in Paragraph 4.6 of this report, be endorsed.

Regeneration and Culture Spokesperson

34. Employment and Skills – Digital Boost and Strategic Commissioning Framework (Cab.16.12.2020/9)

RESOLVED:-

- (i) to agree to accept the ESF grant for Digital Boost project on approval and contribute the required match funding, be agreed;
- (ii) to sign a contract with DWP to manage Digital Boost on behalf of the project partners, conclude service level agreements with the project partners and undertake the responsibilities of delivering the Barnsley activity;
- (iii) that the Council agrees to the Dynamic Purchasing System (DPS) approach as the preferred route;
- (iv) that the Council begins a procurement exercise to establish the DPS;
- (v) that the Council agrees to allow other authorities to use the DPS; and
- (vi) to delegate the award of the contracts to the successful tenderers for the DPS to the Executive Director of Place, or their duly authorised representative.

35. Grant of 10-year lease of Elmhirst Playing fields to Hoyland Common Falcons Junior Football Club (Cab.16.12.2020/10)

RESOLVED:-

- (i) that the Council as freehold owner of the Elmhirst Playing Fields approves the grant of a 10-year lease to Hoyland Common Falcons Junior Football Club;

- (ii) that the Corporate Asset Manager be authorised to finalise Heads of Terms for the proposed 10-year lease; and
- (iii) that the Service Director Legal Services be authorised to complete the 10-year lease, subject to the necessary consents being achieved.

**36. Berneslai Homes IT Upgrade of Repairs and Maintenance System
(Cab.16.12.2020/11)**

RESOLVED that the release of earmarked funding to Berneslai Homes for IT developments, be approved.

**37. Natural England Great-crested Newt District Licensing Scheme
(Cab.16.12.2020/12)**

RESOLVED that the Council signs up to the District Level Licensing Scheme for Great-crested Newts run by Natural England.

38. Sale of Land and Grant of Easements to National Grid - Visual Impact Scheme, Dunford Bridge (Cab.16.12.2020/13)

RESOLVED:-

- (i) that the granting of the necessary easements, lease and land disposal in relation to the Visual Impact Project proposed by National Grid for the removal of 7 Overheads Towers at Dunford Bridge as part of their Visual Impact Project funded by Ofgem, be approved;
- (ii) it is noted that the Overhead Towers are to be replaced by underground cables to be laid within the easement route which shall run under the Trans Pennine Trail between the public car park at Dunford Bridge and the sealing end compound where it will reconnect to the Overhead Towers;
- (iii) that approval be given to the granting of a 2 year lease of land is required for site compound purposes allowing for the works to be undertaken and will be used for storage of materials during the works. At the same time National Powergrid are to replace the local overhead low voltage power supply network with an underground power supply to facilitate the Visual Impact Project as it currently traverses the National Grid overhead line;
- (iv) that the Corporate Asset Manager be authorised to negotiate and finalise Heads of Terms for the option agreements relating to the sale of land required for a sealing end compound;
- (v) that the Corporate Asset Manager shall by way of Officer delegation dated May 2018 para 23 (j) (iii) and (v) grant, a temporary 2 year lease for site compound purposes and cable easements required by National Grid;

- (vi) that the Corporate Asset Manager shall by way of Officer delegation dated May 2018 para 23 (j) (v) grant to Northern Powergrid a way leave in relation to the underground power supply where it affects the land owned by the Council within the car park at Dunford Bridge; and
- (vii) that the Executive Director Core Services (Legal) be authorised to complete the necessary documentation so that the option agreements can be completed together with the land transfer, lease and easements as part of National Grids Visual Impact Project at Dunford Bridge.

**39. Proposal to Surrender the Current Lease at Wellington House, Barnsley
(Cab.16.12.2020/14)**

RESOLVED that the terms are accepted to surrender of the lease arrangements at Wellington House on the 31st December 2020.

.....
Chair

BARNSLEY METROPOLITAN BOROUGH COUNCIL

CABINET SPOKESPERSONS' DECISIONS

Schedule of Decisions taken for week ending 4th December, 2020

<u>Cabinet Spokesperson</u>	<u>Item</u>	<u>Decisions</u>
1. Place (Regeneration and Culture)	Goldthorpe Town Investment Plan Accelerated Funding	<p>(i) that section 31 grant funding from MHCLG totalling £500,000 be accepted and the resources released into the capital programme to enable delivery of the various schemes included within the report;</p> <p>(ii) that, where necessary, any consents, licence arrangements, planning approval, PROW approvals be applied for as required to accommodate any of the projects identified in the report;</p> <p>(iii) that, where necessary, enter into negotiations with any third party landowner(s) or property owners to acquire any interests or enter into agreements to occupy land not in the ownership of the local authority necessary to deliver the projects identified in the Town Investment Plan, by agreement where possible. Also to complete any variation to any existing leases on the occupation of land owned by the local authority and where necessary negotiate compensation payments; and</p> <p>(iv) that under the terms of the Barnsley Contract Procedure rules, if necessary, seek tenders for any aspect of the projects identified.</p>

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BARNSELY METROPOLITAN BOROUGH COUNCIL

CABINET SPOKESPERSONS' DECISIONS

Schedule of Decisions taken for week ending 18th December, 2020

<u>Cabinet Spokesperson</u>	<u>Item</u>	<u>Decisions</u>
1. Place (Regeneration and Culture)	Relocation of Kes Sculpture	that the Kes Sculpture be relocated to the new public realm scheme outside the Alhambra on the understanding that Barry Hines Memorial Sculpture Group (The Group) fund the associated costs.
2. Children's Services	Appointment of Members to the Independent Panels for Appeals relating to Admission to School, Exclusion Review, and Home to School Transport Appeals	that approval be given for the persons listed at Appendix 1 of the report to be appointed as Independent Appeal Panel Members with effect from 1 st January 2021 for 1 year until 31 st December 2021.

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BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the Council's definition and has been included in the relevant Forward Plan

Cabinet: 13th January 2021

Report of the Executive Director of Core Services
/ S151 Officer

CALCULATION OF COUNCIL TAX BASE 2021/22

1. Purpose of Report

1.1 This report sets out the criteria to be considered in setting the 2021/22 Council Tax Base.

2. Recommendations

2.1 It is recommended that:

- The calculation of the Council's Tax Base for the year 2021/22 be approved;
- The Council Tax Base for the year 2021/22 shall be 65,226.24. This figure has been calculated in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012;
- Calculated in accordance with the above regulations the Council Tax Base for the year 2021/22 in respect of each Parish being listed in the table below:

Parish Area	Band D Equivalent Chargeable Properties	95% of Band D Equivalent Chargeable Properties
Penistone	4,407.90	4,187.51
Billingley	97.00	92.15
Great Houghton	653.50	620.83
Little Houghton	183.50	174.33
Shafton	942.70	895.57
High Hoyland	69.10	65.65
Hunshelf	163.80	155.61
Langsett	111.30	105.74
Cawthorne	617.90	587.01
Dunford	251.10	238.55
Gunthwaite and Ingbirchworth	298.30	283.39
Thurgoland	756.90	719.06
Tankersley	690.50	655.98
Wortley	304.20	288.99
Oxspring	465.90	442.61
Silkstone	1,213.10	1,152.45
Stainborough	164.00	155.80
Barnsley and other Non-Parish areas	57,268.50	54,405.01
Total	68,659.20	65,226.24

- That a premium of 300% (400% council tax charge) be applied to properties left empty and substantially unfurnished for longer than 10 years.

3. Introduction/Background

- 3.1 The Local Government Finance Act 1992 requires the Authority to calculate its Council Tax Base, before 31 January each year, in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
- 3.2 The Valuation List dated 1 April 1993 shows domestic properties within the Borough subject to council tax and places each of them into a valuation band between A to H, dependent on a valuation as at an antecedent date of 1 April 1991.
- 3.3 The Council Tax Base is expressed in terms of band D equivalent properties and represents the estimated, full year number of chargeable dwellings in the area after allowing for disabled persons relief, discounts and other statutory adjustments.

4. Consideration of Alternative Approaches

- 4.1 The calculation of the Council Tax Base is a statutory requirement and therefore there are no alternative approaches to consider.

5. Proposal and Justification

- 5.1 It is proposed that the Council Tax Base for the year 2021/22 shall be **65,226.24**
- 5.2 The relevant calculations for each Parish or District are calculated by applying the following formula: -

$$(H + J) \times \frac{F}{G}$$

where:

H is the estimated number of chargeable dwellings in the area and band after taking into account the effect of exemptions and discounts.

J is the amount of any adjustments in respect of changes in the number of chargeable dwellings or discounts calculated by the authority for 2021/22 (see notes at 5.3 below).

F is the number appropriate to each band as set out in Section 5(1) of the Act.

G is the number appropriate to band D as set out in Section 5(1) of the Act. In all cases for 2021/22 this is 9.

- 5.3 In determining the figure used at point J of the calculation the following aspects have been taken into account:
 - i) A full survey of the properties within the Authority's tax base was carried out at the commencement of Council Tax in 1993 to identify those properties entitled to discounts and/or exemptions. Each year further checks are made to ensure that the Council Tax database remains accurate;

- ii) Each taxpayer's eligibility for discounts/exemptions is thoroughly investigated prior to being awarded, and an ongoing programme to survey current recipients is undertaken;
- iii) An assessment of the housing growth needs of the borough in accordance with the recently adopted Local Plan.
- iv) Local knowledge has been used to identify which Parish will see an increase/decrease in the number of properties. This information is then used to obtain the revised number of band D equivalent properties that are in that particular area.

Long Term Empty Properties (More Than 2 Years)

- 5.4 Local authorities can currently charge owners a premium of 100% (or a 200% Council Tax charge) on unfurnished properties left empty for 2 years or more. The Council adopted this policy from 1st April 2019. There are currently 220 empty properties being charged this premium (a reduction of 68 since last year).
- 5.5 Local authorities can also charge a premium of 200% (equivalent to a 300% council tax charge), for any property left empty and substantially unfurnished for a period of five years or more. There are currently 99 empty properties that have been empty in excess of five years and will be charged this premium (a reduction of 26 since last year).
- 5.6 With effect from 1st April 2021 Councils have the option to charge a premium of up to 300% (400% Council Tax charge) for any properties left empty and substantially unfurnished for a period of ten years or more. There are currently 58 properties that will be affected by imposing this premium.

Future reports will recommend a proposal for the above in due course.

Second Homes / Short Term Empty Properties (less than 2 years)

- 5.7 Local authorities currently have further discretion to charge Council Tax on second homes and empty properties.
- 5.8 The Council currently allows a discretionary one-month discount of 100% council tax to vacant and unfurnished properties. Following a change at the start of 2020, this discount is provided to landlords to allow a reasonable period of time for them to get new tenants into a property.
- 5.9 The number of empty properties within the Borough has increased over the last 12 months as a result of Covid 19. The Council's empty homes officer will continue the focus on supporting landlords with empty properties.

Local Council Tax Support

- 5.10 The Council currently operates a local council tax support scheme that provides financial support to eligible claimants. Under the Council Tax Support provisions, the scheme for pensioners is determined by Central Government whereas the scheme for working age applicants is determined locally by the Council.

Pensioners broadly receive the same level of support as was previously available under the Council Tax Benefit scheme.

- 5.11 The Council introduced a new scheme for all eligible working age claimants during 2020. This new scheme provides more targeted support to those in most need and is provided based on a simple “income grid” model where different bands of entitlement are based on individual household income.
- 5.12 The new scheme also ensured that no existing claimant was worse off than the previous scheme. However, as this support is provided as a discount against the council tax due, the total estimated amount to be paid translates into a reduction in the tax base. The council tax base calculated at 5.1 above is net of the reduction made for the estimated cost of the support to be provided.

COVID 19

- 5.13 The Covid 19 pandemic took hold of the country in March 2020. There has been a significant impact on council tax income during 2020/21 as a result of lower than anticipated collection rates and a significant increase in the number of Local Council Tax Support claimants. This has resulted in a further reduction in the council tax base which is anticipated to continue into 2021/22. The base calculated at 5.1 reflects this anticipated impact.

Example of Calculation – Penistone Town Council

- 5.14 By way of example using the formula in paragraph 5.2 above, the table below shows the calculated tax base for the Penistone Town Council area.

PENISTONE

BAND	A-	A	B	C	D	E	F	G	H	TOTAL
H =	0.90	1203.79	871.30	942.69	797.35	516.53	269.76	147.55	2.00	4751.87
J =					21.00					21.00
F =	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G =	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G	0.50	802.50	677.70	837.90	818.40	631.30	389.70	245.90	4.00	4407.90

COUNCIL TAX CALCULATED IN ACCORDANCE
WITH PARAGRAPHS 5.2 & 5.3 OF THE REPORT

4407.90

x 95% =

4187.51

Council Tax base for 2021/22

- 5.15 Appendix A shows the relevant amount for each area. The total of the relevant amounts for 2021/22 for each of the valuation bands is summarised below:

<u>Property Value</u>	<u>Band</u>	<u>Ratio</u>	<u>Band D Equivalent Chargeable Properties</u>
Up to £40,000 with Disabled Reduction	A-	5/9	99.20
Up to £40,000	A	6/9	29,550.70
£40,001 to £52,000	B	7/9	12,052.90
£52,001 to £68,000	C	8/9	10,813.10
£68,001 to £88,000	D	9/9	8,439.70
£88,001 to £120,000	E	11/9	4,452.40

£120,001 to £160,000	F	13/9	2,101.70
£160,001 to £320,000	G	15/9	1,088.50
More than £320,000	H	18/9	61.00
			68,659.20

5.16 The regulations require the authority to adjust the total relevant amount by a proportion which reflects the following: -

- i) Total amounts expected to be paid to the authority under the Local Government Finance Act 1992 less the total of any Council Tax Reductions for the year.
- ii) Total of amounts in respect of Council Tax Reductions pursuant to directions under Section 98(5) and 98(4) of the 1998 Act.

5.17 It is estimated that the appropriate proportion in this respect is 95% and that the Estimated Council Tax Base for the 2021/22 financial year is therefore:

$$\underline{68,659.20 \times 95\% = 65,226.24}$$

5.18 The reduction is considered prudent taking into account the anticipated ongoing impact of the pandemic and the impact that the LCTS scheme has on overall collection rates. Any surplus or deficit as compared to the target collection rate, falls into the Council's Collection Fund and ultimately impacts positively or negatively on the provision of Council services.

6. Delivering Sustainable Community Strategy Ambitions and Local Area Agreement Outcomes

6.1 None directly

7. Long Term Sustainability of the Proposal

7.1 None

8. Impact on Local People

8.1 None.

9. Compatibility with European Convention on Human Rights

9.1 None.

10. Promoting Equality and Diversity and Social Inclusion

10.1 None

11. Reduction of Crime and Disorder

11.1 None.

12. Conservation of Biodiversity

12.1 None.

13. Risk Management Issues

- 13.1 The Council Tax Base is a key variable in determining the resources estimated to be available to fund Council Services. Consequently, the risk of variations to the Council Tax Base including the ongoing impact of Covid 19, have been factored into the 2021/22 Service & Financial Planning process as far as is possible. In addition, the Tax Base will be subject to robust monitoring throughout the 2021/22 financial year to identify at an early stage any differences likely to make a material difference to the Council's spending plans.

14. Financial Implications

- 14.1 The estimated Council Tax Base of 65,226.24 is used to determine the total Council Tax yield available to support the 2021/22 budget.

15. Employee Implications

- 15.1 None.

16. Glossary

- 16.1 None.

17. List of Appendices

- Appendix A – Summary of Relevant Tax Bases by Parish

18. Background Papers

- The Local Government Finance Act 1992
- The Local Authorities (Calculation of Council Tax Base) Regulations 1992
- The Local Authorities (Calculation of Council Tax Base) SI 3012 (2003)

Office Contact: Neil Copley Service Director and Section 151 Officer - Finance

Telephone No: 773237

Date: 3rd December 2020

Council Tax Base Appendix A

Appendix A

09 PENISTONE

Area 9

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.90	1203.79	871.30	942.69	797.35	516.53	269.76	147.55	2.00	4751.87
J	=					21.00					21.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.50	802.50	677.70	837.90	818.40	631.30	389.70	245.90	4.00	4407.90

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

4407.90 x 95% =

4187.51

17 BILLINGLEY

Area 17

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	1.00	5.18	6.01	9.50	13.00	20.28	19.39	0.00	74.36
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	0.70	4.00	5.30	9.50	15.90	29.30	32.30	0.00	97.00

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

97.00 x 95% =

92.15

Council Tax Base Appendix A

19 GREAT HOUGHTON

Area 19

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	2.50	495.63	150.98	124.81	71.95	8.61	7.00	0.50	0.00	861.98
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		1.40	330.40	117.40	110.90	72.00	10.50	10.10	0.80	0.00	653.50

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

653.50 x 95% =

620.83

20 LITTLE HOUGHTON

Area 20

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	2.00	179.13	22.19	11.75	20.45	7.41	1.00	2.00	0.00	245.93
J	=					1.00					1.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		1.10	119.40	17.30	10.40	21.50	9.10	1.40	3.30	0.00	183.50

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

183.50 x 957% =

174.33

Council Tax Base Appendix A

21 SHAFTON

Area 21

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.12	511.24	277.65	196.68	175.03	22.79	2.50	1.50	0.00	1187.51
J	=					2.00					2.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.10	340.80	216.00	174.80	177.00	27.90	3.60	2.50	0.00	942.70

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

942.70 x 95% =

895.57

25 HIGH HOYLAND

Area 25

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	0.00	3.75	11.22	5.75	8.75	7.25	17.50	0.00	54.22
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	0.00	2.90	10.00	5.80	10.70	10.50	29.20	0.00	69.10

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 9 & 10 OF THE REPORT

69.10 x 95% =

65.65

Council Tax Base Appendix A

26 HUNSHELF

Area 26

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	1.12	14.64	10.50	26.09	35.00	38.19	9.75	0.00	135.29
J	=					2.00					2.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	0.70	11.40	9.30	28.10	42.80	55.20	16.30	0.00	163.80

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

163.80 x 95% =

155.61

27 LANGSETT

Area 27

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	6.50	6.49	19.99	10.50	26.50	18.00	8.00	1.00	96.98
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	4.30	5.00	17.80	10.50	32.40	26.00	13.30	2.00	111.30

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

111.30 x 95% =

105.74

Council Tax Base Appendix A

22 CAWTHORNE

Area 22

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	8.31	48.85	75.51	68.72	124.27	69.72	94.50	12.75	502.63
J	=					3.00					3.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	5.50	38.00	67.10	71.70	151.90	100.70	157.50	25.50	617.90

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

617.90 x 95% =

587.01

23 DUNFORD

Area 23

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	51.82	43.35	44.22	24.98	39.00	26.75	17.00	1.00	248.12
J	=					2.00					2.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	34.50	33.70	39.30	27.00	47.70	38.60	28.30	2.00	251.10

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

251.10 x 95% =

238.55

Council Tax Base Appendix A

24 GUNTHWAITE & INGBIRCHWORTH

Area 24

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	9.59	25.67	69.94	46.15	74.94	33.25	13.75	0.00	273.29
J	=					1.00					1.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	6.40	20.00	62.20	47.20	91.60	48.00	22.90	0.00	298.30

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

298.30 x 95% =

283.39

31 THURGOLAND

Area 31

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	156.59	113.31	82.42	101.08	158.09	86.38	39.00	0.00	736.87
J	=					7.00					7.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	104.40	88.10	73.30	108.10	193.20	124.80	65.00	0.00	756.90

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

756.90 x 95% =

719.06

Council Tax Base Appendix A

32 TANKERSLEY

Area 32

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	1.00	252.51	58.56	71.07	59.44	154.65	86.28	7.75	0.00	691.26
J	=					27.00					27.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.60	168.30	45.50	63.20	86.40	189.00	124.60	12.90	0.00	690.50

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

690.50 x 95% =

655.98

33 WORTLEY

Area 33

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	13.25	35.43	31.05	53.92	48.64	47.62	34.25	0.00	264.16
J	=					1.00					1.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	8.80	27.60	27.60	54.90	59.40	68.80	57.10	0.00	304.20

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

304.20 x 95% =

288.99

Council Tax Base Appendix A

28 OXSPRING

Area 28

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	3.12	52.77	94.57	86.79	59.49	72.37	51.23	33.75	0.00	454.09
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		1.70	35.20	73.60	77.10	59.50	88.50	74.00	56.30	0.00	465.90

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

465.90 x 95% =

442.61

29 SILKSTONE

Area 29

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	145.38	194.97	185.59	239.97	204.83	158.55	43.98	2.00	1175.27
J	=					3.00					3.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	96.90	151.60	165.00	243.00	250.30	229.00	73.30	4.00	1213.10

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

1213.10 x 95% =

1152.45

Council Tax Base Appendix A

30 STAINBOROUGH

Area 30

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	0.00	9.50	34.30	15.00	22.95	34.50	24.00	9.50	1.00	150.75
J	=					0.00					0.00
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		0.00	6.30	26.70	13.30	23.00	42.20	34.70	15.80	2.00	164.00

COUNCIL TAX CALCULATED IN ACCORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

164.00 x 95% =

155.80

INSLEY & OTHER NON-PARISH AREAS

Other Areas

BAND		A-	A	B	C	D	E	F	G	H	TOTAL
H	=	168.75	41228.36	13495.42	10179.55	6688.27	2092.96	507.15	153.47	10.75	74524.68
J	=					-130.17					-130.17
F	=	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G	=	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G		93.80	27485.60	10496.40	9048.60	6576.10	2558.00	732.70	255.80	21.50	57268.50

COUNCIL TAX BASE CALCULATED IN ACORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

57268.50 x 95% =

54405.01

Council Tax Base Appendix A

<u>TOTAL TAX BASE</u>										All Areas
BAND	A-	A	B	C	D	E	F	G	H	TOTAL
H =	178.39	44326.49	15496.61	12164.79	8481.59	3642.84	1454.91	653.14	30.50	86429.26
J =					-60.17					-60.17
F =	5.00	6.00	7.00	8.00	9.00	11.00	13.00	15.00	18.00	
G =	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	
(H+ J) x F/G	99.20	29550.70	12052.90	10813.10	8439.70	4452.40	2101.70	1088.50	61.00	68659.20

COUNCIL TAX BASE CALCULATED IN ACORDANCE WITH

PARAGRAPHS 4.5 & 4.6 OF THE REPORT

68659.20 x 95% =

65226.24

BARNSELEY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the Council's definition and has been included in the relevant Forward Plan

Cabinet: 13th January 2021

Report of the Executive Director of Core Services
/ S151 Officer

2021/22 BUSINESS RATES – CALCULATION OF THE AUTHORITY'S LOCAL SHARE

1. **Purpose of the Report**

- 1.1 This report sets out the 2021/22 estimated Business Rate Local Share for the Council that is built into the 2021/22 budget and outlines the process for calculating the National Non Domestic Rates Return (NNDR1) to be submitted to the Ministry for Housing, Communities and Local Government (MHCLG) by 31st January 2021.

2. **Recommendations.**

- 2.1 That Members note the process for estimating the retained Business Rate Local Share for 2021/22 set out in the report and agree that the 'local share' for Barnsley will be £22.364M (excluding S31 Grants) in line with the Council's Medium-Term Financial Strategy (MTFS).
- 2.2 It is recommended that the final submission is approved by the Service Director Finance - S151 Officer in consultation with the Cabinet Spokesperson for Core Services.

3. **Background**

- 3.1 The Government's reform agenda introduced the local Business Rates Retention (BRR) scheme from 1st April 2013 which altered the way in which revenue from business rates is distributed. From this date, councils now collect and retain 49% of business rates (known as the Local Share) and this amount forms part of the funding of the Council's agreed 2021/22 budget.
- 3.2 The Government announced a review of the current business rates system including an option to allow councils to retain 75% of the business rates they collect. This review has been delayed further due to Covid 19. It is currently anticipated that a consultation exercise will commence during the summer of 2021 with full implementation possibly by April 2022. Future reports will update on this position.

4. **Current Position**

Local Business Rates Retention

- 4.1 Under the Business Rates Retention (BRR) scheme councils are required to estimate the total business rates to be collected in their area.
- 4.2 After taking account of reliefs, appeals and other variables, councils are required to pay 50% of this net amount over to Central Government and 1% to local Fire Authorities. The remaining amount (49%) is then available to contribute to the Council's budget planning process.

- 4.3 The key steps involved in the process of estimating the local share of business rates which are retained by the Council are attached at Appendix 1, with a summary below highlighting a number of issues that need to be considered when calculating the Business Rate base for 2021/22.

Small Business Rates Relief

- 4.4 From 1st April 2017, the Government announced changes to the entitlement threshold for qualifying small businesses. The table below highlights the current threshold:

	Current Threshold (Gross RV)
100% Relief Awarded	Up to £12,000
Tapered Relief Awarded	From £12,001 to £14,999
Bills calculated on Small Business Rate Multiplier	From £15,000 to £51,000

- 4.5 Following these changes the amount of Small Business Rate Relief (SBRR) awarded has increased significantly and it is expected that this trend will continue. This results in a reduction in the amount of rates retained by the Council (the Local Share).
- 4.6 Government have confirmed that S31 Grant will continue to be awarded to compensate Local Authorities for the changes made to the SBRR threshold in 2017. An estimate has been made for the S31 grants to be received and has been built into the MTFS accordingly.
- 4.7 It is worth noting that as a result of the Covid 19 pandemic, Government announced 100% relief for all business with an RV of less than £51,000 in the retail, leisure and hospitality sectors. Government also announced that Local Authorities will be compensated via S31 grants for this loss in income.
- 4.8 Whilst referenced in the Chancellor's Spending Review speech in late November 2020 any decision to extend this broader business rate relief into 21/22 has been deferred to next year.

Deductions for Estimated Charitable Reliefs

- 4.9 Charities are awarded 80% mandatory relief. This continues to be a significant issue for the Authority as schools that become academies will automatically receive relief on their business rate bill, thus reducing the resources available to fund other front line Council services.
- 4.10 In addition, the legal case of Derby Teaching Hospital Trust and 16 other NHS trusts V Derby City Council (and other Local Authorities, including Barnsley) was heard the week commencing 19 April 2020. This legal challenge is associated with the award of 80% mandatory relief to NHS Trusts. Mr Justice Morgan has now handed down the judgement that Derby Teaching Hospital Trust is not a charity for the purposes of section 43(6) of the Local Government Finance Act 1988, meaning that they are not entitled to 80% mandatory relief. Whilst positive from the Council's perspective the Trust made an application to the Court of Appeal and the case will be reconsidered in the Spring of 2021. Future reports will update on this position.

Empty Properties and Business Closures

- 4.11 Under the current Business Rates scheme, business properties that become vacant are

eligible for empty property relief. The amount of relief awarded is dependent on the type of property that becomes vacant. For industrial use properties a maximum of 6 months relief can be awarded with a maximum of 3 months relief being awarded to other property types. However, a ratepayer can re-apply for relief after a period of 6 weeks occupation meaning that a business can effectively receive over 10 months relief in any financial year.

- 4.12 Whilst the total amount of relief to be awarded during 2021/22 is difficult to predict, particularly in the context of the current pandemic, the total rates to be collected has been adjusted to reflect known circumstances.

Enterprise Zones

- 4.13 All rates collectable from businesses within Enterprise zones are required to be paid over to the Local Enterprise Partnership (LEP) rather than being retained by the Local Authority.
- 4.14 There are currently 2 approved Enterprise Zones within the Barnsley area at Shortwood and Ashroyd Way. The estimated rates to be collected in 2021/22 from these sites total £0.9M. This amount will be required to be paid to the Sheffield City Region Combined Authority and therefore the impact of this has been built into the 2021/22 income forecast.

Covid 19 and Brexit

- 4.15 During 2020/21 the Covid 19 pandemic has had a significant impact on the business community, particularly those in the retail, leisure and hospitality sectors. Whilst some financial support has been provided by government the ongoing impact is difficult to predict but is expected to result in further business closures.
- 4.16 In addition, the transition period in relation to the UK's exit from the European Union ends on the 1st January 2021. It is uncertain at this stage what additional impact this, if any, will have on the number of businesses operating in Barnsley. Further reports will update on this position.
- 4.17 As a result of the above, an estimate of the potential reduction in the tax base / the amount of reduced business rate income to be collected has been factored into the 2021/22 budget.

Business Rate Arrears

- 4.18 Up until March 2020, the collection of business rates remained relatively positive in Barnsley and the Council has in place a robust income recovery policy which continues to be actively used where that is necessary. However, the outbreak of Covid 19 has impacted on collection rates during 2020/21, with forecast rates being up to 3% lower than originally anticipated. In order to provide some protection for non-collection moving forwards, an increased bad debt provision has been built into the amount of income expected to be collected and retained.

Submission of the National Non-Domestic Rates Return (NNDR1)

- 4.19 Councils are required to collect the information highlighted at Appendix 1 and submit it to Government via the NNDR1 return by no later than 31st January in any given year.
- 4.20 The NNDR 1 form for 2021/22 is yet to be received but will be reviewed by Officers as necessary. As such it is possible that adjustments may be necessary to the position

reported in this report; particularly the split between retained rates (Local Share) and the amount of estimated S31 grant, to take into account any changes that may be announced as a result of the ongoing impact of Covid 19. Bearing in mind the deadline for submitting the NNDR 1 form is 31 January 2021, it is recommended that approval of the final submission is delegated to the Service Director Finance - S151 Officer.

- 4.21 The position on business rates will continue to be carefully monitored throughout the financial year and reported to Members as part of normal budgetary procedures.

Future Changes to the Business Rates Retention Scheme

- 4.22 The current Business Rates Retention Scheme (BRRS) allows Local Authorities to retain 49% of all business rates collected locally.
- 4.23 Government have announced that they intend to make changes to the BRRS including a proposal to allow Local Authorities to retain 75% of all business rates collected. This has been delayed further as a result of Covid 19 but further details are expected to be announced during 2021. It is however expected that Government will adjust other funding (e.g. public health grant, revenue support grant etc) to ensure any change to retained rates at a local level is cost neutral and as such the Council is not expected to benefit financially from this proposal.
- 4.24 A further report will be submitted to Cabinet to update on the position in due course.

5. Options

- 5.1 The Council is statutorily required to submit a completed NNDR1 form no later than 31st January in any given year.

6. Local Area Implications

- 6.1 The impact on local businesses (especially in relation to Government policy changes) is outlined within the report.

7. Implications for local people and service users

- 7.1 No local people or services will be directly affected by this report.

8. Financial Implications

- 8.1 From the introduction of the BRR scheme on 1st April 2013 the Council retained 49% of the amount it collects. Following the 2017 Business Rate Revaluation, an estimate of the amount to be retained in 2021/22 has been made and totals £22.364M. This amount has been built into 2021/22 Budgetary Procedures. In addition, the Council is required to notify Central Government and South Yorkshire Fire and Rescue Authority (SYFRA) of their share of business rates income.
- 8.2 The business rate baseline remains extremely volatile, with several key factors that can influence its position being particularly vulnerable to the ongoing impact of Covid 19 and Brexit. The proposed move to 75% retention places even more importance on the monitoring of the budgeted position. A rigorous monitoring process has been put in place with any material variations against the budget being reported to Cabinet as part of the normal quarterly financial monitoring process.

- 8.3 Any variations identified from this exercise will affect the Council's Collection Fund Reserves, which will in turn impact on the Council's MTFS. These variations will also impact the amounts paid over to Central Government and the SYFRA.

9. Employee Implications

- 9.1 No existing employees are adversely affected by this report.

10. Communications Implications

- 10.1 None directly arising from this report.

11. Tackling Health Equalities

- 11.1 There are no known implications.

12. Climate Change & Sustainable Energy Act 2006

- 12.1 There are no known implications.

13. Risk Management considerations

- 13.1 As the business rates retention scheme forms a major part of the Council's future funding position any forecast decline may pose a significant risk.

14. Health & Safety Issues

- 14.1 There are no implications.

15. Compatibility with European Convention on Human Rights

- 15.1 There are no implications.

16. Promoting Equality and Diversity and Social Inclusion

- 16.1 There are no implications

17. Reduction of Crime and Disorder

- 17.1 There are no implications.

18. Consideration of Biodiversity

- 18.1 There are no implications.

19. List of Appendices

Appendix 1- Process for calculating the National Non Domestic Rates Return

Officer Contact: N Copley Service Director and S151 Officer, Finance

Telephone No: 773237

Date: 03rd December 2021

PROCESS FOR CALCULATING THE 2021/22 NNDR 1 FORM

Step 1 – Calculation of Gross Debit

The gross debit is calculated by taking the gross rateable value of properties on the ratings list within the Barnsley area and applying a business rate multiplier as set by Government.

Normally the business rate multiplier is increased by inflation (CPI) year on year, however as part of the Government's Comprehensive Spending review in November the Chancellor announced that there would be a freeze on the business rate multiplier for 2021/22 with local authorities being compensated via S31 for any losses.

The rateable value to be used is that based on the revised 2017 Revaluation as at 1st April 2017.

Step 2 – Deductions for Estimated Reliefs Awarded

Certain types of organisation (certain small businesses, charities, empty properties) are entitled to business rate relief. These include charitable trusts and other similar organisations including academies.

Any estimated reliefs to be awarded in the forthcoming year are deducted from the gross debit and thus affect the amount to be retained by the Council.

Step 3 - Losses in collection

As part of the estimate of business rates revenue to be collected locally, councils are required to make an estimate of any losses in collection it anticipates in any given year.

Collection rates have been impacted by the COVID 19 pandemic and this is likely to continue well into 2021/22 and beyond. As a result, a prudent estimate based on the current collection rate being forecast during 2020/21 together with past years actual losses/write offs, has been made. This has been built into the overall calculation of business rates to be collected.

Step 4 – Enterprise Zones

Under the new scheme councils are required to pay 100% of the business rates collected on properties that sit within enterprise zones over to the Local Enterprise Partnership.

There are currently 4 properties within Barnsley that sit within the Sheffield City Region Enterprise Zone. The business rates to be collected on these properties will be deducted from the estimated business rates for 2021/22 to be paid to the LEP.

Step 5 - Renewable Energy Schemes

From 1st April 2013 the Council were able to retain 100% of the business rates levied on companies engaged on any new Renewable Energy business where the energy produced is above a certain threshold. To date only one eligible properties of this type has been brought onto the rating list since this time. (NOTE: a number of the renewable energy businesses were already on the rating list prior to 1st April 2013).

Step 6 - Business Growth/Decline

As part of the scheme councils are also required to make an estimate of any growth or decline in business rates within their area. Council's will retain 49% of the business rates revenue estimated from any growth anticipated.

The business community has clearly been significantly affected by the outbreak of COVID 19 during 2020/21. It is expected that the fallout of this will continue long into 2021/22. In addition, the UK will leave the European Union from 1st January which is also likely to impact on certain businesses. As a result, consideration has been given to the potential decline in businesses from 2021/22 onwards.

Step 7 - Appeals

Appeals occur when a business believes that the business rates they have been charged have been calculated unfairly. All appeals are processed by the Valuations Office. Appeals usually take place over a 5 year period in line with the Valuations Office property revaluation timetable. The next revaluation is planned for 2021/22 however Government have announced that this will now take place a year later meaning the time period for appeals will be extended a further year.

Step 8 Transitional Protection Payments

Government undertakes a ratings revaluation of business premises every 5 years. The next revaluation has been undertaken and took effect from 1st April 2017.

Where a properties ratings value has significantly changed as a result of re-valuation the business in question is awarded Transitional Rate Relief to protect them from significant changes.

Any transitional rate relief that is awarded is therefore deducted from the total amount of business rates levied.

As mentioned, the next planned revaluation was due to take place in preparation for 20/21, however this has been delayed as a result of COVID 19 and as such transition protection payments will continue for a further year.

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BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the Council's definition and has been included in the relevant Forward Plan.

JOINT REPORT OF THE
EXECUTIVE DIRECTOR PLACE &
EXECUTIVE DIRECTOR CORE / S151 OFFICER

HOUSING REVENUE ACCOUNT – DRAFT 21/22 BUDGET & INVESTMENT PROPOSALS 21-26

1) Purpose & Introduction

- 1.1 This report summarises the proposed HRA Medium Term Financial Strategy, the revised HRA Reserves Strategy, the 2021/22 HRA draft budget and the 2021/22 through 2025/26 Housing Capital Investment Programme.

2) Context & Strategic Overview

- 2.1 The HRA report is set within the broader context of changes within the housing sector. The recently published Social Housing White paper "The Charter for Social Housing Residents" marks a step change in regulation and focus for all housing providers. The Regulatory framework includes both the Regulator of Social Housing, the new Building Safety Regulator and strong links to the Housing Ombudsman. Local Authorities and Arms Length Management Organisations will be part of a new inspection regime and will be required under the white paper proposals to strength and focus their work on health and safety, tenant empowerment and the decarbonisation agenda. This will have financial implications for the future investment in council homes, with enhanced decent homes standard including energy efficiency.
- 2.2 Within this context, work has commenced to identify the implications for Barnsley Council and Berneslai Homes on the delivery and investment requirements. This year's draft budget includes some initial investment on the decarbonisation agenda and further work is underway on the additional requirements for investment in future years to meet the requirements of the white paper. A new asset management strategy coupled with a review of the 30 year business plan will be undertaken in early 2021.

3) Recommendations

- 3.1 It is recommended that Cabinet:
- (i) note the HRA Medium Term Financial Strategy (MTFS) as set out in Section 4;
 - (ii) approve the Housing Revenue Account Draft Budget for 2021/22, as outlined in Section 5, including the proposed revenue investments and savings, as outlined in Section 6, with any final amendments / additions being delegated to the Cabinet Spokesperson for Place and the Executive Director for Place in consultation with the Cabinet Spokesman for Core Services and the Service Director - Finance (S151);
 - (iii) approve a rent increase in line with the Government's rent policy;
 - (iv) note that there is no proposed change to non-dwelling rents, service charges and heating charges for 2021/22;
 - (v) approve the 2021/22 Berneslai Homes Management Fee at paragraph 7.7, with any final amendments / additions delegated to the Cabinet Spokesperson for Place and the Service Director, Regeneration & Culture in consultation with the Cabinet Spokesman for Core Services and the Service Director - Finance (S151);

- (vi) approve the 2021/22 Berneslai Homes Management Fee for both Gypsy & Traveller Sites and in respect of the ESF Grant, both of which are charged to the Authority's General Fund, detailed at paragraphs 7.8 and 7.9 respectively;
- (vii) approve the commitment to the decarbonisation of the council house stock with an initial investment of £1.9M in 2021/22;
- (viii) approve in principle, the proposed emerging capital priority schemes as detailed in Section 8, subject to individual reports as appropriate, in line with the Council's governance arrangements;
- (ix) approve the Core Housing Capital Investment programme for 2021/22 and that the indicative programme for 2022/23 through 2025/26, outlined in Section 8, be noted;
- (x) resolve to recommend to full Council.

4) **Medium Term Financial Strategy & HRA Reserves Strategy**

Medium Term Financial Strategy (MTFS)

- 4.1 On 11th December 2019, the Council set a balanced HRA budget for 2020/21 and considered a medium-term position that included a framework for delivering a balanced budget in 2021/22. Table 1 describes the movement in the financial position from the previously reported baseline MTFS as described above, including the impact of the review of key assumptions that underpin both key expenditure lines and income streams, together with updates in respect of previously agreed decisions and other fixed and ongoing costs. The table also considers the level of efficiencies identified as part of the planning process which results in the amount of resources available for investment at this time. **Recommendation i) refers.**

TABLE 1: HRA MTFS Position 2021-23

	2021/22 £M	2022/23 £M	Comments
Initial (Surplus) / Gap as at Dec 19	(0.374)	(0.680)	
Rental Income	0.650	1.030	Reduction in CPI Rate from the expected 2% due to Covid pandemic. [0.5% in 21/22 / 1% assumed in 22/23], partially offset by stock numbers being higher than anticipated.
Repairs & Maintenance	(0.213)	(0.317)	Reduction in CPI Rate from the expected 2% due to Covid pandemic. [0.5% in 21/22 / 1% assumed in 22/23]
BH Management Fee	-	(0.119)	Reduction in CPI Rate from the expected 2% due to Covid pandemic. [0.5% in 21/22 / 1% assumed in 22/23]
Provision for Bad Debt	0.130	-	Additional provision given expected impact on collection rates as a result of Covid 19
Other Costs	(0.085)	(0.200)	Other reductions in costs in relation to CPI being less than expected.
Revised (Surplus) / Gap as at Jan 21	0.108	(0.286)	
Efficiency / Savings Proposals			
Contribution to Capital - Permanent	(1.000)	(1.000)	Assumed savings as a result of revised PRIP contract
Contribution to Capital - Temporary	(0.300)	-	Review of 21/22 District Heating Programme
Pension Deficit	(0.328)	(0.328)	Reduction in pension deficit contributions

	2021/22	2022/23	Comments
Revised (Surplus) / Gap as at Jan 2021 Post Efficiencies	(1.520)	(1.614)	

- 4.2 The worsening HRA position (before any efficiency proposals) in both 2021/22 and 2022/23 is largely due to the effect that Covid 19 has had on the CPI rate, which is the key driver in respect of the HRA base budget, specifically on the rents that are set for tenants. This is somewhat offset by the expected reduction in the increase in prices of certain elements, e.g. repairs and maintenance.
- 4.3 A number of efficiencies have been identified to provide scope for some revenue investments, the most significant of those relating to the Council's new arrangements for its PRIP contract with partners Berneslai Homes and Wates. The S151 Officer's advice is to consider investment proposals accordingly for 2021/22 and beyond within the £1.5M recurrent funding currently available. Section 5 of this report identifies these revenue investments. This is subject to an ongoing review of the Council's capital plan in respect of its investment programme in its council house stock and other key assumptions.

The HRA Reserves Strategy

- 4.4 The HRA has accumulated reserves totalling £31.8M as at the end of the 2019/20 financial year, as reported in the Housing Revenue Account Final Accounts Report (Cab.10.6.2020/8 refers). A review of existing HRA reserves has been undertaken by the Council's S151 Officer and a reprioritisation exercise completed, reflecting the current risk environment within the HRA (Table 2 refers).
- 4.5 Berneslai Homes Ltd has also accumulated a level of surpluses from previous few years. In 2018/19, the Council identified resources totalling £8.9M that were made available for Council and Berneslai Homes priorities. Since that time, £1.2M has been incurred on those priorities, which leaves £7.7M remaining.
- 4.6 The Council also retains an element of the capital receipts that are generated from the sale of Council Houses. The Section 151 Officer has released £1.0M of these resources to support the housing capital investment programme.
- 4.7 The Council also receives Section 106 (S106) contributions from housing developers as part of the agreements to allow house building in the borough. The Council currently has restricted S106 funds of £3.3M specifically for housing purposes which have been fully committed against schemes identified as part of the 2020/21 budget setting process.
- 4.8 Table 2 shows the currently available reserves, the amounts committed against those reserves in terms of approved schemes and the subsequent remaining resources for consideration.

TABLE 2: HRA Resources Position

	Reprioritised Reserves As at 1 st April 2020	Current Commitments	Remaining for Consideration
	£M	£M	£M
Resources Position:			
<u>Housing Reserves</u>			
<i>Earmarked For:</i>			
Housing Growth Reserve	20.2	(18.4)	1.8
Welfare Reform Reserve	2.0	(2.0)	-
New Build Bungalows Reserve	0.4	(0.4)	-
Compliance / H&S Programmes	0.7	(0.7)	-
Minimum Working Balance	7.0	(7.0)	-
Financial Recovery – Covid 19	0.6	(0.6)	-

	Reprioritised Reserves As at 1 st April 2020	Current Commitments	Remaining for Consideration
	£M	£M	£M
Review of 30 Year Capital Plan	0.9	(0.9)	-
Housing Reserves	31.8	(30.0)	1.8
Berneslai Homes Reserves	7.7	(7.3)	0.4
Capital Receipts	1.2	-	1.2
S106 Contributions	3.3	(3.3)	-
Total	44.0	(40.6)	3.4

5) Housing Strategy & Approach

- 5.1 The Council's strategic approach for investment in its housing services, for both revenue and capital investment mirrors the approach for general fund services, as agreed in the Council's Capital Investment Strategy and tracks the principles outlined in the Capital Investment Programme 2021/22 and External Funding Strategy, as described in Section 8 of this report. Available resources are identified over the medium term with housing priority proposals being submitted for consideration. This allows a more effective, robust and consistent planning process together with maintaining a flexible approach in respect of addressing emerging issues.
- 5.2 A business planning workshop was held in July 2020 between the Council and Berneslai Homes with the aim of identifying key priorities and the overall strategic direction of the HRA, moving forwards. Further discussions have since taken place with Berneslai Homes with additional priorities linked to service transformation being identified by the CEO. These priorities have been considered within the overall financial context of the HRA and are incorporated within this report.
- 5.3 Strategic investment priorities were agreed which focussed on ensuring Regulatory Compliance alongside wider priorities such as homelessness / inclusive growth, zero carbon and housing growth, which can be found in Sections 6 and 8 respectively.
- 5.4 The strategy and approach for defining longer term priorities will now be considered collaboratively as part of the Council's emerging 2030 Place Based Plan including subsequent updates to both the Council's and Berneslai Homes' corporate plans.

6) Revenue Investment Proposals

- 6.1 In line with the strategy outlined in Section 5, and within the financial context explained in Section 4, a number of revenue investment proposals have been identified by both Berneslai Homes and Council services for consideration.
- 6.2 These proposals have been assessed in line with the agreed process (per Section 5) ensuring that resources are aligned to the Council's housing priorities. The investments prioritised for consideration are summarised in Table 3. Further information is available on request.
- Recommendation ii) refers.**

TABLE 3: HRA Revenue Investment Priorities 2021-23

Permanent Revenue Investment Proposals	2021/22 £M	2022/23 £M	Investment Theme
Revised (Surplus) / Gap	(1.520)	(1.614)	
HRA 1 - Investment in Regulatory Compliance Programmes e.g. Electric, Gas, Fire Checks	0.658	0.658	Compliance / Regulatory
HRA 2 – Investment in Additional Capacity (Berneslai Homes)	0.500	0.500	Service Transformation
HRA 3 - Investment in Occupational Therapist	0.060	0.060	Service Transformation
HRA 4 - Increase in Cost of Utilities	0.096	0.096	Cost Pressures
HRA 5 - Performance Officer **	0.024	0.024	Service Transformation
HRA 6 - 16-17 Year Old Supported Housing for Complex Needs *	0.182	0.182	Homelessness / Inclusive Growth
Sub Total – Investments	1.520	1.520	
Revised (Surplus) / Gap	-	(0.094)	

* Agreed as part of 2020/21 Budget Setting Process

** No overall impact on HRA revenue position as capitalised against capital programme

7) **Housing Revenue Account Proposed Budget**

- 7.1 Table 4 shows the approved revenue budget for 2020/21 together with the proposed budget for 2021/22 and indicatively for 2022/23, on the basis that the identified efficiencies and the proposed revenue investments are approved. Paragraphs 7.2 – 7.11 provide further explanation of the key components of the budget, particularly where approval is required. **Recommendation ii) refers.**

TABLE 4 - HRA Proposed Revenue Budget 2021-23

	2020/21 Approved £M	2021/22 Draft £M	2022/23 Draft £M	Paragraph
INCOME				
Dwellings Rent	(69.754)	(70.690)	(71.799)	7.2 – 7.4 7.5
Non Dwellings Rents	(0.361)	(0.361)	(0.364)	
Heating Charges	(0.525)	(0.525)	(0.530)	
Other Charges for Services and Facilities	(0.465)	(0.465)	(0.470)	
Contributions Towards Expenditure	(1.057)	(1.057)	(0.911)	
	(72.162)	(73.098)	(74.074)	
EXPENDITURE				
Repairs and Maintenance (Including Fees)	19.171	19.527	19.629	7.6 – 7.10 7.11
Berneslai Homes' Management Fee	12.162	13.266	13.399	
Other Supervision, Management & Special Services	5.962	6.064	6.120	
Rents, Rates, Taxes and Other Charges	0.254	0.257	0.259	
Provision for Doubtful Debts	2.093	2.269	2.154	
Depreciation of Fixed Assets	12.383	12.383	12.383	
Debt Management Costs	0.098	0.100	0.101	
	52.123	53.866	54.045	
Net Cost of Services	(20.039)	(19.232)	(20.029)	
Interest Payable and Similar Charges	11.256	11.256	11.360	
Investment Income	(0.130)	(0.057)	(0.057)	
Net Operating Expenditure	(8.913)	(8.033)	(8.830)	
Appropriations				
Transfer to/from Major Repairs Reserve	8.767	7.887	8.590	
Revenue Contribution to Capital	0.146	0.146	0.146	
Base Budget	-	-	(0.094)	

Dwelling Rents

- 7.2 The Government has confirmed that from 2020/21 dwelling rents can be increased in line with CPI inflation (Consumer Price Index), plus 1% for the 5 year period through to 2024/25.
- 7.3 The rate of CPI as at September 2020 was 0.5%. It is proposed that dwelling rents will be increased in 2020/21 by **1.5%** in line with the Government's rent policy and the requirement from April 2020 for local authorities to comply with the Regulator of Social Housing Rent Standard. **Recommendation iii) refers.**
- 7.4 The proposed average rents for the various types of properties, for 2021/22 are shown in Table 5.

TABLE 5: Average Rent by Property Type

Property Type	Number of Bedrooms	Average Rent per Week (Based on 48 Weekly Bills)	
		2020/21 £	2021/22 £
Bedsit	0	£51.58	£52.35
Flat	0	£60.85	£61.76
	1	£60.31	£61.21
	2	£67.59	£68.60
	3	£72.34	£73.43
Bungalow	1	£62.03	£62.96
	2	£69.27	£70.31
	3	£81.43	£82.65
	4	£122.95	£124.79
House	1	£63.84	£64.80
	2	£70.05	£71.10
	3	£74.96	£76.08
	4	£80.84	£82.05
	5	£88.45	£89.78
	6	£108.45	£110.08
Maisonette	3	£75.11	£76.24
OVERALL AVERAGE WEEKLY RENT		£80.50	£81.71

Non-Dwelling Rents, Service Charges and Heating Charges

- 7.5 The Council recognises that there have not been any increases to the current level of non-dwelling rents, service charges and heating charges respectively over the past few years. As a result of the Covid pandemic and the significant impact that it has had on people's incomes, it is therefore proposed that no changes are applied to the current level for the 2021/22 financial year. A fundamental review will be undertaken during 2021. **Recommendation iv) refers.**

Berneslai Homes Management Fee

- 7.6 The proposed Berneslai Homes Management Fee in respect of the HRA is estimated at £13.266M for 2021/22 and indicatively £13.399M in 2022/23 as detailed in Table 6.

TABLE 6: Berneslai Homes HRA Management Fee

	2021/22 £	2022/23 £
BH HRA Management Fee Bfwd	12,162,442	13,266,082
<u>Fixed / Ongoing Costs</u>		
Inflation, Pay Award & Increments	238,640	132,661
	238,640	132,661
<u>Investment & Other Policy Decisions</u>		
HRA 2 - Investment in Additional Capacity (Berneslai Homes)	500,000	-
HRA 3 - Investment in Occupational Therapist	60,000	-
HRA 4 - Increase in Cost of Utilities	96,000	-
HRA 5 - Performance Officer **	24,000	-
HRA 7 - Environmental Improvement Apprenticeship Scheme *	185,000	-
	865,000	-
Proposed BH HRA Management Fee	13,266,082	13,398,743

* Agreed as part of 2020/21 Budget Setting Process

** No impact on HRA Revenue Position as capitalised to the Capital Programme

- 7.7 The additional management fee proposal has been developed as part of the review of the governance and management of Berneslai Homes during 2020. The proposal increases resources to support the delivery of the new strategic plan, introducing much needed Head of Service roles within the Customer Services Directorate and a Head of Governance & Policy. In addition, the restructure introduces new 'housing coach' roles, aimed at increasing support to tenants and sustaining tenancies, reducing both council tax and rent arrears. The new Occupational Therapist will address the significant delaying in major adaptations having a significant impact on the backlog of people awaiting life changing adaptations to their homes and reducing void loss. The environmental improvement scheme is to be expanded to develop community refurbishment schemes to improve neighbourhoods and provide much needed apprenticeships to young people of Barnsley.
- 7.8 On the basis that the proposed investments and efficiencies are approved, the BH management fee has been increased overall by a total of £1.104M from the 2020/21 fee, predominately as a result of the new investments proposed. **Recommendation v) refers.**
- 7.9 In addition to the proposed management fee charged to the HRA as per Table 6, Berneslai Homes also propose to charge the Council's General Fund in respect of two specific items which are described below:
- for the management of the Gypsy & Traveller sites in the Borough, which totals a proposed £0.065M for 2021/22 (£0.064M in 2020/21); and
 - The Council and Berneslai Homes have been successful in securing European Social Fund (ESF) grant for two employment support projects, "*Sector Routeways*" and "*Tenants First*". The costs of the two projects are split between the two respective organisations. The Berneslai Homes' element is transferred to the Council's General Fund via the management fee. The Council will receive the full grant entitlement. The expected cost to Berneslai Homes totals £0.134M in 2021/22.
- Recommendation vi) refers.**
- 7.10 Therefore, the proposed Berneslai Homes Management Fee to the Council in totality for 2021/22 totals £13.465M.

Other Supervision, Management & Special Services

- 7.11 The HRA is charged for its share of General Fund services that it consumes in providing services to tenants. The proposed changes are shown in Table 7.

TABLE 7: Other Supervision, Management & Special Services Budget 2021-2023

	2021/22 £	2022/23 £
Other Supervision, Management & Special Services Bfwd	5,961,592	5,961,591
<u>Fixed / Ongoing Costs</u>		
Inflation on General Fund Services	89,590	56,111
	89,590	56,111
<u>Investment & Other Policy Decisions</u>		
HRA 6 - 16-17 Year Old Supported Housing for Complex Needs *	181,540	-
	181,540	-
<u>Capitalisation of Staff Costs</u>		
HRA 7 - Environmental Improvement Apprenticeship Scheme *	(145,000)	-
HRA 5 - Performance Officer	(24,000)	-
	(169,000)	-
Proposed Other Supervision, Management & Special Services	6,063,722	6,119,832

* Agreed as part of 2020/21 Budget Setting Process

8) 2020 - 26 Council Housing Investment Programme

- 8.1 The Council's Housing Capital Investment Programme consists of two components:

- **Housing Growth** – These capital programmes relate to supplementary, added value investment in both the Council's housing stock and housing related activities; and
- **The Core Programme** – These capital programmes relate to maintaining the housing stock at decency, including reactive replacements and elemental works together with a number of supplementary capital programmes relating to works on adaptations and major structural works etc.

Housing Growth

- 8.2 A number of capital investment proposals have been submitted by both Berneslai Homes and Council officers for consideration in line with the agreed process at Section 5. The investments prioritised at this stage, and requiring approval are summarised in Table 8, with further information available on request. **Recommendation viii) refers.**

TABLE 8: Capital Investment Priorities 2021 – 2025 (Subject to Approval)

Capital Investment Proposals	Investment Theme	2021/22 £M	2022/23 £M	2023/24 £M	2024/25 £M	Total £M
HRA A – Fire Safety Works	Compliance / Regulatory	0.100	-	-	-	0.100
HRA B – Lang Avenue Flooding Resilience *	Compliance / Regulatory	1.007	-	-	-	1.007
HRA C – Sprinkler Installation	Compliance / Regulatory	0.350	-	-	-	0.350
HRA D – Energy Efficiency – Air Source Air Heat Pumps	Zero 2045	1.100	-	-	-	1.100
HRA E – Social Housing Decarbonisation Fund Pilot / Match Funding	Zero 2045	0.800	-	-	-	0.800
TOTAL		3.357	-	-	-	3.357

* This scheme is subject to an external funding bid. Should this funding bid be successful, then the resources will be released and reprioritised accordingly.

- 8.3 These schemes have been included in Tables 9 and 10 and are subject to formal approval.
- 8.4 The schemes that have, at this stage, been deferred, will form part of the Council's pipeline of schemes moving forwards in line with the Council's Capital Investment Strategy and External Funding Strategy, whereby should any further resources be identified, then these schemes will be considered accordingly.

The Council's Core Investment Programme

- 8.5 The Council's Decency Programme relates to capital replacement of components within the Council's housing stock, thereby maintaining the Barnsley Homes Decency Standard. The core programme targets those properties where elements such as kitchens; bathrooms; heating systems; windows and external doors need replacing. Investment in the council housing stock ensures properties remain lettable and the rental income ensures the viability of the HRA. In terms of 2021/22, the savings identified from the new PRIP contract has allowed the budget to be reduced by £1.000M, whilst the same outcomes / outputs are still achievable i.e. 1,400 dwellings maintained at decency. The investment proposed for 2021/22 totals £13.528M.

Recommendation ix) refers

- 8.6 The Council also plans a series of supplementary investment works to support the Core Investment Programme and relate to supporting district heating networks, funding major adaptations to properties, providing works to void properties to bring them up to standard, and more fundamental structural works that are required to the Council's housing stock. The investment proposed for 2021/22 totals £5.102M. **Recommendation ix) refers.**
- 8.7 Berneslai Homes are currently developing a new asset management strategy, which will ensure a more effective approach to the investment in the Council housing stock. Following the Grenfell tragedy, the focus on fire safety and compliance has resulted in additional investment requirements to ensure the safety of tenants. In addition, work is underway to utilise more effectively the data held in the asset management system, PIMSS and collating information on stock condition including EPC levels. This data will be used in future to develop the investment requirements in the HRA business plan. The longer term ambitions for the stock are to ensure that all homes meet the zero carbon targets, EPC level C as a minimum. Work will be undertaken during 2021 to assess the level of investment required to meet the zero carbon, building safety and general stock condition over the life of the business plan. The information will be used to develop the Council's investment requirements from 2022/23.
- 8.8 Table 9 summarises the capital investment into the Council's housing stock, including both the Core Programme and Housing Growth, and shows the funding stream proposed to fund these programmes. Approval is sought for £21.987M and is shown in Table 9.

TABLE 9: Council Housing Investment Programme 2021 - 2026

	2020/21 £M	Existing Approvals 2021/22 £M	For Approval In Principle 2021/22 £M	Indicative				TOTAL (Inc. 2020/21) £M
				2022/23 £M	2023/24 £M	2024/25 £M	2025/26 £M	
Core Programme:								
Barnsley Homes Standard	18.465	-	13.528	13.915	14.317	14.734	15.180	90.139
Heating Works	1.387	-	0.781	1.081	1.081	1.081	1.081	6.492
Major Adaptations	2.016	-	2.007	2.007	2.007	2.007	2.007	12.051
Structural Extensive Works	1.675	-	1.685	1.685	1.685	1.685	1.685	10.100
Other	0.544	-	0.629	0.629	0.629	0.629	0.879	3.939
Sub Total – Core Programme	24.087	-	18.630	19.317	19.719	20.136	20.832	122.721
Housing Growth Investment:								
New Build	3.955	7.900	-	1.260	-	-	-	13.115
Acquisitions / Conversions	3.088	2.207	-	1.000	1.000	-	-	7.295
Regulatory / Compliance	-	1.400	0.450	-	-	-	-	1.850
Zero Carbon Initiatives	-	0.250	1.900	0.250	0.250	0.250	-	2.900
Other Housing Growth	0.931	1.846	1.007	1.395	0.395	0.195	-	5.769
Sub Total – Housing Growth (Table 10)	7.974	13.603	3.357	3.905	1.645	0.445	-	30.929
Total Expenditure	32.061	13.603	21.987	23.222	21.364	20.581	20.832	153.650
Resources:								
Major Repairs Reserve	(24.086)	-	(18.630)	(19.317)	(19.719)	(20.136)	(20.832)	(122.720)
Capital Receipts	-	-	(1.118)	-	-	-	-	(1.118)
1-4-1 Capital Receipts	(0.969)	(0.487)	-	-	-	-	-	(1.456)
HRA Reserves	(4.737)	(9.068)	(1.816)	(2.538)	(1.645)	(0.445)	-	(20.249)
Grants & Contributions	(2.191)	(4.048)	(0.423)	(1.367)	-	-	-	(8.029)
RCCO	(0.078)	-	-	-	-	-	-	(0.078)
Total Resources	(32.061)	(13.603)	(21.987)	(23.222)	(21.364)	(20.581)	(20.832)	(153.650)

- 8.9 Members should note that the capital programme for approval, as part of these budget proposals, totals £21.987M and is shown in the yellow column in Table 9, including the £3.357M new housing growth proposals as outlined in Table 8.
- 8.10 It should also be noted that included in the Core Programme 2020/21 position, includes schemes that have been delayed from 2019/20.
- 8.11 A full breakdown per scheme of the Council's current housing growth investment schemes (£30.929M in total) can be found in Table 10, which includes the 2021/22 investments that are subject to approval, which are highlighted in blue and shown in the yellow shaded column.

TABLE 10: Housing Growth Investment Programme – 2020 – 2026

	2020/21	2021/22	2021/22	2022/23	2023/24	2024/25	TOTAL
Housing Growth		Existing Approvals	For Approval				
	£M	£M	£M	£M	£M	£M	£M
New Build							
Billingley View	2.501	-	-	-	-	-	2.501
Sunnybank / Overdale	-	0.315	-	0.280	-	-	0.595
Laithes Lane	-	0.500	-	0.700	-	-	1.200
Goldthorpe Hotel Redevelopment	-	0.280	-	0.280	-	-	0.560
King Street, Hoyland	-	2.800	-	-	-	-	2.800
St Michael's Avenue	1.181	4.005	-	-	-	-	5.186
Kenworthy Road	0.176	-	-	-	-	-	0.176
Other	0.097	-	-	-	-	-	0.097
	3.955	7.900	-	1.260	-	-	13.115
Acquisitions / Conversions							
Strategic 106 Acquisitions	1.410	-	-	-	-	-	1.410
Empty Homes Acquisitions	1.581	0.783	-	-	-	-	2.364
Property Conversions	0.097	0.424	-	-	-	-	0.521
Strategic Acquisitions	-	1.000	-	1.000	1.000	-	3.000
	3.088	2.207	-	1.000	1.000	-	7.295
Regulatory / Compliance							
Sprinkler Systems to 4 Independent Living Schemes	-	0.400	-	-	-	-	0.400
Sprinkler Systems to Sheffield Road Flats	-	1.000	-	-	-	-	1.000
HRA A - Fire Safety Works	-	-	0.100	-	-	-	0.100
HRA C - Further Sprinkler Works	-	-	0.350	-	-	-	0.350
	-	1.400	0.450	-	-	-	1.850
Zero Carbon Initiatives							
Installation of Solar PV	-	0.250	-	0.250	0.250	0.250	1.000
HRA D - Air Source Heat Pumps / Decarbonisation	-	-	1.100	-	-	-	1.100
HRA E - Social Housing Decarbonisation - Pilot Match Funding	-	-	0.800	-	-	-	0.800
	-	0.250	1.900	0.250	0.250	0.250	2.900
Other Housing Growth							
HRA Surveyor	-	0.101	-	-	-	-	0.101
HRA B - Lang Avenue Flood Defences	-	-	1.007	-	-	-	1.007
Supported Housing Proposal	0.475	0.124	-	-	-	-	0.599
Feasibility Studies	-	0.100	-	-	-	-	0.100
Customer Services IT System	-	1.000	-	1.000	-	-	2.000
Increase Equipment & Adaptations Budget	0.400	0.200	-	0.200	0.200	-	1.000
Environmental Improvements	0.056	0.177	-	0.195	0.195	0.195	0.818
Other	-	0.144	-	-	-	-	0.144
	0.931	1.846	1.007	1.395	0.395	0.195	5.769
Housing Growth Investment Programme *	7.974	13.603	3.357	3.905	1.645	0.445	30.929
KEY: 2021/22 Investment Proposals							

9. PROPOSAL AND JUSTIFICATION

- 9.1 It is proposed that individual dwelling rents be decreased in line with the Government's rent policy. The capital programme is affordable over the five year period and consistent with the Council's approved Housing Strategy.

10. CONSIDERATION OF ALTERNATIVE APPROACHES

- 10.1 The budget has been developed with the aim of ensuring wherever possible that existing approved policies and support of corporate strategies can continue to be delivered. From the many alternative approaches available the package of proposals in this report is considered to best achieve this intention.

11. IMPLICATIONS FOR LOCAL PEOPLE/SERVICE USERS

- 11.1 The effective management of the HRA helps to consistently drive forward service improvements for the benefit of both council tenants and the wider community and ensure investment and maintenance in council housing.
- 11.2 The capital programme is designed to meet decency standards and has aspects within it to help reduce fuel poverty and to maximise opportunities to invest in affordable warmth initiatives. The major adaptations budget also supports the continued independent living of vulnerable people.

12. FINANCIAL IMPLICATIONS

- 12.1 These proposals set a balanced budget for 2021/22 with a framework to achieve a balanced position for 2022/23, including increasing rents in line with the Government's rent policy at CPI + 1%.
- 12.2 The total estimated cost of the 2021/26 core capital programme (including 2020/21) is £122.7M and is affordable over this period.
- 12.3 The proposals contained within the report includes £3.4M of new investment in the Council house stock for 2021/22. The total estimated cost of the current Housing Growth Investment capital programme, including the £3.4M, totals £30.9M, which is to be funded by specific resources currently held within the HRA.
- 12.4 From these budget proposals, service provision to tenants and capital investment to maintain housing stock at decency levels have both been maintained.

13. EMPLOYEE IMPLICATIONS

- 13.1 Any employee implications will be addressed as detailed scheme proposals are developed and approved.

14. LEGAL IMPLICATIONS

- 14.1 None

15. CUSTOMER AND DIGITAL IMPLICATIONS

- 15.1 None

16. COMMUNICATIONS IMPLICATIONS

- 16.1 Communications and Marketing will work in partnership with Berneslai Homes to communicate the outcomes of this report through their established channels.

- 16.2 Berneslai Homes will use their established channels to engage with their tenants who will be directly affected by the proposed capital works.

17. CONSULTATIONS

- 17.1 Discussions have taken place with the Service Director – Finance (S151 Officer) and the Executive Director – Place.
- 17.2 Consultations have and will continue to take place with Berneslai Homes and tenants.
- 17.3 Consultations with local members on the Barnsley Homes Standard and on any other major capital schemes in their area will continue to take place.
- 17.4 Consultations on the Council Housing Capital Investment Programme have and will continue to take place with BMBC Planning and Highways, Legal Services, Internal Audit and NPS Barnsley where appropriate.

18. BACKGROUND PAPERS

- 18.1 Welfare and Work Act 2016
- 18.2 Housing and Planning Act 2016 21.3 Budget working papers containing exempt information - not available for inspection.

Report author: Neil Copley

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BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the Council's definition and has been included in the relevant Forward Plan.

Report of the Executive Director for PLACE

Goldthorpe Masterplan Framework

1. Purpose of report

- 1.1 To update Cabinet on progress in developing the Goldthorpe Masterplan Framework and to seek approval to undertake community consultation on the DRAFT spatial framework.

2. Recommendations

It is recommended that:

- 2.1 **Cabinet notes the progress made in the development of the DRAFT masterplan framework for Goldthorpe, and;**
- 2.2 **Approves the proposal to undertake a Community Consultation exercise planned to commence during January 2021.**

3. Introduction

- 3.1 The Council's Local Plan was adopted on 3rd January 2019 (**Cab 12.12.2018/8**). When the Local Plan was being examined it was agreed that for the larger, strategic sites it was necessary to prepare masterplan frameworks to ensure that sites could be developed in a comprehensive manner taking into account cumulative infrastructure requirements. Looking at large allocations in this way, rather than a piecemeal fashion dictated by land ownerships, ensures that we can make the best use of sites and secure sustainable and inclusive growth reflecting each of our corporate priorities. The first two masterplan frameworks were adopted by Full Council on the 19th December 2019 for Hoyland North and Barnsley West (MU1). Hoyland West was adopted at Full Council on the 24th September 2020 whilst Hoyland South is due to be considered on the 26th November 2020.
- 3.2 Whilst each masterplan framework will be bespoke to the area, the Local Plan prescribes that the Masterplan Frameworks shall contain the following:
- A planning policy summary, site location and description, land ownership, a summary of the existing evidence, site evaluation (opportunities and constraints), a land use framework, sustainable movement framework, protection of existing public rights of way routes and their incorporation within new development layouts, vehicular movement framework, green and blue infrastructure framework, place-making framework (including design guides for character and neighbourhood areas where applicable), sustainability and energy use, health and wellbeing, design evolution, conceptual masterplan, infrastructure and delivery phasing.

- 3.3 The Local Plan also states that Masterplan Frameworks shall be subject to community consultation and be approved by the Council prior to the determination of any planning applications on the affected sites.
- 3.4 This report seeks Cabinet approval to undertake community consultation for a six-week period commencing in January 2021. The site has the potential to deliver 72.9ha of employment land.
- 3.5 The masterplan framework provides a significant opportunity to deliver corporate objectives relating to zero carbon.

4. **Goldthorpe Masterplan Framework**

- 4.1 The Goldthorpe Masterplan Framework incorporates site:

- **Employment site reference ES10 Land South of Dearne Valley Parkway**

- 4.2 A Masterplan Board for Goldthorpe has now been established. The Board consists of council officers and landowners/their agents and planning consultants with an interest in the above-mentioned sites. The final Masterplan Framework document will be produced by council officers based upon the High-Level Viability Study produced by Edward Architecture. Further associated feasibility studies and consultations will be managed and procured by the Spatial Planning Project Manager on behalf of the Board. These include the development of an energy strategy, landscape and visual assessment and a drainage strategy.
- 4.3 The Masterplan Framework Funding for this has been set aside via the one-off investment monies approved by Council as part of the 2020/21 Budget. This was prior to the moratorium on spending that was implemented as a result of Covid 19. This funding has now been approved for release. Master planning works are now underway. To date, works commissioned include high level viability study, traffic modelling and Traffic Impact Assessments and ecology surveys. The next stage of the 'place making' process requires a robust Community Consultation exercise and a communication plan. A Statement of Community Engagement Report will be produced following review of the community consultation responses.
- 4.4 As well as having regard to all necessary Planning Policy and Supplementary Planning Document (SPD) requirements, the FINAL Goldthorpe Masterplan Framework document must specifically consider:
- Topographical constraints
 - Existing biodiversity assets
 - Coal mining legacy
 - Access requirements and impact upon the wider highway network to enable delivery of allocations in their entirety
 - Public Rights of Way
 - Archaeological constraints

- Renewable energy
- Flooding

Community Consultation

4.5 The government have been clear that planning activity should continue during the current pandemic and that planning is critical to support economic recovery post COVID-19. Due to restrictions on holding public gatherings, we have adopted a new approach, which includes:

- **A combination of traditional and digital methods** to ensure everybody has access to information. Ensure that information is available in different formats. Materials created will be available online and as hard copies on request with a telephone number available for those who are unable access to digital materials. If Goldthorpe library remains open during the consultation period, consultation material will also be placed in here.
- **Establishing and communicating new ways to interact** with stakeholders and the community due to COVID-19. As face to face engagement may not be an option during this consultation, online engagement sessions will be offered for the opportunity to allow engagement with the public through live Q&A sessions. Posters and flyers available in the community and letter notifications will raise awareness about the new ways to get involved.
- **Extending the standard consultation period for a Masterplan Framework from four weeks to six weeks.** The consultation period for this Masterplan will run for a period of six weeks rather than the four-weeks identified in the Council's Statement of community Involvement in order to allow more time for people to access the information, to receive any requested hard copy materials and review these materials.

4.6 The council has received criticism as a result of undertaking community consultation on masterplan frameworks during the COVID-19 lockdown earlier this year. Many participants felt that this work should have been paused until face to face events could be held to ensure that as many people as possible were aware of the consultation. However, response rates to the consultations undertaken during summer 2020 were similar and in some cases higher than those consultations undertaken in 2019, using more traditional methods. Therefore, whilst methods of engagement did differ as a result of lockdown, it is not considered that lockdown materially impacted upon levels of public participation.

During examination of the Local Plan, a total of 12,435 comments were received from 3047 consultees. Interest in ES10 was relatively limited with 10 comments being received, although it is anticipated that the masterplan framework will generate more interest as more detail is provided.

Sustainability

- 4.7 The employment allocation was assessed to be a sustainable location for employment, being close to Goldthorpe and key public transport routes, links to Goldthorpe rail station and within walking distance of residential areas. The site will be accessed from a new roundabout on the A635 at the entrance to the site. Employees would be within walking distance of Goldthorpe facilities which should help to sustain its vitality and vibrancy in a way that is sustainable and healthy.
- 4.8 The provision of active travel routes throughout the site, provide attractive, safe and direct links through the site, linking to local facilities and services. The promotion of active travel has the potential to contribute to healthy lives and obesity levels as well as having positive impacts on mental health. During COVID-19 restrictions, the importance of access to green space has been highlighted – the masterplan framework has created new areas of green space and active travel links to existing communities.
- 4.9 The masterplan framework will consider the key landscape views from Billingley and residential development to the south east of the site.
- 4.10 The masterplan reflects the requirements of local plan policies relating to sustainable construction, climate change resilience, drainage and sustainable travel. It also requires 10% net gain to biodiversity. These matters and other planning considerations are then assessed in more detail when planning applications are considered

Health & Wellbeing

- 4.11 Masterplan frameworks have an opportunity to influence future physical and mental health of communities and new residents in a positive manner. The proposed masterplan framework therefore seeks to contribute to the priorities of the Barnsley Public Health Strategy 2018-2021, particularly in relation to residents living longer, healthier lives. A Health Impact Assessment will therefore be prepared to accompany the masterplan framework.

5. Consideration of alternative approaches

- 5.1 Whilst there are opportunities to shape the scope and format of the community consultation exercise, the Council has already agreed the process for approvals relating to consultations on the Masterplan Frameworks and their subsequent adoption.

6. Proposal and justification

- 6.1 The aim of all Masterplan Frameworks is to ensure that sites identified for development in the Local Plan are developed in a sustainable and appropriate manner consistent with the Local Plan objectives, which are to:

- Provide opportunities for the creation of new jobs and protection of existing jobs;
 - Improve the conditions in which people live, work, travel and take leisure;
 - Widen the choice of high-quality homes;
 - Improve the design of development; and
 - Protect and enhance Barnsley's environmental assets and achieve net gains in biodiversity.
- 6.2 It is essential that the local community and stakeholders are involved in the shaping of these strategic masterplan frameworks to ensure that new developments positively support, and contribute to, existing communities, their services and infrastructure.
- 6.3 It is recommended that Cabinet approve the proposal to undertake a community consultation exercise on the DRAFT Goldthorpe Masterplan Framework.

7. Implications for local people / service users

- 7.1 The Goldthorpe Masterplan Framework will support the development of employment growth across this Principal Town. The consultation process will allow the local community and its stakeholders to help in the shaping and phasing of development in a comprehensive manner. The Masterplan Framework will consider the impact of development on existing communities, highway infrastructure and biodiversity.

8. Financial implications

- 8.1 Consultations on the Financial Implications have taken place with representatives of the Service Director – Finance (S151 Officer).
- 8.2 Funding for this masterplan framework has been set aside via the one off investment monies approved by Council as part of the 2020/21 Budget. This was prior to the moratorium on spending that was implemented as a result of Covid 19. This funding has now been approved for release.
- 8.3 As a result of this proposal, it is expected that the Council will benefit from new business rates into its tax base in future years. These are unquantifiable at this stage and will be considered as part of the Council Medium Term Financial Strategy.

9. Employee implications

- 9.1 There are no issues arising directly from this report.

10. Communications implications

- 10.1 A Stakeholder Engagement Plan is currently being produced by officers in consultation with the Communications Team in order to determine key stakeholders and how best to engage them in the process. In addition, an

Equalities Impact Assessment has been completed to ensure that due regard is applied to the 9 protected characteristics in terms of access and communication. Due to the current situation relating to COVID-19 and uncertainty relating to this over the coming months, it is likely that the consultation will be digital only. In order to ensure that stakeholders aren't excluded from the consultation and can shape the Masterplan Framework, officers will be working closely with the Engagement Team to ensure that information is disseminated through the Equalities Forum and other relevant user groups. Hoyland West, Hoyland South and Royston masterplan frameworks consultations have been undertaken during COVID restrictions this summer using the same methodology and have been successful.

11. Consultations

- 11.1 Consultations have already been undertaken with the Portfolio Holder for PLACE, Local Members, as well as local stakeholders. Further consultation is planned with Local Members, Landowners and key stakeholders such as the RSPB.

12. The Corporate Plan and the Council's Performance Management Framework

- 12.1 The Local Plan is a key Council strategy document that will support the achievement of each of the three main priorities set out in the Corporate Plan and the 8 Town Spirit objectives. The masterplan documents will ensure that employment growth is delivered in a comprehensive manner with the support of the local communities they will enhance.

13. Tackling Health Inequalities

- 13.1 A Health Impact Assessment was produced to consider the Local Plan proposals on health. This considered the impact of the various policies within the plan on the health of various communities as well as whether they contribute to the ambitions of the Corporate Plan and reduce health inequalities. It concluded that as a whole the plan would potentially improve the health of residents and help address health inequalities.
- 13.2 A representative from Public Health is a member of the masterplan board and will be responsible for assisting the master planners to produce a masterplan focussed Health Impact Assessment and Health and Well-being delivery strategy.

14. Climate Change & Sustainable Energy Act 2006

- 14.1 Following the declaration of the climate change emergency last year, the council have committed to ensuring that climate change features as a corporate priority with a commitment to delivering a zero-carbon borough. Reducing the impact of climate change is a key objective of the Barnsley Local Plan providing a policy framework that seeks to reduce the causes of and adapt to the future impacts of climate change by:

- Promoting the reduction of greenhouse gas emissions through sustainable design and construction techniques;
 - Locating and designing development to reduce the risk of flooding;
 - Promoting the use of Sustainable Drainage Systems (SuDS);
 - Promoting and supporting the delivery of renewable and low carbon energy; and
 - Promoting investment in Green Infrastructure to promote and encourage biodiversity gain.
- 14.2 In 2019 the UK transport sector was responsible for 24 per cent of overall greenhouse gas emissions, whilst 19 per cent came from resident's energy use. The biggest potential gains are therefore to be made in the way people travel, and in the energy demand and supply to buildings.
- 14.3 An Energy Strategy has been commissioned to support the Masterplan Framework and provides an evidence base for energy and sustainability measures that can be introduced on the site. The section below demonstrates how the Masterplan Framework will assist in meeting the policy requirement and corporate objective in terms of zero carbon and adaptation to climate change.

Flood Risk

- 14.4 The Masterplan Framework includes a blue infrastructure framework that seeks to complement the green infrastructure framework for the site and deliver flood risk improvements by providing SUDs to slow surface water run-off and provide storage for flood water during periods of high rain fall. The blue infrastructure will provide amenity value to people and the design will enhance biodiversity opportunities. A drainage strategy is in the process of being commissioned. Development will be carefully designed to ensure that buildings are located outside of the Flood Zones 2 and 3 to the north west of the site.

15. Risk Management Issues

- 15.1 There is a risk that the draft masterplan is not well received by the local community. However, the community consultation is designed to involve local communities at an early enough stage in the development of the over-arching place-making strategy to ensure that development, and the phasing of development, is done comprehensively and with the support of the local community. All sites were consulted upon as part of the Local Plan consultation process.

16. Promoting Equality & Diversity and Social Inclusion

- 16.1 The Local Plan was subject to an over-arching Equalities Impact Assessment which considered its policies and procedures. This concluded that all policies and proposals apply to all sectors of the community equally. The design policy D1 also seeks to ensure that development is designed to be accessible to all. The SPD's and masterplan frameworks will support these policies in ensuring that equality, diversity and social inclusion are promoted.

17. Conservation of Biodiversity

- 17.1 The master planning exercise has undertaken a variety of ecological surveys, including Phase 1 Habitat survey, Golden Plover survey and Marsh Harrier surveys to feed into the statutory processes to ensure that any issues that are identified can be fully considered. In addition to this, it will be a requirement of the masterplan framework that a 10% minimum Biodiversity Net Gain be delivered by forthcoming planning applications.

18. List of Appendices

Appendix A - Financial Implications

Appendix B – DRAFT Masterplan Framework consultation material (To Follow)

Office Contact:	Lucie McCarthy	Date: 13/11/2020
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Report of the Executive Director of Place

FINANCIAL IMPLICATIONS

i)	<u>Capital Expenditure</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	TOTAL
		£	£		
					0
		0	0	0	0
	To be financed from:				
					0
		0	0	0	0
ii)	<u>Revenue Effects</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>FYE</u>
		£	£	£	£
	<u>Expenditure</u>				
		50,000	0		
	Total Expenditure	50,000	0	0	0
	To be financed from:				
	Priority Investment	-50,000	0		
		-50,000	0	0	0

<u>Impact on Medium Term Financial Strategy</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>
	£	£	£
MTFS	0.000	0.031	3.879
Effect of this report	0	0	0
<u>Revised Medium Term Financial Strategy</u>	0.000	0.031	3.879

Agreed by: ..D Greaves..... On behalf of the Service Director and Section 151 Officer -Finance

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BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the Council's definition and has been included in the relevant Forward Plan

**REPORT OF THE EXECUTIVE DIRECTOR (CHILDREN'S SERVICES)
TO CABINET**

PROPOSED OPENING OF A NEW BMBC MANAGED CHILDREN'S RESIDENTIAL HOME

1.0 PURPOSE OF REPORT

- 1.1 To outline BMBC's current level of placement sufficiency and Barnsley's approach to securing greater local availability of high-quality provision which meets need, delivers positive outcomes and achieves greater financial balance.
- 1.2 To outline placement commissioning arrangements and challenges currently within the national care market including Covid-19 and the impact this is having on placement availability/affordability.
- 1.3 To seek Cabinet's approval for adopting the attached business case proposing an additional residential home for children in need of care.

2.0 RECOMMENDATIONS

- 2.1 **That Cabinet approves Option 1 outlined in Paragraph 5.1 of this report for an additional 5 bed Local Authority residential unit to secure greater sufficiency and outcomes for Barnsley children.**

3.0 INTRODUCTION

- 3.1 BMBC's approach to local authority care is that children when-ever possible should remain in the care of their family or be in care for as shorter time as possible within a family placement. There are children who do need our care and a small number of young people where a residential care home option rather than a foster care placement is the best placement match. In these cases, high-quality residential care needs to be procured to meet individual needs and help to achieve good life outcomes.
- 3.2 Every child should grow up safe, happy and be able to reach their full potential. As Corporate Parents, we have high aspirations for our children in care. Children who are looked after can be at greater risk of not realising their full potential or having poorer outcomes in terms of physical health, emotional health and educational attainment. There is an increased risk of offending, substance abuse, children going missing from home and young people becoming disenfranchised with and excluded from education and society.
- 3.3 It is therefore important that as a LA we show young people that we are invested in them, listen to them, and value their voice. We should ensure we provide the best

possible care and coordinated support from across the Barnsley Children and Young People's Trust to enable good outcomes, and foster feelings of permanence, trust and safety. The proposal for an additional local residential provision will increase our placement options locally reducing our placement sufficiency target of 15 out of area placements to 10. It will ensure we keep children and young people where possible within their hometown looked after by a team of professionals who will meet their needs directly or by working with partners/services to enable a holistic approach with full LA oversight. The associated post of Health and Wellbeing Support Worker will enrich our local offer further and enable best practice.

- 3.4 It should be noted that professionals work hard to support children out of borough, and these children remain a key and important focus for us as corporate parents. However, ensuring that we can keep these children within their local community allows us greater oversight and allows us to deploy our workforce more efficiently by reducing travel time and increasing support time. Commissioning pathways to meet statutory duties for LAC are complex, particularly for those children placed out of area and can often lead to delays in accessing provision. Our Virtual School Team, work with LAC children both within and outside of the borough but have strong local relationships with our local schools and the Alliance Board. This allows greater influence over local systems, policy and support. The team are also able to offer tailored support to local residential provision and carers to support learning and increase engagement in learning for this vulnerable group. Educational attainment for LAC in Barnsley is improving year on year for all key stages and we want our children to benefit from this improving picture.
- 3.5 In the past five years there has been a year-on-year increase in the number of children in care nationally which has had a significant impact on the availability of suitable placements. Placement demand across the country and more specifically within the Yorkshire region outstrips supply and has resulted in a provider driven market where Local Authority purchasers have limited ability to manage the market. This has resulted in a national 'care crisis'. To mitigate against this, position our neighbouring local authorities are moving towards in-house residential provision to improve their placement sufficiency and divert investment into local services/improving outcomes.
- 3.6 The ability to secure placements for children who require residential care has been impacted by the increasing national demand. Most of our placements for Looked After Children are made through our regional framework agreement, which ensures quality and best value. Wherever possible placements are made on the framework, when this is not possible, due to availability, arrangements are then required to have off contract negotiations which can incur higher placement tariffs. Investing in local high-quality provision alongside the White Rose Framework will enable more control over our placement options alongside increasing provision quality/outcomes.
- 3.7 Barnsley's Children in Care number is well managed and as a proportion of the population (59.7 per 10,000) compares favorably to statistical neighbour's average rates (102.5 per 10,000) and below the national average of 65.0 per 10,000. This is achieved through robust care management and permanency planning for children, exiting them out of the care system where it is appropriate and safe to do so. Covid 19 will change this number as we have seen an increase in our care number, however, it is expected that this will be the case nationally therefore regional benchmarks will remain broadly the same. Work to unpick the rise in numbers has

begun to understand clearly the reasons for the increase and the longevity of impact and this will be monitored via the Placement Sufficiency Board and PSORP.

- 3.8 Whilst demand for all Children in Care placement types has increased the Children's Residential market has seen arguably the most significant shift. The impact of this is best demonstrated through the year on year increases of the average weekly cost of residential placements.

3.9 **Placement Sufficiency Strategy**

- 3.10 The refreshed Placement Sufficiency Strategy (PSS), which outlines our strategic objectives and priorities in relation to placement sufficiency was considered and approved for adoption by Cabinet at the meeting held on 22nd July 2020.
- 3.11 The key ambition of our PSS is to support children and young people family placements either in fostering placements or through Special Guardianship Orders (SGOs). On 31st March 2020 91.7% of our children in care were in Family Placements, with 6.3% or 19 children/young people placed in residential settings. Our PSS details a specific target of 15 residential placements which we aim to reduce via a shift towards developing increased levels of local provision.
- 3.12 Consistent oversight within the weekly Placement Sufficiency Oversight and Resource Panel has ensured that placement breakdowns are kept to the lowest levels possible. Placement stability under MI28 remains an area of strength in comparison to other authorities. In Barnsley young people who have had 3 or more placements is only 7.0% as at the end of March 2020. This compares positively with both statistical neighbours and national benchmarks, from latest available data, at 9.5% and 10.0% respectively. This is also an improvement on our position in 2018/19 (11.0%).

4.0 **PROPOSAL AND JUSTIFICATION**

- 4.1 When a child enters care the priority is always to place in family settings where possible. However, for a small number of young people, specifically adolescents aged 12 and above, recommendations and assessments from professionals demonstrate that family settings are likely to have a negative impact on the young person's outcomes. These young people are likely to have strong attachments with their birth family and can often feel resentful to Foster Carers in a family-based placement. In addition, these young people have often experienced a number of breakdowns in fostering settings and therefore placing them in another family setting is potentially traumatic and will lead to further placement breakdown.
- 4.2 In these instances, there is a very clear and important role for residential children's homes. Residential care provides a stable environment but not one which could be considered by the young person as a replacement for their birth family. In some cases, residential care provides a steppingstone for a young person to be supported into a family placement but for many young people residential care provides the most successful placement setting for their time in care.
- 4.3 There is a demand for placements which are difficult to secure, and the limited options sometimes means that children are placed in external, high cost residential provision, at a distance from their families, their social network and the key professionals who

know and support them. Increased local residential capacity improves our ability to care for our children in care ourselves, improve their outcomes and reduce where possible independent provision costs so we can reinvest in improving outcomes locally.

- 4.4 Analysis of demand has been conducted to inform the business case and demonstrates a steady and stable demand for residential care over the past three years. In the last three years we have made an average of 8 new placements in either residential or 16+ provision which could be met by additional in-house residential capacity. High level analysis of the cohort currently in external residential provision has highlighted that six children could be matched with additional in-house provision however it should be noted that this is an ever-changing picture.
- 4.5 It is proposed that a 5-bed residential home would be the best provision to meet need. This reflects a national trend towards smaller residential settings which support a therapeutic approach. The smaller units offer a more personalized experience for young people and have demonstrated both locally and nationally to deliver positive outcomes for children in care.
- 4.6 With the additional in-house capacity we expect to deliver the following improved outcomes:
- Improved positive young people/adult/professional and service relationships and access.
 - Increased ability to maintain education placements, raise standards, and prevent young people becoming NEET.
 - Increased support to access services, for example CAMHS better coordination of support.
 - Maintain, where appropriate, connections with birth family and wider community network.
 - Access to a dedicated Health and Wellbeing practitioner to support long term aims and improve lifelong outcomes.
 - Show children and young people that as a local authority we want to invest in high quality provision to meet their care needs within their hometown maintaining their identity as residents of Barnsley.
- 4.7 The positive outcomes for children and young people detailed above are supported by significant financial benefits. The financial costings included in the business case detail cost avoidance by 2024/25; £338,077 on a 4-bed unit and £939,151 on a 5-bed unit. Cashable savings derived from additional in-house provision have been included with the MTFS for 2022/23. The overall cost of the provision will be £605,000. The option to procure a property and let to a private provider has been explored in the business case as per option 3 but this is not our preferred option as we could not directly control placement quality, costs, flexibility around occupancy, and access. The market which currently favors the Provider means less acceptance of block contracts on mutual terms due to high level demand across the country.
- 4.8 **Financial justification**

The cost of external residential placements is a significant factor in relation to this proposal. The average weekly cost for an external residential placement, as at June 2020, is £3,725. However, these mask a significant cost variation of between £2,745 to £4,950 per child per week for our current residential placements. It is worth noting

that the average weekly cost has risen continuously and the increasing national, demand for placements means this is not likely to be a trend which is reversed or indeed slowed.

- 4.9 Of the above placements identified where we believe children could more positively be accommodated locally, the average weekly cost is around £3,336 per placement per week. This compares with the current weekly cost of Spring Lane of £2,415 per placement per week. This would equate to a cost savings over 52 weeks of £191,568 for 4 children achieving a good sum for re-investment.

4.10 **Proposed timeline**

A full project timeline is included within the Business Case developed for the proposal and has been informed by OFSTED guidelines and by colleagues in neighbouring authorities who have recently completed the opening of new in-house residential provision. If project approval is given by December 2020 the timeline indicates that the new in-house provision would be ready to take placements by September 2021. Included below are details of key milestones the project must deliver to meet an opening date of September 2021.

- Project approval required by December 2020
- Property purchase completed by March 2021
- Staff recruitment including Registered Manager commenced by April 2021
- OFSTED registration completed by May 2021

The property specification has been outlined to colleagues in Assets and a soft market search is underway.

5.0 **CONSIDERATION OF ALTERNATIVE APPROACHES**

- 5.1 Consideration has been given to several options and a full SWOT analysis was included within the Business Case developed for the proposal. The options which have been considered as part of the business case were :

- 1) Increase additional in-house residential capacity by either a 4 or 5 bed home, cost profiles have been developed for both options.
- 2) Continue to commission residential provision from external, private residential providers at current levels.
- 3) Commission a private provider to develop residential provision for our sole use.

- 5.2 Option 1 has been chosen as the preferred option by the Children's Directorate and further analysis of the profiles of a 4 bed and 5 bed home have been undertaken and the recommendation is to progress the development of a 5-bed home.

- 5.3 Full financial analysis is included in section 7 and within the supporting business case.

6.0 **IMPLICATIONS FOR LOCAL PEOPLE/SERVICE USERS**

Creating additional in-house residential capacity has the potential to have significant positive impact on the cohort of Children in Care as outlined in 4.5.

7.0 FINANCIAL IMPLICATIONS

7.1 The Service Director – Finance (S151 officer) or his representative has been consulted in drafting this report.

7.2 The financial implications of developing a 4 bed or 5 bed unit is detailed in the attached Business Case. However, the following paragraphs summarize the financial implications of the recommended option to implement a 5-bed unit.

7.3 Capital requirement (5 Bed Unit)

The capital cost of acquiring an appropriate property and associated refurbishment is estimated at £1m – this is based on a recent update provided by Asset Management (this is an increase to the estimated capital investment of £605K quoted in the Business Case). The above investment requirement has been submitted for consideration / funding as part of the Council's MTFS and capital programme prioritisation process.

7.4 Revenue cost / funding

The cost of staffing and running the 5-bed residential home has been modelled using the Council's own Spring Lane children's home as the baseline. The annual running cost has been estimated at £663,976, with a part year of £458,671 (which includes one-off set up costs). The annual FY cost includes additional wellbeing practitioner nurse to work across both children's homes.

7.5 It is assumed that the above revenue cost can be contained within existing placement budgets, on the basis that existing external placements can be matched / placed in the proposed home. Thereby displacing current or anticipated high tariff cost / payments.

7.6 The level of cash savings assumed in a full year is estimated at £304,524 (with a part year savings of £25,579 in the first year). The occupancy rate would need to be maintained at 69% or above for this unit to be financially viable. This savings is based on the differential cost of an external placement cost compared to an in-house placement. It also assumes that we would maintain our planned residential care LAC numbers (as per the LAC strategy).

7.7 Financial risks

The following are the key financial risks as identified in the business case:

- The proposal (and LAC strategy) does not assume any growth in residential care LAC numbers – therefore to the extent that there is any increase it would impact on the assumed cost savings.
- Occupancy rate needs to be above 69% to be cost effective for a 5-bed residential home, therefore it is important that the right / appropriate young people are matched and placed in the home and that it is properly staffed. It is however worth noting that occupancy at Spring Lane is proactively managed and maintained at an average of 100% (2019/20) but residential care numbers are subject to

change. Advancement of local fostering provision via the 'Mocking Bird' Programme is also expected to increase the possibility of placement within a foster care setting for young people who would have been better matched previously within a residential care home setting.

8.0 EMPLOYEE IMPLICATIONS

Subject to the approval by Cabinet of the Business Case, the Service Director (Children's Social Care and Safeguarding) will consult the Service Director (Business Improvement, Communications and Human Resources) with a view to recruiting a manager and other posts at the proposed residential care home as part of the Council's Scheme of Delegated Decisions.

9.0 LEGAL IMPLICATIONS

- 9.1 Given the state of the market, Option 1 outlined in the Business Case is considered to be the best means of complying with our statutory duty of ensuring there is a sufficient number of placements for children and young people in need of care.

10.0 CUSTOMER AND DIGITAL IMPLICATIONS

- 10.1 The adoption of the Business Case leading to the establishment of a new, directly managed residential home for children in need of care in the Borough would have no implications for accessing the range of Council services or the onus towards digital transactions with customers.

11.0 COMMUNICATIONS IMPLICATIONS

- 11.1 If approved and in the interests of safeguarding children placed in the proposed residential home, communications would be restricted to registering the facility with Ofsted for regulation purposes.

12.0 CONSULTATIONS

- 12.1 If project approval is given a program of consultation work with our Care 4 Us Council will be arranged to ensure the views of children in care are incorporated into the planning and development of the new provision. We will also include representatives of the Care 4 Us Council in the recruitment and selection of staff and the Registered Manager.
- 12.2 To inform this report and the Business Case consultation has been undertaken with colleagues from Assets. A high-level property specification has been shared to support a soft market search for suitable properties. Feedback from Assets suggests very buoyant property market but there are properties available.
- 12.3 The Business Case has been considered by the Council's Capital Programme Oversight Board and the Senior Management Team both of whom have endorsed the business case for establishing a directly managed Local Authority residential home for children in need of care in the Borough.

13.0 THE CORPORATE PLAN AND THE COUNCIL'S PERFORMANCE MANAGEMENT FRAMEWORK

- 13.1 The purpose of the proposal is to meet the needs of children in need of care in the Borough by developing the local market for accommodation and ensuring such children can be cared for closer to home, within their communities and that the quality of provision enables them to thrive and achieve their potential as outlined in the Borough's Placement and Sufficiency Strategy for Children in Care (2020-23), the Barnsley Children and Young People's Plan and the objectives of the Corporate Plan.

14.0 PROMOTING EQUALITY, DIVERSITY AND SOCIAL INCLUSION

- 14.1 An equality and community impact assessment has been compiled as part of the business case. The proposed facility, if approved will aim to meet the specific needs of individual children with protected characteristics as informed by the Care4Us Council during consultations and in accordance with the Public Sector Equality Duty.

15.0 TACKLING THE IMPACT OF POVERTY

- 15.1 Please see Paragraph 13.2 of the report.

16.0 TACKLING HEALTH INEQUALITIES

- 16.1 In accordance with our ambitions for all children and young people in the Borough, children in all forms of care will be supported in receiving regular health assessments (including dental assessments) together with access to other forms of therapeutic treatments where a need has been identified. This is part of ensuring improvements in the range of outcomes for all children in care.

17.0 REDUCTION OF CRIME AND DISORDER

- 17.1 There should be no implications for the Borough's Plan for tackling crime, disorder and anti-social behavior emerging through consideration of this report. Please also see Paragraph 13.2 of the report

18.0 RISK MANAGEMENT ISSUES

- 18.1 Subject to approving the business case, any operational risks associated with the management of the proposed children's residential facility will form an integral part of the Children's Social Care and Safeguarding Service's operational risk register which will be subject to regular review and if necessary immediate remedial action will be undertaken to manage and mitigate any risks emerging.

19.0 HEALTH, SAFETY AND EMERGENCY RESILIENCE ISSUES

- 19.1 Apart from ensuring the safety and protection from harm of all children in care who would be placed in the provision there are no further health or safety implications for the public arising through the report. However, consideration would need to be given to temporarily restricting the occupation of such a facility in the event of Covid-19 continuing into 2021/22 in order to maintain social distancing and curtail the spread of infection, as part of a business continuity and recovery plan.

20.0 COMPATIBILITY WITH THE EUROPEAN CONVENTION ON HUMAN RIGHTS

- 20.1 The proposed establishment of a directly managed residential home for children in need of care would accord with the Articles and Protocols of the EU Convention and the rights of the child.

21.0 CONSERVATION OF BIODIVERSITY

- 21.1 There are no implications for the local environment, tackling climate change or for the conservation of biodiversity arising through this report.

22.0 GLOSSARY

- 22.1 None, applicable.

23.0 LIST OF APPENDICES

Appendix 'A': Financial summary of cost implications

24.0 BACKGROUND PAPERS

- 24.1 If you would like to inspect background papers for this report, please email governance@barnsley.gov.uk so that appropriate arrangements can be made

Report author: Deborah Mercer (Service Director: Children's Social Care and Safeguarding)

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Report of the Executive Director of Children's Services


FINANCIAL IMPLICATIONS

i) Capital Expenditure	<u>2020/21</u> £	<u>2021/22</u> £	<u>2022/23</u> £	TOTAL
Purchase & Fit out of 5 bed residential home	0	1,000,000	0	1,000,000
	0	1,000,000	0	1,000,000
To be financed from:				
Considered as part of the 2021/22 MTFS capital planning process	0	1,000,000		1,000,000
	0	1,000,000	0	1,000,000

ii) Revenue Effects	<u>2020/21</u> £	<u>2021/22</u> £	<u>2022/23</u> £	<u>FYE</u> £
Expenditure				
Set up costs	0	63,400	0	
Running costs	0	395,271	663,976	663,976
Total Expenditure	0	458,671	663,976	663,976
Less cost of 5 External Residential placements		-484,250	-968,500	-968,500
Estimated saving	0	-25,579	-304,524	-304,524

To be financed from:
The current Children In Care placement budget

Impact on Medium Term Financial Strategy	2020/21 £	2021/22 £	2022/23 £
MTFS	0.000	0.031	3.879
One-off Capital Investment requirement	0	1.000	0
Expected Saving on placements			-0.304
Revised Medium Term Financial Strategy	0.000	1.031	3.575


Agreed by: Josh Amahwe On behalf of the
Service Director and Section 151 Officer -
Finance

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