

# Public Document Pack



<b>MEETING:</b>	Audit and Governance Committee
<b>DATE:</b>	Wednesday, 16 March 2022
<b>TIME:</b>	4.00 pm
<b>VENUE:</b>	Reception Room, Barnsley Town Hall

## AGENDA

### Procedural/Administrative Items

1. Declarations of Pecuniary and Non-Pecuniary Interest
2. Minutes (*Pages 3 - 12*)

To receive the minutes of the meeting held on the 19<sup>th</sup> January, 2022.

### Items for Discussion/Decision

3. Strategic Concerns/Risk Register (*Pages 13 - 22*)
4. Medium Term Financial Strategy 2022/23 (*Pages 23 - 174*)
5. External Audit Annual Report 2020 - 21 (*Pages 175 - 212*)
6. Internal Audit Progress Report 2021/22 (*Pages 213 - 226*)
7. Annual Governance Statement Action Plan 2020/21 (*Pages 227 - 236*)
8. Corporate Anti-Fraud Team Progress Report (*Pages 237 - 244*)
9. Corporate Anti Fraud Strategy 2021-2024 (*Pages 245 - 256*)

### Items for Information

10. Review of Peer Challenge Activity Across the Council (CAB.9.2.2022/7) (*Pages 257 - 272*)
11. Local Government and Social Care Ombudsman - Follow-Up report (*Pages 273 - 276*)
12. Covid 19 - Update (*Verbal Report*)
13. Audit Committee Work Plan 2021 - 22 (*Pages 277 - 284*)
14. Exclusion of the Public and Press

To consider if the public and press should be excluded from this meeting during the consideration of the following item because of the likely disclosure of exempt information.

15. Update on the Glassworks Project and Wider Town Centre Issues (*Verbal Report*)

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 Audit and Governance Committee:-

Councillors Lofts (Chair), Barnard, Hunt, Richardson, Ms K Armitage, Mr S Gill, Mr P Johnson and Mr M Marks; together with Co-opted members Ms K Armitage, Mr S Gill, Mr P Johnson and Mr M Marks

Sarah Norman, Chief Executive  
All Executive Directors  
Shokat Lal, Executive Director Core Services  
Neil Copley, Service Director Finance (Section 151 Officer)  
Rob Winter, Head of Internal Audit, Anti-Fraud and Assurance  
Alison Salt, Corporate Governance and Assurance Manager  
Michael Potter, Service Director Business Improvement and Communications  
Martin McCarthy, Service Director Governance, Member and Business Support (Monitoring Officer)  
Paul Castle, Service Director Environment and Transport  
Kathy McArdle, Service Director Regeneration and Culture

Please contact William Ward on email [governance@barnsley.gov.uk](mailto:governance@barnsley.gov.uk)

Tuesday, 8 March 2022

<b>MEETING:</b>	Audit and Governance Committee
<b>DATE:</b>	Wednesday, 19 January 2022
<b>TIME:</b>	4.00 pm
<b>VENUE:</b>	Council Chamber, Barnsley Town Hall

## MINUTES

**Present** Councillors Lofts (Chair), Barnard, Hunt and Richardson together with Independent Members - Ms K Armitage, Mr S Gill, Mr P Johnson and Mr M Marks

### 57. DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTEREST

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

### 58. MINUTES

The minutes of the meeting held on the 17<sup>th</sup> November, were presented and arising therefrom one Independent Member referring to Minute 50 'Annual Governance Statement' commented that his concerns around how, in his opinion, issues had been articulated within the AGS and press release regarding the bank fraud had not been recorded.

The Monitoring Officer reminded Members that the minutes of the meeting were not intended to be a verbatim record. He acknowledged that there had been a full and frank discussion of this matter and appropriate action had been taken by the Council. The Annual Governance Statement had subsequently been amended accordingly and the matter had also been raised when the report had been presented to Council. In his opinion, therefore, this issue had been fully and satisfactorily addressed and the matter was now closed\*.

Taking account of the comments now made, the minutes of the meeting held on the 17<sup>th</sup> November, 2021 were then taken as read and signed by the Chair as a correct record.

**\*it was later confirmed that, whilst not recorded in the manner requested by the Independent Member, reference had, nevertheless, been recorded within Minute 56 'Review of Accounts Payable/Payment Processing' about concerns raised in relation to the AGS.**

### 59. STRATEGIC CONCERNS/RISK REGISTER

The Head of Internal Audit, Anti-Fraud and Assurance submitted a report reminding Members that at the meeting in March 2021 it had been agreed that the Committee have a regular opportunity for a 'deep dive' of some of the strategic risks with the appropriate Executive Director in attendance to update and assure the Committee on the management of their risks.

Members were further reminded that the Strategic Risk Register contained 16 risks of which 6 had been classified as high (red rating), 9 risks had been classified as medium (amber) and 1 had been classified as low (green).

The Senior Management Team had reviewed the previous 'risks' and had made a number of changes reflecting the change in circumstances. Three new risks/areas of strategic focus had been added as outlined in the Appendix to the report, namely, Organisational Resilience, Threat of Fraud and Zero Carbon, Climate and wider environmental commitments.

All strategic risks had a number of actions identified to minimise/mitigate the risks and all actions had review/completion dates, status updates, progress RAG ratings and identified owners.

The Executive Director Adults and Communities attended the meeting virtually to provide the Committee with a review of her two strategic risks namely:

- Potential for a safeguarding failure in Adult Social Care
- Meeting out statutory responsibilities under the Care Act 2014.

The Executive Director gave details of the background to these risks and to why they were included within the Strategic Risk Register. She gave a brief resume of the risk factors that underpinned the Strategic Risks and detailed the actions taken to track and manage risks making particular reference to the documents, plans and arrangements in place to support the service in managing those risks.

The actions associated with the two risks were included in Appendix 1 to the report and Appendix 2 provided a high-level summary of all other strategic risks which included the high-level risk description, risks impact status and response ratings.

In relation to the first risk the Executive Director outlined the factors underpinning this risk and then made reference to the various action points:

- The assurance regarding the suite of policies and procedures in place and which were regularly reviewed – reference was also made to the schedule of review that was in place
- The suite of metrics, indicators and data that existed to be able to monitor risks
- Staff workloads which were adequately monitored to ensure consistency and adherence to good practice
- Changes that had occurred in working arrangements due to Covid 19 which were fully assessed to ensure the continuity of service and that they remained effective
- The multi- agency arrangements that were in place, the steps taken to ensure that they were robust, adequately governed and effective and that the Safeguarding Board arrangements that gave oversight and which ensured that the arrangements were fit for purpose and regularly reviewed
- Staffing levels within the Council and Care Homes that were closely monitored and the options for monitoring Care Home absences that were being looked at within daily situation report meetings. If there was a breach of agreed levels within the contingency plan, mitigation measures would be recommended for consideration by managers and the appropriate governance forum
- Case studies within Social Care Teams were monitored on a daily basis. These would be broken down into safeguarding/non-safeguarding related casework. If teams were struggling with stacked cases, contingency

measures would be recommended for consideration by managers at appropriate governance forum

- The number of delayed discharges, the situation at the hospital and the number of unsecured packages of homecare were reported at the daily situation report meetings and at other forums

In response to specific questioning, the following matters were raised:

- An assurance was given that partnership arrangements were solid and were monitored on a regular basis. It was noted that strong and effective leadership was in place and had been strengthened particularly over the last few months. It had been reported that Barnsley had one of the strongest health and care partnership arrangements within the North East Yorkshire Region
- Whilst risks could not be eliminated in their entirety the Executive Director was confident that all steps necessary had been taken to minimise risk. Strong leadership was in place and an open culture was encouraged so that anyone who had concerns could raise them and have them addressed

The Executive Director Adults and Communities then made reference to the risk in relation to meeting responsibilities under the Care Act 2014. She outlined the factors underpinning this risk and then made reference to the various action points:

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- The way in which the service ensured issues, concerns and approaches were escalated, shared, and supported
- The collaboration arrangements with NHS providers in Barnsley alongside VSCE partners in order to use resources flexibly to meet need
- Influencing and lobbying to ensure appropriate lobbying regionally with the Chief Executive and Leaders Forum and with the North East Yorkshire NHS England/Improvement
- The managing of expectations and ensuring open dialogue and communication with individuals who received services, providers of services and carers
- The way in which data regarding future needs and demands was factored into the Medium Term Financial Strategy
- The assurances regarding the current and predicted status of Adult Social Care provision in the Borough
- The engagement with the market to explore options and build appropriate plans to address capacity and quality issues and concerns

In response to specific questioning, the following matters were raised:

- The Head of Internal Audit, Anti-Fraud and Assurance explained that the response rating reflected the degree of urgency and importance of the interventions and management rather than the inherent risk. He then gave details of when the risk ratings would change and the factors influencing this
- In relation to staffing in general and in relation to both risks, particular mention was made to the work of the Service Director Adult Social Care and Health and her Team as well as all Partners and other organisations who all contributed to the reduction and minimisation of risk

**RESOLVED:**

- (i) that the Risk Register and Strategic Concerns update be noted; and
- (ii) that Wendy Lowder, Executive Director Adults and Communities be thanked to attending the meeting and for answering Members questions.

**60. APPOINTMENT OF EXTERNAL AUDITOR 2023/28 AND UPDATE ON MEASURES TO IMPROVE LOCAL AUDIT**

The Executive Director Core Services and Section 151 Officer submitted a joint report updating Members on the available options for the procurement of external audit services for the 5 year financial years from 2023/24 to 2027/28 and appraising the Committee on measures introduced by the Government to improve the local audit process.

In the ensuing discussion particular reference was made to the following:

- The rationale for recommending Option 3 for appointing the External Auditor, a sector led scheme was discussed together with the plusses and minuses of the other options as outlined within the Appendix to the report. It was felt that the recommended option would not only be the most economic but was likely to be the best in terms of delivering a high-quality standard of audit
- There was a discussion of the importance of meeting statutory deadlines and the reasons why these had been missed in the previous year
- It was the intention that the Value for Money opinion would align back with the accounts opinion in future years
- In discussing the proposals to improve the local audit process, particular reference was made to the difficulties in appointing suitably qualified auditors to undertake public sector audits and of the steps being taken to try to address these issues

**RECOMMENDED TO FULL COUNCIL:**

- (i) That the options for the Council in respect of the routes available for the procurement of external audit services be noted;
- (ii) That the Council opt into the sector led scheme for appointing auditors as detailed within Option 3 outlined in the report
- (iii) That the Governments proposals to improve the local audit process be noted

**61. LOCAL CODE OF CORPORATE GOVERNANCE**

The Head of Internal Audit, Anti-Fraud and Assurance submitted a report on the Local Code of Corporate Governance, a copy of which was detailed within Appendix 1, which had been substantially updated in 2020 and had been approved by this Committee in July, 2020.

The Code had been reviewed and, except for a few minor amendments to reflect the Board and Committee names, continued to reflect the corporate position.

The report, if accepted, would be referred to Cabinet for approval and would then be published on the Council's website.

**RECOMMENDED TO CABINET** that the Local Code of Corporate Governance as detailed within Appendix 1 to the report now submitted be approved and published on the Council's Website

## **62. ANNUAL GOVERNANCE REVIEW PROCESS**

The Head of Internal Audit, Anti-Fraud and Assurance submitted a report which was presented by Mrs A Salt (Corporate Governance and Assurance Manager) (who attended the meeting virtually) providing an update with regard to the Annual Governance Review (AGR) process that had been determined and used to influence and assist in the preparation of the Council's Statutory Annual Governance Statement for 2021/22.

It was noted that the Governance and Assurance Framework and the preparation of the AGS were key responsibilities of this Committee and the proposed timescales for the review process were outlined within the report. It had been assumed that the timescales for the publication of the Statutory Accounts in 2022 would follow a similar pattern to those in 2021 subject to any changes/impact which may occur due to the ongoing impact of the Covid 19 pandemic.

### **RESOLVED:**

- (i) That the Annual Governance Review Process for 2021/22 be noted; and
- (ii) That further reports be submitted relating to the Review process for 2021/22 and on how the Review would be used to inform the development of the Annual Governance Statement.

## **63. EXTERNAL AUDIT PROGRESS REPORT UPDATE**

Mr G Mills (representing the External Auditor) attended the meeting virtually and gave an update on the work in which he was involved. Particular reference was made to the following:

- The audit opinion had been issued on the 26<sup>th</sup> November, 2021 following the Council the previous day
- The audit had progressed within the revised timetable as previously reported and thanks were extended to the Service Director Finance and his Team for their commitment and engagement in the process
- The Teachers Pension Return had been completed in November, 2021
- The current focus of work was on the Housing Benefit audit which it was hoped would be concluded shortly
- Work was continuing on grants and receipts returns
- The work of Value for Money was due to be completed in February and it was hoped to present the findings to the meeting on the 31<sup>st</sup> March, 2022

**RESOLVED** that the report and update be received.

#### 64. HEALTH AND SAFETY ANNUAL REPORT 2020/21

Mr S Dobby, Head of Corporate Health, Safety and Emergency Resilience, submitted his annual Health and Safety report for the period April 2020 to March 2021.

The detailed report indicated, amongst other things, that there had been further improvements in the Council's health and safety performance and also the implications of challenges faced in the delivery of these services and maintenance of this performance. He commented, however, that the year had been like no other and this had impacted on the performance data included within the report and, therefore, comparisons with previous years was not really possible.

The report gave details of the Health and Safety statistics with comparisons to the previous year, all of which were positive and had shown a decrease in the number of incidents. There were, however, some negative indicators in relation to an under-reporting of near miss accidents and presumed lower-level (and potentially all) incidents of violence and aggression.

The report also outlined areas for improvement and detailed the proposals for addressing them.

There had been no formal enforcement action by the Health and Safety Executive or the South Yorkshire Fire and Rescue Service and the Council had achieved the Royal Society for the Prevention of Accidents (RoSPA) Order of Distinction for Occupational Safety and Health and the British Safety Council International Safety Award. In addition, in relation to the latter, the Council had also won the Sector Award for the public sector and defence.

In the ensuing discussion, the following matters were highlighted:

- In relation to specific questioning, Mr Dobby outlined the action taken to support staff mental health and well being
- It was noted that the responsibility for health and safety extended into people's homes when working from home. The action taken to support staff, including the provision of chairs and workstations, was outlined
- Information was provided about how 'near miss' accident comparisons were made and why it was thought that there might be an under-reporting
- The difficulties in making statistical comparisons with other authorities was outlined together with the reasons for this. It was noted that many Councils no longer provided their own risk management services and this made it increasingly difficult to compare with other authorities
- In relation to current performance, the Service was currently analysing quarter 3 statistics which indicated a continuing low trend in accidents with no reports to the Health and Safety Executive

**RESOLVED** that the report be received and Mr Simon Dobby, Head of Corporate Health, Safety and Emergency Resilience, be thanked for attending the meeting and for answering Members questions.

## **65. BUSINESS IMPROVEMENT, HUMAN RESOURCES AND COMMUNICATIONS UPDATE REPORT**

The Service Director Business Improvement, Human Resources and Communications submitted a report giving an overview of the five functions and core purpose of the Business Improvement, Human Resources and Communications Business Unit and outlining the role it had in ensuring assurance against various elements of the Annual Governance Statement.

It was reported that the Service was currently in the process of reorganisation and, therefore, certain changes would be introduced from the 1<sup>st</sup> June, 2022

The report also provided an update regarding progress made against the assurance programme in the areas of Performance Management and Equality and Inclusion.

Mr Michael Potter, Service Director and Mr Phil Quinn, Head of Service HR and OD, outlined respectively the work and performance of the Business Improvement and Intelligence Service and the Equality and Inclusion Team in some detail. They gave details of the various plans, strategies and arrangements in place and then outlined how they contributed to the development and improvement of the performance of the Council.

In the ensuing discussion particular reference was made to the following:

- Reference was made to the Performance Indicators measuring whether suitable applicants were received from Black, Minority and Ethnic backgrounds. It was noted that there was no similar information in relation to gender. This information was picked up elsewhere, however, this would be included in future reports
- Information about gender pay differentials would be provided. It was thought that Barnsley would be similar to most other authorities
- Arising out of the above, reference was made to the gender comparators in relation to senior and middle managers. It was noted that there were currently more female Senior Managers but a higher percentage of male middle managers. Information on this could be provided

**RESOLVED** that the report be received, and Mr Michael Potter, Service Director Business Improvement, HR and Communications and Mr Phil Quinn, Head of Service HR and OD be thanked for attending the meeting and for answering Members questions.

## **66. LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN UPDATE REPORT**

The Monitoring Officer submitted a report providing an update on the final requirements of the Local Government and Social Care Ombudsman following their report regarding a complaint.

Further to Minute No 24 of the meeting held on the 28<sup>th</sup> July, 2021, it was noted that the finding relating to a planning matter had been resolved, however, the Ombudsman had recommended that the Committee receive assurances more broadly regarding the Council's compliance with the Openness of Local Government Bodies Regulations 2014.

The report in outlining in detail how the Council fulfilled its statutory obligations in respect of these regulations as well as the Local Authorities (Executive Arrangements) (Meetings and Access to information) (England) Regulations 2012 indicated that the Council was also undertaking a review of its Constitution and Scheme of Delegation over the next few months. To this end, a working group had been established and its findings would be presented to this Committee for consideration and assurance purposes.

In addition to the above, an Internal Audit had been commissioned to look at how the Council complied with the statutory Local Government Transparency Code 2015 and associated LGA Guidance with regard to the publication of specified categories of data. The findings of this audit would also be presented to this Committee in due course.

The Local Government Ombudsman had been informed of the progress made and had been provided with a copy of this report.

In response to specific questioning the following responses were provided:

- The Working Group looking at the review of the Constitution and Scheme of Delegation would comprise a variety of officers. The Monitoring Officer would seek information as to whether or not Elected Members were to be involved in this process. He gave an assurance, however, that regular update reports on progress would be submitted
- The Head of Internal Audit, Anti-Fraud and Assurance stated that it was the intention that Internal Audit would be part of the Working Group and would provide an element of objective check and challenge. He then went on to give a brief summary of the work that would be involved with the audit of how the Council complied with the Local Government Transparency Code. An update on this would be provided as part of the usual Audit Update report

**RESOLVED** that the report be received, and the actions taken and planned to address the Ombudsman's recommendations be acknowledged.

## **67. AUDIT AND GOVERNANCE COMMITTEE WORK PLAN**

The Committee received a report providing the indicative work plan for the period 2<sup>nd</sup> July 2021 to 1<sup>st</sup> June, 2022.

Arising out of the above, reference was made to the following:

- The recruitment to the vacant Independent Member positions on the Committee. It was noted that a further recruitment exercise was to be undertaken and there was a discussion of the best ways of securing good quality applicants
- A questionnaire seeking members views on the effectiveness of the Committee, on training requirements and on ways in which improvements could be made was to be sent out shortly. The results of this exercise would be used to inform the review of the operation of the Committee

- It was suggested that future reports give an indication of items that had been re scheduled together with the rationale for those changes
- It was also suggested that a future report on the Glassworks include an update on the position with regard to the Alhambra so that the Committee could have an up-to-date picture of the current position with regard to the Town Centre

**RESOLVED** that, noting the above suggestions, the core work plan for meetings of the Audit and Governance Committee be approved and reviewed on a regular basis.

## **68. EXCLUSION OF THE PUBLIC AND PRESS**

**RESOLVED** that the public and press be excluded from this meeting during the consideration of the following item because of the likely disclosure of exempt information as defined by Paragraph 7 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).

## **69. INTERNAL AUDIT CONSULTATION PAPER FOR 2022/23**

The Head of Internal Audit, Anti-Fraud and Assurance submitted a report outlining the annual audit planning process and consulting the Committee with regard to potential projects for inclusion in the draft Internal Audit Plan for 2022/21.

A key part of the process was to ensure sufficient overall coverage was provided across the Council to enable the Head of Service to give an annual opinion on the effectiveness of the Council's control, risk and governance arrangements. In addition, and where possible, capacity would be provided for advisory support to management. A detailed 5 year analysis of audit work was provided at Appendix A covering the work undertaken in 2019/20, 2020/21, the current year and possible work for 2022/23 and 2023/24 to assist in the consideration of possible areas for audit coverage.

In the ensuing discussion particular reference was made to the following:

- Various suggestions were made by Members as to other potential areas for inclusion. These would be investigated for possible inclusion and a further update would be provided
- There was a discussion of the way in which Value for Money audits were undertaken and of the differing role of both Internal and External Audit in this area
- The Head of Internal Audit, Anti-Fraud and Assurance briefly commented on the current position with regard to the filling of vacancies in his service following a review as part of a wider Core Directorate restructure. Arising out of this, reference was made to the ways in which vacancies were advertised and to the use of apprenticeships across the Council

### **RESOLVED:**

- (i) That the report be noted;

- (ii) That, in addition to the suggestions now put forward, Members of the Committee pass any further nominations for inclusion in the 2022/23 Internal Audit Plan through the Chair for notification to Internal Audit or, alternatively, for them to be passed directly to the Head of Internal Audit, Anti-Fraud and Assurance;
- (iii) That the Committee is satisfied that the planning process is sufficiently robust that it will determine a value-adding Audit Plan, informed by risk and through consultation with appropriate senior management; and
- (iv) That the professional responsibility of the Head of Internal Audit, Anti-Fraud and Assurance to ultimately determine the Plan of audit work be acknowledged.

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Chair

# Item 3

## Report of the Head of Internal Audit, Anti-Fraud and Assurance

**Audit and Governance Committee – 16<sup>th</sup> March 2022**

### **STRATEGIC CONCERNS / RISK REGISTER**

#### **1. Purpose of the report**

- 1.1 It was agreed at the Audit and Governance Committee meeting in March 2021 that the Committee will have a regular opportunity for a “deep dive review” of some of the strategic risks with the appropriate Executive Director / Service Director in attendance to update and assure the Committee on the management of their risks
- 1.2 Two strategic risks will be considered:
  - Financial Sustainability – Service Director Finance
  - Educational Outcomes Progress – Service Director Education, Early Start and Prevention

#### **2. Recommendation**

- 2.1 **The Committee is asked to note the update.**

#### **3. Current Position**

- 3.1 The Strategic Risk Register currently contains 15 risks. Using the new system of risk assessment, SMT have determined that 5 risks be classified as **high** (red response rating\*) 10 risks be classified as **medium** (amber rating) and 0 risks are classified as **low** (green rating) in relation to the level of response and intervention required.

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

- 3.2 SMT reviewed the risk register on 22<sup>nd</sup> February and agreed to update the response rating from low to medium in relation to the Educational Outcomes Progress risk. It was also agreed that the risk Consistency of Decision-Making Process should be removed from the strategic risk register and included on the Legal / Governance BU risk register as per the risk management framework.
- 3.3 All strategic risks have several actions identified to minimise / mitigate the risks. All actions have review / completion dates, status updates, progress RAG ratings and identified Action Owners, all of which have been reviewed and updated where necessary.
- 3.4 The actions associated with the 2 risks to be considered in the meeting are included in the attached summary in Appendix 1.

- 3.5 Appendix 2 provides a high-level summary of all the other strategic risks which includes the high-level risk description, risk impact, status, and response ratings.
- 3.6 The risk register system will be shown in the meeting.

Contact Officer: Corporate Governance and Assurance Manager  
Email: [alisonsalt@barnsley.gov.uk](mailto:alisonsalt@barnsley.gov.uk)  
Date: 3<sup>rd</sup> March 2022

## Strategic Risks to be reviewed in the meeting – March 2022

Risk Title	Risk Description	Impact	Status	Response Rating	SMT Owner
<b>Financial Sustainability</b>	<p>There are several emerging risks facing the Council, some of which are fluid and yet to be quantified but, if unchecked, could potentially pose a major threat to the Council's ongoing financial sustainability.</p> <p><b>Action 1</b></p> <ul style="list-style-type: none"> <li>• The impact of the Health and Social Care Reforms. Understand and model the impact of the Cost of Care Cap and whether Government funding will adequately cover this cost; Understand and model the fair fee review and the impact this has on the provider market and whether Government funding will adequately cover this cost</li> <li>• Increased demand for Children's/Adult social care services including SEND. Demography - ongoing modelling of the demand and unit costs for children's and adults' services. Ensuring the Children's Placement and Sufficiency strategy is fully aligned with the above. Adults Social Care Provision Oversight of the SEND DSG Deficit Recovery Plan</li> <li>• Increasing demand for council services as a result of the ongoing impact of the pandemic, ongoing modelling of the increased demand on other front-line services (e.g. Home to School Transport and Waste) and ensuring the MTFS is updated to consider this demand</li> <li>• Inflation and supply chain issues, Modelling the impact of rising inflation of cost of delivery of services and major capital projects from rising energy and fuel prices, food costs and construction supplies</li> <li>• The bus services improvement plan / franchising Understanding the current impacts and potential cost implications of reduced patronage for bus services and. Understanding the implications of the MCA's proposed assessment for the move to Bus Franchising</li> </ul>	Actual	Actual	High	SD Finance

Risk Title	Risk Description	Impact	Status	Response Rating	SMT Owner
	<p>RAG rating – Amber Completion / review dates – 31/3/2023</p> <p><b>Action 2</b></p> <ul style="list-style-type: none"> <li>• Sustainable funding for the Local Government Sector: - DLUHC confirmed a one year only settlement with a commitment to review funding distribution from 2023/34 onwards.</li> <li>• Ongoing modelling the impact of Government’s Fair Funding Review due to be consulted upon during 2022 <ul style="list-style-type: none"> <li>• adverse impact on income streams/tax collection arising from the ongoing impact of the pandemic.</li> </ul> </li> <li>• Ongoing monitoring, modelling and reporting of the impact of the pandemic on local income streams and considering this within the updated MTFS</li> </ul> <p>RAG rating – Amber Completion / review dates – 31/3/2023, 28/2/2022, 31/3/2022</p> <p><b>Action 3</b></p> <ul style="list-style-type: none"> <li>• Continual review of the MTFS assumptions / mitigations including [but not exclusive to] actions 1 &amp; 2.</li> <li>• Tracking the implementation of the agreed 2022/23 efficiency plan.</li> <li>• SMT to review the deliverability of the existing 2022-25 efficiency plan.</li> <li>• SMT to develop a further efficiency and transformation programme capable of being delivered across 2022-25 to mitigate the emerging significant risks identified in the MTFS.</li> </ul> <p>RAG rating – Amber Completion / review dates – 31/3/2023, 28/2/2022, 31/3/2022</p>				

Risk Title	Risk Description	Impact	Status	Response Rating	SMT Owner
<b>Educational Outcomes Progress</b>	<p>Concerns that educational outcomes progress for all children across Barnsley may not be sufficient, with particular concern around improving outcomes for vulnerable cohorts.</p> <p><b>Action 1</b> To continue to improve attainment and progress through the risk assessment of schools to provide assurance that measures are in place to enable pupils to catch up and sustain positive progress in their educational outcomes, in partnership with schools and academy trusts</p> <p>RAG rating – Green Completion / review dates – 8/4/2022, 27/5/2022, 21/7/2022</p> <p><b>Action 2</b> To close the achievement gap between vulnerable groups and their peers with a particular focus on those students who have a special education need or disability and / or are eligible for student premium funding, including children in care and those eligible for free school meals through the commissioning of programmes and support based on local identified need.</p> <p>RAG rating – Green Completion / review dates – 8/4/2022, 27/5/2022, 21/7/2022</p> <p><b>Action 3</b> To build leadership capacity which empowers leaders at all levels to develop a sustainable model of continuous improvement across all Barnsley schools</p> <p>RAG rating – Green Completion / review dates – 8/4/2022, 27/5/2022, 22/7/2022</p> <p><b>Action 4</b> Finalise the co-produced with the Barnsley Alliance the Education Improvement Strategy 2022-25 ensuring the priorities identified will further embed and strengthen the work of the Alliance and will demonstrate how we intend to measure and evidence the impact, steps and actions taken to critically challenge and hold leaders to account as a sector.</p> <p>RAG rating – Green Completion / review dates – 1/6/2022, 15/12/2022, 31/3/2023</p>	Potential	Potential	Medium	ED Children's Services

Risk Title	Risk Description	Impact	Status	Response Rating	SMT Owner
	<p><b>Action 5</b>            To implement the Written Statement of Action for children with SEND but not with an Education, Health and Care Plan and maintain good, full time attendance, reduce the use of suspensions and the number of families choosing elective home education and citing dissatisfaction with school.</p> <p>RAG rating – Amber            Completion / review dates – 8/4/2022, 27/5/2022, 22/7/2022</p>				

## All Other Strategic Risks – High Level Summary - March 2022

Risk Title	Risk Description	Impact	Status	Response Rating *	SMT Owner
Potential death of a child/safeguarding failure in children's services	A need to continually appraise the controls to minimise the potential for death of a child or safeguarding failure in children's services - need to be able to identify any changes which may weaken current levels of assurance. Factors which may impact should be assessed include: the impact of Covid 19 upon both families and workforce capacity, increasing poverty which could impact on demands for services and increases in caseloads, future financial settlements which could impact on service provision, awareness of system pressures e.g., workload. If systems break down there is potential for huge reputational damage - seen across a number of UK authorities - including removal of Director of Children's Services, and government imposition of Commissioners to run services until improvements are made.	Potential	Potential	High	ED Children's Services
Organisational Resilience	Need to understand issues around leadership, general workforce capacity and welfare (exhaustion, fragility) to recognise that organisational resilience is not as high as it was pre-pandemic and therefore continue to find ways for the organisation to recover post pandemic. This action to be kept under review as the risk moves in "waves" and we need to monitor the impact on the organisation as we come out of the pandemic.	Actual	Actual	High	ED Core Services
Meeting our statutory responsibilities under the Care Act 2014	Adult social care is experiencing higher demand on resources as a consequence of level of need arising from discharges from hospital, impact of the pandemic. This is compounded by pressure on the NHS to recover faster, whilst managing significant recruitment and retention issues in the care sector and the inadequacy of funding from national government. This may result in long waiting times for assessments and care packages resulting in people being in the wrong service for the wrong reason. This could also result in an inability to provide day services for people with a learning disability as resources are redirected to home care.	Actual	Actual	High	ED Adults & Communities
Zero Carbon, Climate, and wider environmental commitments	Ensuring we have constant regard to our zero carbon, climate, and environmental commitments in how we deliver services and act as a community leader.	Actual	Actual	High	ED Place

Risk Title	Risk Description	Impact	Status	Response Rating *	SMT Owner
Health Protection Emergency	Need to ensure that robust arrangements in place are understood by all stakeholders and complied with, to deal with any health protection emergencies which may arise, and which require a Business Continuity response e.g., Covid 19 Pandemic	Actual	Actual	Medium	Director of Public Health
Glassworks	As a key strategic investment for the Council there is a need to ensure the successful delivery of the Glassworks. There are clear financial and reputational implications should the project not be delivered on time, to budget and fail to have the intended economic and social outcomes. The impact of the Covid 19 pandemic will exacerbate the challenges to the High Street/town centre retail sector which could impact on the uptake of retail lettings, and it is an increasingly competitive market for leasing retail and hospitality sector. Coupled with this, there are also risks associated with CineWorld, our anchor tenant as the cinema industry has suffered badly from Covid and is slowly in recovery mode globally.	Potential	Actual	Medium	ED Place
Inclusive Economy	The impact of Covid 19 has had a significant impact on the local economy with the potential for reduced NDR and CT collection. There has been a continued or accelerated downturn in the retail and visitor economy sector and the collapse of businesses has added to the pressure on the Council and partners' services. The Council needs to continue to work with partners to minimise the damage done to the Borough's economy and to livelihoods through the Recovery Action Plan, the Inclusive Economy Board and the suite of business support measures delivered through Enterprising Barnsley and our Employment and Skills Team. As well as the potential impact on the Glassworks and the town centred there are wider community implications for Barnsley, its principal towns, and other urban centres with the risk of increased unemployment, redundancies, and low levels of job opportunities for young people and those furthest from the labour market.	Actual	Actual	Medium	ED Place
Community Resilience	That individuals and families experience increased strain as a consequence of economic, social, health or other factors.	Actual	Actual	Medium	ED Adults & Communities
Potential for a safeguarding failure in Adult Social Care	Whilst we are confident that controls are in place to minimise the potential for safeguarding failures there remains a need to continually appraise these and be able to identify any changes which may weaken current levels of assurance. Factors which may impact and should be assessed include the impact of Covid 19 upon families and workforce capacity which could	Potential	Potential	Medium	ED Adults & Communities

Risk Title	Risk Description	Impact	Status	Response Rating *	SMT Owner
	increase workload pressures, increasing incidence of poverty which could impact on demands for services and lead to increases in caseloads, future financial settlements could impact on service provision, awareness of pressures in the system e.g., workload pressures leading to decrease in staff attendance at meetings etc. If the system breaks down potential for huge reputational damage.				
Threat of fraud against the Council	There is a need to ensure that all services are aware of and constantly assess fraud threats and that employee understanding and awareness of potential fraud is good and constantly reviewed.	Potential	Potential	Medium	ED Core Services
Emergency Resilience	There is a need to ensure that the Council has robust mechanisms in place to prepare for, respond to and recover from civil emergencies and business interruptions, and comply with the Council's statutory duties as a Category One responder under the Civil Contingencies Act 2004.	Actual	Potential	Medium	ED Core Services
Partnership and Collaboration Governance	Many public services are delivered through partnerships or collaboration as well as emerging devolution arrangements; these must be robust, well governed but flexible and responsive to ensure objectives are met. Weak partnerships or collaborative working can lead to the failure of services, significant financial difficulties, and reputational damage. Key partnerships are: Integrated Care Partnership Board, Barnsley FC, BCVS, SCRMCA.	Potential	Potential	Medium	ED Core Services
SEND	The Joint Area SEND Inspection (2021) sets out progress made and areas for improvement. The SEND Continuous Improvement Plan and Action Plan addressing the 2 Written Statements of Action will be submitted to Ofsted by 28/2/2022. The strategic multi agency SEND Overview Board provides governance to oversee progress and improvement. Governance and assurance provided by/to SMT and Cabinet through quarterly performance reporting for SEND. to Continued, prioritised focus in improving parent reengagement and strategic influence and identifying and supporting more children early with SEN support in local provision, avoiding escalation of need and out of borough placements.	Potential	Potential	Medium	ED Children's Services

\* The Response Rating reflects the urgency and importance of the intervention and management of the 'risk' rather than any inherent risk.

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<b>MEETING:</b>	Cabinet
<b>DATE:</b>	Wednesday, 9 February 2022

## **BUDGET PROPOSALS 2022/25**

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**BARNSELY METROPOLITAN BOROUGH COUNCIL****LOCAL GOVERNMENT ACT 2003 - THE S151 OFFICER'S SECTION 25  
REPORT ON THE 22/23 BUDGET PROPOSALS****1. Purpose of the Report**

- 1.1 To provide, in accordance with the requirements of Section 25 of the Local Government Act 2003, advice from the Authority's Chief Finance Officer (CFO) on aspects of the 22/23 budget proposals.

**2. Background**

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

**3. Advice of the Chief Finance Officer**

- 3.1 This report is based on the Budget Recommendations at **Section 4** and the financial strategy and suite of financial information set out in **Sections 3 – 7**.

***Robustness of the Estimates***

- 3.2 As Members are aware, the setting of the 22/23 Revenue and Capital budgets are part of the Council's Medium-Term Financial Strategy that forms the framework for the budget for the period 22-25.
- 3.3 The Council's financial strategy has sought to clearly identify the risks associated with the budget so that properly informed and prioritised decisions are made. However, it should be noted that several of the emerging risks are fluid and not yet quantifiable but, if unchecked, could potentially pose a major threat to the Council's ongoing financial sustainability. As such my advice to the Council is to exercise

financial prudence and to hold back any betterment in funding from the Local Government Finance Settlement pending a full assessment of the most significant risks. I set out below some of the key financial risks facing the Council that Members need to be aware of.

- 3.4 The recent emergence of the Omicron COVID variant will undoubtedly mean that the pandemic will continue to have an impact on the Council's finances. The continuing response and recovery effort, increased demand for services, the adverse impact on income streams / tax collection and the wider socio-economic impact on communities and businesses will all come with a cost, which if not addressed by additional Government funding could adversely impact the Council's ongoing financial sustainability.
- 3.5 Sustainable funding for the sector and the Council remains a general concern. Whilst Government recently announced a three-year Comprehensive Spending Review [CSR] for the period 2022 -2025, the Department for Levelling up, Housing and Communities (DLUHC) have stated that there will be a one-year only Local Government Settlement for 22/23 which creates further funding uncertainty during the period under consideration. In addition, most commentators expect a future squeeze on public sector spending [or perhaps even a further period of austerity] necessary to pay the bill associated with dealing with COVID and / or to reduce the tax burden on individuals in the future.
- 3.6 The impact of the Health and Social Care reforms announced by Government remains uncertain but potentially these pose a major financial risk for the Council. For example, if the Council isn't appropriately recompensed for the cap on care costs or if the wider proposals put upward pressure on provider fees.
- 3.7 Throughout 21/22 we have seen the demand [and cost] for Council services significantly increase, particularly in Children's Social Care, but also in Adult Social Care, Home to School Transport and Waste services. In my view some of those pressures are likely to get worse before they begin to level out and this is something the Council needs to be mindful of when considering the approach to balancing the 22/23 budget as well as its longer-term financial planning.
- 3.8 The well-publicised inflation and supply chain issues relating to energy, fuel, food, and construction costs will continue to put upward pressure on the cost of council services. Moreover, the impact of rising prices on household disposable incomes and on business cashflow / profitability will likely increase the volatility, unpredictability, and uncertainty on the levels of council tax and business rate collection.
- 3.9 So, whilst I am confident that the Council will deliver a balanced budget for 22/23 and that, through working with the Senior Management Team, we have a framework in place to achieve a balanced position over the longer-term; this is heavily dependent on the assumptions set out in the budget papers being delivered and the effective management and mitigation of the risks which have yet to be quantified / emerge in full.

3.10 My Section 25 report reflects this uncertain financial landscape in addition to the specific proposals contained within the budget. In terms of the estimates which are included in the proposed 22/23 budget, I would offer the following comments:

(i) ***Council Tax Income Assumptions***

The estimates for Council Tax Income are based on a collection rate of 95%, the same level as in previous years. In addition, I have made assumptions around growth in the tax base to be achieved through a combination of new properties coming into rating and a reduction in the number of households claiming local council tax support which increased significantly during 20/21 and the early part of 21/22. At this stage I have no reason to believe that these are not robust assumptions, although given the fluidity of the current COVID situation, the position will need to be closely monitored during the year.

(ii) ***Business Rates Income Assumptions***

Under the current Business Rate Retention scheme, Barnsley retains 49% of the total income collected. Government have confirmed that there will be no major changes to the Business Rate System next year and that the planned move to 75% business rate retention will now no longer go ahead. As part of the Spending Review, it was announced that there would be a general freeze in business rate bills in 22/23 along with a 50% discount for retail, leisure, and hospitality businesses. Government have stated that local authorities will be compensated for the resultant reduction in income though at the time of writing the level of support has not been confirmed. Finally, despite volatility, collection rates remain satisfactory although these maybe further impacted by the recent emergence of the Omicron variant and the subsequent restrictions which may impact businesses in the retail, leisure, and hospitality sectors. This position will need to be closely monitored.

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

The pay award for the current financial year [21/22] is yet to be resolved and it remains to be seen whether the final agreement will be within the 2% budget envelope provided. Pay is forecast to increase at 2% per annum for the remainder of the financial planning period to 24/25; this will be kept under review pending finalisation of the 21/22 pay offer and in light of future pay negotiations which may be influenced by the current 'cost of living crisis' and the recent increases in the tax burden on employees.

The budget also provides for the increased cost of the Employer National Insurance increase from 1<sup>st</sup> April 2022 which is being implemented to help fund the Health and Social Care reforms.

A provision has also been made in relation to the impact of the recent 6.6% increase in the National Living Wage on the Council's external contracts, this having a particularly significant financial impact in adult social care.

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

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

Interest rates were increased in December 21 from 0.1% to 0.25%, the first rise in three years.

Our treasury advisors and other commentators are predicting further interest rate increases over the planning period, though the timing and pace of those remains subject to debate. In view of this my advice is to limit the Council's exposure to interest rate risk by restricting the amount of the debt portfolio that may be subject to variable interest rates at any one time. This is reflected in the proposed Treasury Management Strategy which is set out in detail at **Paper 3d**. The position will continue to be closely monitored by the Treasury Management Panel with regular updates provided to Cabinet as part of the quarterly performance monitoring cycle.

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

There have been significant increases in the demand for all council services during 21/22, those been particularly acute in children and adult social care services. These pressures are expected to continue into 22/23 and beyond and provision for this has been made within the budget and MTFs.

Given the inherent risks with these assumptions it remains unclear whether this provision will be adequate to cover these demographic and other associated cost pressures. Therefore, my advice is to set aside any betterment in the Council's core resource position following the Local Government Settlement pending further clarity in relation to these risks.

***Adequacy of Reserves***

- 3.11 **Section 3b** of the 22/23 Budget Proposals set out the Council's position in relation to the current level of provisions, reserves, and balances available to the Authority.
- 3.12 As indicated in that paper, the current Minimum Working Balance (MWB) held by the Authority remains at £20M, a level that I consider prudent and appropriate to the current risk environment faced by the Council.
- 3.13 I have also undertaken an assessment of all earmarked reserves & provisions to ensure their continued validity and to make additional provision to cover known commitments where that has been necessary. I consider the current levels to be adequate subject to my comment at paragraph 3.14 below.

- 3.14 In addition, the 22/23 local government finance settlement has provided additional resources over and above those initially included within the forecast. My advice is that this resource be set aside in reserves pending a full assessment / quantification of the emerging risks highlighted above.
- 3.15 It should also be noted that not all resources have yet been received and need to be 'banked' before being committed to future investments. I will ensure that this position is reviewed and reported through future monitoring reports. In addition, I also consider it appropriate and necessary to continually monitor reserve levels in the light of the changing circumstances facing the Council and as such, a further detailed review will be carried out as an integral part of the 21/22 accounts closure process and throughout 22/23.
- 3.16 Separately the Council continues to progress significant external funding streams working closely with the South Yorkshire Mayoral Combined Authority. The capital investment strategy and Capital Investment Programme (**Section 7**) provide further details on this.

### ***Prudence and Affordability***

- 3.17 The current Prudential Borrowing regime places a duty on the CFO to ensure that the financial impact of decisions to incur additional borrowing are affordable both in the immediate future and over the longer term.
- 3.18 Consideration of the revenue impact of all new capital schemes is therefore undertaken alongside other operational service issues to ensure that resources are allocated in accordance with the Council's priorities and within the overall resources available.
- 3.19 As members will be aware the Council holds relatively high levels of debt as compared to its statistical neighbours. This is a result of previous policy decisions, including the building of a new secondary school estate and more recently the Glassworks town centre re-development.
- 3.20 I have advised in recent budgets against further significant borrowing [on the scale of some previous policy decisions] until such time as the Glassworks scheme was complete and from a financial perspective de-risked. With the scheme now largely complete and the financial risk attached to that provided for within the MTFS I now consider it prudent to allow for modest additional borrowing over the planning period.
- 3.21 However, any future borrowing should be considered carefully in line with the Prudential Framework, all relevant statutory indicators and a thorough risk assessment of all financial and non-financial factors including the opportunity cost of not investing elsewhere.

### ***Value for Money***

- 3.22 In June 2021 the National Audit Office launched a new Code of Audit Practice, part of which required the External Auditor to undertake a significantly more in-depth review of the Council's arrangements for securing Value for Money [VFM].
- 3.23 During 21/22, the Council carried out a detailed self-assessment of the External Auditor's new VFM criteria which concluded that the Council's arrangements are satisfactory. The External Auditor's assessment and final report is expected imminently, and although I do not anticipate any major concerns to be raised, I will ensure that any issues or areas for improvement are addressed appropriately.

### ***Medium Term Financial Strategy (MTFS) and Budget Reduction Measures***

- 3.24 A balanced budget for 22/23 can be delivered through the agreement of the proposals within the budget papers. However, this view is contingent upon the additional matters identified at paragraph 3.9 above and paragraphs 3.25 to 3.28 below.
- 3.25 The draft budget for 22/23 is again based upon the delivery of several budget reduction & efficiency measures and there needs to be a strong and sustained focus on ensuring the timely and comprehensive implementation of these. This equally applies to the budget reduction measures proposed to deliver a balanced budget in 23/24.
- 3.26 Moreover, in my view there will likely be a requirement for further efficiency to balance the books over the medium term and consequently there should be a renewed focus on the Enabling Barnsley priority contained within the new Council Plan and specifically on utilising our organisational design principles to identify transformational / service redesign opportunities across all council services.
- 3.27 In addition, future forecasts are predicated on the Council maintaining, as a minimum, a cash standstill core resources position. I consider this to be a reasonable assumption but for the reasons outlined at paragraph 3.5 there is considerable uncertainty around this.
- 3.28 Finally, although we have taken a prudent approach in relation to our medium-term financial strategy and provided for all known pressures over the planning period, any additional pressures from here on in will need to be contained within the ongoing resource envelope determined by the local government finance settlement and any associated subsequent reviews. If for whatever reason this looks like not being achievable, I will instigate an immediate review of the 22/23 budget, MTFS and reserves strategies contained within these budget proposals.

## **Budget Recommendations**

- 4.1 As indicated in the 3-year forecast at **Section 3a (Appendix 1)** and based on the Budget Recommendations, a balanced budget will be set for 22/23.

- 4.2 This would see the Minimum Working Balance being retained at £20M and the one-off betterment from the 2021 Local Government Finance Settlement being set aside to provide additional financial resilience to help mitigate the significant unquantified risks highlighted within the MTFs. I consider this to be prudent and appropriate to the current risk environment faced by the Council. (**Section 3 refers**).
- 4.3 The proposals identified within the budget papers provide the foundation around which the Barnsley's 2030 Plan & new Council Plan can be delivered in a financially sustainable manner.
- 4.4 However, there remains considerable uncertainty around the impact of the longer-term funding position and other risks that the Council needs to be vigilant to and, if necessary, be prepared to change its planning assumptions and mitigation plans at short notice if that is required.
- 4.5 **In summarising my advice, I would stress that the robustness of the estimates and adequacy of the reserves which the budget will provide are satisfactory. However, this is contingent upon the requirements outlined at paragraphs 3.24 – 3.28 and reiterated at paragraph 4.4 above being delivered.**

N Copley BA (HONS), CPFA

Service Director Finance Business Unit and S151 Officer

January 2022

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## Our Be Even Better Strategy

### **1. Our Context**

- 1.1 The context remains a challenging one as we still provide our response to the Coronavirus pandemic. This has and continues to put pressure and increased demand on front line services such as adults and children's social care, public health, regulatory services, waste and recycling and enforcement services but also the engine room of core services that support services and have also had their own important role to play in responding to and recovering from COVID - 19.
- 1.2 The organisation and our workforce have been agile and adaptive to change, and we have reinforced our commitment to culture change so we can ensure our employees have the support in place for their wellbeing and help them to do their job even better. Our Smart Working programme continues to be a key enabler for this, and we will implement our hybrid working model fully and move to a Barnsley is our office approach.
- 1.3 Over the next planning period there are many other opportunities and challenges that we will continue to drive forward and respond to including Health and Social Care integration and the Better Lives Programme, the levelling up agenda, local government finance settlements, the Adult Social Care white paper, the ongoing zero carbon agenda and continued devolution and access to funding through the South Yorkshire Mayoral Combined Authority.
- 1.4 We're focused on recovering from the COVID-19 pandemic, building our borough back better and fairer. We've also got ambitious plans for change, improvement and growth to allow everyone to be the best they can be because our borough is a place that fosters and grows ambition.

### **2. Barnsley 2030**



**Barnsley – the place  
of possibilities.**

- 2.1 It's time to believe in the possibilities of Barnsley, to the future with excitement and optimism. Our borough is a place that fosters and grows ambition, enabling everyone to be the best they can be.
- 2.2 Barnsley 2030 sets out our long-term vision for Barnsley and how we will work together with our communities to achieve it.

- 2.3 It's about celebrating and championing our borough and we're looking to 2030 as we feel this will give us enough time to make some real progress in achieving our bold ambitions for the borough.
- 2.4 This strategy helps us to work creatively to improve our borough for everyone. It provides a framework for the ambitions and actions of our partners working across the area and it enables us all to believe in the possibilities of Barnsley. By working together, we can ensure that everyone benefits from our borough's prosperity and by fostering and growing ambition we can enable everyone to be the best they can be.
- 2.5 This strategy provides a solid foundation for Barnsley's future, supporting our recovery from the COVID-19 pandemic and building back towards a better, fairer and more inclusive Barnsley.
- 2.6 In developing the Barnsley 2030 strategy we've worked closely with our communities, businesses and organisations across all sectors and local councillors. This has helped us to make sure that our borough's vision and ambitions represent everyone who has an interest in the future of Barnsley.

Healthy Barnsley	Learning Barnsley	Growing Barnsley	Sustainable Barnsley
<p>Everyone is able to enjoy a life in good physical and mental health.</p> <p>Fewer people live in poverty and everyone has the resources they need to look after themselves and their families.</p> <p>People can access the right support, at the right time and place and are able to tackle problems early.</p> <p>Our diverse communities are welcoming, supportive and resilient.</p>	<p>Children and young people aim high and achieve their full potential with improved educational achievement and attainment.</p> <p>Everyone has the opportunity to create wider social connections and enjoy cultural experiences.</p> <p>Lifelong learning is promoted and encouraged, with an increase in opportunities that will enable people get into, progress at and stay in work.</p> <p>Everyone fulfils their learning potential, with more people completing higher-level skills studies than ever before.</p>	<p>Local businesses are thriving through early-stage support and opportunities to grow.</p> <p>Barnsley is known as a great place to invest, where businesses and organisations provide diverse and secure employment opportunities, contributing to an economy that benefits everyone.</p> <p>People have a wider choice of quality, affordable and sustainable housing, to suit their needs and lifestyle.</p> <p>Residents, businesses and organisations are more confident in accessing and using digital resources, benefitting all aspects of daily life.</p>	<p>People live in sustainable communities with reduced carbon emissions and increased access to affordable and sustainable energy sources.</p> <p>People can get around in Barnsley easier than ever, with an increase in cycle routes and better connections across the borough.</p> <p>Barnsley has increased the amount of renewable energy that is generated within the borough.</p> <p>People are proud of and look after their local environment.</p>

- 2.7 Over the lifetime of this strategy, the Barnsley 2030 Board will work closely with key delivery groups and partnership boards to monitor activity, track progress and address any challenges that may arise
- 2.8 We all have an important role in working with our residents and organisations across the private, public, voluntary and community sectors to achieve the vision of Barnsley's future and our long-term ambitions.

2.9 By 2030, we want everyone to benefit from, and contribute to, making our borough a thriving place of possibilities.

**3. Our Council Plan 2021-24**

3.1 The Council Plan will support Barnsley 2030 over the next three years, delivering the borough’s vision: 'Barnsley - the place of possibilities'. Our plan gives us a clear direction to recover from the COVID-19 pandemic and build our borough back better and fairer.

3.2 It’s really important to have this, as it focuses on how we collectively deliver our services across the council to best support residents, communities, partners and business and it provides the framework for making decisions about priorities in the council and helps drive performance by setting out what we are seeking to achieve and how it will be measured.

3.3 The plan will help us make sure we strive to be even better and make a real difference for our residents, as we drive forward as a modern, inclusive, efficient, productive and high-performing council.

3.4 In order to simplify and strengthen our strategic alignment to Barnsley 2030, we have based our priorities on the four 2030 themes and then added the internal facing Enabling Barnsley priority.

3.5 Across these priorities, we have set out the outcomes that describe our intentions for the next three years, to ensure that we focus on delivering Barnsley as the place of possibilities.

Barnsley - the place of possibilities			
Healthy Barnsley	Learning Barnsley	Growing Barnsley	Sustainable Barnsley
People are safe and feel safe.	People have the opportunities for lifelong learning and developing new skills including access to apprenticeships.	Business start ups and existing local businesses are supported to grow and attract new investment, providing opportunities for all.	People live in great places, are recycling more and wasting less, feel connected and valued in their community.
People live independently with good physical and mental health for as long as possible.	Children and young people achieve the best outcomes through improved educational achievement and attainment.	People have a welcoming, safe and enjoyable town centre and principal towns as destinations for work, shopping, leisure and culture.	Our heritage and green spaces are promoted for all people to enjoy.
We have reduced inequalities in health and income across the borough.	People have access to early help and support.	People are supported to have safe, warm, sustainable homes.	Fossil fuels are being replaced by affordable and sustainable energy and people are able to enjoy more cycling and walking.
<b>Enabling Barnsley</b> We are a modern, inclusive, efficient, productive and high-performing council			

#### 4. Our Design Principles

4.1 As we plan and prioritise our resources to support the delivery of Barnsley 2030 and the Council Plan, it's important that we have a set of consistent organisation design principles that services follow when undertaking improvement and efficiency reviews and service re-design. The principles will ensure there is a consistent 'One Council' approach to transformation and change.

4.2 The nine principles listed below will be considered by services as they develop and design their business case for change:

- Enable more people to help themselves and each other, through customer insight, early help, early intervention, prevention and a strengths-based approach to delivery.
- Rationalise the Council's estate, reducing the number of face-to face-delivery locations and ensuring that where possible delivery sites are co-located alongside other public services.
- Move more transactions with residents online, but still allow telephone and face-to-face delivery for those who require it most.
- Seek income generation opportunities that leverage the Council's assets and resources and consider commercial opportunities.
- Look at more creative ways to influence the behaviour of residents that better helps themselves and reduces costs to the Council.
- Create the conditions for economic growth, employment and inward investment.
- Invest in the Council's enabling functions, to drive efficiency, productivity and performance of council services, benchmarking with others.
- Consider where there are invest to save opportunities to speed up service change.
- Consider the needs of Communities/Neighbourhoods to inform service redesign.

#### 5. Our Key Enabling Strategies and Plans

5.1 We also have a number of strategies and plans which are aligned to the delivery of the Barnsley 2030 themes and ambitions and Council Plan priorities and outcomes. Collectively, they are driving continuous improvement and supporting us to prioritise our financial, human and physical resources in the most efficient way.

5.2 Our **People Strategy** will ensure we develop the right supporting organisational culture and behaviours and a modern, agile, healthy, engaged, skilled and innovative workforce. The strategy will focus on effective leadership, values and culture; maximising organisational capacity and capability and our employee experience.

5.3 The **Medium-Term Financial Strategy** is a key tool in understanding our financial position and in formulating our ongoing financial strategy to utilise

our scarce resources to meet our statutory and local priorities. This strategy is set in the context of an ever changing global and national economy.

- 5.4 The revised **Commercial Strategy**, will support us to adopt a more commercial approach, generating income and ensuring we are making best use of our assets and resources.
- 5.5 Our **Customer and Digital strategies** will standardise the way we serve our customers and let them know up front what to expect when they contact us, regardless of the media they choose to do this. Digital skills, thinking and innovation will become embedded within the organisation and our wider ambition for Barnsley is to become a digital leader and a digitally enabled inclusive economy.
- 5.6 Finally our **Communications and Marketing Strategy** ensures we are reaching as many people and businesses as possible in our communities utilising multiple different methods.
- 5.7 There are also improvement plans and programmes in place across some of our high demand and high spend areas such Adult Social Care, Children's Social Care and SEND.

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**UPDATED MEDIUM TERM FINANCIAL STRATEGY 2022/23 – 2024/25****1. Purpose**

- 1.1 This paper updates the current Medium Term Financial Strategy (MTFS) and extends it for a further year to 24/25 to maintain the Council's rolling 3-year planning framework.
- 1.2 The forecast incorporates cost pressures and policy decisions that have materialised since 21/22 budget setting in February 21. The report also reflects on other emerging risks which are currently unquantified, but which could pose a material risk to the MTFS moving forwards.
- 1.3 Early consideration has also been given to the Government's Spending Review, which was announced in late October, together with an assessment of the implications of the Local Government Finance Settlement which was announced 16<sup>th</sup> December 2021.

**2. Approved Forecast**

- 2.1 On 25<sup>th</sup> February 2021 the Council set a balanced budget for the current financial year; together with a framework to deliver a balanced budget in 22/23 with a modest gap predicted for 23/24 at that point in time. The summary three-year forecast position is shown below:

	<b>21/22 £M</b>	<b>22/23 £M</b>	<b>23/24 £M</b>
<b>Deficit</b>	-	(0.337)	+1.823

- 2.2 This position was predicated on the delivery of several key assumptions:

**22-24 Assumptions**

- Provision for pay awards @ 2%.
  - Government funding assumed at 21/22 levels across the period 22/23 - 23/24.
  - Delivery of efficiency proposals totalling £5.7M in the period 22 - 24.
  - Additional investment in the Glassworks scheme of £4M over the period 22 - 24.
  - Council Tax increases assumed at 2% in 22/23 and thereafter.
  - Provision for additional pension costs expected from the triennial review in 23/24.
  - Ongoing costs associated with COVID; and
  - A remaining deficit to be addressed of £1.8M in 23/24.
- 2.3 The current MTFS was set within the context of the global pandemic and the ongoing impact it is having on council / public finances. Within this context, the MTFS / Reserves Strategies have set aside resources that safeguard the financial resilience of the organisation and:
- Allow the Council to continue with the ongoing response and recovery effort [in line with the Government / Council road map and other guidance].
  - Support the recovery of the organisation and place; and

- Reflect the ongoing impact of COVID 19 on the provision and cost of key services in 22/23 and beyond.

2.4 The MTFS also provided for the potential ongoing impact of the pandemic on key service areas / income streams into 22/23 and beyond as follows:

- The expected additional ongoing cost of providing for Adult Social Care post COVID [based on ADASS / local estimates].
- Provision for an increase in the number of looked after children post COVID.
- An ongoing increase in waste arisings and associated costs reflective of changing consumer habits as a result of COVID.
- Provision for the anticipated ongoing impact on our Council Tax and Business Rate tax bases.
- Further protection through an increase in the Council's Minimum Working Balance to £20M as well as establishing a £2M COVID 19 recovery reserve of which £1M is funded via SCR Gainshare monies.
- An option to undertake additional borrowing to fund existing capital expenditure to provide additional resilience to the Council's reserves position, only where that is necessary.

### **3. UPDATED POSITION & RECOMMENDATIONS FOR FUTURE ACTION**

3.1 Against the backdrop of ongoing uncertainty facing Local Government generally and Barnsley specifically, the forecast has been fundamentally reviewed and updated. The updated detailed forecast is presented at Appendix 1 with a full sensitivity analysis based on three scenarios - best, medium, and worst case attached at Appendix 2. The 'medium case' has been used for planning purposes.

#### **2022/23 – 2023/24**

3.2 An analysis of the main assumptions underpinning the 22/23 forecast is shown below. These assumptions have been assessed based on data & intelligence available at the time of writing this report. However, it should be noted that these assumptions are very fluid and subject to material changes as the pandemic and other issues evolve. As such, they will be rigorously reviewed and updated on an ongoing basis.

3.3 The MTFS has also been rolled forward considering several emerging pressures that are outlined below:

**PRESSURES****Adult Social Care****Norfolk Ruling**

- 3.4 A court judgement found that the Charging Policy adopted by Norfolk County Council for non-domiciliary care unfairly discriminated against severely disabled people. Depending on the outcome of a pending appeal to the courts, this may prompt a review of the Council's non-residential care charging policy. Given the potential number of service users likely to be affected and the nature of the proposed changes, this could result in significant additional financial costs to the Council.

**Discharge to Access (D2A)**

- 3.5 Since March 2020, the NHS has funded (£1.3billion) the cost of new or extended health and social care support packages for a limited time for people discharged from hospital. There is a requirement for local authorities to embed the D2A process going forward, which will result in additional burdens.

**Adult Social Care Demography / National Living Wage**

- 3.6 The Council previously agreed to fund care providers to enable them to pay their employees the equivalent of the National Living Wage (NLW) plus £1. The Chancellor's announcement in his Autumn budget that the NLW will increase from £8.91 to £9.50 will require additional investment, the estimated cost of which has been included in the updated MTFS.
- 3.7 In addition, client numbers accessing adult social care services have started to slowly rise over the last few months as we exit COVID 19 restrictions. It is anticipated that this trend will continue into 2022/23, with provision being made accordingly.

**National Insurance Increase**

- 3.8 In September, Government announced plans to fundamentally reform Health and Social Care (see Section 4 below). To fund the reforms, the Government set out plans for a new Health and Social Care Levy with an initial 1.25% increase in National Insurance Contributions from April 22. The estimated cost of this has been included in the updated MTFS.

**Children's Social Care**

- 3.9 Throughout the first two quarters of this year there has been a spike in the number and costs of looked after children over and above that forecast in the current Looked After Children Strategy [Q1 £1.7M deficit, Q2 £3.3M deficit]. Several actions have been implemented to mitigate these pressures as far as is possible but current estimates suggest a £4.5M net pressure for 22/23 at this time.

- 3.10 This cost pressure also includes provision to increase the number of social workers who support Children's Social Care because of increased caseloads.
- 3.11 Further resources have also been set aside to assist the Council in implementing the DSG Deficit Recovery plan which has recently been submitted to the DfE (see Section 4 below).

### **Home to School Transport**

- 3.12 The pressures being experienced within Children's Social Care / SEND are having a corresponding knock-on effect on the Home to School Transport Service. The original estimate at the start of 21/22 was to provide transport for 38 additional children. As at the end of Q2 the actual increase in children accessing the service was 68, equating to an anticipated cost increase of £0.7M in 22/23.

### **Waste Services Review**

- 3.13 The current MTFs had previously factored in a full review of Waste Services with a view to delivering up to £1M in efficiency savings. However, Government is currently consulting on changes to waste and recycling provision including the proposal to separate food waste collections by 24/25. As a result, the planned review has been deferred pending the outcome of the consultation.
- 3.14 In addition, further provision has been made for an increase in waste arisings and to reflect recent increases in fuel costs.

### **Car Parking**

- 3.15 A revised Town Centre Car Parking Strategy including revisions to tariffs and increased enforcement activity was agreed by Cabinet over the summer. This is estimated to cost £0.3M from 22/23 though this will be kept under scrutiny as this estimate is very much determined by the volume of town centre footfall / parking.

### **Youth Zone**

- 3.16 Following approval by the Council to progress the development of the Youth Zone in Barnsley, there is a requirement to set aside further provision for the ongoing annual running costs of the development, though this is unlikely to be needed until 23/24 at the earliest.

### **Town Centres Clean Ups**

- 3.17 Over the summer, Cabinet agreed additional investment to make the town centre and principal towns more attractive and provide an enhanced visitor and customer experience. The investment, including 2 additional clean up teams, street furniture and additional security provision, is estimated to cost £0.6M per annum from 22/23.

### **Energy Costs/Supply Chain Issues**

- 3.18 As a result of COVID 19 / BREXIT, the costs of wholesale energy have started to significantly increase leading to the collapse of several energy providers. YPO who source the Council's utility provision are predicting costs could rise by as much as 35% - 50% from 1<sup>st</sup> April 2022.

Similarly, supply chain issues are impacting food supply / cost [school catering] and the cost of imported goods particularly linked to the construction industry. Provision has been made in the MTFS to address some of these pressures with the position being carefully monitored over the next 12 months.

### **Schools Catering**

- 3.19 A recently completed strategic review of the schools catering service has established an improvement plan together with an accompanying financial recovery strategy. There is a risk that the financial recovery of the service may take longer than anticipated due to the continuing uncertainties around the ongoing impact of the pandemic.

### **South Yorkshire Passenger Transport**

- 3.20 The Council currently contributes (via a levy) to the ongoing running costs and long-term investment aspirations of the South Yorkshire Passenger Transport Authority. A reduction in patronage on public transport, together with previous policy decisions, may result in an increase in the current levy moving forwards [NB: each 1% increase equates to £0.1M].

### **MITIGATIONS**

- 3.21 In addition to these potential pressures, the MTFS has been reviewed and the following mitigations identified:

### **Social Care Grant**

- 3.22 A new Social Care grant was first paid by the Government in 20/21 at £7.8M before being 'rolled in' to the 21/22 settlement at £10.1M. Due to the late announcement, this increase (£2.3M) was assumed to be one-off for the purposes of approving the final 21/22 budget. Following the recent Local Government Finance Settlement it is now assumed that the full £10.1M will be ongoing and this provides for additional resources of £2.3M to be reflected in the MTFS.

### **Improved Better Care Fund**

- 3.23 Similar to the Social Care Grant above, since 2016/17, the Council has received additional funding via the Improved Better Care Fund. These monies were due to end in 2019/20 but were extended and awarded in the Local Government Finance settlements for 20/21 and 21/22. It is now assumed that this funding will be baselined (become permanent) moving forwards.

### **National Insurance Increase**

- 3.24 As highlighted above, Government has announced an increase to National Insurance Contributions of 1.25% from April 22. However, they have confirmed that additional funding has been provided to public sector bodies for the additional cost of this via the Local Government Finance Settlement (See Section 5 below). {NB: This funding does not extend to organisations such as Berneslai Homes}.

**MRP/Borrowing Costs**

- 3.25 Following a review of one-off reserves (see Section 9 below), there is now an opportunity to switch out the need to prudentially borrow for previously agreed priorities with one off funding and thereby save the ongoing borrowing costs.

**Demography**

- 3.26 A provision had previously been set aside to address specific demography issues that didn't subsequently materialise.

**Pensions**

- 3.27 The current MTFS makes a provision for increased pension costs arising out of the scheduled Actuarial Review in 23/24. Following discussion with South Yorkshire Pensions Authority and the Actuary, the revised forecast shows an improvement on the previously assumed position.

**Taxation Growth**

- 3.28 The losses in taxation previously assumed in setting the 21/22 budget (particularly in relation to business rates) have not materialised to the extent originally expected. The previous MTFS also assumed inflationary growth of 1% both in terms of rates retained locally (49%) and top-up grant awarded by Government. In line with business rate regulations, the Government uses CPI rates as of September to calculate the overall increases. The CPI rate stood at 3.1% and on this basis, an inflationary increase of 3.1% has been assumed for 22/3. Ongoing growth is subject to further review.

**Council Tax**

- 3.29 Council Tax in 22/23 was originally budgeted for at an increase of 2%. Government have indicated that they expect local authorities to use Council Tax and the Adult Social Care precept to address ongoing pressures in Adult Social Care [together with driving out longer term efficiency from the system]. Members will recall that a similar social care precept of 3% was introduced in 21/22 which could be split over the 2 years. The Council took the decision to increase Council Tax by 3.5% in 21/22, meaning that the remaining 1.5% ASC precept could be levied in 22/23. Government have also announced via the CSR a further 1% can be levied in 22/23 meaning that the Council Tax can be increased by up to 4.5% next year (2% core + 1.5% ASC from 21/22 + 1% ASC announced in the CSR 21).
- 3.30 Based on the above, the MTFS planning assumption is now a proposed increase of 3.5%. This proposal needs to be considered within the context of the existing discounts given to those 15,000 households receiving local council tax support [and who will also see no increase in their bills from any council tax increase that the Council ultimately approves]. Section 7 provides further detail on the impact of this proposal along with a recommended approach.

3.31 The impact of the above changes is shown in the following table:

	2022/23	2023/24
	£M	£M
<b>Opening Forecast as at Feb 2021</b>	<b>-0.377</b>	<b>1.823</b>
<b>PRESSURES</b>		
Demography & Demand Pressures		
Provision for ASC - Norfolk ruling	2.000	2.000
Discharge to Assess	0.800	0.800
Adults Social Care - Demography/ NLW	1.800	1.800
Children's Demography/ Additional Social Workers	4.500	4.500
Children's DSG Management Plan	0.500	0.500
Children's Residential Home (slippage of efficiency)	0.200	-
Home to School Transport	0.500	0.500
Waste Review	1.000	1.000
Waste Demography	0.200	0.200
<b>Sub Total Demography &amp; Demand</b>	<b>11.500</b>	<b>11.300</b>
Policy		
NIC's Increase	0.800	0.800
Car Parking	0.270	0.270
Youth Zone	-	0.700
Town Centre Clean Up	0.565	0.565
Energy Costs/ Supply Chain issues	0.500	0.500
Green Spaces	0.240	0.240
<b>Sub Total Policy</b>	<b>2.375</b>	<b>3.075</b>
<b>Sub Total - Pressures</b>	<b>13.875</b>	<b>14.375</b>
<b>MITIGATIONS</b>		
Additional Social Care Grant	-2.300	-2.300
Improved Better Care Fund	-1.700	-1.700
Government Grant - NIC's contributions	-0.800	-0.800
Government Grant - Discharge to Assess	-0.800	-0.800
MRP/Borrowing Costs	-0.500	-0.500
Provision for Demographics	-1.940	-1.940
Pensions	0.000	-0.900
Business Rate Growth (inflation @ 3% plus base growth)	-1.800	-1.800
Further Council Tax increase @1.5% (2% to 3.5%)	-1.550	-1.550
<b>Sub Total Mitigations</b>	<b>-11.390</b>	<b>-12.290</b>
<b>REVISED FORECAST AS AT NOVEMBER 21</b>	<b>2.108</b>	<b>3.908</b>

**2024/25**

- 3.32 The above position and assumptions have also been rolled forward to provide an updated position for 2024/25. The position currently shows a projected deficit of £2.4M on top of the deficit currently identified for 23/24.

**4. KEY RISKS**

- 4.1 It is crucial to note that there remain several significant but currently unquantifiable risks. Again, these particularly relate to general social care pressures as well as the proposed reforms in that area. These could significantly increase the pressure on the reported MTFs position and need to be considered when agreeing an approach to balancing next year's budget.

**Health and Social Care Reforms**

- 4.2 On the 7<sup>th</sup> September 2021 the Prime Minister launched the Build Back Better Plan for Health and Social Care. The key elements of the plan that affect social care are outlined below.

- 4.3 The plans for reforming Health and Social Care include the following investments:

- £5.4BN funding for the NHS to cover the next 6 months to address amongst other issues: infection prevention control measures (£2.8BN); to help tackle the backlog of elective activity (£1.0BN) and to continue the hospital discharge programme (£0.5M).
- 1.25% increase in National Insurance – to be listed as Health and Social Care Levy – which will raise £12BN a year from April 2022. Of this amount, £5.4BN will be invested in adult social care over 3 years.

- 4.4 Funding for the first 3 years from 2022 will be targeted at NHS pressures and then funding will be moved into social care. The £5.4BN investment in adult social care (over the 3 years) will be used to fund the announced reforms / commitments as follows:

- a new £86k cap on the amount people will pay for their care costs (excluding daily living costs in a care home) over their lifetime.
- means-tested support for people paying care costs with asset values between £20k and £100k. Above the upper capital limit of £100k people will pay for the full cost of their care up to the care cap [£86k].
- invest at least £500M in measures over three years to provide support in professionalising and developing the social care workforce; fund mental health wellbeing resources; and improve recruitment and support.

- 4.5 The financial impact of the reforms is a major risk for the Council. For example, it is unknown whether adequate funding will be provided to cover the new cap on care costs. In addition, if the proposals allow self-funders to access their care needs using council contracts then that will almost certainly put pressure on provider fees in future periods.

### **Children's Social Care / Home to School**

- 4.6 As highlighted in paragraphs 3.9-3.12, several significant cost pressures have started to materialise within Children's Social Care and Home to School Transport with an increase in caseloads / service users, particularly children with complex care needs. Whilst provision has been made in the updated MTFS this may not be sufficient should demand not stabilise. Government is expected to announce plans for addressing Children's Social Care issues alongside the white paper for Adults Social Care later in the year.

### **Special Educational Needs & Disability (SEND)**

- 4.7 As highlighted above, a further cost pressure faced by the Council relates to Special Educational Needs and Disability (SEND). The overall estimated financial deficit on the Council's DSG 'reserve account' as of 31<sup>st</sup> March 2022 is £17.9M (£11.7M carried forward plus £6.2M estimated for 21/22). A plan to address this deficit has recently been submitted to DfE.
- 4.8 Discussions are ongoing with the DfE around the DSG deficit recovery plan. The table below outlines the current SEND forecast spend and deficits up to 24/25:

<b>Forecast position (including mitigations)</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Total high needs spend	27,139	31,139	31,202	30,284	28,846
Total high needs funding	-19,300	-23,286	-26,824	-26,824	-26,824
Total Block transfers	-800	-1,662	-1,698	-1,698	-1,698
Other DSG blocks deficit/(surplus)	-506	0	0	0	0
<b>Net In-Year deficit/(surplus)</b>	<b>6,533</b>	<b>6,191</b>	<b>2,680</b>	<b>1,762</b>	<b>324</b>
C/forward deficit/(surplus)	5,224	11,757	17,948	20,628	22,390
<b>Accumulated deficit/(surplus)</b>	<b>11,757</b>	<b>17,948</b>	<b>20,628</b>	<b>22,390</b>	<b>22,714</b>

- 4.9 Additional resources have been set aside within the updated MTFS to support the formulation and delivery of the DSG deficit recovery & wider system improvement plans.

### **COVID 19 / BREXIT**

- 4.10 We are starting to see adverse impacts on the supply chain arising from COVID 19 & BREXIT related issues (e.g., the increasing cost of energy, food, and construction supplies) which may or may not continue. Service delivery issues are currently being mitigated to a large extent with the main impact being felt in relation to cost increases to planned construction projects.

## 5. Local Government Finance Settlement

- 5.1 Following the Chancellor of the Exchequer's Autumn Budget and Comprehensive Spending Review (CSR) on the 27<sup>th</sup> October 2021, the Department of Levelling Up, Housing and Communities (DLUHC) announced the provisional Local Government Finance Settlement on the 16<sup>th</sup> December 2021. Amongst other things the settlement set out proposals to distribute the additional £1.6BN announced in the CSR to local authorities.
- 5.2 As a result the Council is expected to receive a betterment to the previous forecast of around £8.3M. From this £4.5M is required to fund specific cost pressure [£2.4M] and to address the currently identified funding gap in 22/23 [£2.1M]. The table below summarises this position:

<b>Additional Funding Announcement</b>	<b>£M</b>
Additional Social Care Grant	3.592
New (one off) Services Grant	3.925
Social Care Market Sustainability Grant	0.836
<b>TOTAL ADDITIONAL FUNDING</b>	<b>8.353</b>
<i>Less:</i>	
Funding already assumed for NI increase	(0.800)
Funding already assumed for Discharge to Assess	(0.800)
Specific funding for Social Care Market Sustainability	(0.836)
Full de-risking of commercial income streams previously assumed to address budget gap	(2.108)
<b>TOTAL FUNDING REQUIRED</b>	<b>(4.544)</b>
<b>BALANCE OF FUNDING</b>	<b>3.809</b>

- 5.3 This leaves a balance of approximately £3.8M which broadly equates to the value of the one-off Services Grant announced in the settlement. The Secretary of State for DLUHC has made it clear that this resource should be treated as one-off pending a future review of its distribution. Reference was also made to a wider review of local government funding distribution, the details of which will be announced in the new year.
- 5.4 So, after making the necessary budget adjustments the Council effectively has £3.8M in additional one-off resources at its disposal. It is recommended that this funding is set aside pending further consideration of the emerging significant risks identified at Section 4 above.
- 5.5 The table below shows the revised position over the next three years after taking the above into account:

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>
<b>Forecast Position at November 2021</b>	<b>0.000</b>	<b>1.800</b>	<b>4.328</b>
<b>Forecast if previous years deficits are balanced with ongoing savings</b>	-	-	<b>2.528*</b>

## 6. **STRATEGY FOR DELIVERING BALANCED BUDGETS 22/23 to 24/25**

### Strategy for 23/24

- 6.1 A key focus of the strategy to this point has been on the delivery of the existing efficiency programmes and projects already included within the MTFS [£4.7M over 22/23 and 23/24 – see Appendix 3].
- 6.2 However, considering the reported £2M budget gap in 23/24 [and the increasing gap into 24/25] together with the, as yet, unquantified emerging risks, it is now considered appropriate to request that SMT identify a minimum of £2M in further efficiencies / budget savings [over and above the £4.7M already identified] which are capable of being delivered from the beginning of the 23/24 financial year.
- 6.3 This will ensure that the Council is well placed to deal with any further adverse changes to the current MTFS assumptions. This position will be kept under constant review particularly cognisant of the emerging risks identified elsewhere within this report.

### Strategy for 24/25

- 6.4 At this stage, it is not proposed to put in place a process for addressing the current deficit (£2.5M) in 24/25. There remains a great deal of uncertainty around local and national issues, particularly as the country's economy recovers from the pandemic. As such, it is proposed to delay any formalised approach for dealing with the 24/25 gap until greater clarity is gained from the Government in relation to the impact of the pandemic on the public finances as well as the delayed reforms around Fair Funding and Business Rates Retention.

## 7. **Local Council Tax Support**

- 7.1 During 20/21, the Government provided additional funding for those individuals eligible for local council tax support. Subsequently, in 21/22 additional one-off grant was provided to local authorities with the option of continuing to provide this support for a further year - although the use of this money was entirely at the Council's discretion.
- 7.2 As part of the 21/22 budget setting process, the Council agreed to provide support of £125 per claimant (approximately 15,000 households) with a view to exploring options to continue this support into the future.
- 7.3 Based on a review of the collection fund and previously accumulated surpluses through improved collection rates, it is proposed to continue to provide the same level of support as in 21/22. In addition, it is also proposed to cover the cost of any 22/23 council tax increase meaning that all eligible LCTS claimants will see no increase in their council tax bills next year. The cost of this proposal (£1.9M) will be funded via ringfenced collection fund surpluses with no impact on the Council's MTFS. This position will be reviewed for reasonableness in future years.

	Band 1			Band 2			Band 3			Band 4		
	A (£)	B (£)	D (£)	A (£)	B (£)	D (£)	A (£)	B (£)	D (£)	A (£)	B (£)	D (£)
CTAX Bill after £125 and 22/23 increase	93.77	130.23	203.15	218.78	276.07	390.67	500.05	604.23	812.58	812.58	968.84	1281.36
% Discount	92.80%			83.10%			61.40%			37.25%		

## 8. SUMMARY

8.1 The key assumptions underpinning the position above are:

- Provision for pay awards @ 2%.
- Provision for key service pressures particularly within Social Care.
- Government funding confirmed for 22/23 - with some one-off betterment in 22/23 [including social care grants / better care fund/ S31 grants].
- One-off betterment to be set aside to help address emerging risks.
- Council Tax @ 3.5% in 22/23 and 2% thereafter – subject to further consideration.
- Extend the existing LCTS support scheme and further protecting eligible claimants from future council tax increases.
- Delivery of efficiency proposals totalling £4.7M in the period 22-24 (Paper 5a refers).
- Future year deficits to be addressed via further savings programme of a minimum £2.0M.

8.2 The full detailed Medium Term Financial Strategy is available in the following link.

## 9. UPDATED RESERVES / CAPITAL INVESTMENT STRATEGY

9.1 The Council's Reserves Strategy is formulated over the same planning period as the MTFS to ensure longer term alignment with the Council's strategic intent. This facilitates an adaptable 'rolling plan' that can, where necessary, deploy pipeline schemes to meet Council priorities.

9.2 A further review of the Council's reserves position has been undertaken following the closure of the 20/21 accounts and reflecting other known changes - particularly those resulting from the impact of Covid 19. The Council's reserves position is constantly monitored to ensure that spend does not exceed resource availability in any single year as well as in total over the planning period.

9.3 The level of reserves & balances available to the Council through to 24/25 is £405.2M although previous Council / Cabinet decisions have committed the vast majority of this. A summary of the approved earmarking's / investments, set against available resources, is shown in the table below.

## SECTION 3

	Earmarked Under Statute	Earmarked - Invest to Save/ Future Commitments	Earmarked - Future Capital Investments	Monies Banked	Resources Set Aside to Complete Schemes	Available to Invest	Available Resources
	REVENUE £M	REVENUE £M	CAPITAL £M	COVID £M	CAPITAL £M	CAPITAL £M	TOTAL £M
<b>Sub Total – GF</b>	25.267	88.069	166.679	33.065	15.227	32.800	<b>361.107</b>
<b>Sub Total – Housing</b>	7.000	2.934	22.741	-	-	11.447	<b>44.122</b>
<b>GRAND TOTAL</b>	<b>32.267</b>	<b>91.003</b>	<b>189.420</b>	<b>33.065</b>	<b>15.227</b>	<b>44.247</b>	<b>405.229</b>

Potential for new one-off investment

- 9.4 Following a review of current balances and subject to the Government’s COVID 19 Roadmap to recovery continuing to progress as planned, the S151 Officer has identified that up to £32.8M would be available for new one-off General Fund investment [£20.1M capital and £12.7M revenue or capital investment].
- 9.5 Over the summer period several potential key priorities have been identified as follows:

Priority		£M
Youth Zone [funding shortfall]	Already committed	2.0
Royston Primary [per master plan]	Already committed	6.1
Potential investment in council assets	Emerging priority	5.0
Principal Towns [Capital & Revenue]	Emerging priority	10.0
Highways Maintenance	Emerging priority	2.0
Barnsley Youth Choir	Emerging priority	0.5
<b>Total</b>		<b>25.6</b>
Available Resources		(32.8)
<b>Balance Remaining</b>		<b>(7.2)</b>

- 9.6 Based on the above, there is approximately £7.2M of resources uncommitted at this time. As a result of the deteriorating financial position, the S151 Officer is recommending that this balance be used to reduce / repay the Council’s debt which will generate a reduction in forecast debt servicing costs.
- 9.7 In addition, following a review of housing resources and capital priorities, there is £11.4M of resources that are available for investment in the Council’s housing priorities. The details of these priorities are considered within the context of the Council’s 22/23 Capital Investment Strategy and the 22/23 Housing Revenue Account budget process.
- 9.8 Work continues on developing the Council’s scheme pipeline and placed based investment strategies which are aligned / focussed on maximising external funding streams [SCR MCA Gain Share and Integrated Transport Fund, Levelling Up, Shared Prosperity, De-Carbonisation] and leveraging in private sector investment [e.g., pension funds]. This will be the subject of a more detailed paper in the final budget proposals.

**10. Summary & Next Steps**

- 10.1 Based on current assumptions there are proposals in place that would deliver balanced budget positions for both 22/23 & 23/24 with a modest gap remaining for 24/25. The position across the planning period will be reviewed further considering the local government finance settlement and gaining further clarity surrounding currently unquantified emerging risks.

**Appendices**

- Appendix 1- Detailed MTFS Forecast
- Appendix 2- MTFS Sensitivity Analysis
- Appendix 3- 22-24 Efficiency Proposals

	FORECAST 2022/23	FORECAST 2023/24	FORECAST 2024/25
	£m	£m	£m
<b>EXPENDITURE:</b>			
<b>1. Base Net Expenditure (Net of Schools)</b>			
Revised Base Position	186.588	211.395	213.270
<b>2. Fixed and Ongoing (already reported)</b>			
Pay Award, National Insurance 1.25% increase	2.921	2.121	2.121
Increments	0.290	0.290	0.290
Pension - Actuarial Assessment 2020-2023		2.000	
Other Inflation (inc BSF)	0.715	0.715	0.715
Financing Capital New Starts Programme & MRP	0.070	0.570	0.570
Childrens DSG Management Plan	1.000	0.500	0.500
	4.996	6.196	4.196
<b>3. Demographic and Demand</b>			
Waste - Demographics	0.400	0.200	0.200
Home To School - Demographics	0.700	0.200	0.200
Children's Social Care (Demographics/additional social workers)	4.700	0.195	0.195
Adult Social Care Discharge to Assess	0.800		
National Living Wage /Inflationary Increases Adult Social Care	2.832	1.832	1.832
Adults Social Care - Demographics	0.605	0.605	0.605
Supply Chain / Energy Cost issues	1.300		
Demographics Contingency	-0.646	-0.208	
	10.691	2.824	3.032
<b>4. Investment &amp; Other Policy Issues</b>			
Town Centre Redevelopment (Glassworks)	3.500	0.500	
Provision for Youth Zone		0.700	
Norfolk	2.000		
Social Care Market Sustainability	0.836		
Green Spaces Maintenance	0.240		
Car Park Lost Income	0.270		
Borough Clean Up & Security	0.565		
	7.411	1.200	0.000
<b>5. One-Off investment</b>			
One-off investment priorities across the Council	3.809	-3.925	
<b>TOTAL EXPENDITURE BEFORE EFFICIENCIES</b>	<b>213.495</b>	<b>217.690</b>	<b>220.498</b>
<b>6. Efficiency Proposals</b>			
2022-24 Efficiency Programme	-2.100	-4.420	
	-2.100	-4.420	0.000
<b>TOTAL EXPENDITURE</b>	<b>211.395</b>	<b>213.270</b>	<b>220.498</b>
<b>RESOURCES:</b>			
<b>8. Core Resources</b>			
<u>Council Tax</u>			
Council Tax Income inc Base	103.452	109.302	112.802
4% shortfall (Collection & LCTS )			
Council Tax Collection Fund Surplus	3.200	3.200	3.200
	106.652	112.502	116.002
<u>Business Rates Retention (BRR) scheme</u>			
Local Share - Business Rates (net 50% share)	22.364	25.414	27.414
Local Share - Top Up Grant	32.735	32.735	33.035
S31 Grant for 2% Capping - Top Up	0.552	1.302	1.302
Revenue Support Grant (RSG)	13.025	13.429	13.429
	68.676	72.880	75.180
<u>S31 Grant</u>			
S31 Grant for Small Business Rate Relief	3.160	3.910	3.910
Services Grant		3.925	0.000
	3.160	7.835	3.910
<u>Additional Changes</u>			
IBCF	0.000	3.350	3.350
Public Health Grant	0.300	0.300	0.300
Market Sustainability Grant		0.836	0.836
Social Care grant	7.800	13.692	13.692
	8.100	18.178	18.178
<b>Core Resources b/f</b>	<b>186.588</b>	<b>211.395</b>	<b>213.270</b>
<b>9. Change in Resources</b>			
<u>Council Tax</u>			
Council Tax increase in tax base @ 800	1.300	1.300	1.350
LCTS New Claims - 2500 in 21/22 falling back to 1700 in 22/23	0.800		
Council Tax Collection Fund Surplus			
Council Tax increase (@ 3.5% + 2% in future years)	3.750	2.200	2.300
	5.850	3.500	3.650
<u>Business Rates Retention (BRR) scheme</u>			
Local Share Business Rate Growth	3.050	1.750	0.500
Business Rates multiplier @ 3% in 22/23, 1% in later years	0.750	0.250	0.250
Top Up Grant inflation @ 3% in 22/23, 1% in later years	0.750	0.300	0.300
Changes to RSG	0.404		
Changes to Public Health Grant			
Services Grant	3.925	-3.925	
Market Sustainability Grant	0.836		
Changes to Social Care	5.892		
Changes to iBCF	3.350		
	18.957	-1.625	1.050
<b>TOTAL RESOURCES</b>	<b>211.395</b>	<b>213.270</b>	<b>217.970</b>
<b>NET SHORTFALL</b>		<b>0.000</b>	<b>2.528</b>

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2022-2025 MTF5  
SENSITIVITY ANALYSIS

FORECAST ITEMS & DESCRIPTION	POTENTIAL FOR CHANGE	RISK	LEVEL OF IMPACT	BEST CASE 2022/23	MID CASE** 2022/23	WORST CASE 2022/23	BEST CASE 2023/24	MID CASE** 2023/24	WORST CASE 2023/24	BEST CASE 2024/25	MID CASE** 2024/25	WORST CASE 2024/25
				£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>EXPENDITURE</b>												
<b>Fixed and Ongoing</b>												
Pay Award, NI & Increments.	Pay inflation currently based on 2% increase in 2022/23 and beyond. Government have proposed a local government pay freeze in 2021/22 which has not been agreed however the provision in 2022/23 has been reduced to reflect a lower than anticipated pay award in 2022/23. Each half percent variation is likely to have a +/-£0.5m effect. Best case assumes a 1% pay increase. Worst Case = 2.5%.		HIGH	1,411	3,211	3,711	0,911	2,411	2,911	0,911	2,411	2,911
Pensions	The forecast period includes another actuarial evaluation in 2023/24 and therefore some provision has been made in the forecast for the outcome. A variation of +/- £0.5m has been included.		HIGH	0	0	0	1.5	2	2.5	0	0	0
Other Inflation (inc BSF)	Provision for other non pay inflation (eg contract) - potential for significant change if inflation continues to rise, especially where there are contractual commitments in relation to future inflation. Sensitivity assumes +/-£0.2m.		HIGH	0,515	0,715	0,915	0,515	0,715	0,915	0,515	0,715	0,915
Financing capital new starts programme	Provision to reflect the additional borrowing required to support capital new starts. Potential for change according to a number of variables (eg interest rate fluctuations, spend profiles etc) although the Council's advisers are predicting that there will be a generally low interest rate environment for the next 2-3 years. Sensitivity assumes +/-£0.100m change to reflect interest rate changes with no further borrowing planned.		MEDIUM	-0.03	0.07	0.17	0.47	0.57	0.67	0.47	0.57	0.67
DSG Management Plan	A provision has been set aside to support the work required on the DSG Deficit Recovery Plan. Sensitivity +/- £0.1m.		MEDIUM	0.5	1	1.1	0.4	0.5	0.6	0.4	0.5	0.6
<b>Investments &amp; Other Decisions</b>												
<b>Demography &amp; Demand</b>												
National Living Wage /Inflationary Increases	Provision to reflect the Governments recent national minimum living wage increase which has resulted in an increase cost to the council in terms of paying more for existing and new (care) contracts. A sensitivity of + £0.5M has been built into the current estimate for future years.		HIGH	0	2,832	3,332	1,332	1,832	2,332	1,332	1,832	2,332
Adult Social Care pressures	In addition to NLW pressures in ASC, a further provision has been included to reflect demographic and other associated costs. Sensitivity assumed at +/-10% change.		MEDIUM	0,545	0,605	0,666	0,545	0,605	0,666	0,545	0,605	0,666
Children Services Pressures	Provision to reflect recent pressures within Children's services due to increases in case numbers out of borough placement with a medium case based on an increase of 10 per annum. Best/Worst cases based on +/- 10 placements.		LOW	3.9	4.7	5.5	0.1	0.195	0.3	0.1	0.195	0.3
Home to School	Further provision has been made for the significant increase in children's accessing Linked to Children's social care and the continuing increase in young people with high educational needs (SEND) - client numbers (in line with revised SEND forecasts) included in 'medium case' current MTF5. Sensitivity based on +/- £0.1m.		LOW	0.6	0.7	0.8	0.1	0.2	0.3	0.1	0.2	0.3
Waste	Provision of £200k to provide additional waste collection rounds as a result of forecast housing growth already factored into MTF5. Sensitivity based on +/- £0.1m.		LOW	0.3	0.4	0.5	0.1	0.2	0.3	0.1	0.2	0.3
Supply Chain/Energy Prices/Demography	Further provision has been set aside for increasing commodity prices particularly within the energy and supply chain (food) market. This provision also includes a further amount set aside for increased demography. A sensitivity of +/- 0.2M has been considered		MEDIUM	1.1	1.3	1.5	0	0	0	0	0	0
Discharge to Access	Since March 2020, the NHS has funded (£1.3 billion) the cost of new or extended health and social care support packages for a limited time for people discharged from hospital. There is a requirement for local authorities to embed the D2A process going forward, which would result in additional burdens. Sensitivity assumed at +/- 10%		MEDIUM	0.72	0.8	0.8	0	0	0.8	0	0	0.8
Demographic Contingency	Release of demographic provision previously included in the forecast. Sensitivity at +/- 10%.		MEDIUM	0	-0,646	-0,712	-0,229	-0,208	-0,187	0	0	0
Youth Zone	Following approval by the Council to progress the development of a Youth Zone in Barnsley there is a requirement to set aside a provision for the ongoing running costs associated with the development		MEDIUM	0	0	0	0	0.7	1	0	0	0
<b>Policy Decisions</b>												
Town Centre Redevelopment	Provision to cover the costs of the town centre redevelopment and specifically the potential shortfalls in rental income as a result of the downturn in retail / leisure sectors especially post covid. Sensitivity assumed at +/- 10%.		HIGH	3.15	3.5		0.45	0.5	0.55	0	0	0
Adult Social Care (Norfolk Ruling)	Provision included in the forecast to reflect increased costs resulting from the court judgement that the charging Policy adopted by Norfolk County Council for non-domiciliary care unfairly discriminated against severely disabled people. Sensitivity assumed at +/- 10%.		HIGH	1.8	2	2.2	0	0	0	0	0	0
Greens Maintenance	Additional investment has been made to undertake improved grounds maintained across the borough. No risk is attached to this investment		LOW	0.2	0.24	0.24	0	0	0	0	0	0
Town Centre Clean UP	Further investment has been made to improve the aesthetics and customer experience within the town centre and principal towns. A sensitivity of +/-10% has been considered		LOW	0,500	0,565	0,622	0	0	0	0	0	0
Car Parking Income	Car parking income has yet to return to pre-covid levels. A number of interventions have been put in place including offering free car parking to encourage more people to visit the town centre at certain times. Patronage at other times remains low although it expected that this will improve as the remainder of the Glassworks Development opens. A sensitivity of +/- 20% has been considered		Medium	0,216	0,27	0,324	-0,27	0	0,1	-0,27	0	0,1
NHS Re-prioritisation	The government published (Feb 2021) a white paper setting out a raft of proposed reforms to health and care. It sets out plans that would give the NHS and its partners greater flexibility to deliver joined-up care to the increasing numbers of people who rely on multiple services including Integrated Care Systems (ICS) a duty to collaborate across the healthcare, public health and social care systems and creating a standalone legal basis for the Better Care Fund (BCF), separating it from the NHS Mandate setting process, which will no longer be on an annual basis.		LOW	0	0	0.8	0	0	0.8	0	0	0.8
Corporate Plan Priorities	The MTF5 will also need to be sufficiently flexible to incorporate emerging priorities as the Council's Corporate Plan is refreshed. This will reflect 2030 and Zero-40 priorities as well as priorities as a result of the COVID 19 pandemic. Again, the financial implications are unclear at this stage but the potential for additional costs are being flagged up at this stage.		LOW	0	0	0	0	0	0	0	0	0
Efficiency Savings (excludes Waste review)	Target efficiencies approved as part of 2021/22 budget setting. The 2022-24 efficiencies need to be confirmed by services as part of the 2022/23 budget setting process. Sensitivity assumed at 20% worst case change.		HIGH	-2,216	-2,216	-2,659	-4,42	-4,42	-3,536	0	0	0
<b>Total Change in Expenditure</b>				<b>13,219</b>	<b>20,046</b>	<b>19,808</b>	<b>1,504</b>	<b>5,800</b>	<b>11,021</b>	<b>4,203</b>	<b>7,228</b>	<b>10,694</b>
<b>RESOURCES</b>												
Council Tax increases (3.5% in 22/23 2% thereafter each year)	The current referendum limit is 2%, so increases above this level will trigger a referendum requirement which the Council is keen to avoid. Government have confirmed this will not change in the next three years although the council could choose not to increase by the full amount so a -1% sensitivity is considered		HIGH	-2.1	-2.1	-2.1	-3.3	-2.2	-1.1	-3.4	-2.3	-1.2
ASC Precept	The Government has allowed an ASC precept since 2017/18. A 3% precept was allowed over the 2 year period (2021-23). Barnsley implemented a 1.5% increase in 2021/22 and therefore have a further 1.5% headroom to potentially use in 2022/23. This has been assumed in 2022/23 although no formal decisions have been taken on this as yet. A further 1% is also allowed for the next 3 years so a best and worse case sensitivity of 1% is considered.		HIGH	-2.65	-1.65	-0.65	-1	0	0	-1	0	0
LCTS Claimants	The 2021/22 Budget included an increase in new LCTS claimants of 3000 as a result of COVID 19. This has been reduced to 2000 claimants to reflect an assumed economic recovery that experts are predicting after lockdown lifts. Sensitivity assumes +/- 500 claimants		MEDIUM	-1	-0.8	-0.6	0	0	0	0	0	0
Council Tax increased base	Provision for additional base income of 800 properties per annum. A further +/- 200 properties is assumed best / worst case in future years.		HIGH	-1.65	-1.3	-0.95	-1.65	-1.3	-0.95	-1.7	-1.35	-1
Business Rates (net 50% share)	A reduction in Business Rates of £1.5m was built into the Council's 2021/22 budget to reflect the impact of the pandemic / lockdown on local businesses. Growth has been assumed in future forecasts to reflect the predicted economic bounce back by economists. A neutral position has been assumed for the increase to 75% retention proposed by the Government for 2022/23. Sensitivity assumes +/- 10% change.		HIGH	-3,355	-3,05	-2,745	-1,925	-1,75	-1,575	-0,55	-0,5	-0,45
Business Rates multiplier	Business Rate inflationary increases are fixed by Government nationally. An assumption of 3% increase has been assumed for the Forecast with a sensitivity of +/- 0.5%.		LOW	-1,125	-0,75	-0,375	-0,375	-0,25	-0,125	-0,375	-0,25	-0,125
Business Rates Top up grant	In order to establish an initial neutral position the government will pay top up grant or impose tariffs to reflect an Authority's current position. Future forecasts are based on a 3% increase on an assumed inflation factor which might be change. Sensitivity is based on +/- 0.5%.		LOW	-0,875	-0,75	-0,625	0,45	-0,3	-0,15	0,45	-0,3	-0,15
Revenue Support Grant	No change has been assumed for the RSG levels for the Forecast period however this is subject to potential considerable change. The Government have announced further funding within the Comprehensive Spending Review although the finer details are yet to be determined. As such no sensitivity has been considered.		HIGH	0	-0,404	0	-0,65	0	0,65	-0,65	0	0,65
S31 grant - 2% NDRD capping limit	The government have paid s31 grant to compensate local authorities for imposing a cap on 2014/15 Business Rate increases. The grant reflects the difference between the cap and RPIx that local authorities are normally allowed to increase rates by. Unlikely that this will change although there is potential for the government to withdraw the grant in future years.		LOW	0	0	0	0	0	0	0	0	0
Social Care Grant	A new Social Care grant was first paid by the Government in 2020/21 at £7.8m and then rolled into the 2021/22 settlement at £10.1m (add £2.3m). This has now been assumed as ongoing in the Forecast at the 21/22 level but with no uplift. As Government have announced further funding for local government no sensitivity.		HIGH	-5,892	-5,892	0	0	0	0	0	0	0
Improved Better Care Fund	The government have paid the Improved Better Care fund grant to compensate local authorities for a number of Government policy changes that have impacted on business rate income including freezing the multiplier and extending 100% rate relief (previously 50%) to small businesses. The Government has not only funded the in year shortfall but has funded any ongoing real terms impact too. This compounded impact can be released into the forecast. No sensitivity has been assumed.		MEDIUM	-3,35	-3,35	0	0	0	0	0	0	0
<b>Total Change in Resources</b>				<b>-21,997</b>	<b>-20,046</b>	<b>-8,045</b>	<b>-8,45</b>	<b>-5,8</b>	<b>-3,25</b>	<b>-7,225</b>	<b>-4,7</b>	<b>-2,275</b>
<b>TOTAL</b>				<b>-8,778</b>	<b>0</b>	<b>11,763</b>	<b>-6,946</b>	<b>0</b>	<b>7,771</b>	<b>-3,023</b>	<b>2,528</b>	<b>8,419</b>
<b>TOTAL - ASSUMING PREVIOUS YEARS' DEFICITS NOT BRIDGED</b>				<b>-8,778</b>	<b>0</b>	<b>11,763</b>	<b>-14,186</b>	<b>0</b>	<b>19,534</b>	<b>-17,209</b>	<b>2,528</b>	<b>27,983</b>
<b>Key - Level of Risk</b>												
Risk unlikely to happen & action plans in place to reduce the chance of it happening												
Risk likely to happen & action plans in place to reduce the chance of it happening												
Risk likely to happen & no plans in place to reduce the chance of it happening												
<b>Impact</b>												
Budget changes upto £500k												
Budget changes > £500k and < £1m.												
Budget changes of £1m+												

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## BARNSLEY METROPOLITAN BOROUGH COUNCIL

### 2022/23 COUNCIL TAX OPTIONS

#### 1. Introduction

1.1 This report considers the calculation and options for setting Council Tax levels for 22/23.

#### 2. Basis of Council Tax Calculation

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

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

#### ***Step 1 – Determining the council tax base***

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

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

#### *Local Council Tax Support Scheme*

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

2.5 Following a public consultation in Autumn 2019, the Council approved a new scheme to be implemented from 1<sup>st</sup> April 2020. The current scheme uses 4 income bands applied to different household circumstances / composition:

Band	Single Income		Couple Income		Family 1 Child Income		Family 2+ Children Income	
	From	To	From	To	From	To	From	To
1	£0.00	£77.99	£0.00	£121.99	£0.00	£192.99	£0.00	£262.99
2	£78.00	£115.00	£122.00	£159.00	£193.00	£230.00	£263.00	£300.00
3	£115.01	£152.01	£159.01	£196.01	£230.01	£267.01	£300.01	£337.01
4	£152.02	£189.02	£196.02	£233.02	£267.02	£304.02	£337.02	£374.02

2.6 The economic impact of the pandemic has resulted in a significant increase in the number of households in Barnsley claiming LCTS. As the country exited from restrictions during 2021 it

was envisaged that the number of claims would begin to reduce with the tax base being adjusted accordingly. However, following the recent emergence of the Omicron COVID variant this position will now need to be kept under close review.

2.7 In addition, over the past 22 months of the pandemic, Government have provided additional funding to local authorities to support those claiming LCTS; this being the equivalent of a £125 flat rate reduction in council tax bills for those eligible claimants. The income considered in assessing eligibility for LCTS is attached at Appendix 1 – this being applied to the banding structure to determine the overall level of support to be awarded.

2.8 The Council has recently consulted on a change to the LCTS scheme; this being to maintain the previously awarded £125 discount [to be funded by the Council] together with further protection to eligible claimants from any subsequent increase in council tax which may be agreed for 22/23. The table below shows the impact of this proposal for claimants and the maximum % discount applicable by band.

CTAX Property Band	A (£)	B (£)	D (£)	A (£)	B (£)	D (£)	A (£)	B (£)	D (£)	A (£)	B (£)	D (£)
LCTS Band	<b>Band 1</b>			<b>Band 2</b>			<b>Band 3</b>			<b>Band 4</b>		
CTAX Bill after £125 and 22/23 increase	93.77	130.23	203.15	218.78	276.07	390.67	500.05	604.23	812.58	812.58	968.84	1281.36
% Discount	92.80%			83.10%			61.40%			37.25%		

#### *Technical Changes to Council Tax*

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

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

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

2.10 The 2022/23 Council Tax Base report approved in January 2022 (Cab.12.1.2022/7 refers) set a tax base of 66,584.65.

### **Step 2 - Review of performance in collecting council tax**

2.11 Cabinet receive regular updates in relation to Council Tax collection. The pandemic has clearly adversely impacted collection rates during the past 22 months, though the precise impact is difficult to determine within any accuracy, particularly because collection rates have been masked to some extent by temporary one-off Government support measures.

2.12 As at the end of Q2 [in 21/22], the collection rate had improved which was as expected as the Borough began to recover from the various restrictions imposed on the back of the pandemic. It remains to be seen what the impact of the emergence of the latest Omicron variant will be though it is considered that the estimated 95% collection rate is still achievable for 22/23. However, collection rates will continue to be closely monitored throughout 22/23 with updates reported to Cabinet as appropriate.

### **Step 3 – Potential Council Tax Yields 2022/23**

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

**Table 1 – Council Tax Options (2022/23)**

% Increase	0%	1.00%	1.5%	2.00%	2.50%	3.00%	3.50%	4.00%	4.50%
	£M								
Council Tax Income	<b>105.606</b>	<b>106.662</b>	<b>107.190</b>	<b>107.718</b>	<b>108.246</b>	<b>108.774</b>	<b>109.302</b>	<b>109.830</b>	<b>110.358</b>
Collection Fund Surplus	3.200	3.200	3.200	3.200	3.200	3.200	3.200	3.200	3.200
<b>Total Council Tax Income</b>	<b>108.806</b>	<b>109.862</b>	<b>110.390</b>	<b>110.918</b>	<b>111.446</b>	<b>111.974</b>	<b>112.502</b>	<b>113.030</b>	<b>113.558</b>

2.14 Each 1% increase in the Band D Council Tax generates additional income of approximately **£1.056M** per annum recurrently (0.5% = £0.528M).

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

**Table 2 – Indicative 2022/23 Council Tax Levels for BMBC Services**

% Increase	0.00%	1.00%	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%	4.50%
Band A-	881.13	889.94	894.35	898.75	903.16	907.56	911.97	916.38	920.78
Band A	1057.36	1,067.93	1,073.22	1,078.51	1,083.79	1,089.08	1,094.37	1,099.65	1,104.94
Band B	1,233.59	1,245.93	1,252.09	1,258.26	1,264.43	1,270.60	1,276.77	1,282.93	1,289.10
Band C	1,409.81	1,423.91	1,430.96	1,438.01	1,445.06	1,452.10	1,459.15	1,466.20	1,473.25

Band D	1,586.04	1,601.90	1,609.83	1,617.76	1,625.69	1,633.62	1,641.55	1,649.48	1,657.41
Band E	1,938.49	1,957.87	1,967.57	1,977.26	1,986.95	1,996.64	2,006.34	2,016.03	2,025.72
Band F	2,290.95	2,313.86	2,325.31	2,336.77	2,348.22	2,359.68	2,371.13	2,382.59	2,394.04
Band G	2,643.40	2,669.83	2,683.05	2,696.27	2,709.49	2,722.70	2,735.92	2,749.14	2,762.35
Band H	3,172.08	3,203.80	3,219.66	3,235.52	3,251.38	3,267.24	3,283.10	3,298.96	3,314.82

2.16 It should be noted that the final overall Council Tax increase for properties in the Borough will depend on the precepts levied by the Police and Fire Authorities. These are currently being finalised by the respective authorities. If the maximum allowable increases are made during 22/23 (assumed to be £10 for Police and 1.99% for Fire) this will equate to an additional 0.61% in the overall headline Council Tax increase.

#### ***Step 4 – Options for setting council tax in the context of national and local policy***

##### **Options for 22/23**

##### ***Council Tax Referendums and Council Tax Capping***

###### **General Services**

2.17 Schedule 5 of the Localism Act introduced a new chapter into the 1992 Local Government Finance Act, making provision for Council Tax referendums to be held if an authority increases its Council Tax by an amount exceeding principles determined by the Secretary of State and agreed by Parliament.

2.18 The Secretary of State for the Department of Levelling Up Housing and Communities [DLUHC] announced as part of the 2022 Local Government Finance Settlement, that the referendum principles would be set allowing for up to a 2% increase in Council Tax for general (core) services, before the requirement to hold a referendum. There remains the option to increase core Council Tax above 2% and thus hold a referendum. The cost of holding a referendum is estimated to be around £0.5M so any additional income received for increases above 2% would be needed to cover this cost.

##### ***Additional Flexibility for Adult Social Care Pressures***

2.19 Members will recall the further flexibilities Government made to local authorities around the Adult Social Care (ASC) precept. This flexibility was offered in recognition of the increasing demand and cost for ASC services and permitted authorities to introduce total increases of 6% over the period 2017-2021.

2.20 As part of the one-year settlement for 2021 and because of the impact of the pandemic, the Government announced flexibility for a further ASC precept of up to 3% which could be spread over the following 2 years. The Council took the decision to increase the ASC precept by 1.5% in 2021/22 retaining the remaining 1.5% flexibility for 22/23.

2.21 An additional 1% increase in the ASC precept [over and above the remaining 1.5% carried forward from 21/22] was announced in the 2022 local government finance settlement, giving overall potential flexibility to increase the ASC precept in 22/23 by 2.5%.

2.22 Table 3 below provides an analysis of the impact of an additional 3.50% increase (2% for ASC plus 1.5% for Core Service) on Council Tax bills across each charging band.

**Table 3 – Indicative 2022/23 Council Tax Levels at 3.5%**

		ADULT SOCIAL CARE PRECEPT		GENERAL INCREASE		CUMULATIVE INCREASE		2022/23 TOTAL	
% Increase	0.00%	2.00%		1.5%		3.50%			
BAND	Current Annual Charge	Annual Increase	Weekly Increase	Annual Increase	Weekly Increase	Annual Increase	Weekly Increase	Annual Cost	Weekly Cost
Band A-	<b>881.13</b>	17.62	0.34	13.22	0.25	30.84	0.59	911.97	17.54
Band A	<b>1,057.36</b>	21.15	0.41	15.86	0.31	37.01	0.71	1,094.37	21.05
Band B	<b>1,233.59</b>	24.67	0.47	18.50	0.36	43.18	0.83	1,276.77	24.55
Band C	<b>1,409.81</b>	28.20	0.54	21.15	0.41	49.34	0.95	1,459.15	28.06
Band D	<b>1,586.04</b>	31.72	0.61	23.79	0.46	55.51	1.07	1,641.55	31.57
Band E	<b>1,938.49</b>	38.77	0.75	29.08	0.56	67.85	1.30	2,006.34	38.58
Band F	<b>2,290.95</b>	45.82	0.88	34.36	0.66	80.18	1.54	2,371.13	45.60
Band G	<b>2,643.40</b>	52.87	1.02	39.65	0.76	92.52	1.78	2,735.92	52.61
Band H	<b>3,172.08</b>	63.44	1.22	47.58	0.92	111.02	2.14	3,283.10	63.14

### **Conclusion**

2.23 The pandemic and other emerging risks are placing significant financial strain on the Council. However, the pandemic and other inflationary issues are also impacting households across the Borough. In considering any council tax increase for 22/23 Members will need to give careful consideration as to whether to:

- Increase Council Tax over and above the referendum cap and hold a referendum;
- Increase Council Tax up to the existing 2% referendum cap for general (core) services (proposal to increase by 1.5%);
- Take the opportunity to increase the ASC precept by a further 1% to a total of 2.5% to fund Adult Social Care pressures (proposal to increase by 2%).

**Local Council Tax Support Eligibility Criteria**

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

**SECTION 3a**

Child Care Element	Disregarded	Fully Disregarded
Earned Income assessed by Universal Credit	Included	None
Unearned income assessed by Universal Credit	Included	None

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## RESERVES STRATEGY 2022 - 2025

### 1. Purpose of Report

- 1.1 The purpose of the report is to set out the Council's Reserves Strategy for the period of the MTFS [22/23 to 24/25].
- 1.2 The report provides i) the council's reserves strategy, ii) an updated reserves position, iii) a list of the existing commitments / investments to be funded from reserves and iv) the level of uncommitted reserves along with a recommended approach for investment.

### 2. Recommendations

- 2.1 **Note the updated reserves position shown in Table 1;**
- 2.2 **Note the existing commitments summarised in Table 2;**
- 2.3 **Note the totality of uncommitted resources of £44.3M [split £32.8M General Fund and £11.5M Housing];**
- 2.4 **Agree the use of £7.2M of General Fund resources to reduce the Council's ongoing debt requirement; and**
- 2.5 **Approve that the remaining £37.1M [GF £25.6M & Housing £11.5M] is made available for new investment in line with the Council's Capital Investment Strategy.**

### 3. Background

#### Reserves Strategy

- 3.1 The Council has a medium-term financial planning framework that incorporates a rolling 3-year forecast and reserves strategy.
- 3.2 One of the key components of the Reserves Strategy is to maximise balances / one off resources. This is achieved through a range of strategies / activities including:
  - establishing a rolling 5-year Asset Management Strategy that supports the national One Public Estate programme and seeks to maximise capital receipts through the sale of appropriate Council assets;
  - implementing other strategies (e.g., External Funding, Commercial, Digital Barnsley) to ensure the Council maximises and efficiently uses its available resources and in turn 'frees up' cash for one off investments: and
  - delivers year end underspends to bolster the Council's reserves position wherever possible.
- 3.3 The Council's strategy for using available one-off resources to deliver its objectives is outlined in the MTFS and detailed fully in the Capital Investment Strategy. It is based on the clear principle that the Council matches ongoing spending requirements with ongoing income. As such, reserves may only be used as a temporary bridging strategy

in very exceptional circumstances and although this has not been necessary for several years, the Covid pandemic and other external risks may necessitate the use of reserves to cover any costs not covered by core funding.

- 3.4 The Capital Investment Strategy sets out the framework for utilising the Council's available reserves which reflects the following criteria:
- Setting aside sums required by statute (e.g., Minimum Working Balance);
  - Investing in priority development / regeneration schemes focusing on, for example, inclusive growth.
  - Investing in 'one off' expenditure that delivers ongoing efficiencies / service improvement e.g., the Council's Be Even Better Strategy; and
  - Setting aside provisions to fund known, one off service pressures / commitments (e.g., Covid19, SEND).

#### Updated Reserves Position

- 3.5 The closure of the 20/21 accounts and the extension of the MTFs planning period to 2024/25 has resulted in an updated reserves and balances position for the Council as of 1 April 2021.
- 3.6 The Council has also extended the planning period to 24/25 releasing further resources that are expected to materialise in that timeframe. However, these are prudently assessed, and any 'release' is only made after ensuring that the Council's spending profiles remain within its 'banked' resources.
- 3.7 By extending the planning period to 24/25, a further **£5.0M** is available for future investment in line with the borrowing allocation included in the Council's MTFs. This is a relatively modest allocation that reflects the S151 Officer's overall approach to minimise and manage the risks attached to the Council's overall debt levels whilst still providing for necessary and prudent investment in the Borough.
- 3.8 Table 1 below summarises the Council's total balances as of 1 April 2021 along with an assumption of future resources. The position is in line with the Council's 20/21 Statement of Accounts (SOA). A full breakdown of projected future resources is provided at Appendix 1.

**Table 1: Total Available Resources 21/22-24/25 (as of 1 April 2021)**

	1 <sup>st</sup> April 2021 £M	Anticipated Future Resources £M	Total Balances £M
Reserves	195.304	149.409	344.713
Capital Receipts	13.583	2.811	16.394
<b>Sub Total - GF</b>	<b>208.887</b>	<b>152.220</b>	<b>361.107</b>
Housing	37.753	0.828	38.581
Berneslai Homes	5.541	-	5.541
<b>Sub Total - Housing</b>	<b>43.294</b>	<b>0.828</b>	<b>44.122</b>
<b>GRAND TOTAL</b>	<b>252.181</b>	<b>153.048</b>	<b>405.229</b>
	SOA	Appendix 1	

#### 4. Current Use of Reserves

- 4.1 As shown at Table 1, the total level of balances available to the Council through to 24/25 is £405.2M. However, previous Council decisions have already committed most of these balances. A summary of the allocated / unallocated resources is set out in Table 2 with further details provided at paragraphs 4.2 – 4.5.

**Table 2: Current Use of Available Resources 2021/22-2024/25 (as of 1 April 2021)**

	Earmarked Under Statute REVENUE £M	Earmarked - Invest to Save/ Future Commitments REVENUE £M	Earmarked - Future Capital Investments CAPITAL £M	Monies Banked COVID £M	Resources Set Aside to Complete Schemes CAPITAL £M	Available to Invest CAPITAL £M	Available Resources TOTAL £M
<b>Sub Total – GF</b>	25.267	88.069	166.679	33.065	15.227	32.800	<b>361.107</b>
<b>Sub Total – Housing</b>	7.000	2.934	22.741	-	-	11.447	<b>44.122</b>
<b>GRAND TOTAL</b>	<b>32.267</b>	<b>91.003</b>	<b>189.420</b>	<b>33.065</b>	<b>15.227</b>	<b>44.247</b>	<b>405.229</b>
Appendix		2a	2b			2c	

#### Resources Earmarked under Statute

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

**Table 3: Earmarked Resources under Statute (as of 1<sup>st</sup> April 2021)**

Investment	Amount £M	Description
<b>General Fund</b>		
Minimum Working Balance	20.0	MWB set aside as a contingency for unforeseen events.
School Balances	5.3	Balances held for maintained schools.
<b>Sub Total - GF</b>	<b>25.3</b>	
<b>Housing</b>		
Minimum Working Balance	7.0	MWB set aside as a contingency for unforeseen events.
<b>Sub Total - Housing</b>	<b>7.0</b>	
<b>TOTAL</b>	<b>32.3</b>	

#### Resources Earmarked for Invest to Save/ Future Commitments

- 4.3 Cabinet has previously approved reserves to be set aside to fund Invest to Save schemes or to provide for known commitments / pressures such as looming social care pressures, these tending to be revenue in nature. Table 4 highlights the most significant examples under this category with a full list provided at Appendix 2a.

**Table 4: Earmarked for Revenue Commitments/Investment (as of 1<sup>st</sup> April 2021)**

Investment	Amount £M	Description
Social care	16.0	Resources set aside to fund future priorities and pressures in social care.
Capital financing	14.9	Resources earmarked in accordance with the agreed Treasury Management Strategy (e.g., MRP/ BSF).
Budget mitigation / organisational re-design	6.9	Reserves set aside to fund costs (e.g., redundancy & pensions) associated with planning for 2030.
Insurance Fund	6.1	Resources earmarked to cover uninsured losses.

Investment	Amount £M	Description
Investments for specific corporate priorities	10.5	Key corporate priorities previously approved e.g., Commercial Fund, Be Even Better Strategy.
Directorate investment / commitments	33.7	Investments / commitments approved for individual Directorate priorities (see Appendices 2a and 3a).
<b>Sub Total - GF</b>	<b>88.1</b>	
Welfare reform	2.0	Resources set aside to manage the impact of rolling out the Government's welfare reforms and Universal Credit.
Electrical testing programme	0.4	Resources held for electrical testing in council housing stock.
Other	0.5	Various other investments.
<b>Sub Total - Housing</b>	<b>2.9</b>	
<b>TOTAL</b>	<b>91.0</b>	

#### Resources Earmarked for Capital Investments

- 4.4 Cabinet have previously approved capital investment funded from reserves. Such investments include the Glassworks with other notable schemes set out in Table 5 and a full list provided at Appendix 2b.

**Table 5: Earmarked for Capital Commitments/Investment (as of 1<sup>st</sup> April 2021)**

Investment	Amount £M	Description
Glassworks	54.6	This amount reflects the <u>remaining</u> reserves set aside to fund completion of the development.
The Seam	19.0	Resources set aside to develop the 'Seam'.
Transforming Cities Fund	22.8	Grant relating to a range of Transforming Cities schemes.
Emergency Active Travel	1.1	Grant relating to several 'Active Travel' schemes.
Towns Fund - Goldthorpe	23.2	Grant relating to the Towns Fund deal at Goldthorpe.
Property Investment Fund	4.1	Remaining resources to complete PIF 2 and commence PIF3.
Principal Towns	3.3	Remaining resources set aside to complete the Principal Towns Programme.
Youth Zone	3.0	Council contribution towards the construction of a Youth Zone
Street lighting LED	2.0	Resources set aside to complete the replacement of Group A and the remaining Group B street lighting lanterns.
Digital First and other IT investment	3.3	Investment to ensure the efficient rollout of the Digital Barnsley Strategy.
Other	30.3	Various other capital priorities (see Appendix 2b).
<b>Sub Total - GF</b>	<b>166.7</b>	
Development at St Michaels Avenue	5.7	The scheme seeks to build 37 new housing properties of which 18 will be affordable.
Strategic acquisitions	2.8	Resources held for acquisition of properties in the Borough
Development at Billingley View	2.5	Social housing development at Billingley View, Bolton on Dearne
Development at Laithes Lane	1.4	Social housing development at Laithes Lane, Athersley
Other housing priorities	10.3	Various Housing development schemes including the Council's new build programme (See Appendix 2b).
<b>Sub Total Housing</b>	<b>22.7</b>	
<b>TOTAL</b>	<b>189.4</b>	

Capital Contingency / Resources Set Aside to Complete Existing Schemes

- 4.5 In light of the UK's exit from the EU, the Council set aside a reserve to deal with any additional costs required to complete schemes already in delivery. It is considered prudent to maintain the remaining balance (**£15.2M**) in view of recent supply chain issues and the upward pressure seen across many of the Council's recent construction projects.

**5. Future Use of Available Resources**General Fund

- 5.1 As part of the 21/22 budget setting process, the Council reported uncommitted resources of **£18.7M**. That budget approved the release of **£3.6M** of resources for priority investment, leaving **£15.1M** uncommitted at that time.
- 5.2 As outlined in paragraph 3.7, a further **£5M** of borrowing is available for prudent investment from 23/24. In addition, resources totalling **£12.7M** have been identified through the Council's Medium Term Financial Strategy which the S151 Officer has agreed to release for investment during the period. Combined, this provides **£32.8M** in unallocated resources over the period to 24/25.
- 5.3 Furthermore, the S151 Officer is proposing to utilise **£7.2M** to reduce the Council's overall borrowing requirement over the medium term. This leaves **£25.6M available** for new investment / strategic capital priorities over the planning period.
- 5.4 The Council already has a framework in place for prioritising available capital resources which is set out in the Council's Capital Investment Strategy. The prioritisation process, including establishing pipeline schemes, is initially managed through the Council's Capital Oversight Board with proposals subsequently submitted to SMT and Cabinet for approval.

Housing

- 5.5 During 21/22 several urgent compliance related housing priorities have emerged which has necessitated a fundamental review of all housing resources and current investment commitments.
- 5.6 This review [Table 6 refers] has released **£10.9M** of resources for investment.
- 5.7 In addition, capital receipts totalling **£0.5M** are expected to be received in 21/22 bringing the total amount available for investment in housing priorities to **£11.4M**.

**Table 6: Housing Capital Scheme Review**

<b>Current Investment / Commitments</b>	<b>Value £M</b>	<b>Rationale</b>
Resources previously held pending review of business plan	3.0	The S151 Officer has prudently agreed to release these resources following the review of the Council's 30-year business plan.
New build bungalows	0.4	Resources remaining following completion of the new build bungalow schemes.
HRA surveyor	0.1	Role no longer required.
Increase equipment & adaptations budget	1.0	Work managed in existing budget.
King Street	2.3	Build scheme deprioritised – complexities over allotment land adjacent and other site constraints prevented it being delivered timely and other schemes took priority. The site may come forward later.
Goldthorpe Hotel redevelopment	0.6	Renovation of this site is being progressed by the property owner.
Overdale	0.6	The costs of acquiring and building out this site do not present VFM due to acquisition costs, access requirements and unit numbers.
Laithe Lane	0.4	The resources held over and above the required level for the Laithe Lane development.
Existing acquisitions - uncommitted	1.3	De-prioritised to allow for the acceleration of key regen schemes in Goldthorpe which have secured time limited match.
Energy efficiency: air source heat pumps	1.1	These resources are deprioritised to allow the Council to focus its resources on the Social Housing Decarbonisation Fund bid.
Other minor schemes	0.1	Other residual resources relating to several completed schemes.
<b>GRAND TOTAL</b>	<b>10.9</b>	

5.8 The availability of all Council funding is summarised in Table 7.

**Table 7: Resources Available**

	<b>Current Resources £M</b>	<b>Future Resources Available £M</b>	<b>Total Resources Available £M</b>	<b>Committed £M</b>	<b>Available Resources £M</b>
<b><i>Sub Total – GF</i></b>	208.887	152.220	361.107	(328.307)	<b>32.800</b>
<b><i>Sub Total – Housing</i></b>	43.294	0.828	44.122	(32.675)	<b>11.447</b>
<b>GRAND TOTAL</b>	<b>252.181</b>	<b>153.048</b>	<b>405.229</b>	<b>(360.982)</b>	<b>44.247</b>

**TREASURY MANAGEMENT STRATEGY AND POLICY STATEMENT  
2022/23**

## INDEX

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# 1 EXECUTIVE SUMMARY

## BACKGROUND

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

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

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

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

1.3 CIPFA are currently consulting on revising the Treasury Management and Prudential Codes with the revised codes due to be published in December 2021. A 'soft launch' is planned for 2022/23 and a full implementation of the codes is expected to be adopted by local authorities from 2023/24.

1.4 It should also be noted that the DLUHC is proposing to tighten up regulations around local authorities financing capital expenditure on investments in commercial projects for yield and has already closed access to all PWLB borrowing if such schemes are included in an authority's capital programme. The new CIPFA codes are also likely to adopt a similar set of restrictions to discourage further capital expenditure on commercial investments primarily for yield. It is unlikely that there will be any implications for the Council in relation to this.

1.5 In addition, the DLUHC are planning to provide further clarity in relation to the Minimum Revenue Provision regulations and guidance so that all local

authorities understand the need and value in ensuring revenue is set aside annually in respect of their Capital Financing Requirement.

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

### OBJECTIVES

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

### THE COUNCIL'S BORROWING STRATEGY

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

### THE ANNUAL INVESTMENT STRATEGY

- 1.9 In order to safely manage the Council's temporary surplus cash, the proposed strategy is to:
- **Invest only in secure products and counterparties** in order to minimise the risk of loss (proposed limits in section 4);
  - **Maintain an appropriate balance of liquid funds** to ensure that sufficient cash is available when needed, and
  - **Within this context, seek to optimise performance** in terms of yield.

## 2 CAPITAL EXPENDITURE PLANS

2.1 The Council's capital expenditure plans are a key driver of its treasury management activities. This section covers a range of prudential indicators designed both to inform members of future activity and to assess whether those plans are prudent, affordable and sustainable over the longer term and reflect the framework as set out in CIPFA's Prudential Code. The full suite of indicators can be found in Appendix C.

### Estimates of Capital Expenditure

2.2 This indicator summarises the capital expenditure plans set out in the Council's Capital Investment Strategy. These plans are funded from a variety of sources including £76M from borrowing or finance lease (see Appendix C for further details):

Table 1 - Estimates of Capital Expenditure

	2021/22 (£M)	2022/23 (£M)	2023/24 (£M)	2024/25 (£M)	Total (£M)
Indicative Capital Programme	169.807	122.706	64.725	14.542	<b>371.780</b>
Funded from Borrowing / Finance Lease	34.139	1.383	31.080	8.988	<b>75.590</b>
Funded from Other Resources	135.668	121.323	33.645	5.554	<b>296.190</b>

\* Includes new 2022 – 2025 investment subject to approval

### Estimates of Capital Financing Requirement (CFR)

2.3 This indicator sets out the Council's CFR, which reflects the capital expenditure (both historic and planned) being funded from borrowing or other long-term liabilities. This includes the £76M identified in paragraph 2.2:

Table 2 - Estimates of Capital Financing Requirement

	2021/22 (£M)	2022/23 (£M)	2023/24 (£M)	2024/25 (£M)
Borrowing (Existing)	823.830	819.101	814.183	809.068
Other Long-Term Liabilities (Existing)	231.531	228.811	225.909	223.407
Planned Capital Investment (Cumulative)	34.139	35.522	66.602	75.590
<b>Total</b>	<b>1,089.500</b>	<b>1,083.434</b>	<b>1,106.694</b>	<b>1,108.065</b>

2.4 New expenditure aside, the CFR will reduce over time via a statutory annual charge to the revenue account, known as the Minimum Revenue Provision (MRP). The Council's MRP policy is included in Appendix B.

### Gross Borrowing and the Capital Financing Requirement

2.5 This indicator compares the Council's expected borrowing position to its underlying borrowing need (**referred to as the Borrowing CFR**), to identify the extent to which the Council is under or over-borrowed. This excludes other long-term liabilities since each arrangement contains its own borrowing facility, therefore the Council is not required to borrow separately.

- 2.6 As outlined below, the Council is expected to be significantly under-borrowed at the end of 2021/22. This position is supported by the Council's usable reserves, which largely represent the resources set aside for investment in future years. By utilising the cash supporting these resources temporarily, the Council has the option to defer long-term borrowing until the related spending commitments occur (**also referred to as internal borrowing**).
- 2.7 Whilst this is a cost-effective position which can help to reduce investment counterparty risk, it is one that needs to be actively monitored and managed considering the Council's planned capital investment, particularly in the current economic climate (see section 3 for further details).

Table 3 - Gross Borrowing and the Capital Financing Requirement

	2021/22 (£M)	2022/23 (£M)	2023/24 (£M)	2024/25 (£M)
Borrowing CFR	857.969	854.623	880.785	884.658
Gross Borrowing	(684.245)	(651.508)	(633.074)	(620.983)
<b>Under-Borrowed Position</b>	<b>173.724</b>	<b>203.115</b>	<b>247.711</b>	<b>263.675</b>
Support from Usable Reserves	(117.563)	(71.096)	(56.541)	(56.273)
<b>External Borrowing Requirement</b>	<b>56.161</b>	<b>132.019</b>	<b>191.170</b>	<b>207.402</b>

- 2.8 As illustrated by the chart below, the external borrowing requirement (represented by the blue arrows) is the cumulative amount required over the period:

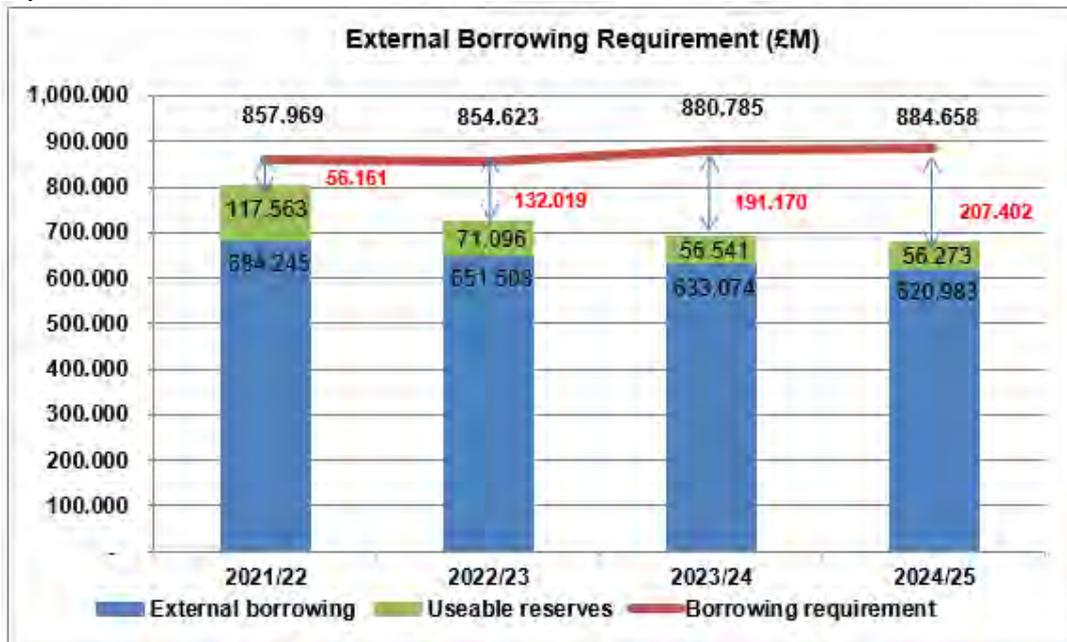


Table 4 - External Borrowing Requirement (2021/22 - 2024/25)

	£M
Planned capital investment (funded from borrowing)	75.590
Maturing loans / reduced support from usable reserves	151.121
Amounts set aside to repay debt	(19.309)
<b>Total</b>	<b>207.402</b>

### 3 BORROWING STRATEGY

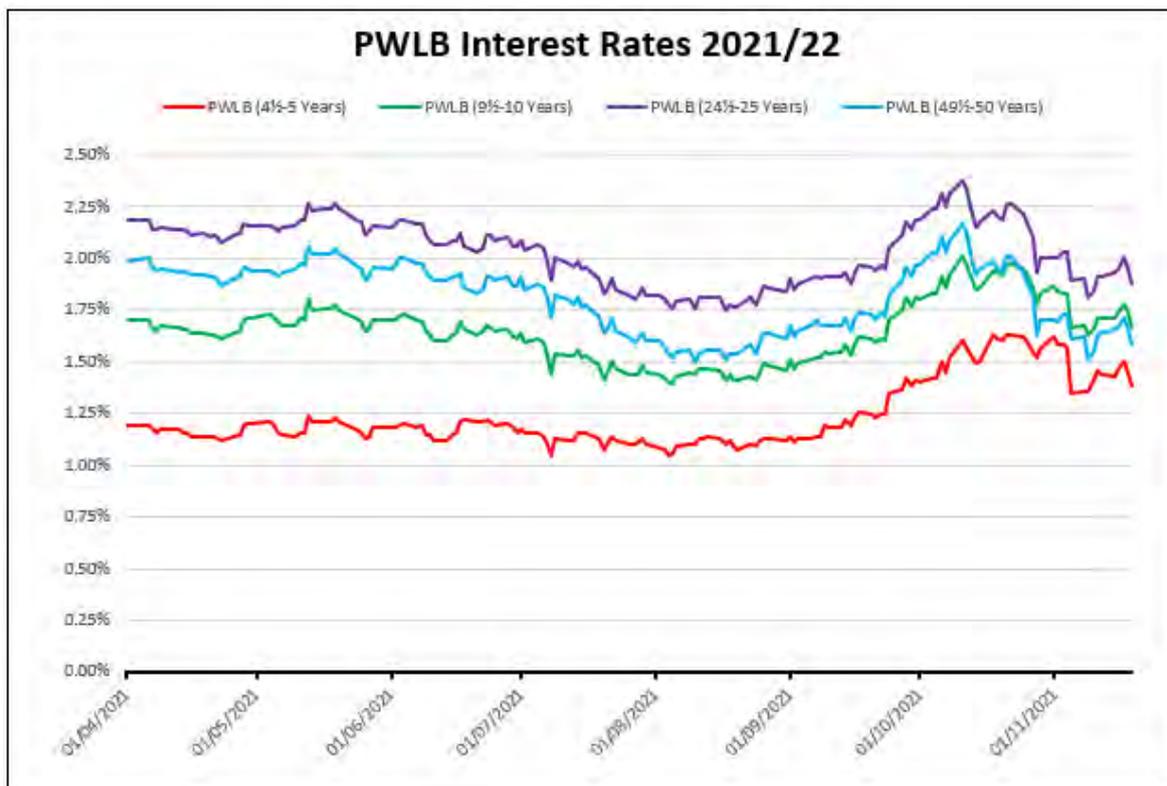
3.1 The Council's general policy objective is to ensure its level of debt is prudent, affordable and sustainable over the longer term (i.e. **keeping financing costs to a minimum** whilst **addressing the key associated risks**):

- Interest Rate Risk
- Refinancing Risk

#### Interest Rate Risk

3.2 This is the risk of an adverse movement in interest rates which leads to a rise in borrowing costs or lost opportunity costs. The Council measures this risk against its temporary and variable rate borrowing and any requirement which has yet to be financed (i.e. its under-borrowed position).

3.3 Interest rates are a key driver of the Council's treasury management activities and as such are monitored by officers on a regular basis. As shown below, PWLB borrowing rates have shown a slight upward trend throughout the third quarter, and the latest forecasts are predicting a steady rise in rates to 2024/25 (see 3.4 below).

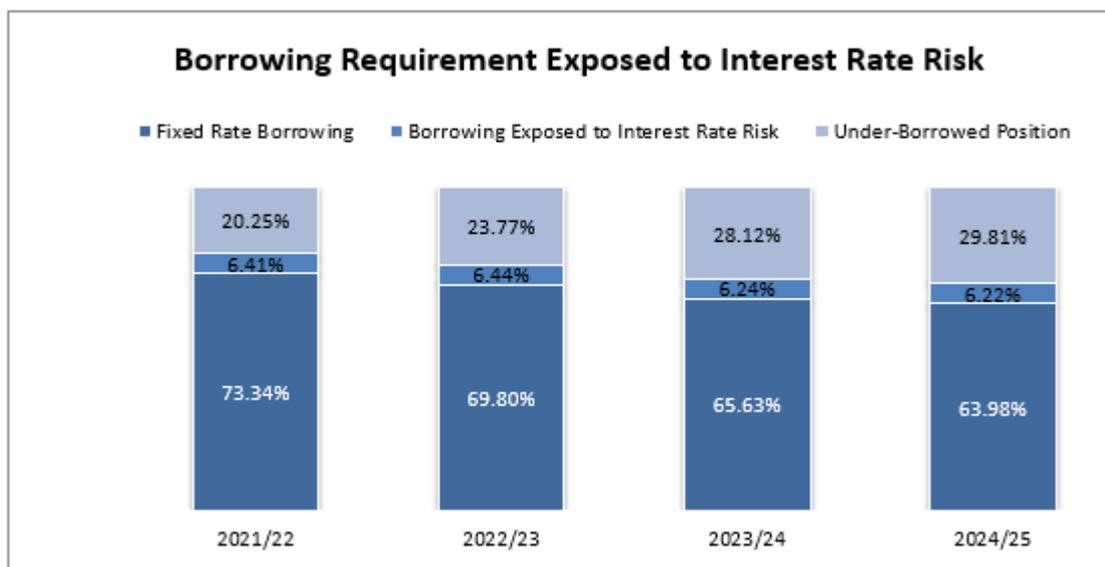


3.4 The coronavirus outbreak has done huge economic damage to the UK and to economies around the world. In December 2021, the Bank of England became the first major western central bank to raise interest rates (from 0.10% to 0.25%) as recovery progresses from the Covid-19 recession of 2020. As shown in the table below, the latest forecasts include an increase in the Bank Interest Rate from 0.25% to 0.50% in 2022, with a gradual rise to 1.25% by 2025:

Table 5 - Latest Interest Rate Projections (provided by Link Asset Services as at 20 Dec 21)

	Latest	Mar-22	Sep-22	Mar-23	Mar-24	Mar-25
<b>UK Base Rate</b>	0.25%	0.25%	0.50%	0.75%	1.00%	1.25%
<b>PWLB Certainty (50 Years)</b>	1.47%	1.70%	1.90%	2.00%	2.10%	2.30%

3.5 As shown below, it is anticipated that 27% of the Council’s borrowing requirement will be exposed to interest rate risk at the end of 2021/22. This could rise to 36% by the end of 2024/25, should no further fixed rate borrowing be undertaken:



3.6 In the interest of long-term budget certainty, the proposed strategy is to maintain the proportion of fixed rate borrowing at 70% in 2022/23 and 75% in 2023/24 and 2024/25 (see table 6 below). This proportion of fixed rate borrowing will create cost certainty for the Council in terms of the Medium-Term Financial Strategy, whilst also allowing flexibility to use the under borrowed position to minimise costs. The percentage borrowing targets will be kept under review and may be updated should the interest rate environment change due to volatility within the economy or the profile of capital expenditure spend changes.

3.7 In order to achieve the interest exposure targets, it is anticipated that the Council will need around £98M of fixed rate borrowing over the period to 2024/25. The remainder could be funded through temporary borrowing or internal cash resources:

Table 6 – External Borrowing Requirement

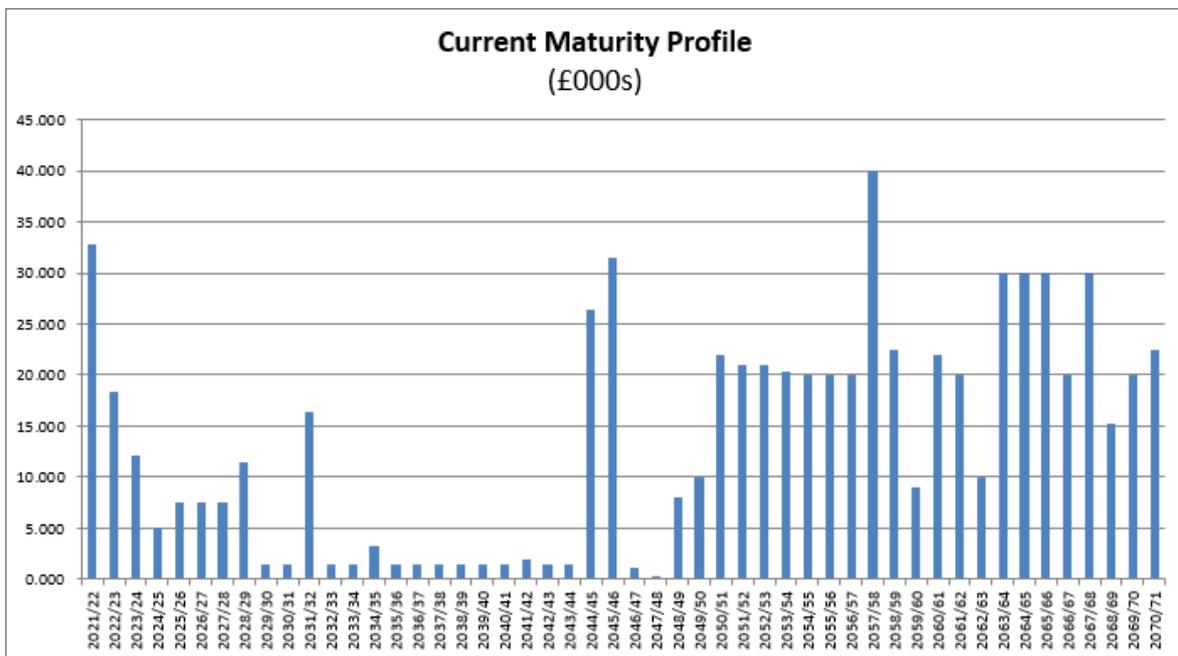
<b>External Borrowing Requirement</b>	<b>2021/22</b> (£M)	<b>2022/23</b> (£M)	<b>2023/24</b> (£M)	<b>2024/25</b> (£M)
Fixed Rate Borrowing Requirement	-	-	82.516	97.512
Temporary Borrowing Requirement	56.161	132.019	108.654	109.890
<b>Total Borrowing Requirement (Cumulative)</b>	<b>56.161</b>	<b>132.019</b>	<b>191.170</b>	<b>207.402</b>
<b>Interest Rate Risk Exposure</b>				
Limit on Variable Rate Borrowing/Unfinanced CFR	35%	30%	25%	25%
Fixed Rate Borrowing Target	65%	70%	75%	75%

3.8 Officers will address the Council's fixed rate borrowing requirement through a combination of the following:

- **Deferred loans** - the Council may be able to access long-term, fixed rate funding from financial institutions such as banks, insurance companies and pension funds on a deferred drawdown basis. Whilst they may no longer be cheaper than the PWLB, deferred loans help to protect the Council from interest rate risk without the additional cost of carry and credit risk. As such this is one of the preferred options for the Council at present. The Council has secured £40M to date and is continuing to work with its advisors in order to identify any further potential lenders.
- **The Municipal Bonds Agency (MBA)** - the MBA was established in 2014 with the intention of providing an alternative source of funding to the PWLB. The MBA has recently made two bond issues for Lancashire CC and are aiming to launch a pooled bond issue in the coming months. Barnsley has been a leading authority in promoting the MBA and has already committed to the next bond issue subject to 'due diligence' tests. Officers are monitoring the situation and any updates on the MBA bond launch will be reported.
- **PWLB borrowing** - the Council has access to long-term PWLB funding at the 'Certainty Rate' (providing loans at 0.2% below the usual rate). Officers will continue to monitor PWLB rates and assess opportunities for securing long-term funding at attractive rates. Such borrowing would be carried out in small tranches to minimise the cost of carry and mitigate credit risk. It would also be considered in light of the alternative options available (e.g. deferred loans).
- **Local authority loans** - the Council may be able to borrow from other local authorities for periods of up to 5 years, which would provide additional budget certainty over the term whilst providing a saving against current long-term PWLB rates. This would be carried out in small tranches to minimise the cost of carry and mitigate credit risk.
- **Other market loans** - as with deferred loans the Council may be able to access long-term, fixed rate funding from financial institutions on a spot basis (i.e. immediate drawdown). However, this is now likely to be more expensive than the PWLB, therefore is not one of the preferred options at present.

## Refinancing Risk

- 3.9 This is risk of refinancing debt on unfavourable terms, due to either a lack of availability of replacement financing or an increase in interest rates. The Council measures this risk against the maturity profile on long and short-term borrowing.
- 3.10 To protect the Council from refinancing risk, officers will operate within the maturity limits set out in Appendix C, which typically\* allow for up to £70M of maturing loans (on average) in any given year - £50M General Fund and £20M HRA. As shown overleaf the Council has a balanced maturity profile which is currently well within this limit:



\* With an additional allowance for temporary borrowing

- 3.11 Included in the chart above are the Council's LOBO loans, which are subject to rate reviews every 6 months. Should the lender choose to increase the rate on these loans, the Council has the option to repay without penalty, however this would mean having to borrow an additional £55M to replace the principal repaid.
- 3.12 Whilst this option is unlikely to be triggered in the current situation, the borrowing requirement could be addressed through short term loans from other local authorities (along with the temporary borrowing requirement identified in table 6).
- 3.13 The recommendation is to borrow in small tranches to spread refinancing risk and to allow officers to invest the cash safely whilst it becomes required to meet the Council's spending commitments.

## 4 ANNUAL INVESTMENT STRATEGY

### CONTEXT

4.1 The Council's general policy objective is to invest its surplus funds prudently, which involves managing a variety of risks as outlined later in this section. The Authority's investment priorities (in order) are as follows:

- the **security of capital**;
- the **liquidity of investments**, and
- **optimum yield commensurate with the above**

The Department of Levelling Up, Housing and Communities (DLUHC) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report).

4.2 The borrowing of monies purely to invest or on-lend and make a return is considered unlawful. As such the Council will not engage in such activity and as per table 3 (paragraph 2.7) will keep external borrowing beneath the CFR.

### STRATEGY

4.3 As outlined in the previous section, the Council is proposing to undertake around £98M of fixed rate borrowing over the next three years, which may result in a temporary increase in cash balances. Within this context, the Council's investment strategy will be to: -

- **Invest any temporary surplus cash in secure products and counterparties** in order to minimise the risk of loss;
- **Maintain an appropriate balance of liquid funds** to ensure that sufficient cash is available when needed, and
- **Within this context, seek to optimise performance** in terms of yield.

### **Credit and Counterparty Risk (Security)**

4.4 This is the risk of a third party being unable to meet its contractual obligations to the Council, which put simply is the risk of default on any principal or interest payable. This would clearly have a detrimental impact on the Council's resources.

4.5 In order to mitigate this risk, the Council maintains a list of approved counterparties and investment limits based on the creditworthiness service provided by Link Asset Services (further details are available on request). This approach combines the credit ratings assigned by the three main rating agencies (Fitch, Moody's and Standard and Poor's) with a range of market factors to provide a suggested duration for investments, including:

- Credit ‘watches’ and ‘outlooks’ from the main rating agencies;
- Credit Default Swap (CDS) spreads to give early warning of likely changes in credit ratings, and
- Sovereign ratings to select counterparties from only the most creditworthy countries.

4.6 Members are asked to approve the investment counterparties and limits below:

<b>Institution</b>	<b>Minimum Long-Term Rating (Fitch or Equivalent)</b>	<b>Maximum Amount</b>	<b>Maximum Duration</b>
UK Government	AA-	Unlimited	5 Years
Barclays Bank PLC (The Council’s own bank)	A	£20M	Overnight*
Banks	A+	£20M (£20M per group)	1 Year
	A	£10M (£20M per group)	6 Months
	A-	£10M (£20M per group)	100 Days
Building Societies	A	£10M	6 Months
	A-	£10M	100 Days
Local Authorities	AA- <sup>**</sup>	£20M	2 Years
Money Market Funds (including VNAV)	AAA	£20M per fund	Overnight <sup>***</sup>

*\*For liquidity purposes cash is placed with the Council’s own bank (Barclays Bank PLC) on an overnight basis only.*

*\*\* Not all Local Authorities are separately rated, but they are deemed to be in line with the UK Government reflecting the likelihood of intervention in the event of severe financial difficulty.*

*\*\*\* Money Market Funds may be invested for longer periods than overnight, however funds can be withdrawn daily if required.*

4.7 It should be noted that local authority creditworthiness is an ongoing issue, particularly in light of the Covid-19 crisis. Whilst there are no issues foreseen from a credit perspective (there are regulations in place to avoid local authorities going bankrupt), officers recognise the reputational risk associated with such investments and will take this into consideration when deciding where to invest the Council’s surplus cash. Local authorities with a Section 114 Notice are not deemed to be a safe investment by the Council and are avoided.

4.8 In addition to the use of credit ratings, the Council will be advised of information in movements in CDS and other market data on a weekly basis, which will be used to inform the amount and duration of new investments. If a downgrade results in the counterparty / investment scheme no longer meeting the Council’s minimum criteria (e.g. a credit rating below A-), it will be withdrawn from the approved list immediately and any outstanding investments not re-invested at maturity.

4.9 Members are also asked to approve the limits below which consider the Council’s total exposure to loans, non-specified investments and foreign

countries. These limits are designed to protect the Council from undue credit / counterparty risk and are additional to those set out in paragraph 4.6:

<b>Type</b>	<b>Maximum Amount</b>	<b>Comments</b>
Total loans or investments with unrated entities / entities rated below A-	£20M	This limits the overall amount that can be invested with entities without credit ratings or those with credit ratings below A- and covers any loans awarded to / shares held in local businesses.
Total long-term investments	£20M	This limits the overall amount that can be invested for longer than 12 months and covers any investments with the UK Government or other local authorities.
Total non-specified investments	£40M	The total of the two limits above.
Total investments with institutions domiciled in foreign countries	£50M	This limits the overall amount that can be invested with institutions from outside the UK and is subject to a minimum sovereign credit rating of AA- (equivalent to the UK).

4.10 The process for approving such investments is detailed in Treasury Management Practice Document 5: Organisation, Clarity and Segregation of Responsibilities and Dealing Arrangements, which requires prior authorisation from the Head of Financial Services and Deputy S151 Officer.

#### **Price Risk (Security)**

4.11 This is the risk of a reduction in value of funds invested, due to an adverse change in market conditions. In order to mitigate this risk, the Council will continue to monitor the performance of its Money Market Funds throughout the financial year.

4.12 Linked to this, the DLUHC changed accounting standards for 2022/23 under IFRS 9, and the council will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund.

4.13 Due to the low-risk strategy that the Council has adopted, the risk of credit loss in relation to its treasury investments is deemed low/immaterial, however to date changes have meant a reduction in fair value of equity investments of £0.3M (no impact on the general fund) and a loss allowance in relation to historic third-party loans of £1.4M. Officers will continue to review this on a regular basis and ensure that sufficient consideration is given to credit risk for any new loans agreed going forwards.

#### **Legal and Regulatory Risk (Security)**

4.14 This is the risk that the Council or an organisation which it is undertaking treasury management activities with, fails to act in accordance with its legal

powers or regulatory requirements, causing reputational damage and / or resulting in financial loss.

- 4.15 In order to mitigate this risk, the Council adopts the recommendations of the statutory guidance and receives professional advice from its Treasury Management advisers (Link Asset Services). Officers attend and / or receive regular training updates to keep up with the latest developments and regulatory changes.

### **Liquidity Risk**

- 4.16 This is the risk that cash is not available when needed to meet the Council's spending commitments, causing reputational damage, compromise service objectives and / or leading to additional unbudgeted costs.
- 4.17 In line with the DLUHC investment advice on the liquidity of investments, the Council will aim to maintain an appropriate balance of liquid funds (i.e. the Barclays Flexible Interest-Bearing Current Account and Money Market Funds).
- 4.18 In a period of prolonged low interest rates, accepted practice would be to lengthen the investment period to lock into higher rates. However, the uncertainty and volatility in the financial markets has heightened credit risk. As a consequence, the Council will keep the investment maturity relatively short, which is reflected in the maturity periods specified in paragraph 4.6. Longer term investment yields also do not represent good value for money against the risks taken.

### **Yield**

- 4.19 The pursuit of optimum returns is a secondary priority to security and liquidity. This is particularly important in a period of significant political and economic uncertainty. As a result of continuing stress within the market, opportunities for investment are limited and returns are expected to remain subdued. The Bank Rate is forecast to rise to around 0.75% by the end of 2022/23 (see Table 5 – Latest Interest Rate Projections) and investment yields are therefore likely to increase as a result.

### **Diversification**

- 4.20 Although the Council currently has a good spread of investment instruments, officers will continue to evaluate alternative investment options that meet the principles of security, liquidity and yield. Consideration will be given to alternative investment instruments and whether they are suitable for the investment portfolio. Proposals for new investment instruments will be taken to the Treasury Management Panel for discussion and advice will be sought from Link prior to making any investment decisions.

- 4.21 In addition to the core investment principles of security, liquidity and yield the Council will also seek to diversify investments to avoid concentration in specific banks, types of instrument, sovereign state etc. Consideration will also be given to the overall concentration of investments within each sector.
- 4.22 In order to diversify a portfolio largely invested in cash, investments will be placed with approved counterparties over a range of maturity periods. Maximum investment levels are set to ensure prudent diversification is achieved and these, together with minimum ratings and cash limits, are shown in table 6.

### **Berneslai Homes**

- 4.23 The funds of Berneslai Homes continue to be ring fenced in a segregated Barclays account, with clear separation from Council funds. Officers of the Council are responsible for the management of Berneslai Homes' cash balances and the account is run in accordance with Treasury Management best practice and the effective management of risk.

**TREASURY MANAGEMENT POLICY STATEMENT 2022/23****1 Introduction & Background**

- 1.1 The Treasury Management Code of Practice requires local authorities to produce a Treasury Management Policy and Strategy Statement on an annual basis.
- 1.2 The Council adopted the original CIPFA Code of Practice on 13<sup>th</sup> February 2002, and this resolution is carried through to the revised codes. Therefore, the Treasury Policy Statement for 2022/23 has been prepared in compliance with the latest Code. CIPFA is currently consulting on revising the Treasury Management and Prudential Codes with the revised codes due to be published in December 2021. A 'soft launch' is planned for 2022/23 and a full implementation of the codes is expected to be adopted by local authorities from 2023/24. Updates to the Strategy in line with the revision will be made accordingly.
- 1.3 The Council will create and maintain the following key documents in accordance with the revised Code of Practice and other relevant guidance:
  - The Treasury Management Policy Statement, outlining the key objectives of its Treasury Management activities;
  - The Treasury Management Strategy Statement including the Annual Investment Strategy setting out the specific expected Treasury Management activities for the forthcoming financial year;
  - Treasury Management Practices (TMPs) setting out the manner in which the Council will seek to achieve its objectives, and prescribing how it will manage and control those activities;
  - Prudential and Treasury Indicators as prescribed within the Prudential and Treasury Management Codes, and
  - The Capital Investment Strategy which sets the framework for all aspects of the Council's capital and investment expenditure including prioritisation, governance, planning, outcomes, management, funding and monitoring.
- 1.4 The Council will receive reports on its Treasury Management activities, including as a minimum, an annual strategy for the forthcoming year, an annual report after year end and interim quarterly reports.
- 1.5 The Council delegates responsibility for the implementation and monitoring of its Treasury Management policies and practices and for the execution and administration of Treasury Management decisions to the Section 151 Officer, who will act in accordance with the Council's Policy Statement and the CIPFA Treasury Management Code.
- 1.6 The Council nominates the Treasury Management Panel and the Audit Committee as being responsible for ensuring the effective scrutiny of the Treasury Management Strategy and Policies.
- 1.7 The Treasury Management Panel will meet on a quarterly basis (or as required) to monitor and review the Councils implementation of the Treasury

Management Strategy and Policy. The Audit Committee will receive reports through which it will gain assurance regarding the effective implementation of the Strategy and Policy.

## **2. Policies and Objectives of Treasury Management Activities**

2.1 The Council defines its Treasury Management activities as:

*“the management of the organisation’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”*

2.2 Approved activities of the Treasury Management operation cover:

- Borrowing;
- Lending;
- Debt repayment and rescheduling;
- Consideration, approval and use of new financial instruments and treasury management techniques;
- Managing cash flow;
- Banking activities;
- Leasing, and
- Managing the risk associated with the Council’s Treasury Management activities.

2.3 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its Treasury Management activities will be measured. Accordingly, the analysis and reporting of Treasury Management activities will include their risk implications for the organisation.

2.4 This Council acknowledges that effective Treasury Management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in Treasury Management, and to employing suitable performance measurement techniques, within the context of effective risk management.

2.5 The Council’s borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The Section 151 Officer has delegated powers to select the most appropriate form of capital financing (including leasing arrangements) from the approved sources. Both the source and type of borrowing should allow the Council transparency and control over its debt.

2.6 The Council will not borrow more than (or in advance of) it’s needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within the approved Capital Financing Requirement estimates for the prescribed planning period. Moreover, future borrowing transactions will be considered carefully before they are undertaken to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds. Borrowing in advance of need will only be undertaken when there is a clear business case for doing so.

- 2.7 The Council's primary objective in relation to investment remains the security of capital. The liquidity of the Council's investments and the yield earned remain important but secondary considerations.
- 2.8 The Annual Investment Strategy details the categories of investment the Council will invest in, maturity periods and criteria for selecting investment counterparties. Any revisions to these criteria will require Council approval.

### **3. Treasury Management Scheme of Delegation**

#### **Full Council**

- Receiving and reviewing reports on treasury management policies, practices and activities, and
- Approval of the annual strategy.

#### **Cabinet**

- Approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- Budget consideration and approval;
- Approval of the division of responsibilities, and
- Receiving and reviewing regular summary reports and acting on recommendations.

#### **Treasury Management Panel / Audit Committee**

- Approving the selection of external service providers and agreeing terms of appointment, and
- Reviewing the treasury management policy and procedures and making recommendations to the responsible body.

#### **The S151 (responsible) officer**

- Recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- Submitting regular treasury management policy reports;
- Submitting budgets and budget variations;
- Receiving and reviewing management information reports;
- Reviewing the performance of the treasury management function;
- Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- Ensuring the adequacy of internal audit, and liaising with external audit;
- Implementing the treasury management strategy and policies in compliance with member approvals, and
- Recommending the appointment of external service providers.

#### **4. Policies on the use of Derivatives**

- 4.1 The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of financial derivatives. The CIPFA Code requires authorities to clearly detail their policy on the use of derivatives in the TMSS. The Council will only use derivatives where they can be clearly demonstrated to reduce the overall level of financial risk
- 4.2 Derivatives may be arranged with any organisation that meets the Council's approved investment criteria.
- 4.3 The Council will only use derivatives after seeking a legal opinion and ensuring that officers have the appropriate training to effectively manage their use.

**2022/23 MINIMUM REVENUE PROVISION (MRP) STATEMENT**

The Authority is required to make a prudent provision for debt repayment known as the Minimum Revenue Provision (MRP). Guidance on MRP has been issued by the Secretary of State and local authorities are required to “have regard” to such Guidance under Section 21(1A) of the Local Government Act 2003. The four MRP options available are:

- Option 1: Regulatory Method;
- Option 2: CFR Method;
- Option 3: Asset Life Method, and
- Option 4: Depreciation Method.

***NB This does not preclude other prudent methods***

MRP in 2022/23: Options 1 and 2 may only be used for General Fund supported expenditure. Methods of making prudent provision for General Fund self-financed expenditure include Options 3 and 4 (which may also be used for supported expenditure if the Authority chooses).

The MRP Statement is required to be submitted to the Authority before the start of the financial year for approval. Any revision of which must also be submitted to the Authority for approval. The Authority is recommended to approve the following statement:

- **For capital expenditure incurred before 1<sup>st</sup> April 2008, MRP will be determined in accordance with Option 3;**
- **For supported capital expenditure incurred after 1<sup>st</sup> April 2008, MRP will be determined in accordance with Option 3;**
- **For non-supported (prudentially borrowed) capital expenditure incurred after 1<sup>st</sup> April 2008, MRP will be determined in accordance with Option 3;**
- **Within Option 3, MRP is permitted to be calculated in one of two ways - equal instalments or on an annuity basis. The Authority has chosen to calculate MRP on an annuity basis, and**
- **MRP will normally commence in the financial year following the one in which expenditure is incurred. However, MRP Guidance permits local authorities to defer MRP until the financial year following the one in which the asset becomes operational. The Authority has chosen to employ this option for significant qualifying projects.**

MRP in respect of on balance sheet leases will match the annual principal repayment for the associated deferred liability, which will produce an MRP charge comparable to that under Option 3, in that it will run over the life of the lease term.

Changes introduced by the revised (DLUHC) guidance on MRP mean that any charges made over the statutory minimum revenue provision (MRP) can, if needed, be reclaimed in later years if deemed necessary or prudent. In order to do so this policy must disclose the cumulative overpayment made each year. To date, the Authority has not made any voluntary repayments over and above the statutory MRP.

On occasion, where the Council incurs capital expenditure that relates to capital loans or capital disposals, which results in capital receipts being received, the Council's policy is to prudently reduce the Capital Financing Requirement by the value of those receipts in the year they are received. The Council then adjusts the ongoing statutory minimum revenue provision that relates to that capital expenditure, prospectively over the remainder of the policy, to ensure that no overprovision occurs and that the full amount is repaid. Therefore, there are no overpayments that can be reclaimed at any point in the future.

**PRUDENTIAL AND TREASURY INDICATORS 2021/22 – 2024/25****Estimates of Capital Expenditure (General Fund and HRA)**

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

<b>Capital Expenditure</b>	<b>2021/22</b> (£M)	<b>2022/23</b> (£M)	<b>2023/24</b> (£M)	<b>2023/24</b> (£M)
General Fund	127.442	92.276	60.280	14.292
HRA	42.365	30.430	4.445	0.250
Other Long-Term Liabilities	-	-	-	-
<b>Total</b>	<b>169.807</b>	<b>122.706</b>	<b>64.725</b>	<b>14.542</b>

**Estimates of Capital Financing Requirement (General Fund and HRA)**

This indicator sets out the Council's CFR, which reflects the capital expenditure (both historic and planned) being funded from borrowing or other long-term liabilities (e.g. PFI schemes, finance leases). The Council is asked to approve the CFR projections below:

<b>CFR</b>	<b>2021/22</b> (£M)	<b>2022/23</b> (£M)	<b>2023/24</b> (£M)	<b>2024/25</b> (£M)
General Fund Borrowing	586.235	582.889	609.051	612.924
HRA Borrowing	271.734	271.734	271.734	271.734
Other Long-Term Liabilities	231.531	228.811	225.909	223.407
<b>Total</b>	<b>1,089.500</b>	<b>1,083.434</b>	<b>1,106.694</b>	<b>1,108.065</b>

**The Operational Boundary (Overall)**

This is the limit beyond which external debt is not normally expected to exceed, based on the Council's CFR (see above). The Council is asked to approve the limits set out below:

<b>Operational Boundary</b> (£M)	<b>2021/22</b> (£M)	<b>2022/23</b> (£M)	<b>2023/24</b> (£M)	<b>2024/25</b> (£M)
General Fund Debt	586.235	582.889	609.051	612.924
HRA Debt	271.734	271.734	271.734	271.734
Other Long-Term Liabilities	231.531	228.811	225.909	223.407
<b>Total</b>	<b>1,089.500</b>	<b>1,083.434</b>	<b>1,106.694</b>	<b>1,108.065</b>

## The Authorised Limit for External Debt (Overall)

A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. The authorised limit has been set at £30M above the operational boundary (£20M General Fund and £10M HRA).

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised. The Council is asked to approve the following authorised limit:

<b>Authorised Limit (£M)</b>	<b>2021/22 (£M)</b>	<b>2022/23 (£M)</b>	<b>2023/24 (£M)</b>	<b>2024/25 (£M)</b>
General Fund Debt	606.235	602.889	629.051	632.924
HRA Debt	281.734	281.734	281.734	281.734
Other Long-Term Liabilities	231.531	228.811	225.909	223.407
<b>Total</b>	<b>1,119.500</b>	<b>1,113.434</b>	<b>1,136.694</b>	<b>1,138.065</b>

In 2022/23 the Council is required to implement IFRS 16, replacing the previous accounting standard applied for leases. This standard removes the distinction between finance and operating leases which means that many of the Council's existing leases will now be brought onto the balance sheet, increasing the Council's CFR. Once analysis has been undertaken to identify the leases affected, the operational boundary and authorised limit will require adjustment to account for the increased CFR and any amendments to the Strategy will require approval by the Council mid-year.

## Maturity Structure of Borrowing (General Fund and HRA)

These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing and are required for upper and lower limits. The Council is asked to approve the following limits:

### General Fund

<b>Loan Maturity Structure (All Years)</b>		
	<b>Lower</b>	<b>Upper</b>
Under 12 months	0%	50%
12 months to 2 years	0%	25%
2 years to 5 years	0%	25%
5 years to 10 years	0%	40%
10 years to 20 years	0%	75%
20 years to 30 years	0%	75%
30 years to 40 years	0%	75%
40 years to 50 years	0%	75%

## Housing Revenue Account

Loan Maturity Structure (All Years)		
	Lower	Upper
Under 12 months	0%	25%
12 months to 2 years	0%	25%
2 years to 5 years	0%	25%
5 years to 10 years	0%	40%
10 years to 20 years	0%	75%
20 years to 30 years	0%	75%
30 years to 40 years	0%	75%
40 years to 50 years	0%	75%

### Maximum Principal Sums Invested for more than 365 Days (General Fund)

These limits are set in relation to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end. The Council is asked to approve the treasury indicator and limit:

(£M)	2021/22	2022/23	2023/24	2024/25
Principal Sums Invested > 365 Days	20.000	20.000	20.000	20.000

### Ratio of Financing Costs to Net Revenue Streams (General Fund and HRA)

This indicator identifies the estimated trend in the cost of capital (borrowing and other long-term liabilities net of investment income) against the Council's net revenue streams.

Ratio of Financing Costs to Net Revenue Streams (%)	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
GF	21.14%	20.42%	20.10%	20.36%
HRA	41.12%	40.47%	39.84%	39.76%

### Gross Debt and the Capital Financing Requirement (Overall)

This indicator identifies the anticipated headroom against the Council's CFR after taking account of any planned borrowing.

Gross Debt & CFR (£M)	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
<b>CFR</b>	<b>1,089.500</b>	<b>1,083.434</b>	<b>1,106.694</b>	<b>1,108.065</b>
Outstanding Borrowing	684.245	651.508	633.074	620.983
Planned Borrowing	56.161	132.019	191.170	207.402
Other Long-Term Liabilities	193.394	184.968	176.031	166.598
<b>Gross Debt</b>	<b>933.800</b>	<b>968.495</b>	<b>1,000.275</b>	<b>994.983</b>
<b>Headroom</b>	<b>155.700</b>	<b>114.939</b>	<b>106.419</b>	<b>113.082</b>

## DEFINITION OF TERMS

**Treasury Management** refers to the management of the organisation's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

**CIPFA** is the Chartered Institute of Public Finance and Accountancy - the leading accountancy body for the public services providing education and training in accountancy and financial management.

**DLUHC** is the Department for Levelling Up, Housing and Communities (formerly the MHCLG - Ministry of Housing, Communities and Local Government) - a ministerial department responsible for UK Government policy on housing and public services.

**MRP** refers to the Minimum Revenue Provision - a statutory annual charge to the revenue account for the repayment of debt (as measured by the Capital Financing Requirement).

**Capital Financing Requirement (CFR)** represents the authority's underlying indebtedness for capital purposes, based on historic capital expenditure which hasn't yet been financed (e.g. from grants, capital receipts or revenue contributions).

**Debt** refers to the sum of borrowing and other long-term liabilities.

**Other Long-Term Liabilities** mean the liabilities outstanding under credit arrangements (e.g. PFI contracts or finance leases).

**Internal Borrowing / Under-Borrowed** refers to the temporary use of cash resources (e.g. reserves earmarked for future capital expenditure or grants received in advance of expenditure) to avoid borrowing immediately, which seeks to reduce investment counterparty risk and create a short-term budget saving. The Council will replace these cash resources with external borrowing as these spending commitments occur.

**Specified Investments** are short-term investments (i.e. less than 12 months) denominated in pounds sterling with a high credit quality.

**Non-Specified Investments** refers to any financial investments (excluding loans) that do not meet the criteria to be treated as a specified investment.

**Investments in Foreign Countries** refer to investments placed with counterparties from countries outside the UK (subject to a minimum sovereign rating of AA-).

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## BARNSLEY METROPOLITAN BOROUGH COUNCIL

### FEES AND CHARGES 2022/23

#### 1. Purpose of the report

- 1.1 The purpose of this report is to update the Council's Fees and Charges Policy as well as outline the Council's proposed 2022/23 fees and charges which are an integral part of the 2022/23 Budget Process.

#### 2. Recommendation

**It is recommended that Cabinet:**

**2.1 Approve the new and existing fees and charges set out in Appendix 1 for implementation from 1<sup>st</sup> April 2022 or later in 2022/23 as applicable.**

**2.2 Note that additional reports will be submitted during the course of the year, in the event that any further amendments to fees & charges are required.**

**2.3 Note the objectives and progress of the Council's Commercial Strategy.**

#### 3. Introduction & Background

##### ***Work Undertaken on Fees & Charges***

- 3.1 The Council has reshaped and transformed itself into an effective, efficient, high performing and sustainable Council. This position was supported by the Corporate Peer Review in February 2019 and provide the foundations to ensure we are in a position to achieve our agreed priorities and outcomes as we continue our journey to 2030 and beyond.
- 3.2 The implementation of our current Council structure means that the delivery of our key services are based on a Business Unit model supported by a strong and lean core. The financial outlook underpinning the Council's strategic framework has been developed around a reducing resource envelope and therefore, setting appropriate fees and charges is an important consideration for Business Units.
- 3.3 All fees and charges for 2022/23 have been proposed in the light of the Council's Fees and Charges Policy, which is included at Appendix 1. This provides a corporate framework within which all decisions on implementation and / or changes to the levels of fees and charges are considered and approved.
- 3.4 It should be noted that there may be further changes to fees and charges to be finalised as part of a wider consideration of Business Unit plans. These will be submitted to Cabinet in due course when all relevant issues have been worked through.

### ***Fees & Charges Policy***

- 3.5 A significant element of the Council's activity is underpinned by income generated through a variety of fees and charges made in relation to such activities.
- 3.6 Whilst being an important element of the overall financing of the Council's services and activities, fees and charges can also have an important role in other areas such as:
- Demonstrating the value of a service;
  - Discouraging abuse of a service;
  - Strengthening service and corporate objectives; and
  - Promoting and encouraging access to services.
- 3.7 Therefore, as well as ensuring that fees and charges are in line with Council objectives, it is also sound practice to ensure that the impact on service users of any change in fees and charges is appropriately evidenced. The objectives of any charging policy should also be clearly communicated to the public who should have the opportunity to hold the Council to account. The 2022/23 policy is available in the attached link ( )

### ***Commercial Strategy / Income Generation Strategy***

- 3.8 The overriding principle is to ensure that the Council's fees and charges are set within a value for money context where financial, performance, access and equality issues are considered fully and appropriately, and decisions are taken in a transparent and balanced way.
- 3.9 To aid delivery of this, the Council has in place an overarching Commercial Strategy and an Income Generation Strategy which sits below the Commercial Strategy and addresses income generation opportunities. These focus on the following themes: -
- Developing a **Commercial Culture**.
  - Ensuring that we demonstrate **Value for Money** across all activities.
  - Effective **Procurement and Commissioning**.
  - Maximising the income generating potential of our **Commercial Activities**.
  - **Support consistency** across the Council in its approach to income generation and commercial opportunities, including marketing, setting prices and collecting fees and charges;
  - Aim towards achieving **full cost recovery** where it is appropriate to do so and to **develop a standard approach to charging**.
- 3.10 The Commercial Strategy is a key document in adapting the Council to an ever changing market place and sets the framework for helping it to seek out the new opportunities on offer. This will help us achieve our commercial

aspirations but also potentially help deliver much needed additional income. We will seek to achieve this by:

- Identifying and implementing opportunities for cross selling our services providing our customers with the ability to buy bundles of products;
- Working collaboratively with other local authorities where significant commercial opportunities exist;
- Horizon scanning the marketplace to seek out and secure new commercial opportunities;
- The ability to set discretionary fees and charges in markets where flexibility is required.

3.11 Through consideration and implementation of the Commercial Strategy it is envisaged that the overall principles set out at paragraphs 3.8 – 3.10 will be achieved.

3.12 With the above in mind, a full review of all existing charges has been undertaken by respective business units. New opportunities have also been considered and reviewed. The outcome of these reviews is presented in sections 4 and 5 below, with full details of all charges at Appendix 1 to this report

**4. Existing Fees and Charges**

4.1 All business units have undertaken a full review of the current fees and charges under their respective remits. The following changes to existing fees and charges are proposed based on a fundamental value for money review of the existing service provision and current charges being made.

<b>Charge</b>	<b>Basis of changes proposed</b>
Building Control	Fees had not been increased since March 2020, so it is proposed to increase fees by 4.5% to 9.1%. All fees have been benchmarked with other authorities
Music service	No increase proposed for 2022/23
Development Management	Increases in line with benchmark with other authorities and rounded on CPI
Various charges at cultural venues	No increase this year as a comprehensive review was undertaken to arrive at the previous price and the venues were closed for a good part of the year since that time. In addition, the organisations who usually hire these spaces have been particularly badly affected by Covid and we need to encourage recovery. Sheffield University commissioned a study into the impact of covid on the sector, which is useful background.

Special Bulky Collection	5% increase - from £21 to £22
Materials recycling (green waste, rubble hardcore and subsoil)	5% increase – or £1 increase on last years charge
Fleet – MOT fees	Increased by 21.9% to bring in line with Government advisory level
Transport – Day Care	Increased by £0.50 (25%)
Golf Course fees	Day rates increased by £1 resulting in higher than RPI increases.
Bereavement fees	A few service charges have been increased by more than inflation to cover costs and manage demand but overall increase is below inflation.
Pet cremation	Fees increased to align with market.
Registrars Fees	Some fees increased by more than inflation to align with neighbouring authorities
Insurance Charge to Berneslai Homes	Increase by 15% in line with increase in insurance premiums

4.2 All other charges have also been reviewed and either increased in line with inflation (at 3.2% per September 21) or no changes have been made (e.g. where the charges are set by statute). It should be noted that CPI currently stands at 4.2% (as at December 21).

4.3 It should be noted that the proposed commercial waste charges are excluded from this report due to the commercial sensitivity. These will be submitted as a private item at a later date.

4.4 In accordance with the overall review of all fees and charges it is recommended that the schedule of existing fees and charges as set out in Appendix 1 are implemented from the 1st April 2022 or later in 2022/23 as applicable.

## 5. New Fees and Charges

5.1 In line with the Council's Commercial Strategy, a review of all new opportunities open to the Council for which a charge can be levied in accordance with the Council's Policy has been undertaken.

5.2 This review has identified the following new proposed fees and charges:

Charge	Basis of charges
Development Control – Admin charge for refunding application fee prior to validation	£50 or 20% of the original fee (whichever is greater).
Development Control – Non residential pre-app: 0sqm to 99sqm of additional floor space	Existing category of 0-499sqm means that the pre-application fee for minor proposals are larger than the statutory application.
School Visits – Talks and Tours on Site	New charge - scalable dependent on length and organisation's ability to pay (ie community or commercial) discretion to waive fee where it fits with Barnsley Museums or Council priorities.

**SECTION 3d**

Traffic Signals	These are not new fees but have not previously been included within the schedule.
Highways – H-Markings	Previous fee was all in one – new fees is now split into application, installation and extra for longer markings

- 5.3 It is recommended that these are implemented from 1<sup>st</sup> April 2022 as set out in Appendix 1 to this report.

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## APPENDIX 1

## FEES &amp; CHARGES PROPOSALS FOR 2022/23

Fee / Charge description	Income type - (Statutory or Discretionary)	Basis of charge	Proposed charge for 2022/23
<b>PLACE</b>			
<b>REGENERATION &amp; PROPERTY</b>			
<b>PROPERTY SERVICES</b>			
Land and Building Rent; Maintenance, Service Charges	Discretionary	Market Value	Various rates
Allotment rent - with water	Discretionary	Per allotment	£82.17
<b>Allotment rent - without water</b>	<b>Discretionary</b>	<b>Per allotment</b>	<b>£40.49</b>
Garage rent	Discretionary	per site	£37.00
<b>CLIS / Adult Learning</b>			
<b>Acorn Centre Service Charges</b>	Discretionary		
Office Space	Discretionary	per sq ft	£11.86
Workshops	Discretionary	per sq ft	£8.83
<b>Kendray Service Charges</b>			
Office Space	Discretionary	per sq ft	£11.04
Workshops	Discretionary	per sq ft	£9.72
<b>Tuition / course fees</b>			
With SFA public subsidy	Discretionary		£2.90
Without SFA public subsidy	Discretionary		£5.80
With SFA public subsidy - means tested benefits excluding JSA & ESA (WRAG)	Discretionary		£1.45
Without SFA public subsidy - means tested benefits excluding JSA & ESA (WRAG)	Discretionary		£2.90
<b>BUILDING CONTROL</b>			
<b>Building regulation application charges</b>			
<b>New housing</b>			
1 Dwelling	Statutory	1 Dwelling	£570.83
2 Dwelling	Statutory	2 Dwelling	£787.50
3 Dwelling	Statutory	3 Dwelling	£1,008.33
4 Dwelling	Statutory	4 Dwelling	£1,229.17
5 Dwelling	Statutory	5 Dwelling	£1,450.00
6 or more Dwellings	Statutory	6 or more Dwellings	Determined individually
<b>Domestic building works</b>			
Attached/detached garage or carport, n.e. 36m2	Statutory	Dometic Building Type	£229.17
Attached/detached garage or carport, 36-100m2	Statutory	Dometic Building Type	£308.33
Extension 40 - 60m <sup>2</sup>	Statutory	Dometic Building Type	£525.00
Extension 60 - 100m <sup>2</sup>	Statutory	Dometic Building Type	£591.67
Replacement window/s & door/s to one property	Statutory	Dometic Building Type	£87.50
Replacement window/s & door/s to more than one property	Statutory	Dometic Building Type	Determined individually
Controlled domestic electrical work (not CPS)	Statutory	Dometic Building Type	£350.00
Renovation of a thermal element (non-structural)	Statutory	Dometic Building Type	£87.50
Renovation of a thermal element (structural)	Statutory	Dometic Building Type	£158.33
Rooms in a roofspace including means of access	Statutory	Dometic Building Type	£441.67
Additional rooms in a roof space excluding means of access	Statutory	Dometic Building Type	£350.00
Other domestic work - estimated cost < £2,000	Statutory	Dometic Building Type	£150.00
Other domestic work - estimated cost £25,000 - £50,000	Statutory	Dometic Building Type	£475.00
Other domestic work - estimated cost > £50,000	Statutory	Dometic Building Type	Determined individually
<b>Non-domestic building works</b>	Statutory	Dometic Building Type	
Installation of < 20 windows and doors	Statutory	Dometic Building Type	£229.17
Installation of 20 - 50 windows and doors	Statutory	Dometic Building Type	Determined individually
Other non-domestic work - estimated cost < £2,000	Statutory	Dometic Building Type	£212.30
Other non-domestic work - estimated cost £2,000 - £5,000	Statutory	Dometic Building Type	£237.50
Other non-domestic work - estimated cost £5,000 - £10,000	Statutory	Dometic Building Type	£315.00
Other non-domestic work - estimated cost £10,000 - £25,000	Statutory	Dometic Building Type	£441.67
Other non-domestic work - estimated > £50,000	Statutory	Dometic Building Type	Determined individually
<b>Street naming &amp; property numbering charges</b>			
New property addresses on existing steet			
1	Discretionary	1 property	£60.00
2 to 5	Discretionary	2 to 5 properties	£95.00
6 to 10	Discretionary	6 to 10 properties	£115.00
11 to 50	Discretionary	11 to 50 properties	£175.00
51+	Discretionary	51+ properties	£235.00
Change to a new development after notification	Discretionary		
1	Discretionary	1 property	£60.00
2 to 5	Discretionary	2 to 5 properties	£95.00
6 to 10	Discretionary	6 to 10 properties	£115.00
11 to 50	Discretionary	11 to 50 properties	£175.00

51+	Discretionary	51+ properties	£235.00
Re-addressing of properties on existing street	Discretionary	per property	£145.00
New property addresses requiring new street names:	Discretionary		
1	Discretionary	1 property	£85.00
2 to 5	Discretionary	2 to 5 properties	£115.00
6 to 10	Discretionary	6 to 10 properties	£165.00
11 to 50	Discretionary	11 to 50 properties	£235.00
51+	Discretionary	51+ properties	£315.00
<b>MUSIC SERVICE</b>			
Instrument Hire Theory	Discretionary	per term	£16.50
Instrument Hire Aural	Discretionary	per term	£12.50
Contin Lessons per term	Discretionary	per term	£35.50
Group Lessons per term	Discretionary	per term	£52.50
20 minute Individual Lessons per term	Discretionary	per term	£105.00
30 minute Individual Lessons per term	Discretionary	per term	£150.00
Ensemble Rehearsal Charge	Discretionary	per session (minimum 10 per term)	£31.00
Ensemble Performance Charge	Discretionary	per member of staff	£31.00
KS1 projects per year	Discretionary	per year	£1,260.00
KS2 full year projects	Discretionary	per year	£795.00
<b>DEVELOPMENT MANAGEMENT</b>			
Planning Application Fees	Statutory	Per application	Various rates
Admin charge for refunding application fee prior to validation	Statutory	Per application	£50 or 20% of the original fee (whichever is greater)
Householder Enquiry Forms	Discretionary	Per enquiry	£63.00
Minor Pre-application Advice	Discretionary	Per enquiry	£63.00
Residential pre-app - 1 to 5 dwellings	Discretionary	Per enquiry	£189.00
Residential pre-app - 6 to 19 dwellings	Discretionary	Per enquiry	£630.00
Residential pre app - 20 dwellings +	Discretionary	Per enquiry	£1,260.00
Non - residential pre-app : 0 to 99sqm of additional floorspace	Discretionary	Per enquiry	£105.00
Non - residential pre-app : 99 to 500sqm of additional floorspace	Discretionary	Per enquiry	£252.00
Non - residential pre-app: 500 - 4,999 sqm of additional floorspace	Discretionary	Per enquiry	£630.00
Non - residential pre app: 5,000 sqm + of additional floorspace	Discretionary	Per enquiry	£1,260.00
Other pre-apps not within above categories	Discretionary	Per enquiry	£126 +
Listed Building & Conservation Area Advice	Discretionary	Hourly Rate	£105.00
Sec 106 Legal Agreement Enquiries	Discretionary	Hourly Rate	£122.00
Planning Policy Evidence Based & Land Allocation Discussions	Discretionary	Hourly Rate	£0.00
<b>MARKETS</b>			
Barnsley Open Market - all stalls	Discretionary	Day Rate	£20.00
Barnsley Central Sunday Market - all 8ft stalls	Discretionary	Day Rate	£10.00
Barnsley Glassworks Market - all days:	Discretionary		
Stall rental	Discretionary	Per annum per Square Foot	£31.00
Café rental	Discretionary	Per annum per Square Foot	£37.20
Market Kitchen Rental	Discretionary	10% or 15% of Turnover dependant on Business type	
Basement storage	Discretionary	Per annum per Square Foot	£12.75
Service Charge	Discretionary	Per annum per Square Foot	£13.00
Trader car parking - Standard trader bay	Discretionary	Day Rate	£2.50
<b>District Markets</b>			
Wombell - Stall 10 x 8	Discretionary	Day Rate	£13.50
Hoyland - A 11' stall	Discretionary	Day Rate	£12.00
Goldthorpe - A 9' stall	Discretionary	Day Rate	£9.50
Penistone - 2 metre stall	Discretionary	Day Rate	£10.00
Penistone - 3 metre stall	Discretionary	Day Rate	£15.00
Penistone - Building Hire	Discretionary	1/2 day rate	£50.00
<b>COMMERCIAL SPACE MANAGEMENT</b>			
Barnsley 4m x 4m	Discretionary	Day Rate	£100.00
Barnsley 6m x 4m	Discretionary	Day Rate	£130.00
Barnsley 8m x 4m	Discretionary	Day Rate	£150.00
Wombwell	Discretionary	Day Rate	£65.00
Hoyland	Discretionary	Day Rate	£30.00
Goldthorpe	Discretionary	Day Rate	£30.00
Penistone	Discretionary	Day Rate	£30.00

Book to roam (leaflets)	Discretionary	Per distributor	£15.00
<b>MUSEUMS AND HERITAGE CENTRES</b>	Discretionary		
<b>Cooper Gallery</b>	Discretionary		
Sadler Room Hire Per Day	Discretionary	Per Day	£225.00
Sadler Room Hire Per hr outside core hrs	Discretionary	Per hr outside core hrs	£55.00
Sadler Room Hire Charities -full day	Discretionary	Charities -full day	£150.00
Sadler Room Hire Per hr outside core hrs	Discretionary	Per hr outside core hrs	£35.00
Sadler Room Hire Gallery Hire (2 hours)	Discretionary	Gallery Hire (2 hours)	£500.00
Commission on Artists work sales	Discretionary	Commission on Artists work sales	40% + VAT
<b>Cannon Hall</b>	Discretionary		
Spencer Wing Conference Hire	Discretionary	Full day	£225.00
Spencer Wing Conference Hire	Discretionary	Per Hour	£55.00
Spencer Wing Conference Hire	Discretionary	Charities full day, £30 per hr outside core hrs	£150.00
Spencer Wing Conference Hire	Discretionary	Charities per hour	£35.00
Victorian Wing	Discretionary	per day	£225.00
Victorian Wing	Discretionary	per hr weekends	£75.00
Victorian Wing	Discretionary	per day (charities)	£150.00
Victorian Wing	Discretionary	per hr weekends (Charities)	£35.00
Ballroom Hire for ceremony	Discretionary	All prices are Plus VAT	£1,250.00
Deer Shelter for Ceremony	Discretionary	All prices are Plus VAT	£1,500.00
Library Hire for ceremony	Discretionary	All prices are Plus VAT	£1,000.00
Ballroom Hire for private functions	Discretionary	All prices are Plus VAT	£900-£1600
Gallery Hire for functions	Discretionary	For 2 hours	£500.00
Drink Functions (Spencer wing)	Discretionary	Per Hour	£100-£300
<b>Car Parking at Cannon Hall</b>		up to 2 hours - cars and minibuses	£1.00
	Discretionary	All day - cars and minibuses	£5.00
	Discretionary	Coaches	£5.00
	Discretionary	Motorcycles	free
	Discretionary	Season Ticket (includes VAT)	£125.00
	Discretionary	Land Hire per day	£1250-£3000
	Discretionary	per day per pitch (charities)	£50.00
	Discretionary	per day per pitch (charities)	£25.00
Land hire for commercial marketing or photography use	Discretionary	Land Hire per day	£500-£2000
Walled Garden Exclusive use	Discretionary	2 hours	£1000 - £3000
<b>Elsecar</b>			
Building 21 - hire per hour weekdays	Discretionary	All prices are Plus VAT	£100.00
Building 21 - hire per hour weekdays (Charity)	Discretionary	All prices are Plus VAT	£50.00
Building 21 - hire all day	Discretionary	All prices are Plus VAT	£800-£3000
Building 21 - Wedding Ceremony only	Discretionary	All prices are Plus VAT	£1500-£2000
Building 21 - Wedding Ceremony and reception		All prices are Plus VAT	

Building 21 - Wedding reception only	Discretionary	All prices are Plus VAT	£2000-£4500
Building 21 - kitchen and bar pitch hire (non wedding)	Discretionary	All prices are Plus VAT	£50-£100
Hard based space outside	Discretionary	All prices are Plus VAT	£500.00
Stage Hire	Discretionary	Per day	£250.00
Tiered seating	Discretionary	Per day	£250.00
Trestle tables	Discretionary	Per table	£5.00
Additional chairs(over 50)	Discretionary	Per chair	£2.00
AV equipment	Discretionary	Per day	£275.00
Stage lighting	Discretionary	Per day	£50.00
Marketing support packages	Discretionary	Per event	From £50
Crash barriers	Discretionary	Per barrier per day	£20.00
<b>Visitor Centre Meeting Room</b>			
Private & Commercial Mon-Fri	Discretionary	Per day	£225.00
Weekends and evenings	Discretionary	Per hour	£55.00
<b>Worsbro Mill</b>			
Season Ticket (incl VAT)	Discretionary	Includes VAT	£125.00
Car Parking	Discretionary	per hour	£1.00
Car Parking	Discretionary	per day	£3.00
Car Parking	Discretionary	per day coaches	£5.00
<b>Land hire</b>			
Pitch	Discretionary	Charities	£25.00
Pitch	Discretionary	Non-charities	£50.00
Classroom Hire (per day)	Discretionary	Non-charities	£65.00
Classroom Hire (per day)	Discretionary	Charities	£35.00
<b>Experience Barnsley</b>			
Hire of Learning Lab (office hours)	Discretionary	Per day	£225.00
Hire of Learning Lab	Discretionary	Per hr	£55-£150
Hire of Learning Lab	Discretionary	Charities -full day	£150.00
Hire of Learning Lab	Discretionary	Per hr	£30 -£ 60
Hire of galleries (evening function)	Discretionary	Dependent on length (from)	£600.00
<b>Archives</b>			
Various copying, printing charges	Discretionary		£0.38 to £20.03
Bespoke digitisation orders (hourly rate)	Discretionary	Hourly fee	£25.00
Commercial use of images or documents	Discretionary	Various charges	120.00 - 480.00
Low resolution images for use on the internet	Discretionary	Various charges	6.00 - 240.00
Commercial use of exhibitions	Discretionary	Various charges	60.00 -180.00
Television - first broadcast	Discretionary	Plus VAT	£360.00
Television - for subsequent repeats	Discretionary	Plus VAT	£180.00

	Visits per child (full day) Arts Award	Discretionary	Visits per child (full day) Arts Award	£13.00
	Visits per child (full day)	Discretionary	Visits per child (full day)	£9.25
	Half day per child	Discretionary	Half day per child	£5.25
	Use of Learning Lab per hour	Discretionary	Use of Learning Lab per hour	£30.00
	Talks and Tours on Site	Discretionary	Talks and Tours on Site	£40-£100
	Outreach full day	Discretionary		£8.50
	Outreach half day	Discretionary		£4.50
	Virtual workshops	Discretionary		£60.00
	Loan Box Hire per half term	Discretionary	Loan Box Hire 1/2 term	£55.00
	<b>PROFESSIONAL CONSULTANCY</b>	Discretionary	Per day + expenses (from)	From £300.00
<b>TR</b>				
	Construction of highways to be adopted (section 38 Highways Act 1980) HIGHWAY DC ONLY	Discretionary	Based on size and scale of project	Variable
<b>HOUS</b>				
	<b>Landlords Accreditation Scheme</b>			
	Landlords with more than 1 property	Discretionary	Per Landlord	£50.00
<b>GTDS</b>				
	Pitch rents at Smithies Lane Gypsy & Traveller site (Small improved pitch)	Discretionary	per week per pitch	£84.04
	Pitch rents at Smithies Lane Gypsy & Traveller site (Large improved pitch)	Discretionary	per week per pitch	£109.24
	Hire of caravans (Ings Road site etc)	Discretionary	per week - 28ft caravan	£75.50
	Hire of caravans (Ings Road site etc)	Discretionary	per week - 35ft caravan	£75.50
	<b>ENVIRONMENT &amp; TRANSPORT</b>			
<b>W</b>				
	<b>Commercial waste collection</b>			
	Assisted Collection Registration Fee	Discretionary	per registration	£10.50
	<b>Others</b>			
	Zone B	Discretionary	Commercially Sensitive Information - available on request	
	Zone C	Discretionary		
	charity a	Discretionary		
	charity b	Discretionary		
	charity c	Discretionary		
	charity d	Discretionary		
	Paper & card recycling per bin	Discretionary		
	Commercial Waste Bin delivery	Discretionary	Per Bin	£26.00
	Bin delivery charges	Discretionary	Per Bin	£26.00
	Special (bulky) collection	Discretionary	up to 2 items	£22.00
	1 to 2 items	Discretionary	each item above 2 (upto 12)	£5.50
	Above 12 items	Discretionary	Above 12	Determined individually
	Premium upgrade	Discretionary	Premium Upgrade	£10.50
	Additional premium item	Discretionary	Additional premium item	£5.50
	<b>Residential Waste</b>			
	Provision of 4 new bins to houses on new development	Discretionary	Per bin	£105.00
<b>FL EE</b>				
	MOT fees - general public	Statutory	Per Inspection - £5 discount available	£54.85
	<b>NEIGHBOURHOOD SERVICES</b>			
	Parcels of work	Discretionary	Individually priced	
	Disposal of dead animals following RTA	Discretionary	per Animal	£31.00
<b>TR</b>				
	Transport (Day Care)	Discretionary	Per Journey	£2.50
<b>STOR ES</b>				
	Weighbridge	Discretionary	Per use (Plus VAT)	£12.00
	<u>Material Recycling Plant</u>			
	Green Waste		Cost per ton	

	Clean Rubble Hard Core	Discretionary	Cost per ton	£21.00
	Sub soil/stone (ie mixed)	Discretionary	Cost per ton	£8.00
	Street Lighting - external	Discretionary	Individually priced	
	Street Lighting Design	Discretionary	Individually priced	
	Other (dropped crossings)	Discretionary	Individually priced	
	Other (signs)	Discretionary	Individually priced	
	Other (Engineering Services external works)	Discretionary	Individually priced	
	Mechanical sweeping - external	Discretionary	per hour	£73.27
	Cesspit emptying - domestic	Discretionary	per visit	£309.60
	Cesspit emptying - industrial	Discretionary	per hour + disposal costs + vat	£109.39
	Drain Clearance - 9:00am - 5:00am	Discretionary	per hour + vat	£103.20
	Drain Clearance - outside normal hours	Discretionary	per hour + vat	£209.50
	Preparation & site induction for mechanical sweeping & cesspit emptying where required	Discretionary	actual costs +10%	actual costs +10%
	Professional Fee's - Engineering	Discretionary	Per hour	£159.96
	Recycling	Discretionary	Per ton per material	Determined individually
<b>HIGHWAYS LICENCES, PERMITS AND SERVICES</b>				
	Licensing of builders' skips placed on the highway	Discretionary	Licence	£25.00
	Licensing of builder's skips placed on the highway - retrospective license	Discretionary	Licence	£85.00
	Licence charge for scaffolding and other structures on highways (Fixed)	Discretionary	First week	£201.00
		Discretionary	Subsequent weeks	£72.00
	Licence charge for scaffolding and other structures on highways (Mobile)	Discretionary	Licence	£58.00
	Licensing of builder's materials deposited on the highway	Discretionary	Licence	£13.00
	License to dispense with erection of a hoarding	Discretionary	Licence	£86.69
	Site inspections to monitor compliance with duties relating to the erection of hoardings	Discretionary	Licence	£55.73
	Section 50 license to instal private apparatus in the highway	Discretionary	Licence	£459.00
	Retrospective Section 50 Licence	Discretionary	Licence	£543.00
	Various licences to make openings in the street or footway for constructing works, cellars or the admission of light into premises	Discretionary	Licence	£204.34
	Section 171 licence to carry out highways works	Discretionary	Licence	£216.00
	Additional Fee for retrospective issues of section 171 or 184 notice	Discretionary	Licence	£82.00
	License to construct a vehicle crossing - use of private contractors	Discretionary	Licence	£216.00
	License to construct a vehicle crossing - use of BMBC Engineering Services or private contractors	Discretionary	Licence	£72.00
	Clearance of accident debris	Discretionary	Actual costs +10%	Actual costs +10%
	Recovery of costs following accident / call out	Discretionary	Actual Costs	
	Road Closure Orders (Planned)	Discretionary	Road Closure Order	£1,057.00
	Road Closure Notice (Emergency)	Discretionary	Road Closure Notice	£776.00
	Road Closure to the benefit of the highway authority carried out by a third party on a not for profit basis	Discretionary	Road Closure	£212.00
	Road Closure Order (Special Events)	Discretionary	Road Closure Order	£1,057.00
	Application for a traffic sign to specified land or premises (permanent)	Discretionary	Application	£54.70
	Application for a traffic sign to specified land or premises (temporary)	Discretionary	Application	£56.76
	Placing of traffic sign for specified land or premises	Discretionary		
	Pavement café licences	Discretionary	Licence	£472.66
	Consideration of applications for consent for overhead beams, Rails, wires, banners etc above the highway	Discretionary	Application	£104.23
	Licence to Oversail the Highway with Tower Cranes etc	Discretionary	Licence	£99.07
	Consideration of applications to buildings, structures, balconies etc over the highway	Discretionary	Application	£645.00
	Licence to non-Statutory Undertakers to place and maintain apparatus in the Highway (New Roads and Street works Act)	Discretionary	Licence	£472.66
	Charges for Demolition Notices	Discretionary	Demolition Notice	£313.73
	Penalty charges to Statutory Undertakers for exceeding permitted licence to occupy the Highway (Section 74 New Roads and Street works Act)	Discretionary	Variable	Variable
	Bus lane enforcement	Discretionary	Per enfraction	£62.95
	Increased Highways Act enforcement	Discretionary	Actual costs to clear the highway	Actual costs
	Weekly Inspection of scaffolding and hording	Discretionary	Inspection	£72.00
	Retrospective Licenses for S184, S50 & Scaffold licenses would incur a charge of £80 additional to the normal license fee.	Discretionary	Licence	£83.00
	Road Closure Orders (Planned) PROW Initial fee - dependant on dwelling numbers, sliding scale for more than 1 dwelling	Discretionary	Road closure order	£559.34
	Road Closure Orders (Planned) PROW weekly fee	Discretionary	Road closure order	
	Road Closure Orders (Planned) PROW Extension	Discretionary	Road closure order	£279.67

Road Closure Notice (Emergency) PROW	Discretionary	Road closure order	£279.67
Public Path Orders (Diversion Orders)	Discretionary	Dependant on dwelling numbers, sliding scale for more than 1 dwelling	minimum £3,296, maximum £5,665
Pavement café licences (continuation fee)	Discretionary	Licence	£235.30
Water Course Consenting	Discretionary	Per Consent	£51.60
Section 81 Demolition Notices under the Building Act	Discretionary	per demolition notice	£313.73
Status Enquiries	Discretionary	per status enquiry	£63.98
Status Enquiries incl Highways DC	Discretionary	per status enquiry	£91.85
H-Markings Application Fee	Discretionary	Per request	£21.00
H-Markings Inspection Fee	Discretionary		£52.00
H-Markings Installation Fee - up to 6.0m in length	Discretionary		£196.00
H-Markings extra for markings over 6.0m in length	Discretionary		£41.00
H-Markings Renewal Fee	Discretionary		£103.00
Traffic Signals Only Application	Discretionary	Per application	£72.00
Permit scheme: Provisional Advance Authorisation on Road categories 0, 1, 2 or Traffic sensitive	Statutory	Application	£101.00
Permit scheme: Major Works permit on Road categories 0, 1, 2 or Traffic sensitive	Statutory	Application	£197.00
Permit scheme: Standard Activity permit on Road categories 0, 1, 2 or Traffic sensitive	Statutory	Application	£112.00
Permit scheme: Minor Activity Permit on Road categories 0, 1, 2 or Traffic sensitive	Statutory	Application	£61.00
Permit scheme: Immediate Activity Permit on Road categories 0, 1, 2 or Traffic sensitive	Statutory	Application	£53.00
Permit scheme: Provisional Advance Authorisation on Road categories 3, 4 and Non-traffic sensitive	Statutory	Application	£68.00
Permit scheme: Major Works permit on Road categories 3, 4 and Non-traffic sensitive	Statutory	Application	£143.00
Permit scheme: Standard Activity permit on Road categories 3, 4 and Non-traffic sensitive	Statutory	Application	£75.00
Permit scheme: Minor Activity Permit on Road categories 3, 4 and Non-traffic sensitive	Statutory	Application	£45.00
Permit scheme: Immediate Activity Permit on Road categories 3, 4 and Non-traffic sensitive	Statutory	Application	£40.00
<b>TRAFFIC SIGNALS</b>			
Switch Off / On Traffic Signals (Monday to Friday Daytime)	Discretionary	Application	£410.00
Switch Off / On Traffic Signals (Evenings & Weekends)	Discretionary	Application	£449.00
Switch Off / On Traffic Signals (Less than 5 days notice)	Discretionary	Application	£550.00
Bag Over Traffic Signals - Pelican / Puffin/Pegasus (Monday to Friday Daytime)	Discretionary	Application	£456.00
Bag Over Traffic Signals - Pelican / Puffin/Pegasus (Evenings & Weekends)		Application	£526.00
Bag Over Traffic Signals - Up to 4 arm junction (Monday to Friday Daytime)		Application	£532.00
Bag Over Traffic Signals - Up to 4 arm junction (Evenings & Weekends)		Application	£574.00
Bag Over Traffic Signals - Over 4 arm junction		Price on Application	Variable
Bag Over Traffic Signals (Less than 5 days notice) - Pelican / Puffin/Pegasus (Monday to Friday Daytime)		Application	£569.00
Bag Over Traffic Signals (Less than 5 days notice) - Pelican / Puffin/Pegasus (Evenings & Weekends)		Application	£658.00
Bag Over Traffic Signals (Less than 5 days notice) - Up to 4 arm junction (Monday to Friday Daytime)		Application	£665.00
Bag Over Traffic Signals (Less than 5 days notice) - Up to 4 arm junction (Evenings & Weekends)		Application	£717.00
Bag Over Traffic Signals (Less than 5 days notice) - Over 4 arm junction		Price on Application	Variable
Amendment of traffic signal removal from service change of date/time		Per Change	£35.00
Cancellation of traffic signal removal from service request (Less than two days notice)		Per Cancellation	Variable
Cancellation of traffic signal removal from service request (more than two days notice)		Per Cancellation	£75.00
Traffic Signal Engineer standing time (Monday to Friday Daytime)		Hourly Charge	£74.00
Traffic Signal Engineer standing time (Evenings & Weekends)		Hourly Charge	£88.00
Traffic Signal Scheme Design		Price on Application	Variable
<b>RESIDENT PARKING ZONES</b>			
Residents - First Permit	Discretionary	Residents - First Permit	£26.00
Residents - Second Permit	Discretionary	Residents - Second Permit	£52.00
Business - First Permit	Discretionary	Business - First Permit	£39.00
Business - Second Permit	Discretionary	Business - Second Permit	£77.50
<b>CAR PARKING</b>			
<b>Off Street Parking</b>			
Market Gate; Pontefract Road	Discretionary	available seperately	available seperately
Lambra Rd	Discretionary	available seperately	available seperately
Burleigh St, Joseph St, Pitt St	Discretionary	available seperately	available seperately
St Marys Place; Grahams Orchard	Discretionary	available seperately	available seperately

John St; Sackville St	Discretionary	available seperately	available seperately
Curchfield; County Way/Court House; Multi Storey; Mark Street	Discretionary	available seperately	available seperately
West Road Pogmoor	Discretionary	available seperately	available seperately
Wellington House	Discretionary	available seperately	available seperately
<b>On Street parking</b>			
Premium Parking	Discretionary	Per Hour	£0.90
Public Season Tickets	Discretionary	Per week	£28.00
	Discretionary	Per month	£104.00
	Discretionary	Per quarter	£292.00
	Discretionary	Per year	£978.00
Staff Discounted Season Tickets	Discretionary	Staff Season Ticket (per month)	£17.50 to £35.00
Charges for Fixed Penalty Notices	Discretionary	Fixed Penalty Notice and depends on severity of offence	£50.00 or £70.00
Parking place suspension	Discretionary	Estimated loss of parking revenue plus 10% to cover administration costs	Determined individually
<b>PEST CONTROL &amp; DRAINAGE</b>			
Pest Control Fees (Owner occupiers, B Homes, Private contracts)	Discretionary		
Rats & Mice (3 visits)	Discretionary	Rats & Mice (3 visits)	£114.00
Wasps, Bees, Flies Ants (1 visit)	Discretionary	Wasps, Bees, Flies Ants (1 visit)	£58.00
Fleas (1 visits)	Discretionary	Fleas (1 visits)	£104.00
Moles (3 visits)	Discretionary	Moles (3 visits)	£207.00
Cockroaches (2 visits)	Discretionary	Cockroaches (2 visits)	£207.00
Bed Bugs (2 visits)	Discretionary	Bed Bugs (2 visits)	£207.00
Squirrels (2 visits)	Discretionary	Squirrels (2 visits)	£207.00
Proofing premises for rodents	Discretionary	1 visit	£23.00
Others (per hour)	Discretionary	Others (per hour)	£68.00
Premium Upgrade	Discretionary	Premium Upgrade	£26.00
Call out fee	Discretionary	Call out fee	£32.00
<b>SPORTS</b>			
Passport to Leisure	Discretionary	Per Annum	
Golf Course - Green Fees	Discretionary	Per Round - weekdays	£19.00
Golf Course - Green Fees	Discretionary	Per Round - weekends	£24.00
Golf Course - Green Fees	Discretionary	Season Ticket (per annum)	£695.00
<b>BEREAVEMENT SERVICES</b>			
Purchase of right of burial in grave(dug for 2 only)	Discretionary	per burial / cremation	£980.00
Prew Purchase of right of burial in grave(dug for 2 only)	Discretionary	per burial / cremation	£1,100.00
Renew EROB for 50 years	Discretionary	per burial / cremation	£217.00
Interment fee	Discretionary	per burial / cremation	£951.00
Additional excavation charge for coffins exceeding 6'6" x 26"	Discretionary	per burial / cremation	£57.00
Additional grave space (for 3)	Discretionary	per burial / cremation	£253.00
Test dig grave	Discretionary	per burial / cremation	£100.00
Purchase of right of burial 4'6" x 2' (Childs grave for 1)	Discretionary	per burial / cremation	£261.00
Interment fee upto 18 yrs	Discretionary	per burial / cremation	£271.00
Cremation of a child upto 18 yrs	Discretionary	per burial / cremation	£261.00
Delivery charge to a cemetery	Discretionary	per burial / cremation	£25.00
Interment fee All caskets or urns containing ashes - 2ft depth in grave	Discretionary	per burial / cremation	£210.00
Interment fee All caskets or urns containing ashes - full depth ingrave	Discretionary	per burial / cremation	£521.00
Interment Fee All caskets or urns containing ashes - cremation plots	Discretionary	per burial / cremation	£212.00
Exhumation fee of cremated remains (from a cemetery)	Discretionary	per burial / cremation	£237.00
purchase of a cremation plot	Discretionary	per burial / cremation	£400.00
Prepurchase of a cremation plot	Discretionary	per burial / cremation	£500.00
Vaulting All graves 9' x 4' - full depth	Discretionary	per burial / cremation	£245.00
Vaulting All graves 9' x 4' - to height of coffin	Discretionary	per burial / cremation	£50.00
Vaulting All graves 4'6" x 2' - full depth	Discretionary	per burial / cremation	£93.00
Vaulting All graves 4'6" x 2' - to height of coffin	Discretionary	per burial / cremation	£35.00
Flagging of graves	Discretionary	per burial / cremation	£115.00
Headstonenc. Inscription, flower holders & photo illustrations	Discretionary	per burial / cremation	£235.00
Each additional inscription plus inspection	Discretionary	per burial / cremation	£64.00
Additional memorial vase	Discretionary	per burial / cremation	£64.00
Kerbstones (where permitted)	Discretionary	per burial / cremation	£190.00
Tablets inc.into kerb sets 18" x 18"	Discretionary	per burial / cremation	£132.00
Childrens headstone	Discretionary	per burial / cremation	

Childrens Kerbs	Discretionary	per burial / cremation	£85.00
Cremation (strewn)	Discretionary	per burial / cremation	£816.00
Double cremations (for second cremation)	Discretionary	per burial / cremation	£360.00
Medical referee fee	Discretionary	per burial / cremation	£20.00
Environmental levy Mercury abatement	Discretionary	per burial / cremation	£42.00
Direct Cremation	Discretionary	per burial / cremation	£395.00
Foetal Urn	Discretionary	per burial / cremation	£20.00
Card foetal urn	Discretionary	per burial / cremation	£5.00
Child or Baby urns inc. wooden baby urns	Discretionary	per burial / cremation	£20.00
Plastic urns	Discretionary	per burial / cremation	£20.00
Wooden casket	Discretionary	per burial / cremation	£50.00
Adult casrdboard	Discretionary	per burial / cremation	£20.00
Interment of cremated remains	Discretionary	per burial / cremation	£97.00
Postage of ashes	Discretionary	per burial / cremation	£35.00
Disinter cremated remains from the crematorium grounds	Discretionary	per burial / cremation	£120.00
Cancelation fee	Discretionary	per burial / cremation	£26.00
Usage of chapel facilities for additional half hour	Discretionary	per burial / cremation	£83.00
Usage of chapel facilities for additional half hour or part thereof without prior no	Discretionary	per burial / cremation	£166.00
Handling charge for non crematorium supplied Urns	Discretionary	per burial / cremation	£20.00
Book of remembrance 2 line entry	Discretionary	per burial / cremation	£82.00
Book of Remembrance 5 line entry	Discretionary	per burial / cremation	£145.00
Book of remembrance 8 line entry	Discretionary	per burial / cremation	£199.00
Any flower - only available with 5 or 8 line	Discretionary	per burial / cremation	£113.00
Any other memorial design - entries in book of remembrance	Discretionary	per burial / cremation	£145.00
Rose bush & plaque for 5 years (100mm x 55mm)	Discretionary	per burial / cremation	£160.00
Rose standard & plaque for 5 years (100mm x 55mm)	Discretionary	per burial / cremation	£185.00
Renew rose bush and plaque for 5 years	Discretionary	per burial / cremation	£99.00
Renew rose standard and plaque for 5 years	Discretionary	per burial / cremation	£128.00
Additional/joint plaque to existing rose (100mm x 55mm)	Discretionary	per burial / cremation	£69.00
Bronze plaque for 25 yrs (175mm x 67mm)	Discretionary	per burial / cremation	£296.00
Renew bronze plaque for 25 years	Discretionary	per burial / cremation	£170.00
Replace bronze plaque with joint within first 10 years of lease period	Discretionary	per burial / cremation	£220.00
Bronze joint plaque for 25 yrs (175mm x 67mm )	Discretionary	per burial / cremation	£296.00
Marble plaque for 10 yrs (195mm x 147mm)	Discretionary	per burial / cremation	£380.00
Replace marble plaque	Discretionary	per burial / cremation	£323.00
Extra posy holder for marble plaque	Discretionary	per burial / cremation	£5.00
Renew marble with joint within first 5 years	Discretionary	per burial / cremation	£280.00
Renew marble	Discretionary	per burial / cremation	£222.00
Planter plaque for 10 yrs	Discretionary	per burial / cremation	£360.00
Renew Planter plaque with joint within first 5 years	Discretionary	per burial / cremation	£310.00
replace planter plaque with joint	Discretionary	per burial / cremation	£360.00
Picture or emblem	Discretionary	per burial / cremation	£110.00
Memorial tree plaque for 15 yrs (151mm x 100mm)	Discretionary	per burial / cremation	£265.00
Additional tree plaque to existing tree	Discretionary	per burial / cremation	£95.00
Renew memorial tree and plaque for 15 years	Discretionary	per burial / cremation	£160.00
Marble plaque baby memorial (295mm x 105mm )	Discretionary	per burial / cremation	£260.00
Penistone & Thurnscoe cemetery plaques (perpetuity 175mm x 67mm)	Discretionary	per burial / cremation	£280.00
Donation of railing for Wombwell cemetery	Discretionary	per burial / cremation	£400.00
Plaque for Garden seat ( at home)	Discretionary	per burial / cremation	£60.00
Wombwell railing plaque	Discretionary	per burial / cremation	£60.00
baby memorial plaque Thurnscoe & Wombwell	Discretionary	per burial / cremation	£60.00
Sanctum 2000 15 years	Discretionary	per burial / cremation	£700.00
Renew sanctum 2000 10 years	Discretionary	per burial / cremation	£455.00
Hoyland New niche for 25 yrs	Discretionary	per burial / cremation	£137.00
Hoyland Re-open niche	Discretionary	per burial / cremation	£105.00
Hoyland Memorial plaque for 25 yrs (123mm x 73mm)	Discretionary	per burial / cremation	£141.00
Renew Hoyland columbrium niche for 25yrs	Discretionary	per burial / cremation	£90.00
Hoyland Renew wall plaque for 25 yrs	Discretionary	per burial / cremation	£90.00
Memorila seat plaque for 15 yrs (200mm x 63mm)	Discretionary	per burial / cremation	£265.00
Renew memorial seat plaque for 15 yrs	Discretionary	per burial / cremation	£162.00
Extra plaque for garden seat	Discretionary	per burial / cremation	£55.00
<b>Pet Cremation Fees</b>			
Scatter Tube	Discretionary		
Rabbits & Small Pets	Discretionary		£62.00
Cat			£82.00
Small Dog			£82.00
Medium Sized Dog	Discretionary		£155.00

Large Dog	Discretionary		£190.00
Collect & Delivery	Discretionary		£55.00
Wooden Casket	Discretionary		£30.00
Same Day Cremation additional Charge	Discretionary		£50.00
<b>PARKS SERVICES</b>			
Fairs & Circuses	Discretionary		£215.00
Grange Lane	Discretionary		£430.00
Playground Inspections - Yearly	Discretionary	Per Inspection	£52.00
Playground Inspections - Bi Monthly	Discretionary	Per Inspection	£52.00
Football Pitch Adult	Discretionary	Per Season	£420.00
Football Pitch Junior	Discretionary	Per Season	£218.00
Football Cat A Adult	Discretionary	Per Season	£590.00
Football Cat A Junior	Discretionary	Per Season	£303.00
Football Cat B Adult	Discretionary	Per Season	£537.00
Football Cat B Junior	Discretionary	Per Season	£282.00
Football Cat C Adult	Discretionary	Per Season	£484.00
Football Cat C Junior	Discretionary	Per Season	£249.00
Mini Soccer	Discretionary	Per Season	£145.00
Cricket Pitch Rent Income	Discretionary	Per Season	£0.00
<b>ADULTS &amp; COMMUNITIES</b>			
<b>Adult &amp; Wellbeing</b>			
<b>ADULT ASSESSMENT AND CARE MANAGEMENT</b>			
<b>Client Care Contributions</b> - covers charges made by service users eligible for social care support towards their assessed care costs (residential, nursing and community based care e.g. homecare).	Discretionary	Fees based on ability to pay	Determined individually
<b>Community based support: Shared Lives</b>	Discretionary	Board Payment per week	50
	Discretionary	HB claim payment per week	58.07
<b>Provider Services</b>			
<b>Day Services</b>			
Lunch (At Day Centre)	Discretionary	Per meal	£0.00
<b>Assisted Living Technology</b>			
Alarm + Intercom	Discretionary	Weekly charge	1.30
Alarm + Intercom + non timed telecare	Discretionary	Weekly charge	1.85
Alarm + Intercom + timed telecare	Discretionary	Weekly charge	2.35
non timed telecare only	Discretionary	Weekly charge	0.55
timed telecare only	Discretionary	Weekly charge	1.05
GSM Alarm + smoke alarm + intercom	Discretionary	Weekly charge	3.05
Alarm 1 service user	Discretionary	Weekly charge	3.36
Alarm 2 service users	Discretionary	Weekly charge	5.17
Alarm3 service users	Discretionary	Weekly charge	6.98
Alarm 4 service users	Discretionary	Weekly charge	8.79
Alarm + 1 service user non timed telecare	Discretionary	Weekly charge	3.91
Alarm 1 service user plus timed telecare	Discretionary	Weekly charge	4.41
Alarm 1 service user	Discretionary	Weekly charge	4.20
Alarm 2 service users	Discretionary	Weekly charge	6.50
Alarm 3 service users	Discretionary	Weekly charge	8.80
Alarm 4 service users	Discretionary	Weekly charge	11.10
Alarm 5 service users	Discretionary	Weekly charge	13.40
Alarm + non timed telecare 1 service user	Discretionary	Weekly charge	4.75
Alarm + non timed telecare 2 service users	Discretionary	Weekly charge	7.05
Alarm + non timed telecare 3 service users	Discretionary	Weekly charge	9.35
Alarm + non timed telecare 4 service users	Discretionary	Weekly charge	11.65
Alarm + non timed telecare 5 service users	Discretionary	Weekly charge	13.95
Alarm + non timed telecare + mobilecare 1 service user	Discretionary	Weekly charge	5.75
Alarm + timed telecare 1 service user	Discretionary	Weekly charge	5.25
Alarm + timed telecare 2 service users	Discretionary	Weekly charge	7.55
Alarm + timed telecare 3 service users	Discretionary	Weekly charge	9.85
Alarm + timed telecare 4 service users	Discretionary	Weekly charge	12.15
Alarm + timed telecare 5 service users	Discretionary	Weekly charge	15.45
Alarm + timed telecare 6 service users	Discretionary	Weekly charge	17.75
Alarm + timed telecare + mobilecare 1 service user	Discretionary	Weekly charge	6.25
Alarm + mobilecare 1 service user	Discretionary	Weekly charge	5.20
Alarm + mobilecare 2 service users	Discretionary	Weekly charge	8.00
mobilecare 1 service user	Discretionary	Weekly charge	2.89
mobilecare 2 service users	Discretionary	Weekly charge	4.49
Smarthub 1 service user	Discretionary	Weekly charge	6.85
Smarthub 2 service users	Discretionary	Weekly charge	10.50
Smarthub 1 service user non timed telecare	Discretionary	Weekly charge	7.40
Smarthub 2 service users non timed telecare	Discretionary	Weekly charge	11.05
Smarthub 1 service user timed telecare	Discretionary	Weekly charge	7.90
Smarthub 2 service user timed telecare	Discretionary	Weekly charge	11.55
Lone Worker Charges	Discretionary	weekly charge/per person	1.50
Housing Association monitoring			
<b>SAFER, STRONGER &amp; HEALTHIER COMMUNITIES</b>			Various Charges

<b>Safer Communities</b>			
Abandoned vehicle	Statutory		£200.00
Depositing litter	Statutory		£100.00
Graffiti	Statutory		£100.00
Flyposting	Statutory		£100.00
Parking Fixed Penalty Notices	Discretionary		£50.00
Works in Default	Discretionary	Charged @ Cost	Determined individually
<b>PEOPLE DIRECTORATE</b>			
<b>EDUCATION &amp; EARLY START PREVENTION</b>			
<b>Education Welfare</b>			
EWO Buy Back for maintained schools / academies	Discretionary	Per Hour (Plus VAT where applicable)	£33.00
<b>School Workforce Modernisation</b>			
Tuition Fees - Governor Development (with buy back)	Discretionary	Per Governor	£65.00
Tuition Fees - Governor Development (outside buy back)	Discretionary	Per Governor	£50.00
<b>School Organisation &amp; Governance</b>			
Governor Clerking for schools - full service - Primary	Discretionary	Per annum	£1,614.77
Governor Clerking for schools - partial service - Primary	Discretionary	Per annum	£1,418.31
Governor Clerking for schools - additional committee service - Primary	Discretionary	Per meeting	£123.97
Additional FGB - Primary	Discretionary	Per meeting	£192.26
Governor Clerking for schools - full secondary service	Discretionary	Per annum	£1,965.67
Governor Clerking for schools - partial service - Secondary	Discretionary	Per annum	£1,771.31
Governor Clerking for schools - additional committee service - Secondary	Discretionary	Per meeting	£149.19
Additional FGB - Secondary	Discretionary	Per meeting	£231.13
Confidential Meetings	Discretionary	Per meeting	£193.31
Bespoke Service	Discretionary	Per annum	£784.80
Admission services (Academy)	Discretionary	Charge per pupil	£0.47
Appeals - panel member cost	Discretionary	Per half day	£51.00
Appeal hearing	Discretionary	Per Full day	£364.00
<b>Outdoor Education</b>			
Educational Visits & Journeys (Academies, VA and Trust Schools)	Discretionary	Per Acad/VA/trust school: Negotiated fee starting from	£299.00
		Variable fee - pp on roll	£1.00
<b>Education Psychology</b>			
Schools: Additional provision	Discretionary	Minimum per day (under contract)	Ceased Trading
		Maximum per day (under contract)	
		Maximum per day on adhoc basis	
<b>CHILDREN ASSESSMENT AND CARE MANAGEMENT</b>			
<b>Safeguarding</b>			
Multi-agency child protection and safeguarding training - academies		Per person for non attendance at training courses and not cancelling within the agreement of the Cancellation Policy	£0.00
Multi-agency child protection and safeguarding training - schools & academies	Discretionary	Per person	£130.00
		Training session per hour	£80.00
<b>Newsome Avenue Respite Care</b>			
Daycare - Overnight stays for Children with Disabilities from other Authorities	Discretionary	Respite care per night	£490.00
<b>PUBLIC HEALTH</b>			
<b>ENVIRONMENTAL AND TRADING STANDARDS</b>			
<b>Pollution Control</b>			
Environmental Searches	Discretionary	Hourly rate	Variable
Misc Fees & Charges	Discretionary	Various	Variable
<b>PPC Permits</b>			
	Statutory	Based on annual risk assessment	
Part 1 permit	Statutory	Low risk	£79.00
		Medium risk	£158.00
		High risk	£237.00
PVR Stage 2	Statutory	Low risk	£113.00
		Medium risk	£226.00
		High risk	£341.00
Part 2 Permit	Statutory	Low risk	£228.00
		Medium risk	£365.00
		High risk	£548.00
Part B Permit	Statutory	Low risk	£771.00
		Medium risk	£1161.00
		High risk	£1747.00
A2 Permit	Statutory	Low risk	£1243.00
		Medium risk	£1747.00
		High risk	£2230.00

Local Site Operator Contracts	Discretionary	Tendered contract	Determined individually
<b>Trading Standards</b>			
Stamping Fees	Discretionary	Hourly rate	Variable
Second Hand Dealer Registration	Discretionary	Per registration	£17.50
Primary Authority Work	Discretionary	Hourly rate	Variable
<b>Food Hygiene</b>			
Reinspection Charge	Discretionary	Per inspection	£193.00
Premises Endorsement (no visit required)	Discretionary	Per certificate	£133.50
<b>Health and Safety</b>			
Skin Piercing Registrations (eg Tattooing, Acupuncture, Ear Piercing etc)	Discretionary	Per registration	£112.50
<b>ANIMAL WELFARE</b>			
<b>Dog Warden Fees</b>			
Dog Release Fee	Statutory	Per dog (plus rechargeable vets fees)	£50.00
Dog Release Kennelling Fee	Discretionary	Per dog (daily fee)	£15.00
Dog Surrender Fee	Discretionary	Per dog	£104.00
<b>Animal Health - Licence Fees</b>			
Home Dog Boarders	Statutory	Per licence	£267.00
Performing Animals	Statutory	Per licence	£155.50
Dangerous Wild Animals (+ vets fees)	Statutory	Per licence (plus rechargeable vets fees)	£113.50
Dog Day Care (Low Volume)	Statutory	Per licence	£267.00
Dog Day Care (High Volume)	Statutory	Per licence	£370.00
Dog Breeders	Statutory	Per licence	£297.00
Pet Shops	Statutory	Per licence	£328.00
Boarding Kennels (Dogs / Cats)	Statutory	Per licence	£267.00
Greyhound Racing Track	Statutory	Per licence	£147.50
Hiring out of Horses (+ vets fees)	Statutory	Per licence (plus rechargeable vets fees)	£287.00
Zoo (+ vets fees)	Statutory	Per licence (plus rechargeable vets fees)	£610.00
<b>CORE SERVICES</b>			
<b>FINANCE</b>			
School Meals		Individual SLA for each school based on requirements	Determined individually
Summons	Statutory	Per Order	£28.00
Benefits/Taxation - Liability Order	Statutory	Per Summons	£52.00
Benefits/Taxation - Late Payment of Commercial Debts (Interest) Act 1998	Discretionary		Ceased charging
Prompt Payment Discount Scheme	Discretionary	Individual agreements with companies	Determined individually
Court of Protection Fees	Discretionary	Application	
Court of Protection Fees	Discretionary	Year 1 Management Fee	
Court of Protection Fees	Discretionary	Year 2 management Fee	
Court of Protection Fees	Discretionary	Management fee (assets <£16k)	3.5% of asset value
Court of Protection Fees	Discretionary	Annual property management fee	
Court of Protection Fees	Discretionary	Prep of OPG reports	
Payroll for schools - maintained schools	Discretionary	Per payslip	£4.70
Payroll for schools - academies	Discretionary	Per payslip	£5.73
DPA Associated Administration Costs	Discretionary	Per DPA	£561.00
Property Valuation	Discretionary	Per DPA	£408.00
Redemption Fee	Discretionary	Per DPA	£102.00
Unregistered Property	Discretionary	Per DPA (Case dependent)	£255.00
Annual Finance Admin Cost	Discretionary	Per DPA	£51.00
BACS service for Rotherham	Discretionary	Per BACS File	£2.50
BACS service for Sheffield	Discretionary	Per BACS File	£5.00
BACS service for South Derbyshire	Discretionary	Per BACS File	£5.00
Free school meals eligibility checking (Academy)	Discretionary		£160 (primary schools) £270 (secondary schools) plus £5.50 per eligible student
Procurement support to External Bodies (Category Manager)	Discretionary	Per hour	
Procurement support to External Bodies (Procurement Officer)	Discretionary	Per day	
Procurement support to External Bodies (Procurement Officer)	Discretionary	Per hour	
Procurement support to External Bodies (Procurement Officer)	Discretionary	Per day	
Internal Audit - Support to External Bodies	Discretionary	Per day - minimum	
CSC Support Charges to Berneslai Homes			
Insurance Charge to Berneslai Homes			

IT				
	<b>Registrars</b>			
	General Search	Statutory	General Search	£18.00
	Certificates	Statutory	Per certificate	£11.00
	Marriages (Register Office)	Statutory	Marriages (Register Office)	£57.00
	Marriages / Ceremonies (Ceremony Suite):			
	- Monday - Thursday	Discretionary	Per Ceremony	£129.00
	- Friday	Discretionary	Per Ceremony	£151.00
	- Saturday	Discretionary	Per Ceremony	£181.00
	Marriages (Approved Premises)			
	- Monday - Thursday			£344.00
	- Friday	Discretionary	Per Ceremony	£440.00
	- Saturday	Discretionary	Per Ceremony	£492.00
	- Sunday	Discretionary	Per Ceremony	£500.00
	- Bank Holiday	Discretionary	Per Ceremony	£500.00
	Non Stat Ceremony (Naming/Renewal of vows)	Discretionary	Per Ceremony	£172.00
		Discretionary	Per day - maximum	
	<b>Customer Experience</b>			
	Blue Badges		Per Badge	£10.00
	<b>DBS CHECKS / HUMAN RESOURCES / PERFORMANCE SERVICES</b>			
	Recruitment - DBS checks for Schools	Discretionary	Per check	£49.95
	Recruitment - DBS checks Taxi Drivers	Discretionary	Per check	£60.00
	Recruitment - DBS checks for BMBC Internal (cost centre)		Per check	£44.40
	Recruitment - DBS checks for External Customers (Umbrellas)		Per Check	*£40 + Admin Fee
	Recruitment - DBS checks for civil enforcement	Discretionary	Per check	£25.60
	Occupational Health - Pre-Employment Checks: Engage	Discretionary	Per check	£16.25
	Occupational Health - Pre-Employment Checks: Nurse follow-up	Discretionary		£33.53
	Recruitment - online advertising <b>Internal</b>	Discretionary	Per Advert	£115.00
	Recruitment - online advertising <b>External</b>	Discretionary		Various rates
	Recruitment - NS1 Form check	Discretionary	Per Check	£35.00
	Recruitment - VC01 Form check	Discretionary	Per Check	£17.50
	Recruitment - Barred List / Dfe check	Discretionary	Per Check	£6.00
	Barnsley HR Services - Provision of HR Services	Discretionary	Per employee - fixed fee arrangement	£129.00
		Discretionary	Per hour - consultancy arrangement	£77.00
	Health and Safety - Provision of health and safety services	Discretionary	Per hour. Fixed fee terms available.	£80.88
	Health and Safety - Training Courses	Discretionary	Per delegate	£100.00 to £438.00
	Research and Business Intelligence	Discretionary	Per SLA	Determined individually
	OWI - Assessment Centre Qualification Fees	Discretionary	Per qualification: based on total cost of qualification	Determined individually
	OWI - Workforce Development - Training Fees	Discretionary	Per qualification: based on total cost of qualification	Determined individually
	<b>LEGAL, ELECTIONS &amp; GOVERNANCE</b>			
	Land Charge Searches - Various Types	Statutory	Dependant on type of Search	Determined individually
	<b>ENTERTAINMENT LICENCES</b>			
	Licence Fees - Premises, Alcohol & Gambling	Statutory	Per establishment	Variable. Dependent on rateable value of premises
	<b>Licence Fees - Premises, sex establishments</b>			
	New application	Statutory	Per establishment	£234.00
	Renewal	Statutory	Per establishment	£112.00
	Variation	Statutory	Per establishment	£234.00
	Transfer	Statutory	Per establishment	£34.00
	Pre-application checking service	Discretionary	Per licence application	TBC
	<b>HACKNEY CARRIAGE LICENCES</b>			
	Private hire vehicle	Statutory	Per licence application	£164.00
	A Hackney Carriage vehicle	Statutory	Per licence application	£164.00
	A 12 month driver licence	Statutory	Per licence application	£137.00
	A 3 year driver licence	Statutory	Per licence application	£221.00
	An Operator licence (1 year)	Statutory	Per licence application	£63.00
	An Operator licence (1 year)	Statutory	Per licence application	£127.00

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## BARNSELY METROPOLITAN BOROUGH COUNCIL

## 2022/23 BUDGET RECOMMENDATIONS

1. 2022/23 Revenue Budget, Capital Programme and Council Tax

- 1.1 Further to previous reports submitted by the Executive Director of Core Services and the Service Director Finance (S151 Officer).

**RECOMMENDED:**

- 1.2 That Cabinet are recommended:

- a) that the report of the Service Director Finance (S151 Officer), under Section 25 of the Local Government Act 2003 at **Section 1** be noted, that the 2022/23 budget proposals be agreed and that the Chief Executive and Senior Management Team (SMT), in consultation with Cabinet Spokespersons, submit, for early consideration, detailed plans that ensure the Council's ongoing financial sustainability in 23/24 and beyond.
- b) that the revised Medium Term Financial Strategy (MTFS) and Budget Forecast for 22/23 to 24/25 contained at **Section 3** (supported by the suite of background papers in **Sections 3a – 3d**) be noted and that these are monitored as part of the arrangements for the delivery of the MTFS.
- c) that **£3.8M** of additional one-off funding received in the 2021 Local Government Finance Settlement be set aside pending further assessment of the emerging financial risks identified in the MTFS at **Section 3**.
- d) That provision of £10.7m to cover anticipated demographic and other cost pressures in Children's Social Care, Adult Social Care, Homes to School Transport and Waste Services be approved for inclusion in the budget as identified at **Section 3**.
- e) That additional service investment of £7.4m including Neighbourhood Services (grass cutting and clean up teams), Car Parking and the Glassworks be approved for inclusion in the budget as identified at **Section 3**.
- f) that the proposed efficiency savings in 22/23 highlighted in **Section 3** and detailed at **Section 5a** be approved for implementation and that the 23/24 efficiency savings also contained in **Section 5a** be noted with final approval to take place as part of the 23/24 budget setting process.
- g) that the Council's reserves strategy and updated reserves position at **Section 3b** be noted.
- h) that the proposed changes to the 22/23 fees and charges policy and accompanying schedule of charges set out at **Section 3d** be approved.
- i) to submit to Council for approval the cash limited budgets for each Service with overall net expenditure for 22/23 of £211.4M as highlighted in **Section 6a**.

- j) to consider the budgets for all services and approve, for submission into Council, the 22/23 – 24/25 budget proposals presented at **Sections 6a – 6c**, subject to Cabinet receiving detailed implementation reports where appropriate.
- k) to consider and approve the changes to the schools funding formula including the transfer of funding from the schools block to the high needs block and approve the proposed 22/23 schools block budget as set out at **Section 6d**.
- l) that the capital investment schemes totalling £56.2M (**Section 7 Appendix 1**), be included within the capital programme and released subject to receiving further detailed business cases where appropriate.
- m) to note the capital investment proposals of £310.8M (**Section 7 Appendix 2**) which are currently the subject of live external funding bids / specific Government announcements and thereafter to receive regular updates on their progress.
- n) that further detailed feasibility work / business case development be carried out on the capital investment proposals totalling £58.6M at (**Section 7 Appendix 3**)
- o) that the Chief Executive and SMT, in consultation with Cabinet Spokespersons, be required to submit reports into Cabinet, as a matter of urgency, in relation to the detailed General Fund Revenue Budget for 22/23 on any further action required to achieve an appropriately balanced budget in addition to those proposals set out above.
- p) that the Chief Executive and SMT be responsible for managing their respective budgets including ensuring the implementation of all approved saving proposals.
- q) that the Authority's SMT be charged with ensuring that the budget remains in balance and report regularly into Cabinet on budget / savings monitoring including any action required.
- r) that Cabinet and the Section 151 Officer be authorised to make any necessary technical adjustments to form the 22/23 budget.
- s) that appropriate consultation on the budget proposals takes place with the Trade Unions and representatives of Non-Domestic Ratepayers and that the views of consultees be considered by Cabinet and the Council.
- t) that the budget papers be submitted for the consideration of the full Council.

## **2. Council Tax 2022/23**

### **RECOMMENDED:**

- 2.1 that Cabinet note the contents of **Section 3a** (22/23 Council Tax options) and that:
- a) the Council Tax Collection Fund net surplus as at 31<sup>st</sup> March 2021 relating to BMBC of £3.2M be used to reduce the 22/23 Council Tax requirement, in line with statute.
  - b) the 22/23 Band D Council Tax increase for Barnsley MBC services be set at 3.5% (1.5% for Core Council Services and an additional 2.0% for the Adult Social Care precept).
  - c) the Band D Council Tax for Barnsley MBC's areas be determined following confirmation of the South Yorkshire Police and Crime Commissioner and South Yorkshire Fire Authority precepts for 22/23.
  - d) the Band D Council Tax for areas of the Borough with Parish / Town Councils be determined following confirmation of individual parish precepts for 22/23.
  - e) additional Local Council Tax Support be provided to all eligible working age claimants in the form of a flat rate discount of £125 per claimant, and that all eligible claimants are further protected from any agreed council tax increase for 22/23.

## **3. Treasury Management Strategy & Policy Statement 2022/23**

### **RECOMMENDED:**

- 3.1 that Cabinet approve the 22/23 Treasury Management Strategy and Policy Statement (included in the main papers at **Section 3c**) and specifically:
- a) approve the 22/23 Treasury Management Policy Statement (**Section 3c Appendix A**).
  - b) approve the 22/23 Minimum Revenue Provision (MRP) Statement (**Section 3c Appendix B**).
  - c) approve the 22/23 Borrowing Strategy at **Section 3c** including the full suite of Prudential and Treasury Indicators (**Section 3c Appendix C**).
  - d) approve the 22/23 Annual Investment Strategy at **Section 3e**.

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# BARNSELY METROPOLITAN BOROUGH COUNCIL

## 2022 - 2024

### SUMMARY Efficiency Proposals

Directorate	Investment Required £	2022/23 Saving £	2023/24 Saving £	Full Year Effect £
Adults and Communities	0	100,000	1,250,000	1,350,000
Children's Services	(1,000,000)	0	370,000	370,000
Place	0	500,000	500,000	1,000,000
Public Health	0	0	0	0
Core	0	1,500,000	500,000	2,000,000
<b>TOTAL</b>	<b>(1,000,000)</b>	<b>2,100,000</b>	<b>2,620,000</b>	<b>4,720,000</b>

#### Equality Impact assessments

Under Section 149 of the Equality Act 2010, the Council has a duty when exercising its functions to have 'due regard' to the need to eliminate discrimination and other conduct prohibited under the Act, and promote equality of opportunity and foster good relations between those who share a 'protected characteristic' and those who do not. This is the public sector equality duty.

The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and, marriage and civil partnership.

The purpose of the duty is to assess whether a proposed decision disproportionately affects people with a protected characteristic. In other words, the indirect discriminatory effects of a proposed decision. Before the Council exercises its fees and charging powers, the impact on individuals or groups of individuals who share a protected characteristic must be carefully considered and properly factored into the decision making process using the Council's Equality Impact Assessment process.

The Equality and Inclusion Team have assessed the proposed efficiency savings for 22/23 to ensure that none of the protected characteristic groups have the potential to be disproportionately affected by way of all savings impacting the same group/s.

All budget savings will individually undertake the Equality Impact Assessment process to ensure due regard is paid to our legal obligations. Mitigations will be proposed if there is potential to disproportionately affect a protected characteristic group.

Equality analysis will also be undertaken for savings relating to staff restructure.

**BARNSELY METROPOLITAN BOROUGH COUNCIL**  
**2022 - 2024 Efficiency Proposals**  
**ADULTS AND COMMUNITIES DIRECTORATE**

Ref	Proposal Theme	Brief Description of Proposal	Investment Required £	2022/23 Saving £	2023/24 Saving £	Full Year Effect £
<b>Adult Assessment and Care Management</b>						
AC1 22-24	Re-design of the operational model of the Reablement Service	We'll develop and implement a revised operational delivery model for the Reablement service, embedding the Discharge to Assess requirements. This will provide people with a safe and effective discharge from hospital with a home first approach and prevent hospital admissions wherever possible.	-	-	200,000	200,000
AC2 22-24	Review of the Adult Social Care operating model	We'll develop an approach to adult social care designed around our Barnsley neighbourhoods, working with our partners to utilise community and digital resources .	-	-	1,000,000	1,000,000
AC3 22-24	Providing innovative support through our Shared Lives Service	We'll review current management and processes within Shared Lives Service for cost effectiveness	-	-	50,000	50,000
<b>Sub - Total Adult Assessment and Care Management</b>			<b>0</b>	<b>0</b>	<b>1,250,000</b>	<b>1,250,000</b>
<b>Adults and Communities Cross cutting proposals</b>						
AC5 22-24	Delivering efficient and effective commissioning services	We'll maximise the use of DFG funded Equipment / Adaptations budget for the StayPut contract (for minor aids) following expiry of the contract and transfer of functions to Berneslai homes	-	100,000	-	100,000
<b>Sub - Adults and Communities Crosscutting</b>			<b>0</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>
<b>TOTAL ADULTS AND COMMUNITIES EFFICIENCIES</b>			<b>0</b>	<b>100,000</b>	<b>1,250,000</b>	<b>1,350,000</b>

**BARNSELY METROPOLITAN BOROUGH COUNCIL**  
**2022 - 2024 Efficiency Proposals**  
**ADULTS AND COMMUNITIES DIRECTORATE**

Ref	Proposal Theme	Brief Description of Proposal	Investment Required £	2022/23 Saving £	2023/24 Saving £	Full Year Effect £
	<u>Crosscutting / Non Cashable opportunities</u>					
	Aligned Environmental Commissioning	We'll look at how we can commission environmental contracts for area councils more efficiently. This includes the potential to undertake one commission for all areas. This creates more efficient commissioning practice and closer alignment with an area based approach.	-	-	-	-
	Welfare Advice Service	We'll look at how we can commission welfare advice support for areas more efficiently. This will help to make sure that the offer is consistent across the borough. There is a potential to implement a single commissioned provider or framework agreements. We'll also consider creating a centrally provided service although this may create cost pressures.	-	-	-	-
	Safer Neighbourhoods - Defined core budget	We'll look at options to review the Safer Neighbourhoods budget to create a more stable service offer, improved scope to target and meet need, prevent crisis and achieve improvements for our neighbourhoods and communities.	-	-	-	-
	Review our approach to housing management	There's an opportunity to review our approach to housing management across the organisation. This will provide a joined up approach to management and regulation to both stimulate housing growth and prevent decline.	-	-	-	-

## 2022 - 2024 Efficiency Proposals CHILDREN'S DIRECTORATE

Ref	Proposal Theme	Brief Description of Proposal	Investment Required £	2022/23 Saving £	2023/24 Saving £	Full Year Effect £
<b>Education, Early Start and Prevention</b>						
CS1 22-24	Review of the Barnsley Multi-Systemic Therapy Service (MST)	<p>The Barnsley MST service is delivered to 50 children across Barnsley and Rotherham. It provides intensive family and community-based intervention programmes for children and young people aged 11-17, where young people are at risk of care or custody. Rotherham have given notice to end the contract.</p> <p>We'll review the services that are needed resulting from the COVID19 pandemic and reinvest MST resources for the period to 22/23 (in light of anticipated fallout of TF funding). There's an opportunity to put it forward as a cashable saving in 23/24.</p>	-	-	170,000	<b>170,000</b>
<b>Sub Total Education, Early Start and Prevention</b>			-	-	<b>170,000</b>	<b>170,000</b>
<b>Children's Social Care and Safeguarding</b>						
CS2 22-24	Develop Children in Care residential provision in Barnsley	We'll look to develop a Children in Care (CIC) residential provision within the borough. This will enable children to be cared for locally and help sustain family and social relationships and reduce missing from care episodes. In borough provision improves placement stability, timely consistent support and relationships, and wrap around services and interventions.	<b>(1,000,000)</b>		200,000	<b>200,000</b>
CS3 22-24	Delivering Children's services digitally	<p>We'll use our experiences and learning from the COVID19 pandemic to see how we can make better use of digital technology in delivering our Children's services. We'll look at holding meetings virtually which means we have less reliance on buildings together with reduced staff time spent travelling, helping us to reduce our carbon footprint. Various opportunities include:</p> <ul style="list-style-type: none"> <li>• Child protection and Children in Care Statutory Reviewing Functions</li> <li>• Early Help Team Around the Family (TAF) meetings</li> <li>• EHC/SEND Meetings and annual reviews</li> <li>• Adoption and Fostering Panel</li> <li>• Youth Justice Panels</li> <li>• Referral Panels</li> </ul>	-	-	-	-
<b>Total Children's Social Care and Safeguarding</b>			<b>-1,000,000</b>	-	<b>200,000</b>	<b>200,000</b>
<b>TOTAL CHILDRENS DIRECTORATE</b>			<b>-1,000,000</b>	-	<b>370,000</b>	<b>370,000</b>

## 2022 - 2024 Efficiency Proposals CHILDREN'S DIRECTORATE

Ref	Proposal Theme	Brief Description of Proposal	Investment Required £	2022/23 Saving £	2023/24 Saving £	Full Year Effect £
<b><u>Crosscutting / Non Cashable opportunities</u></b>						
CS1 22-24	Review of Educational Psychology Service	We'll review how we deliver our Educational Psychology Service to deliver our statutory and traded services. We'll explore a partnership with local universities to secure Educational Psychology graduate placements.	-	-	-	
	Review of age criteria for (18+) shared lives	See Adults and Communities	-	-	-	
	Review of Commissioning	See Adults and Communities	-	-	-	
	Social Care Academy	See Adults and Communities	-	-	-	

**BARNSELY METROPOLITAN BOROUGH COUNCIL**  
**2022 - 2024 Efficiency Proposals**  
**PLACE DIRECTORATE**

Ref	Proposal Theme	Brief Description of Proposal	Investment Required £	2022/23 Saving £	2023/24 Saving £	Full Year Effect £
<b>PLACE</b>						
<b>Economic Regeneration and Culture</b>						
PL1 22-24	Town Centre Buildings Review	Further opportunity to revisit the Town Centre accommodation strategy using the learning and experiences from COVID19 i.e. home working options. Key considerations to include:  <ul style="list-style-type: none"> <li>•Re-purpose/Disposal of surplus accommodation</li> <li>•Potential to change use of Gateway reviewing commercial angles and to accelerate occupancy pipeline for DMC2</li> </ul>	-	-	500,000	500,000
PL2 22-24	Delivery of the services currently provided by NPS/Norse contract	We'll explore the opportunities of having an in-house provision or external contract following termination of the current JV with Barnsley NPS/Norse.	-	500,000	-	500,000
2-24	Review of our commercial properties	We'll look at our current commercial properties and how we use them. We'll aim to step up occupancy rates and creativity around usage of space. This also links to the work being undertaken on Principal Towns. We'll explore opportunities to 'sweat the assets we own'.	-	-	TBD	TBD
<b>Sub - Total Economic Regeneration and Culture</b>			-	500,000	500,000	1,000,000
<b>Environment and Transport</b>						
<b>TOTAL PLACE EFFICIENCIES</b>			<b>0</b>	<b>500,000</b>	<b>500,000</b>	<b>1,000,000</b>

**BARNSLEY METROPOLITAN BOROUGH COUNCIL**  
**2022 - 2024 Efficiency Proposals**  
**CORE DIRECTORATE**

Ref	Proposal Theme	Link to Corporate Priority	Brief Description of Proposal	Investment Required £	2022/23 Saving £	2023/24 Saving £	Full Year Effect £
CO1 22-24	Ensuring Core Services meet our organisational and customer needs.		We'll review all of our core services to ensure that they are working as effectively and efficiently as possible to meet our organisations and customer needs.	-	500,000	-	500,000
CORP1 22-24	Ensuring our customer services are delivering the best service possible to our customers.		We'll look at how we can deliver the best service possible to our customers by: <ul style="list-style-type: none"> <li>Working with customers to design a service that meets their needs.</li> <li>Maximising the use of technology and providing support around digital inclusion.</li> <li>Creating a single front door where appropriate</li> <li>Implementing a new telephony system, CRM system, Chatbot and Robotic Process Automation.</li> <li>Having clear council wide customer services principles and service standards.</li> </ul>	-	250,000	-	250,000
CORP2 22-24	Harnessing the benefits of Robotic Process Automation (RPA)		We'll use the Robotic Process Automation technology to help us: <ul style="list-style-type: none"> <li>Reduce duplication of effort and manual inputting to our systems.</li> <li>Make the most of the data we have by looking across different data sets, improving analysis and make 'automated' decisions.</li> <li>Use chatbots where appropriate for simple customer interaction (see customer services).</li> </ul>	-	-	250,000	250,000
CORP3 22-24	Business Improvement and Intelligence		We'll review our Business Improvement and Intelligence function to create a single front door for business intelligence across the organisations. This includes: <ul style="list-style-type: none"> <li>Bringing together relevant roles from across the council.</li> <li>An In depth review of job roles to make sure they meet need.</li> <li>Consistent application of a data management framework.</li> <li>Using Robotic Process Automation, Artificial Intelligence and Power BI to make our processes better and provide rich intelligence.</li> <li>Having better joined up data e.g. shared care record.</li> </ul>	-	250,000	-	250,000
CORP4 22-24	Deliver our Smart Working Programme		We'll continue to deliver our Smart Working programme, using our experiences and learning from COVID19. We'll focus on three key themes: <ul style="list-style-type: none"> <li>People</li> <li>Workspace</li> <li>Digital</li> </ul>	-	500,000	250,000	750,000
<b>Total Core Service</b>				-	<b>1,500,000</b>	<b>500,000</b>	<b>2,000,000</b>

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## DIRECTORATE SUMMARY SPENDING PLANS 2022 - 2023

DIRECTORATE	OPENING 2022/23 RESOURCE ENVELOPE	ADD			SUB -TOTAL PRE EFFICIENCIES	LESS Efficiencies	REVISED 2022/23 RESOURCE ENVELOPE
		Fixed and Ongoing	Demography	Investments ongoing			
	£M	£M	£M	£M		£M	
<b><u>ADULTS &amp; COMMUNITIES DIRECTORATE</u></b>							
Adults Assessment and Care Management	55.170	0.273	4.237	0.836	60.516	-0.100	60.416
Safer, Stronger & Healthier Communities	6.762	0.205			6.967	0.000	6.967
<b>TOTAL COMMUNITIES</b>	<b>61.932</b>	<b>0.478</b>	<b>4.237</b>	<b>0.836</b>	<b>67.483</b>	<b>-0.100</b>	<b>67.383</b>
<b><u>CHILDRENS DIRECTORATE</u></b>							
Education and Early Start Prevention	8.395	0.316		0.810	9.521		9.521
Children Assessment and Care Management	27.637	0.259	4.700		32.596		32.596
<b>TOTAL CHILDRENS</b>	<b>36.032</b>	<b>0.575</b>	<b>4.700</b>	<b>0.810</b>	<b>42.117</b>	<b>0.000</b>	<b>42.117</b>
<b><u>PLACE DIRECTORATE</u></b>							
Regeneration and Culture	14.005	0.334	0.500	0.050	14.889	-0.500	14.389
Environment and Transport	31.026	0.359	1.100	1.025	33.510	0.000	33.510
<b>TOTAL PLACE</b>	<b>45.031</b>	<b>0.693</b>	<b>1.600</b>	<b>1.075</b>	<b>48.399</b>	<b>-0.500</b>	<b>47.899</b>
<b><u>PUBLIC HEALTH DIRECTORATE</u></b>							
Public Health	3.714	0.170	0.000	0.000	3.884	0.000	3.884
<b>TOTAL PUBLIC HEALTH</b>	<b>3.714</b>	<b>0.170</b>	<b>0.000</b>	<b>0.000</b>	<b>3.884</b>	<b>0.000</b>	<b>3.884</b>
<b><u>CORE DIRECTORATE</u></b>							
Finance	3.054	0.241			3.295	-0.700	2.595
IT	7.020	0.172			7.192		7.192
HR, Performance & Communications	4.965	0.218			5.183	-0.300	4.883
Legal	1.009	0.035			1.044		1.044
Governance & Elections	4.326	0.047			4.373		4.373
<b>TOTAL CORE</b>	<b>20.374</b>	<b>0.713</b>	<b>0.000</b>	<b>0.000</b>	<b>21.087</b>	<b>-1.000</b>	<b>20.087</b>
<b><u>CORPORATE BUDGETS</u></b>							
Levies	0.947	0.000			0.947		0.947
Corporate & Democratic Core	0.458	0.013			0.471		0.471
Capital Financing	14.201	0.070			14.271		14.271
Corporate Budgets & Provisions	3.900	2.284	0.154	8.499	14.837	-0.500	14.337
<b>TOTAL CORPORATE</b>	<b>19.506</b>	<b>2.367</b>	<b>0.154</b>	<b>8.499</b>	<b>30.526</b>	<b>-0.500</b>	<b>30.026</b>
<b>TOTAL NET BUDGET</b>	<b>186.588</b>	<b>4.996</b>	<b>10.691</b>	<b>11.220</b>	<b>213.495</b>	<b>-2.100</b>	<b>211.395</b>

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## DIRECTORATE SUMMARY SPENDING PLANS 2023 - 2024

DIRECTORATE	OPENING 2023/24 RESOURCE ENVELOPE	ADD			SUB -TOTAL PRE EFFICIENCIES	LESS	REVISED 2023/24 RESOURCE ENVELOPE
		Fixed and Ongoing	Demography	Investments ongoing		Efficiencies	
	£M	£M	£M	£M		£M	
<b><u>ADULTS &amp; COMMUNITIES DIRECTORATE</u></b>							
Adults Assessment and Care Management	60.416	0.273	2.437		63.126	-1.670	61.456
Safer, Stronger & Healthier Communities	6.967	0.205			7.172	-0.100	7.072
<b>TOTAL COMMUNITIES</b>	<b>67.383</b>	<b>0.478</b>	<b>2.437</b>	<b>0.000</b>	<b>70.298</b>	<b>-1.770</b>	<b>68.528</b>
<b><u>CHILDRENS DIRECTORATE</u></b>							
Education and Early Start Prevention	9.521	0.316			9.837	-0.200	9.637
Children Assessment and Care Management	32.596	0.259	0.195		33.050	-0.684	32.366
<b>TOTAL CHILDRENS</b>	<b>42.117</b>	<b>0.575</b>	<b>0.195</b>	<b>0.000</b>	<b>42.887</b>	<b>-0.884</b>	<b>42.003</b>
<b><u>PLACE DIRECTORATE</u></b>							
Regeneration and Culture	14.389	0.334			14.723	-0.965	13.758
Environment and Transport	33.510	0.359	0.400		34.269	-0.295	33.974
<b>TOTAL PLACE</b>	<b>47.899</b>	<b>0.693</b>	<b>0.400</b>	<b>0.000</b>	<b>48.992</b>	<b>-1.260</b>	<b>47.732</b>
<b><u>PUBLIC HEALTH DIRECTORATE</u></b>							
Public Health	3.884	0.170			4.054	-0.200	3.854
<b>TOTAL PUBLIC HEALTH</b>	<b>3.884</b>	<b>0.170</b>	<b>0.000</b>	<b>0.000</b>	<b>4.054</b>	<b>-0.200</b>	<b>3.854</b>
<b><u>CORE DIRECTORATE</u></b>							
Finance	2.595	0.241			2.836	-0.250	2.586
IT	7.192	0.172			7.364		7.364
HR, Performance & Communications	4.883	0.218			5.101		5.101
Legal	1.044	0.035			1.078		1.078
Governance & Elections	4.373	0.047			4.420		4.420
<b>TOTAL CORE</b>	<b>20.087</b>	<b>0.713</b>	<b>0.000</b>	<b>0.000</b>	<b>20.799</b>	<b>-0.250</b>	<b>20.549</b>
<b><u>CORPORATE BUDGETS</u></b>							
Levies	0.947	0.000			0.947		0.947
Corporate & Democratic Core	0.471	0.013			0.484		0.484
Capital Financing	14.271	0.570			14.841		14.841
Corporate Budgets & Provisions	14.337	2.984	-0.208	-2.725	14.388	-0.056	14.332
<b>TOTAL CORPORATE</b>	<b>30.026</b>	<b>3.567</b>	<b>-0.208</b>	<b>-2.725</b>	<b>30.660</b>	<b>-0.056</b>	<b>30.604</b>
<b>TOTAL NET BUDGET</b>	<b>211.395</b>	<b>6.196</b>	<b>2.824</b>	<b>-2.725</b>	<b>217.690</b>	<b>-4.420</b>	<b>213.270</b>

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## DIRECTORATE SUMMARY SPENDING PLANS 2024 - 2025

DIRECTORATE	OPENING 2024/25 RESOURCE ENVELOPE	ADD			SUB -TOTAL PRE EFFICIENCIES	LESS	REVISED 2024/25 RESOURCE ENVELOPE
		Fixed and Ongoing	Demography	Investments ongoing		Efficiencies	
	£M	£M	£M	£M		£M	
<b><u>ADULTS &amp; COMMUNITIES DIRECTORATE</u></b>							
Adults Assessment and Care Management	61.456	0.000	2.437		63.893		63.893
Safer, Stronger & Healthier Communities	7.072	0.000			7.072		7.072
<b>TOTAL COMMUNITIES</b>	<b>68.528</b>	<b>0.000</b>	<b>2.437</b>	<b>0.000</b>	<b>70.965</b>	<b>0.000</b>	<b>70.965</b>
<b><u>CHILDRENS DIRECTORATE</u></b>							
Education and Early Start Prevention	9.637	0.000			9.637		9.637
Children Assessment and Care Management	32.366	0.000	0.195		32.561		32.561
<b>TOTAL CHILDRENS</b>	<b>42.003</b>	<b>0.000</b>	<b>0.195</b>	<b>0.000</b>	<b>42.198</b>	<b>0.000</b>	<b>42.198</b>
<b><u>PLACE DIRECTORATE</u></b>							
Regeneration and Culture	13.758	0.000			13.758		13.758
Environment and Transport	33.974	0.000	0.400		34.374		34.374
<b>TOTAL PLACE</b>	<b>47.732</b>	<b>0.000</b>	<b>0.400</b>	<b>0.000</b>	<b>48.132</b>	<b>0.000</b>	<b>48.132</b>
<b><u>PUBLIC HEALTH DIRECTORATE</u></b>							
Public Health	3.854	0.000	0.000		3.854		3.854
<b>TOTAL PUBLIC HEALTH</b>	<b>3.854</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>3.854</b>	<b>0.000</b>	<b>3.854</b>
<b><u>CORE DIRECTORATE</u></b>							
Finance	2.586	0.000			2.586		2.586
IT	7.364	0.000			7.364		7.364
HR, Performance & Communications	5.101	0.000			5.101		5.101
Legal	1.078	0.000			1.078		1.078
Governance & Elections	4.420	0.000			4.420		4.420
<b>TOTAL CORE</b>	<b>20.549</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>20.549</b>	<b>0.000</b>	<b>20.549</b>
<b><u>CORPORATE BUDGETS</u></b>							
Levies	0.947	0.000			0.947		0.947
Corporate & Democratic Core	0.484	0.000			0.484		0.484
Capital Financing	14.841	0.570			15.411		15.411
Corporate Budgets & Provisions	14.332	3.626			17.958		17.958
<b>TOTAL CORPORATE</b>	<b>30.604</b>	<b>4.196</b>	<b>0.000</b>	<b>0.000</b>	<b>34.800</b>	<b>0.000</b>	<b>34.800</b>
<b>TOTAL NET BUDGET</b>	<b>213.270</b>	<b>4.196</b>	<b>3.032</b>	<b>0.000</b>	<b>220.498</b>	<b>0.000</b>	<b>220.498</b>

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## BARNSELY METROPOLITAN BOROUGH COUNCIL

**2022/23 SCHOOLS DELEGATED BUDGETS****1. Purpose of the Report**

- 1.1 To seek approval for the proposed 2022-23 schools' budget and for the transfer of schools' funding to the high needs budget, following consultation with schools and the Barnsley's Schools Forum.

**2. Recommendations**

- 2.1 That Cabinet approves the changes to the local schools funding formula and the proposed schools' budget as outlined in this report - subject to the decision of the Disapplication Request (see para 2.2).
- 2.2 That Cabinet approves the transfer (1%) of funding from the schools' block (£1.8M) to the high needs block (subject to the DfE's approval).

**3. Schools Funding Settlement 2022/23**

- 3.1 Details of the Dedicated Schools Grant (DSG) were announced on 16 December 2021. The total DSG allocation for Barnsley for 2022-23 is **£232.3M**. This equates to a **£10.7M** increase in DSG funding compared to 2021-22. The table below compares Barnsley's DSG allocation for 2022/23 to the current year on an equivalent basis.

	2021-22 £M	2022-23 £M	Change £M
Schools Block	173.072	180.249	7.177
High Needs Block	31.252	34.893	3.640
Early Years Block	15.456	15.485	0.029
Central Schools Services	1.757	1.665	-0.092
	<b>221.538</b>	<b>232.292</b>	<b>10.754</b>

- 3.2 The main changes in funding in 2022-23 can be explained by the following:

- Schools Block – the increase of £7.1M is due to additional funding for schools (£4.5M); and the impact of increase in pupil numbers (£2.6M).
- High Needs Block – the £3.6M increase reflects the additional SEND funding allocated through the high needs NFF.

**4. Barnsley's Schools Funding formula (2022/23)**

- 4.1 A consultation exercise was undertaken in November 2021, which sought views on changes to Barnsley's schools' funding formula. The aim was to deliver on the Government's expectation that local school's formulae should aligned to the national

formula. The outcome of the consultation was reported to the Schools Forum on 14 December 2021.

4.2 The following, which reflects the responses from schools, summarises the key proposed changes to the Barnsley's local funding formula for 2022-23:

- Increase in the basic entitlement unit funding (3%) for secondary in line with the 2022-23 national formula values (both for KS3 and KS4).
- Barnsley's current basic entitlement funding rate for primary is higher than the 2022-23 national formula rate - therefore no increase would be applied in 22-23. This will narrow the gap and ensure a closer alignment to the national formula.
- Increase the unit rates in the Barnsley's formula to the national formula level for the following funding factors: Deprivation; Low Prior Attainment; Mobility and English as an Additional Language (EAL). In addition, where necessary the proportion of funding allocated through these factors will be aligned to the NFF.
- Increase the Lump Sum factor to £121,300 per school to match the NFF amount.
- Include the Sparsity factor in the 2022-23 local formula and align with the NFF.
- Continue to protect schools from adverse formula changes by setting the Minimum Funding Guarantee (MFG) at 2% (in line with the national formula).
- Growth funding will be managed outside the funding formula based on the Council's Pupil Growth criteria. The amount to be top sliced from the schools' block for 2022-23 is £588k (£400k in 2021-22).

## 5. **Funding transfer to high needs**

5.1 Barnsley continues to face increased cost pressures in the high needs block, with a deficit projected for 2022-23. The Government continues to allow local flexibility for the transfer of funding from the schools to high needs block in 2022-23 subject to Schools Forum approval (NB DfE approval required for transfers above 0.5%).

5.2 The Council has consulted with schools and the Schools Forum on the proposal to transfer 1% of the schools' funding to the high needs block. The transferred funding (£1.8M) will be used to fund the commissioning of SEND places in local Barnsley schools – to stem the placements in external independent settings.

5.3 The 1% funding transfer proposal was approved by the Schools Forum on 14 December 2021. DfE approval of the proposal would not be confirmed till the end of January 2022. However, the attached school budget proposal put forward for 2022/23 assumes the 1% funding transfer.

## 6. Proposed 2022/23 Schools Delegated Budget

- 6.1 Submission of Barnsley's schools funding formula and confirmation of political ratification of the schools' budget is required by DfE. The table below outlines the proposed schools' budget for 2022/23 and reflect the changes to the formula as detailed in paragraph 4.2 and the 1% funding transfer as outlined in paragraph 5.3 (subject to DfE decision).

	2021/22 Budget	2022/23 Budget	Variance
	£'000	£'000	£'000
Schools block funding	173,072	180,249	7,177
Growth fund	-400	-588	-188
Funding transfer to high needs block*	-1,662	-1,786	-124
	<b>171,010</b>	<b>177,875</b>	<b>6,865</b>

\* 22-23 funding transfer subject to DfE approval

1) Age Weighted Pupil Unit (AWPU)	122,018	125,319	3,301
2) Deprivation	16,139	17,619	1,480
3) English as an Additional Language	576	569	-7
4) Mobility	21	75	54
5) Prior Attainment	11,358	11,443	85
6) Lump sum	10,020	10,674	654
7) Sparsity	-	24	24
8) Minimum pupil funding	876	1,001	125
9) Minimum Funding Guarantee	503	1,040	537
10) Rates	1,670	1,670	-
11) PFI funding	7,829	8,441	612
	<b>171,010</b>	<b>177,875</b>	<b>6,865</b>

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## 2022/23 – 2024/25 CAPITAL INVESTMENT PROGRAMME

### 1. Purpose of Report

- 1.1 To outline the Council's approach to prioritisation of capital investment needs and the indicative priority proposals.

### 2. Recommendations

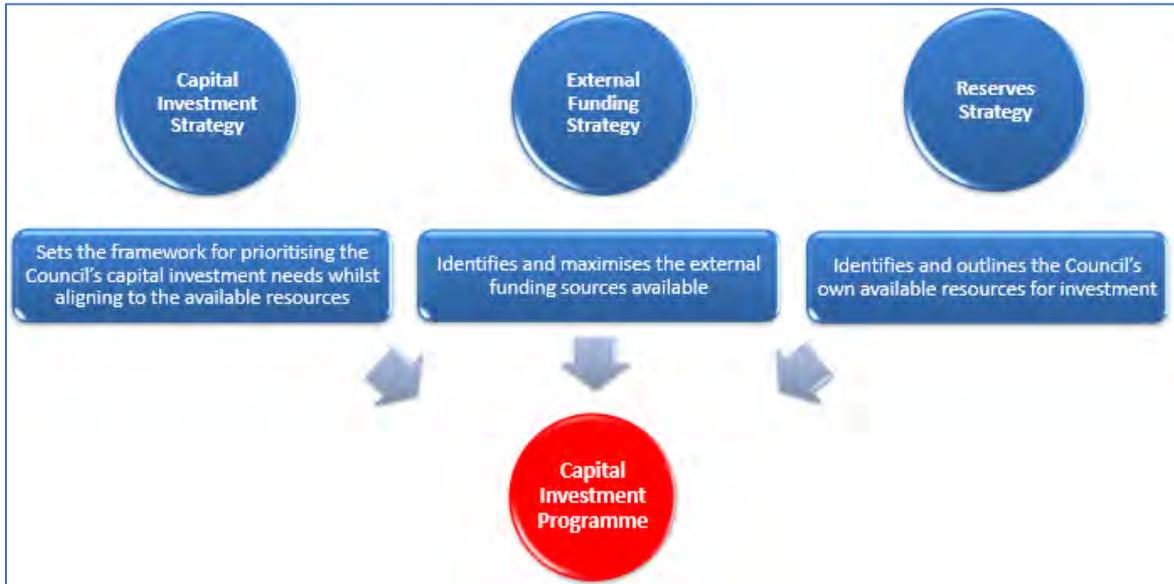
It is recommended that:

- 2.1 **Members note the Council's approach to the capital investment prioritisation process;**
- 2.2 **Members approve the Council's priority capital investment proposals for immediate progression, as outlined at paragraphs 4.11 and detailed in Appendix 1, totalling £56.2M;**
- 2.3 **Members approve the Council's capital investment proposals that are linked to annual government grant allocations for immediate progression, outlined at paragraphs 4.12 and detailed in Appendix 2, totalling £8.9M;**
- 2.4 **Members note the Council's capital investment proposals that are subject to current live external funding bids, as outlined at paragraphs 4.13 – 4.14 and detailed in Appendix 2, totalling £301.9M;**
- 2.5 **Members note the Council's capital investment proposals that are proposed for further detailed feasibility work / business case development, as outlined at paragraphs 4.15 – 4.16 and detailed in Appendix 3, totalling £58.6M; and**
- 2.6 **Members note the Council's capital investment proposals that form part of the live pipeline of proposals moving forwards, as outlined at paragraphs 4.17 and detailed in Appendix 4, totalling £136.0M.**

### 3. Background and Context

- 3.1 The proposed 22/23 Capital Investment Programme is largely derived via detailed consideration of the following three key strategies:
- **The Capital Investment Strategy 2022/23** – this strategy sets out the overall framework for identifying and prioritising the Council's Capital Investment Priorities and seeks to align those priorities against all available resources;
  - **The External Funding Strategy** – this strategy provides a framework that supports the Council in identifying and then optimising all external funding opportunities in support of the Council's strategic objectives; and
  - **The Reserves Strategy 2022/23** – this strategy aims to maximise, and efficiently allocate, all available internal balances (e.g. year-end underspends) and "one off" resources (e.g. capital receipts) to support investment proposals that achieve the Council's strategic objectives.

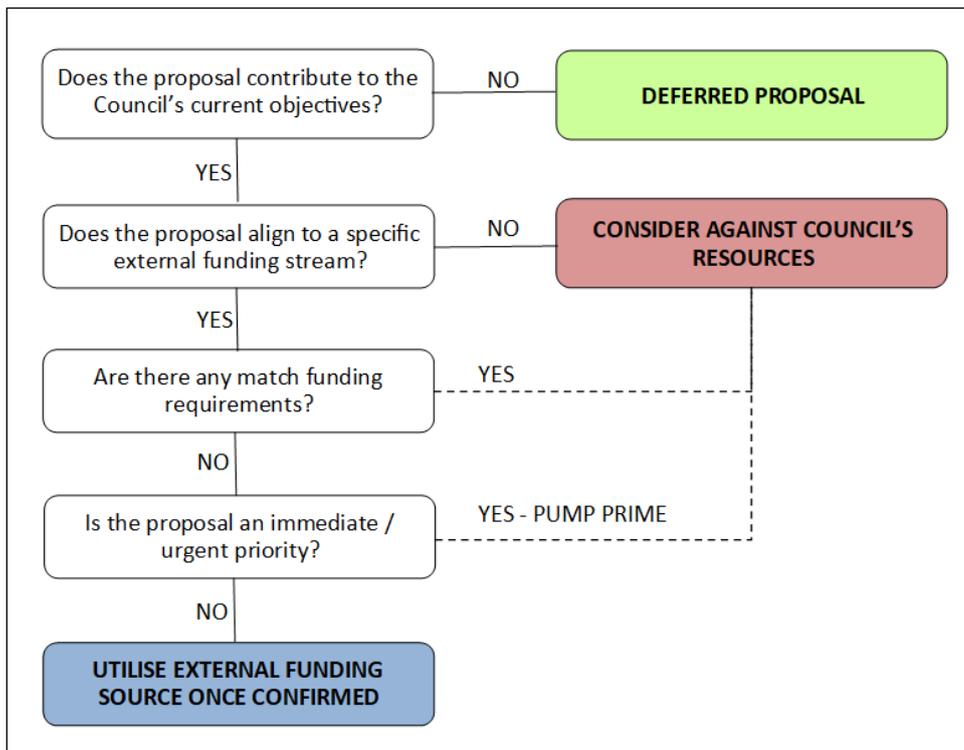
- 3.2 All three strategies work together to identify priorities and all available resource options (whether they be internal, external or combined) to progress our 'pipeline' of investment proposals that meet the Council's priorities. The strategies also work to identify where any funding gaps or barriers, such as funding eligibility, exist.
- 3.3 The diagram below describes the interaction between these strategies when considering investment proposals.



- 3.4 This report introduces the totality of investment proposals being considered as part of the 2022/23 to 2024/25 Capital Investment Programme and provides a more detailed overview of those resources currently available to support these proposals, along with identifying future funding opportunities and any funding gaps.

#### **4. 2022/23 Schemes for Consideration**

- 4.1 The Capital Investment and External Funding Strategies set out the principles and processes regarding the governance and prioritisation of the capital programme and it is within this context that all new investment proposals have been considered.
- 4.2 The approach is to assess the Council's capital investment pipeline in terms of their relative contribution to the Council's overall objectives [paragraph 4.5 refers]. A further analysis has then been undertaken to align each investment against the various external funding streams currently available. These ordinarily have restrictions in respect of the type of expenditure that can be funded, and they have therefore been assessed against the various criteria to identify the most likely successful funding route.
- 4.3 Where such schemes do not meet any of the external funding criteria, or do not require any match funding, these schemes have been aligned to the Council's own available resources. In respect of funding such schemes, it is proposed to utilise the Council's own reserves as and when these become available.



4.4 Total capital investment proposals to the value of **£561.6M**, split £511.9M General Fund and £49.7M Housing Revenue Account have been identified.

General Fund Capital Investments

4.5 A number of General Fund schemes have been proposed and will be considered against the strategic priorities emerging from the 2030 planning work.

Housing Capital Investments

4.7 A number of housing investments have also been proposed with objectives linked to both maintaining and increasing the Council's own housing stock, undertaking a number of regulatory requirements and delivering a number of green initiatives. It is proposed to fund these schemes via the Council's Housing Revenue Account (HRA) reserves, S106 contributions specifically relating to housing and Berneslai Homes company surpluses. As mentioned throughout this report, the HRA Reserves element of the funding is restricted purely to Council Housing proposals and therefore will be solely used on these schemes.

4.8 In addition to this one-off capital investment, the Council's core objective continues to be the maintenance of decency via the Barnsley Homes Programme / HRA budget.

Prioritisation of Capital Investment Proposals

4.9 To further refine the proposals into a list of priorities to progress, the following assessment criteria will also be applied: (a) impact on corporate priorities & outcomes, (b) alignment to 2030 strategic themes / inclusive economy / SEP / zero 40 strategies, (c) return on investment – both financial & non-financial, (d) scope to lever in external funding / maximise resource position, (e) clearly defined and measurable outputs and outcomes and (f) a robust evidence base.

- 4.10 Each of the capital investment proposals have been scored against this criterion and categorised into four lists, which are explained in the paragraphs below.
- 4.11 Proposals that require immediate prioritisation – these proposals are ordinarily regulatory or statutory in nature but also include proposals that keep the Council safe and maintain / protect service delivery. Where proposals have been previously approved by Cabinet and therefore committed, these feature in this category. It is recommended that these schemes are progressed immediately, in line with the Council's existing governance arrangements. Table 1 summarises these schemes against the Council's strategic priorities with a detailed list shown in Appendix 1. **Recommendation 2.2 refers.**
- 4.12 Proposals that relate to specific annual government allocations or are subject to live funding bids – it is recommended that the proposals that relate to specific annual government allocations are progressed immediately, in line with the Council's existing governance arrangements. Table 1 summarises these schemes against the Council's priorities with a detailed list shown in Appendix 2. **Recommendation 2.3 refers.**
- 4.13 The proposals that are subject to live funding bids, are at this stage, awaiting a decision in respect of whether the respective funding bids have been successful and where applicable may also include a match funding commitment from the Council. This match funding requirement, which totals £11.0M, has already been set aside and represents an existing commitment of the Council's own resources. **Recommendation 2.4 refers.**
- 4.14 Where successful, these schemes will be progressed for inclusion in the capital programme, in line with the Council's existing governance arrangements. Should these funding bids be unsuccessful, the Council may wish to consider funding these schemes [or elements of them] from its own resources. Table 1 summarises these schemes against the Council's priorities with a detailed list shown in Appendix 2. **Recommendation 2.4 refers.**
- 4.15 Proposals that are to progress to further feasibility / business case development – these proposals are recommended for further detailed feasibility and / business case development in order that they are 'oven ready' in the event that further Government / SCR funding becomes available [or in exceptional cases to be considered for Council funding]. Table 1 summarises these schemes against the Council's priorities with a detailed list shown in Appendix 3. **Recommendation 2.5 refers.**
- 4.16 A sum totalling £2M was set aside as part of the 2021/22 budget process, to assist in developing detailed feasibility / business case development.
- 4.17 Proposals that form the remaining live pipeline of future schemes – the schemes that remain in the pipeline are not to be progressed at this time, though it should be noted that the position is extremely fluid in terms of emerging priorities and additional funding sources. Table 1 summarises these schemes against the Council's priorities with a detailed list shown in Appendix 4. **Recommendation 2.6 refers.**
- 4.18 It is envisaged that the overall scheme pipeline will be fluid / iterative and evolve over time as new investment requirements emerge and additional funding is confirmed.

4.19 The analysis of the above process is summarised in Table 1.

**Table 1: Capital Investment Proposals**

	Immediate Priority (Approval Via This Report)	Government Allocations (Approval Via This Report)	Pending Funding Bids	Progress to Feasibility / Business Case Development	Pipeline	Total
	£M	£M	£M	£M	£M	£M
Capital Expenditure	56.155	8.863	301.946	58.578	136.031	<b>561.573</b>
<b>Total Capital Investment Proposals</b>	<b>56.155</b>	<b>8.863</b>	<b>301.946</b>	<b>58.578</b>	<b>136.031</b>	<b>561.573</b>
<b>Split Between:</b>						
General Fund	25.600	8.863	300.467	58.578	118.368	<b>511.876</b>
Housing	30.555	-	1.479	-	17.663	<b>49.697</b>
<b>Total</b>	<b>56.155</b>	<b>8.863</b>	<b>301.946</b>	<b>58.578</b>	<b>136.031</b>	<b>561.573</b>
	Appendix 1	Appendix 2	Appendix 2	Appendix 3	Appendix 4	

## 5. Resource Position

### Total Resources Currently Available

5.1 The total resource provisionally available for investment is £364M as described in Table 2 below. In addition, there are a number of other external funding opportunities currently available that cannot be quantified at this time.

**Table 2: Total Resources Available for Consideration**

	CONFIRMED £M	PENDING £M	TOTAL £M	References
<b>Earmarked Resources:</b>				
External Funding Awards – Already Pursued	-	301.946	<b>301.946</b>	5.4 - 5.9 & Table 3
Other Annual Funding Allocations	8.863	-	<b>8.863</b>	5.13 – 5.17 & Table 5
<b>Sub Total - Specifically Earmarked Resources</b>	<b>8.863</b>	<b>301.946</b>	<b>310.809</b>	
<b>Resources to be Considered:</b>				
Other Potential External Funding Sources	TBD	TBD	<b>TBD</b>	5.10 – 5.12
General Fund Resources	25.600	-	<b>25.600</b>	5.18 & Table 6
Housing Resources	30.555	-	<b>30.555</b>	5.18 & Table 6
<b>Sub Total - Resources for Consideration</b>	<b>56.155</b>	<b>-</b>	<b>56.155</b>	
<b>Total Resources</b>	<b>65.018</b>	<b>301.946</b>	<b>366.964</b>	

## External Funding Strategy

- 5.2 In order to ensure that the Council is optimising all available external funding opportunities to support the Council’s strategic objectives, the Council has implemented an External Funding Strategy.
- 5.3 External funding can generally be viewed as falling under two categories:
- i) **External Funding Opportunities Available via Competitive Bidding Processes** – these resource opportunities are the key focus of the External Funding Strategy.
  - ii) **Other Specific Monies** – this refers to those funds that are ‘routinely’ allocated to and budgeted for by the Council, usually on an annual basis. These are described in paragraphs 5.14 to 5.18.

### External Funding Opportunities Available via Competitive Bidding Processes

- 5.4 An exercise has been undertaken to identify current “live” external funding bids (either confirmed or pending) which can be utilised to support the 2022/25 capital investment programme.
- 5.5 This exercise confirmed that the Council continues to make significant progress in seeking external funding to support specific capital projects - with major grants either received and/or decisions pending totalling around £301.9M from bidding activity already carried out in 2021/22.
- 5.6 It is important to note that the ‘live’ external grant bids shown in Table 3 below come with a high degree of inflexibility and are largely ring-fenced to the delivery of specific projects – on that basis these funds are not available to fund the wider scheme pipeline.

**Table 3: External Funding Bids Currently Being Progressed – Committed**

Source		Confirmed £M	Pending £M	Total £M
<b>External Funding Bids:</b>				
SYMCA	Sustainable Transport Settlement (CRSTS)	-	45.552 **	45.552
SYMCA	South Yorkshire Renewal Fund / Place Based Investment	-	249.700 *	249.700
Heritage Lottery Fund	Cannon Hall Coach House	-	1.985	1.985
Arts Council - Cultural Development Fund	Elsecar Heritage Centre	-	3.230	3.230
BEIS	Social Housing Decarbonisation Fund	-	1.479	1.479
<b>Sub Total – External Funding Bids (Already Committed)</b>		<b>-</b>	<b>301.946</b>	<b>301.946</b>

\* This funding bid includes SY Renewal Fund (£77.3M), anticipated private investment (£147.2M) and grant funding already secured (Future High Streets Fund £11.3M & Towns Fund £13.9M).

\*\* The total level of resources expected from the CRSTS is £71.487M which includes a confirmed £25.935M for the Local & Neighbourhood Transport and Transport Network Asset Maintenance programmes, over the next 5 year period. Paragraph 5.17 refers to the 22/23 element of these programmes.

### **South Yorkshire Mayoral Combined Authority Place Based Investment Strategy**

- 5.7 The South Yorkshire Mayoral Combined Authority (SYMCA) Board agreed the principle of a South Yorkshire Renewal Fund intended to support investment to help meet the SYMCA's strategic objectives for economic, social and environmental enhancements across South Yorkshire, as articulated in the Strategic Economic Plan (2020).
- 5.8 MCA officers are currently developing a 'place-based' framework for the deployment of the SY Renewal Fund based upon: a) assessing investment impact on SYMCA outcomes and b) upon local priorities at a district level. As part of this process each of the four constituent local authorities have been asked to prepare its own 'Place-Based Investment Plan' as the strategy for potential SY Renewal Fund investments in their respective areas.
- 5.9 Place-Based Investment Plans will principally focus upon priorities for capital investment under the SY Renewal Fund, which will include a variety of key funding sources devolved to the SYMCA. Some of these individual funding streams have already been secured at MCA level and therefore represent emerging funding opportunities for the Council at this stage, as described in paragraph 5.11 below.
- 5.10 It is also anticipated that the plans will be used to demonstrate the rationale for future investment opportunities, including any possible future rounds of the Levelling Up Fund and revenue programmes under the proposed UK Shared Prosperity Fund.

### **Funding Sources via the South Yorkshire Renewal Fund**

- 5.11 The South Yorkshire Renewal Fund represents a basket of funds devolved to the SYMCA from which the Council has/will submit a range of 'asks' to support both capital and revenue activities. The fund currently includes the following key funding strands:
- **Gainshare** - £30M per annum over a 30-year period has been devolved to the SYMCA as part of the Devolution Deal with Government. Split roughly 60% capital and 40% revenue, Gainshare will be used to support the SYMCA and the Council in the delivery of strategic and economic priorities.
  - **MCA Sustainable Transport Settlement** – £570M has been secured by the SYMCA of which the Council is expected to receive £71.5M, split between £45.6M (Table 3 refers) to support new sustainable transport projects across Barnsley with a further £25.9M (Paragraph 5.17 refers) being utilised to support the Borough's Local & Neighbourhood Transport and Transport Network Asset Maintenance programmes over the next 5 years. A programme level business case is currently being developed by the SYMCA, in consultation with SY Local Authorities, for submission in January to support release of the funding by Government

- **Transforming Cities Funding** – business cases are currently being progressed to support the delivery of circa £23M of sustainable transport projects from this fund. Projects include contributions to A61 active travel route, Market Gate Bridge and a range of Station Improvements.
- **Brownfield Fund** - £40M has been awarded to the SYMCA to be used to support housing schemes on Brownfield Sites over a five-year period. Work is currently progressing to develop the Council's 'asks' from this fund.
- **Get Building Fund** - The Council has already secured and committed £5.8M of the Get Building Fund and is already progressing schemes utilising these monies.

**Please Note:** *Other devolved funding streams are expected to be added to the SYRF over time including the UK Shared Prosperity Fund, Members will be updated as the details of these funds are released.*

### **Other Funding Streams**

**Levelling Up Fund** – whilst the Council was unsuccessful in the securing funding through Round 1 of Levelling Up, further rounds are expected with over £3bn in funds remaining unallocated from the £4.8bn funding pot. Details of Round 2 have yet to be released by the Government, however it is felt that the robust pipeline of projects developed by the Council places Barnsley in a strong position to compete in the next round.

**Cultural Development Fund** – a £4M (£3.2M capital; £0.8M revenue) bid (Table 3 refers) was recently submitted to the Arts Council to support the development of cultural assets at the Elsecar Heritage site. The outcome of the bid is expected in February 2022.

- 5.12 The emergence of funding opportunities such as those identified above clearly emphasises the need for a relevant and 'oven ready' pipeline of capital schemes.
- 5.13 Whilst the details regarding certain funds have yet to be released it is considered likely that future availability will fall within the 2022-25 capital investment planning period, and as such has been referred to in this report for information.

### **Other Annual Funding Allocations**

- 5.14 The Council also receives annual allocations from Government in respect of capital funding which is ring-fenced to specific categories of spend. Indicative allocations totalling £8.9M are explained in Table 4 and narrative below.

**Table 4: Specific Funding - Indicative Allocations**

	<b>2022/23 £M</b>
<b>Specific Funding to be Approved</b>	
School Maintenance Programme (indicative) *	<b>0.700</b>
Disabled Facilities Programme (indicative) *	<b>2.976</b>
Local Highways Maintenance Programmes	<b>5.187</b>
School Admissions Programme	-
<b>Total</b>	<b>8.863</b>

\* Figures based on 2021/22 allocation as no indicative figures released by Central Government at the time of writing this report.

#### School Maintenance Programme

- 5.15 Anticipated resources in 22/23 totalling £0.7M relate to investment and maintenance in the schools' stock, early years settings and children's centres (maintenance allowance).

#### Disabled Facilities Programme

- 5.16 The Council is expected to receive an estimated grant allocation totalling £3.0M for 22/23 relating to the DFG element of the Better Care Fund, based on the 21/22 allocation.

#### Local Highways Maintenance Programme

- 5.17 The Council is set to receive resources across the next 5 years totalling £25.935M in respect of highway maintenance, which is included in the City Region Sustainable Transport Settlement (CRSTS). Table 3 at paragraph 5.6 outlines the totality of the CRSTS monies. The allocation for 22/23 totals £5.2M which comprises of the Local and Neighbourhood Transport Programme (£1.1M) and a Transport Network Asset Maintenance Programme (£4.1M); both of which are available to invest in the Borough's road maintenance needs.

#### School Admission / Basic Need Programme

- 5.18 In February 2021, the Government announced that the Council was not due to receive any 'Basic Need' resources for 22/23. This is determined by the Department for Education's annual Schools Capacity (SCAP) survey, that the Council completes on an annual basis. The survey assesses the number of places available in the individual areas within the Borough, overlaid by the ONS birth data to identify where shortfalls potentially exist in 4/5 years' time. This formula expects no such shortfall of places and therefore no funding for 22/23.

#### The Council's Own Resources

- 5.19 The updated Reserves Strategy outlines the level of resources potentially available for both General Fund and HRA priority investment. These resources consist of

uncommitted capital receipts and reserves, together with new borrowing approvals provided for within the MTFS. This is summarised in Table 5 below:

**Table 5: Total Council's Own Resources for Consideration**

	£M	£M
Total General Fund Resources	32.800	
Amount Set Aside to Repay Borrowing (Reserves Strategy)	(7.200)	
<b>General Fund Resources Available for Investment</b>		<b>25.600</b>
Annual HRA Capital Allocation – 2022/23	19.108	
One-Off Housing Resources (Reserves Strategy)	11.447	
<b>Housing Resources Available for Investment</b>		<b>30.555</b>
<b>Total Resources Available for Investment</b>		<b>56.155</b>

Other Potential Sources of Funding

5.20 In addition to the resources highlighted in Table 5 above, the Council also has access to other funds which it may be able to utilise:

- **Section 106 Monies** – these resources, currently in the region of £6.6M are potentially available to support the Council's capital investment priorities, though this is subject to the satisfaction of specific S106 conditions; and
- **Switch Funding** – these relate to those resources currently earmarked to support previous strategic priorities, pending confirmation of external funding bids. Once confirmed, these resources may be released to support the Council's other capital investment priorities.

**6. Current Position**

6.1 Following the prioritisation exercise outlined in Section 4, Table 6 illustrates the potential call on each funding stream. Appendices 1 through 4 outline the capital schemes for consideration, in each category.

**Table 6: Resource Alignment**

		Total Available Resources £M	Value of Schemes Aligned to Funding Sources £M	Remaining £M
Proposals for Immediate Priority – General Fund	Appendix 1	25.600	<b>25.600</b>	-
Proposals for Immediate Priority – Housing		30.555	<b>30.555</b>	-
Other Annual Grant Allocations – General Fund		8.863	<b>8.863</b>	-
External Funding Sources Currently Pursued (Both Secured & Pending) – General Fund	Appendix 2	300.467	<b>300.467</b>	-
External Funding Sources Currently Pursued (Both Secured & Pending) – Housing		1.479	<b>1.479</b>	-
Proposals to Progress to Feasibility / Business Case Development – General Fund	Appendix 3	TBD	<b>58.578</b>	-

		Total Available Resources £M	Value of Schemes Aligned to Funding Sources £M	Remaining £M
Proposals Emerging / Pipeline – General Fund	Appendix 4	TBD	118.368	-
Proposals Emerging / Pipeline – Housing		TBD	17.663	-
<b>Total</b>		<b>366.964</b>	<b>561.573</b>	

6.2 It should be noted that included in Table 6 above are schemes / programmes that have funding confirmation pending at the time of writing.

6.3 Furthermore, there may be schemes that have been aligned against external funding opportunities which may be considered as an urgent / high priority where it may not be prudent / practical to await external funding confirmation. In these circumstances, it might be necessary to consider the relative merit of utilising the Council own resources pending any retrospective funding bid.

## 7. Conclusion and Next Steps

7.1 A total of £561.6M of investment proposals have been identified as forming the Council's capital investment programme pipeline. Of this, £56.2M worth of proposals are considered immediate priorities [or previously committed] and this report recommends approval of those schemes.

7.2 On the basis that the above £56.2M is approved the total capital programme (including previously approved schemes carried forward) totals £371.8M, aligned to the Council Corporate Priorities:

Corporate Priorities	Corporate Outcomes	Total BMBC Capital Programme £M	Capital Receipts £M	GF Reserves / RCCO £M	HRA Reserves / RCCO £M	Grants & Contributions £M	Borrowing / Leasing £M	Total Funding £M
Healthy Barnsley	(1) People are safe and feel safe	-	-	-	-	-	-	-
	(2) People live independently with good physical and mental health for as long as possible	11.421	-	-	-	11.421	-	11.421
	(3) We reduced inequalities in health and income across the borough	0.239	-	-	-	0.239	-	0.239
	<b>Sub Total</b>	<b>11.660</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.660</b>	<b>-</b>	<b>11.660</b>
Learning Barnsley	(4) People have the opportunities for lifelong learning and developing skills including access to apprenticeships	1.432	0.100	1.106	-	0.026	0.200	1.432
	(5) Children and young people achieve the best outcomes through improved educational achievement and attainment	28.813	-	3.615	-	17.098	8.100	28.813
	(6) People have access to early help and support.	1.000	-	1.000	-	-	-	1.000
	<b>Sub Total</b>	<b>31.245</b>	<b>0.100</b>	<b>5.721</b>	<b>-</b>	<b>17.124</b>	<b>8.300</b>	<b>31.245</b>
Growing Barnsley	(7) Business start-ups and existing local businesses are supported to grow and attract new investment, providing opportunities for all.	42.138	7.577	10.990	-	13.450	10.121	42.138
	(8) People have a welcoming, safe and enjoyable town centre and principal towns as destinations for work, shopping, leisure and culture.	147.432	6.460	21.531	-	82.021	37.420	147.432

<b>Corporate Priorities</b>	<b>Corporate Outcomes</b>	<b>Total BMBC Capital Programme £M</b>	<b>Capital Receipts £M</b>	<b>GF Reserves / RCCO £M</b>	<b>HRA Reserves / RCCO £M</b>	<b>Grants &amp; Contributions £M</b>	<b>Borrowing / Leasing £M</b>	<b>Total Funding £M</b>
	(9) People are supported to have safe, warm and sustainable homes.	90.249	4.278	0.698	65.730	19.543	-	90.249
	<b>Sub Total</b>	<b>279.819</b>	<b>18.315</b>	<b>33.219</b>	<b>65.730</b>	<b>115.014</b>	<b>47.541</b>	<b>279.819</b>
<b>Sustainable Barnsley</b>	(10) People live in great places, are recycling more and wasting less, feel connected and valued in their community.	6.030	-	0.451	-	0.113	5.466	6.030
	(11) Our heritage and green spaces are promoted for everyone to enjoy.	5.390	0.353	2.038	-	0.852	2.147	5.390
	(12) Fossil fuels are being replaced by affordable and sustainable energy and people are able to enjoy more cycling and walking.	12.972	-	0.081	-	12.891	-	12.972
	<b>Sub Total</b>	<b>24.392</b>	<b>0.353</b>	<b>2.570</b>	<b>-</b>	<b>13.856</b>	<b>7.613</b>	<b>24.392</b>
<b>Enabling Barnsley</b>	(13) We are a modern, inclusive, efficient, productive and high-performing council.	24.665	2.037	10.467	-	0.024	12.137	24.665
	<b>Sub Total</b>	<b>24.665</b>	<b>2.037</b>	<b>10.467</b>	<b>-</b>	<b>0.024</b>	<b>12.137</b>	<b>24.665</b>
	<b>Total</b>	<b>371.781</b>	<b>20.805</b>	<b>51.977</b>	<b>65.730</b>	<b>157.678</b>	<b>75.591</b>	<b>371.781</b>

- 7.3 A further £310.8M relates to both proposals aligned to the annual government grant allocations due to the Council (£8.9M) and proposals that have already been progressed against various external funding sources (£301.9M).
- 7.4 Of the remaining proposals, schemes totalling £58.6M have been selected to progress to detailed feasibility / business case development in order that they are 'oven ready' if further Government / SYMCA funding becomes available.
- 7.5 Where an immediate or urgent proposal presents itself, regardless of whether an external funding source is potentially available, these will be progressed using the Council's own resources in the first instance. Should external funding be subsequently awarded, then the resources can be replenished and released for future prioritisation.
- 7.6 The remaining £136.0M forms the ongoing pipeline of schemes that will constantly develop and evolve over time and will effectively be a 'live' document and the subject of ongoing and iterative development.

## 8. **Appendices**

- Appendix 1 – Capital Investment Proposals – Immediate Priority / Previously Agreed Policy Decisions;
- Appendix 2 – Capital Investment Proposals – Subject to Live Funding Bids / Government Grant Allocations;
- Appendix 3 – Capital Investment Proposals – Proposed for Additional Feasibility / Business Case Development;
- Appendix 4 – Capital Investment Proposals – Pipeline of Schemes.

## FUTURE COUNCIL PLAN 2022/23

### APPENDIX 1 - Capital Investment Proposals Immediate Priority / Previous Agreed Policy Decisions

Ref	Proposal Name	Brief Description	TOTAL CAPITAL INVESTMENT £
<b>GENERAL FUND:</b>			
	Royston Primary School - Masterplan	Resources previously set aside by Members for provision of a new primary school at Royston	6,100,000
	Youth Zone Increase in Cost	Resources previously set aside by Members for the expected increase in cost for the Youth Zone	2,000,000
	Highways Improvements	Monies set aside for improvements on the Borough's highways	2,000,000
	Landlord Responsibilities	Monies set aside for the Council's landlord responsibilities	5,000,000
	Principal Towns Investment	Monies set aside for the further investment in the Council's principal towns programme	10,000,000
	Youth Choir	Monies set aside to contribute towards the redevelopment of premises for Barnsley Youth Choir	500,000
<b>B TOTAL - GENERAL FUND</b>			<b>25,600,000</b>
<b>HOUSING</b>			
	2022/23 Barnsley Homes Decency Works	Annual investment in maintaining our council houses to the Barnsley Homes Decency Standard	14,006,000
	2022/23 Supplementary Capital Investment	Annual investment in our council houses relating adaptations, structural works and district heating network.	5,102,000
	Increased Cost of Sprinklers - Fire Safety	Increase in cost of the existing commitment to replace of sprinklers in our properties	350,000
	Increased cost of Berneslai Close	Increase in cost of the existing commitment for the development at Berneslai Close	346,000
	Increased cost of Billingley View	Increase in cost of the existing commitment for the development at Billingley View	269,000
	Barnsley Road - Refurbishment	Refurbishment of property on Barnsley Road	45,000
	Capital Contingency	Monies held as contingency for cost increases on existing capital commitments	1,500,000
	Fire Safety Budget - High Rise in Scope Buildings	Provision of fire safety measures in our high rise buildings	1,500,000
	Spandrel Panels	Provision of spandrel panels in our properties	600,000
	Asbestos Removal Aldham House & Royston	Resources set aside to fund the removal of asbestos at Aldham House	600,000
	Princess Street - Floor Replacement	Floor replacement scheme at Princess Street	900,000

## FUTURE COUNCIL PLAN 2022/23

### APPENDIX 1 - Capital Investment Proposals Immediate Priority / Previous Agreed Policy Decisions

Ref	Proposal Name	Brief Description	TOTAL CAPITAL INVESTMENT £
	Water Ingress 3 X High Rise	Water ingress works at our 3 high rise buildings	150,000
	Flood Works Stacey Crescent	Flood works at Stacey Crescent	50,000
	Social Housing Decarbonisation Fund	Match funding relating to the Council's Social Housing Decarbonisation Fund grant bid	437,000
	Goldthorpe Market Phase 1	Housing development on the site of the old Goldthorpe Market	1,700,000
	Goldthorpe pre-1919 Housing Strategy	Match funding relating to the housing element of the Goldthorpe Towns Fund	3,000,000
<b>SUB TOTAL - HOUSING</b>			<b>30,555,000</b>
<b>TOTAL CAPITAL INVESTMENT PROPOSALS - IMMEDIATE PRIORITY</b>			<b>56,155,000</b>

**FUTURE COUNCIL PLAN 2022/23**

**APPENDIX 2 - Capital Investment Proposals Relating to Live External Funding Bids / Government Grant Allocations**

Proposal Name	Brief Description	TOTAL CAPITAL INVESTMENT £	EXTERNAL GRANT £	GRANT BODY	PREVIOUSLY SECURED GRANT £	GRANT BODY	PARTNER MATCH £	BMBC MATCH REQUIREMENT £
<b>GOVERNMENT GRANT ALLOCATIONS</b>								
School Maintenance	Monies ringfenced for the maintenance of the Council's school stock	700,000	700,000	Dept for Education	-		-	-
Local Roads Highways Maintenance Programme	Monies allocated for maintenance of the Borough's highways	5,186,441	5,186,441	Sheffield City Region	-		-	-
Disabled Facilities Grant	Monies earmarked for provision of disabled facilities grant to allow residents to adapt their own homes	2,976,280	2,976,280	Dept for Levelling Up, Housing & Communities	-		-	-
<b>Sub Total - Government Grant Allocations</b>		<b>8,862,721</b>	<b>8,862,721</b>		-		-	-
<b>LIVE FUNDING BIDS - GF</b>								
<b>SYMCA Sustainable Transport Settlement (CRSTS)</b>								
A635 Quality Bus Corridor - BRT	A bus priority scheme; also improves capacity on the overall network. Includes new bus lanes, bus shelters, active travel routes and improved links to the Trans-Pennine Trail	12,203,390	12,203,390	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
Royston Active Travel and Bus Priority Measure Infrastructure scheme	Provision of infrastructure mitigation required to deliver 2 major Mixed Use (employment / residential) sites allocated in the Local Plan. MU3 and MU5 – which have been approved in the Royston Masterplan. The scheme will provide mitigation at several local junctions; provide active travel routes and an alternative bus priority route into the town centre.  The full requested CRSTS request is for £14.2m, the scheme has been re-profiled to defer £12.2m into the next settlement period (2027 onwards)	2,033,898	2,033,898	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
Key Stations - Extensions to platforms	Extension of existing platforms - will enable longer trains (London - Sheffield trains in particular) to stop at Barnsley future proofing the rail line	3,050,847	3,050,847	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
A628 Bus and Active Travel priority corridor - Shafton to Barnsley Town Centre - Phase 1	Bus / AT priority scheme; also mitigation for Local Plan developments . Will also include Active Travel routes to tie into existing routes delivered through TCF / AT funding	5,020,360	5,020,360	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
River Dearne Long Route & Darton Active Travel Route	The proposed 'River Dearne Long Route' scheme consists of a package of measures which seeks to improve walking and cycling connectivity between A61 Gyrotory at Old Mill Lane and A633 Grange Lane via A628 Pontefract Road. The list of interventions includes infrastructure improvements to 2.45km of off-road active travel route and improving widths to achieve LTN 1/20 and the higher MCA standards, Provision of Toucans crossing at Grange Lane and Pontefract Road, improvements to public realm, improvements to lighting, incorporation of a dish channel to the existing steps within the park to allow easy access for cyclists.  The 'M1 J38 Darton Active Travel Link' is a package of measures which seeks to promote walking and cycling connectivity between 'The Yorkshire Sculpture Park' located at J38 M1 and the proposed A61 Active Travel Link via Darton Rail Station. By linking to the proposed A61 Active Travel Link an uninterrupted walking and cycling route will be established connecting J38 with Barnsley Town Centre. The proposal will also complement the establishment of an Active Travel Hub at the Church Street car park (subject to a separate OBC / funding bid).	2,135,593	2,135,593	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-

**FUTURE COUNCIL PLAN 2022/23**

**APPENDIX 2 - Capital Investment Proposals Relating to Live External Funding Bids / Government Grant Allocations**

Proposal Name	Brief Description	TOTAL CAPITAL INVESTMENT £	EXTERNAL GRANT £	GRANT BODY	PREVIOUSLY SECURED GRANT £	GRANT BODY	PARTNER MATCH £	BMBC MATCH REQUIREMENT £
Active Travel Hubs - Darton, Goldthorpe, The Seam (Barnsley Town Centre)	3 x Active Travel Hubs at priority locations Darton - The scheme will refurbish the existing building, make it DDA compliant, provide safe and secure storage for cyclists using the rail station and provide bike loan / hire for local residents. Goldthorpe - New Active Travel Hub at Goldthorpe Rail Station, located on Barnsley Road. The scheme will be DDA compliant and provide safe and secure storage for cyclists using the rail station and provide bike loan / hire for residents of Goldthorpe. The Seam - New Active Travel Hub at Courthouse Car Park (the development known as 'The Seam') The new Hub will be located close to the transport interchange on a site identified for low carbon town centre residential development and new green public realm and will provide more safe / secure cycle storage than at present and have the capacity for more e-bike / bike loan	3,311,186	3,311,186	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
one Station Accessibility Improvements - 1	The scheme will improve accessibility to the proposed Park and Ride scheme at the Penistone station. The creation of a Park and Ride site at Penistone station is a priority of South Yorkshire Passenger Transport Executive (SYPTE), and follows other similar rail based park and ride facilities which have been built in recent years at Wombwell and Elsecar and which have proved very popular with commuters. This Park and Ride site will also complement the bid Kirklees Council have recently submitted to increase the number of trains on the Penistone Line, which connects Huddersfield with Sheffield via Barnsley. Services at Penistone are currently restricted to 2 trains per hour. In addition the proposed scheme will also mitigate congestion from major housing allocations which are coming forward in Penistone.	1,016,949	1,016,949	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
Town End Roundabout - Phase 1 (development)	The proposed scheme will see the development of a "Dutch style" roundabout at the existing Town End roundabout within Barnsley town centre on the A628. The existing roundabout will be replaced and existing priority for motorists will be removed and replaced with pedestrian and cyclist priority at crossing points.	508,475	508,475	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
A61 Active Travel - Barnsley – Royston via Smithies - Phase 1	An active travel scheme, already in the TCF programme which provides 7.5km of new on and off road cycle routes. Includes new pedestrian / cycle crossings at key junctions. Also ties into the A61 Royston Bus Priority measures scheme being delivered by the SYPTE This element is to deck an existing disused rail bridge to provide better connectivity	508,475	508,475	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-

**FUTURE COUNCIL PLAN 2022/23**

**APPENDIX 2 - Capital Investment Proposals Relating to Live External Funding Bids / Government Grant Allocations**

Proposal Name	Brief Description	TOTAL CAPITAL INVESTMENT £	EXTERNAL GRANT £	GRANT BODY	PREVIOUSLY SECURED GRANT £	GRANT BODY	PARTNER MATCH £	BMBC MATCH REQUIREMENT £
Penistone Station Accessibility Improvements - Phase 2	The scheme will improve accessibility to the proposed Park and Ride scheme at the Penistone station. The creation of a Park and Ride site at Penistone station is a priority of South Yorkshire Passenger Transport Executive (SYPT), and follows other similar rail based park and ride facilities which have been built in recent years at Wombwell and Elsecar and which have proved very popular with commuters. This Park and Ride site will also complement the bid Kirklees Council have recently submitted to increase the number of trains on the Penistone Line, which connects Huddersfield with Sheffield via Barnsley. Services at Penistone are currently restricted to 2 trains per hour. In addition the proposed scheme will also mitigate congestion from major housing allocations which are coming forward in Penistone.	5,084,746	5,084,746	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
A628 Bus and Active Travel priority corridor - Shafton to Barnsley Town Centre - Phase 2	Bus / AT priority scheme; also mitigation for Local Plan developments. Will also include Active Travel routes to tie into existing routes delivered through TCF / AT funding	3,050,847	3,050,847	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
Town End Roundabout - Phase 2 (build)	The proposed scheme will see the development of a "Dutch style" roundabout at the existing Town End roundabout within Barnsley town centre on the A628. The existing roundabout will be replaced and existing priority for motorists will be removed and replaced with pedestrian and cyclist priority at crossing points.	2,542,373	2,542,373	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
Travel Schemes (1)	Pipeline schemes (as included in the Capability Fund) comprising: Provision of on and off-road sections; Improvements to pedestrian crossings into Toucans / Pegasus; Monitoring Equipment; Wayfinding signage; Improvements to public realm Re-surfacing of existing routes	1,932,203	1,932,203	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
Restoring Your Railway: North Barnsley to Wakefield via Royston (1)	The restoration proposal for the North Midland Line is to run passenger services from Barnsley to Wakefield Kirkgate via the semi-operational freight route from Wakefield to Lundwood. This could form the first phase of a more fundamental reinstatement between Lundwood and Barnsley and / or Lundwood and Swinton on disused tracks. Currently, the route is a single track, infrequently used freight line, which runs parallel to parts of the National Cycle Network. Restoring the railway on this route would include potentially double-tracking the freight route, ensuring it all adheres to modern passenger rail safety standards. The restoration of this route would create a new, connection between North Barnsley and Wakefield, potentially offering connections to Leeds and Huddersfield beyond. This reduced allocation would specifically be for the feasibility on the freight line.	101,695	101,695	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
A61 Active Travel - Barnsley – Royston via Smithies - Phase 2	An active travel scheme, already in the TCF programme which provides 7.5km of new on and off road cycle routes. Includes new pedestrian / cycle crossings at key junctions. Also ties into the A61 Royston Bus Priority measures scheme being delivered by the SYPT. This element is to deck an existing disused rail bridge to provide better connectivity.	3,050,847	3,050,847	SYMCA Sustainable Transport Settlement (CRSTS)	-		-	-
<b>Total - SYMCA Sustainable Transport Settlements (CRSTS)</b>		<b>45,551,886</b>	<b>45,551,886</b>		-		-	-

**FUTURE COUNCIL PLAN 2022/23**

**APPENDIX 2 - Capital Investment Proposals Relating to Live External Funding Bids / Government Grant Allocations**

Proposal Name	Brief Description	TOTAL CAPITAL INVESTMENT £	EXTERNAL GRANT £	GRANT BODY	PREVIOUSLY SECURED GRANT £	GRANT BODY	PARTNER MATCH £	BMBC MATCH REQUIREMENT £
<b>SYMCA SY Renewal Fund / Place Based Investment</b>								
Vibrant & Resilient Places - The Seam - Digital Campus	Phase 1 of The Seam including residential, office space, public realm, ATH, CP etc	55,600,000	17,300,000	SYMCA SY Renewal Fund / Place Based Investment	11,300,000	Future High Streets Fund	27,000,000	-
Vibrant & Resilient Places - Barnsley Youth Zone	Multi use youth centre at Eastern Gateway	11,300,000	8,200,000	SYMCA SY Renewal Fund / Place Based Investment	-		2,100,000	1,000,000
Vibrant & Resilient Places - The NAVE: Barnsley Youth Choir	Redevelop Computer Centre building into the Northern Academy for Vocal Excellence (NAVE) as new home for Barnsley Youth Choir	2,500,000	2,500,000	SYMCA SY Renewal Fund / Place Based Investment	-		-	-
Vibrant & Resilient Places - Placemaking Cudworth - The Crescent & Rock House	New business space and community square	8,000,000	8,000,000	SYMCA SY Renewal Fund / Place Based Investment	-		-	-
Vibrant & Resilient Places - Growing Royston - Monkton Enterprise Park	Development of business units	2,500,000	2,500,000	SYMCA SY Renewal Fund / Place Based Investment	-		-	-
Vibrant & Resilient Places -Growing Wombwell- Enterprise Centre	Acquisition and redevelopment as managed workspace	1,500,000	1,500,000	SYMCA SY Renewal Fund / Place Based Investment	-		-	-
Vibrant & Resilient Places - Growing Goldthorpe	Pre 1919 housing stock regeneration	11,100,000	4,000,000	SYMCA SY Renewal Fund / Place Based Investment	4,100,000	Towns Fund		3,000,000
Vibrant & Resilient Places - Growing Our Local Centres	Delivering the Local Centres Investment Plan	5,000,000	1,000,000	SYMCA SY Renewal Fund / Place Based Investment	-		-	4,000,000
Culture & Visitor Economy - Elsecar Forging Ahead - The Sidings	30 - 40 commercial units, café and Active Travel Hub	7,900,000	1,800,000	SYMCA SY Renewal Fund / Place Based Investment	-		6,100,000	-
Culture & Visitor Economy - Worsborough Food Culture Destination	Phase 2, multipurpose learning / activity hub and two commercial units	1,500,000	1,500,000	SYMCA SY Renewal Fund / Place Based Investment	-		-	TBC
Enterprise & Growth - Enterprising Barnsley	Enterprising Barnsley (KAM start-up, inward investment, Seam).	13,500,000	9,000,000	SYMCA SY Renewal Fund / Place Based Investment	-		4,500,000	-
Enterprise & Growth - Invest in Barnsley	Property Investment Fund (PIF 4)	20,000,000	2,500,000	SYMCA SY Renewal Fund / Place Based Investment	-		17,500,000	-
Education & Growth - Work & Skills Hub & Local Sector Skills Academies	Employment & skills support & sector academies	4,800,000	4,800,000	SYMCA SY Renewal Fund / Place Based Investment	-		-	-
Education & Growth - Barnsley College Masterplan	Redeveloped town centre college campus on existing Honeywell STEM Site	TBC	TBC	SYMCA SY Renewal Fund / Place Based Investment	-		-	TBC
Sustainability & Net Zero - Our Reservoirs: Worsbrough & Elsecar	Worsbrough Mill and Elsecar Park to reduce and mitigate flood risk	6,400,000	4,600,000	SYMCA SY Renewal Fund / Place Based Investment	-		-	1,800,000
Digital - Gigabit City	3 year continuation of SFSY to deliver SY Digital Infrastructure Strategy	600,000	600,000	SYMCA SY Renewal Fund / Place Based Investment	-		-	-
Digital - Digital Inclusion	TBC	1,000,000	1,000,000	SYMCA SY Renewal Fund / Place Based Investment	-		-	-
Housing, Land & Development - Sustainable Housing Growth Fund	Viability funding to allow enhanced sustainability standards & affordable housing to meet need	50,000,000	5,000,000	SYMCA SY Renewal Fund / Place Based Investment	-		45,000,000	-
Housing, Land & Development - Goldthorpe Property Investment Fund	Bespoke property investment fund to meet the challenges, opportunities and ambitions of delivering new and redeveloped employment floorspace in Goldthorpe	56,300,000	1,500,000	SYMCA SY Renewal Fund / Place Based Investment	9,800,000	Towns Fund	45,000,000	-
<b>Sub Total - SYMCA SY Renewal Fund / Place Based Investment</b>		<b>259,500,000</b>	<b>77,300,000</b>		<b>25,200,000</b>		<b>147,200,000</b>	<b>9,800,000</b>
Cannon Hall Coach House	Funding sought for development of Cannon Hall Coach House	2,200,000	1,985,000	Heritage Lottery Fund	-		-	215,000
Elsecar Heritage Centre	Funding sought for development of Elsecar Heritage Centre	3,230,000	3,230,000	Arts Council - Cultural Development Fund	-		-	-
<b>Sub Total - Other</b>		<b>5,430,000</b>	<b>5,215,000</b>		<b>-</b>		<b>-</b>	<b>215,000</b>
<b>Sub Total - Live Funding Bids</b>		<b>310,481,886</b>	<b>128,066,886</b>		<b>25,200,000</b>		<b>147,200,000</b>	<b>10,015,000</b>
<b>SUB TOTAL - GENERAL FUND</b>		<b>319,344,607</b>	<b>136,929,607</b>		<b>25,200,000</b>		<b>147,200,000</b>	<b>10,015,000</b>

**FUTURE COUNCIL PLAN 2022/23**

**APPENDIX 2 - Capital Investment Proposals Relating to Live External Funding Bids / Government Grant Allocations**

Proposal Name	Brief Description	TOTAL CAPITAL INVESTMENT £	EXTERNAL GRANT £	GRANT BODY	PREVIOUSLY SECURED GRANT £	GRANT BODY	PARTNER MATCH £	BMBC MATCH REQUIREMENT £
<b>LIVE FUNDING BIDS - HOUSING</b>								
Social Housing Decarbonisation Fund	Scheme to decarbonise the Council's housing stock through measures such as insulation, heat pumps etc.	2,479,000	1,479,000	Dept for Business, Energy & Industrial Strategy	-		-	1,000,000
<b>Sub Total - Live Funding Bids</b>		<b>2,479,000</b>	<b>1,479,000</b>		<b>-</b>		<b>-</b>	<b>1,000,000</b>
<b>SUB TOTAL - HOUSING</b>		<b>2,479,000</b>	<b>1,479,000</b>		<b>-</b>		<b>-</b>	<b>1,000,000</b>
<b>TOTAL CAPITAL INVESTMENT PROPOSALS - GOV GRANTS / LIVE FUNDING BIDS</b>		<b>321,823,607</b>	<b>138,408,607</b>		<b>25,200,000</b>		<b>147,200,000</b>	<b>11,015,000</b>
Split Between:								
Government Grant Allocations		8,862,721	8,862,721		-		-	-
Live Funding Bids		312,960,886	129,545,886		25,200,000		147,200,000	11,015,000

## FUTURE COUNCIL PLAN 2022/23

### **APPENDIX 3 - Capital Investment Proposals To Progress to Feasibility / Business Case Development**

Proposal Name	Brief Description	TOTAL CAPITAL INVESTMENT £
<b>GENERAL FUND:</b>		
<b>Town Centre Proposals:</b>		
<b>Acquisition of Eldon Arcade (off Eldon Street &amp; Midland Street)</b>	Funding is being sought to acquire the freehold interest of the remainder of the 'triangle of buildings' on Eldon Street and Midland Road that is adjacent to the new Glassworks Building - the intention would be to acquire the remainder of the buildings in the triangle.	<b>3,500,000</b>
<b>The Southern Fringe Gateway</b>	This scheme seeks to 1. Demonstrate our commitment to an inclusive sustainable economy by; advocating active travel choices; creating a safe, secure and child-friendly environment; and reducing carbon-dependent modes of transport. 2. Increase the town centre population, prioritising urban centres and community-led initiatives. 3. Enhance the arts & culture offer/portfolio, emphasising a gateway to/from the Southern Fringe.	<b>16,511,658</b>
<b>Sub Total - Town Centre Proposals</b>		<b>20,011,658</b>
<b>Other Proposals</b>		
<b>Goldthorpe ES10 Stage 2 Revised Land Assembly Strategy Acquisition of Land</b>	This funding would be used to acquire 99 acres of land in Goldthorpe at a total cost of £14.896M however this includes the 44 acres (est value £7.07m) already included in the Stronger Towns Bid and therefore the capital investment amount has been reduced . THIS IS NOT A "MATCH" FUNDING ASK AND IS NOT REQUIRED AS PART OF THE STRONGER TOWNS BID - A FURTHER ASK HAS BEEN SUBMITTED FOR ADJOINING LAND IN THE AREA (Phase 3 ).	<b>7,826,000</b>
<b>Goldthorpe ES10 Stage 3 of the Revised Land Assembly Strategy Acquisition of Land</b>	This is the 3rd Stage of the Land Assembly Strategy for ES10. This 3rd and final stage would address long term land assembly for the remaining 77 acres, furthest in location from the site access.	<b>11,550,000</b>
<b>Brownfield Development Pipeline</b>	Funding required to facilitate land assembly and develop a pipeline of small infill council build schemes on brownfield stock across the Borough.	<b>3,000,000</b>

## FUTURE COUNCIL PLAN 2022/23

### **APPENDIX 3 - Capital Investment Proposals To Progress to Feasibility / Business Case Development**

Proposal Name	Brief Description	TOTAL CAPITAL INVESTMENT £
<b>Implementation of Masterplan to create a major high quality new food and nature destination at Worsbrough Mill</b>	Building on the feasibility study undertaken with Economic Development funding - The creation of new training and discovery centre, artisan bakery and continued habitat creation and restoration to aid green recovery and nature engagement. This supports over half million pounds of live projects on and much needed investment on the site.	2,380,000
<b>MU5 Masterplan - New Primary School (Dodworth)</b>	Works relating to the potential provision of a new primary school in Dodworth.	5,100,000
<b>Zero40 Works - Libraries</b>	The proposal seeks funding to undertake works to improve the thermal efficiency at libraries and is considered to be complementary to the delivery of the £1m Community Libraries Refurbishment Programme.	600,000
<b>Culvert Replacement Programme</b>	Ongoing works focussing on the replacement of the Borough's culverts. The first area of work will be centred on Measbrough Dyke with 15-20 potential sites in total and approx. 10% of all culverts in Barnsley.	6,000,000
<b>Church Street Darton - Flood Works</b>	Flood defence works to improve the Church Street area of Darton. The river was dredged after the 2007 floods but now needs further work in this area to improve the river channel.	2,000,000
<b>ne: 'Free Social Broadband Pilot', Theme:abit-capable, full fibre digital connectivity, digital inclusion and research</b>	Investment is being sought to fund research to quantify the benefits of connectivity, digital inclusion and the cost savings that can be achieved for organisations/services who are currently supporting residents through other more costly channels.	110,000
<b>Sub Total - Other Proposals</b>		<b>38,566,000</b>
<b>SUB TOTAL - GENERAL FUND</b>		<b>58,577,658</b>
<b>TOTAL CAPITAL INVESTMENT PROPOSALS - PROGRESS TO FURTHER FEASIBILITY / BUSINESS CASE DEVELOPMENT</b>		<b>58,577,658</b>

## FUTURE COUNCIL PLAN 2022/23

### APPENDIX 4 - Capital Investment Proposals Emerging / Pipeline

Proposal Name	Brief Description	TOTAL CAPITAL INVESTMENT £
<b>GENERAL FUND:</b>		
<b>DMC 02 - Roof Terrace</b>	Funds are being sought to utilise the roof space at DMC 2 to offer small meeting and events space.	<b>200,000</b>
<b>Obsolete buildings - demolition</b>	The proposal seeks funding to demolish Darton Longfields pavilion and Birdwell pavilion. The pavilions are past economic repair and pose a health and safety risk along with ongoing security and maintenance costs.	<b>45,000</b>
<b>Community Library Refurbishments - enhanced options</b>	The proposal seeks funding additional to the already agreed £1m Community Libraries Refurbishment Programme in order to complete all libraries to the same standard and provide enhancements to accommodate individual opportunities at each library.	<b>300,000</b>
<b>Barnsley Town Centre Conservation Area Enhancement</b>	<p>This scheme seeks to</p> <ol style="list-style-type: none"> <li>1. Renew existing built assets, improving the aesthetic and attractiveness of the area, further complementing and extending The Glass Works development with a diversified artisan offer.</li> <li>2. Support current investment bids at The Civic, The Seam and Eastern Gateway.</li> <li>3. Demonstrate our commitment to an inclusive sustainable economy by; advocating active travel choices; creating a safe, secure and child-friendly environment; and reducing carbon-dependent modes of transport.</li> <li>4. Increase the town centre population, prioritising urban centres and community-led initiatives.</li> <li>5. Enhance the arts &amp; culture offer/portfolio through live entertainment space, utilising The Civic as a hub.</li> </ol>	<b>26,947,372</b>
<b>Locke Park Improvements</b>	The Parks Dept. are progressing plans to improve the physical buildings within the park which include some listed buildings including the second phase of works on the iconic Locke Park tower, site clearance and repositioning of the bowling green boundary.	<b>250,000</b>
<b>Wentworth Glass houses</b>	Investment would support the restoration and refurb of Wentworth Glass houses incl. the installation of hydroponics and renewable heat sources. These enhancements would support of a project being proposed by the Sustainable Institute of Food at the University of Sheffield - as a means of developing food growing initiatives in the local community.	<b>274,000</b>
<b>Green Heritage - Recovery and Discovery</b>	Funding is being sought for a series of green heritage projects across the borough to encourage the discovery and exploration of spaces and wildlife.	<b>750,000</b>
<b>Penistone Sports Centre</b>	It is proposed to create a new sports centre in Penistone to support sports provision in the West of the Borough.	<b>1,500,000</b>
<b>Elsecar Active Travel Hub</b>	The Elsecar Heritage centre being close to the TPT and the canal gives a unique opportunity to develop this site into a more sustainable location offering a new Cycle Hub Centre, with bike hire and EV charging. This scheme improves road safety conditions by including pedestrian crossing facilities and the reduction of speed limits to encourage more people to access the Heritage Centre and the Trans-Pennine Trail.	<b>980,000</b>
<b>Commercial Waste RCVs</b>	Commercial Waste collection rounds have reached capacity – investment is therefore sought to continue further growth capacity via investment in two additional RCVs. This will help to create service resilience and additional capacity to create a recycling round.	<b>480,000</b>

## FUTURE COUNCIL PLAN 2022/23

### APPENDIX 4 - Capital Investment Proposals Emerging / Pipeline

Proposal Name	Brief Description	TOTAL CAPITAL INVESTMENT £
<b>Illuminated Traffic Signs &amp; Bollards Replacement Programme</b>	This proposal has two main objectives; 1) To de-illuminate signs and bollards are replace with high visibility reflective materials where-ever safe to do so or; 2) upgrade the lighting equipment to energy efficient LED's.	6,000,000
<b>Bolton Cemetery</b>	Due to imminent capacity issues at Bolton Cemetery it is proposed to build a new cemetery that will serve both Bolton on Dearne and Goldthorpe.	220,000
<b>Hoyland Sports Centre</b>	It is proposed to create a new sports centre campus in Hoyland/Wombwell area which will serve the needs of the south of the borough.	6,000,000
<b>Royston Sports Centre</b>	It is proposed to create a new sports centre campus in Royston which will incorporate the existing library and possibly provide space for health related activities in commercial units. A replacement for the civic hall and the removal of the old council offices would also be included.	6,000,000
<b>Dearnside Sports Centre</b>	It is proposed to create a new sports centre campus in Goldthorpe/Bolton area which will serve the needs of the east of the borough. In addition it may be possible to co locate with allied commercial/health providers	6,000,000
<b>Sustainable Warmth Programme</b>	Variety of measures to promote sustainable warmth programme	13,100,000
<b>Development of Smithies Depot</b>	Redevelopment of the Council's depot at Smithies	TBC
<b>Levelling Up Civic Redevelopment</b>	Redevelopment of the Civic Building and surrounding area	5,923,010
<b>Levelling Up Independent shop front business grants</b>	Provision of business grants to improve independent shop fronts	600,000
<b>Levelling Up Courthouse Acquisition and residential development</b>	Acquisition and residential development of Courthouse	4,023,309
<b>Levelling Up Cheapside New urban park and playground - demo and park development costs only (acquisition now fully funded).</b>	Demolition of Cheapside and provision of new urban park and playground	4,713,054
<b>Levelling Up - Elsecar</b>	Elements of the Council's Levelling Up Bid in respect of Elsecar	22,062,080
<b>Corporate Device Replacement</b>	It is proposed that by 2024/25 all 3,500 user devices will need to be replaced. The bid includes the provision of professional services to support IT in deployment across the user base; this is a significant task and therefore additional resources will be required during the period of the programme.	2,500,000
<b>Reprovision of Waste and Recycling to facilitate DVPR</b>	Funding sought for the relocation and reprovision of waste and recycling facilities currently situated on Nicholas Lane, Highgate adjacent to Goldthorpe Train Station will enable this key site to be repurposed for a 850 space Park and Ride facility for a proposed new Dearne Valley Railway Station capable of accommodating High Speed Services between Sheffield, Leeds and beyond as well as catering for the existing local services	8,000,000
<b>Acquisition of John Riddel House Shambles Street</b>	Proposal seeks to acquire John Rideal House and consider an alternative usage. Opportunities for a community asset transfer should be first explored with DWP and/or a provision capital value of circa £1.5 million has been the cost to acquire the site should CAT not be feasible.	1,500,000
<b>GRAND TOTAL - GENERAL FUND</b>		<b>118,367,825</b>

**FUTURE COUNCIL PLAN 2022/23**

**APPENDIX 4 - Capital Investment Proposals Emerging / Pipeline**

<b>Proposal Name</b>	<b>Brief Description</b>	<b>TOTAL CAPITAL INVESTMENT £</b>
<b>Energy Efficiency: Air Source Heat Pumps / Decarbonisation</b>	Installation of Air Source Heat Pumps	4,600,000
<b>Strategic Acquisitions (M/plans) POT</b>	Acquisitions programme in respect of future master planning zones	5,000,000
<b>Monkton Mixed Tenure - Low Carbon Development</b>	Housing Development of mixed tenure that are low carbon	8,063,000
<b>SUB TOTAL - HOUSING</b>		<b>17,663,000</b>
<b>TOTAL CAPITAL INVESTMENT PROPOSALS - PENDING / PIPELINE</b>		<b>136,030,825</b>

**2022/23 SERVICE AND FINANCIAL PLANNING  
REDUNDANCY COMPENSATION AND PROCEDURES**

**1. Purpose of Report**

- 1.1 To consider the maximum amount of compensation to be paid under the Discretionary Compensation Regulations 2006.
- 1.2 To consider the period of notice to be afforded to employees declared compulsorily redundant.

**2. Recommendations**

- 2.1 That for the purpose of the 2022/2023 budgetary procedures, payments in accordance with the Discretionary Compensation Regulations 2006 be up to a maximum of 30 weeks' actual pay based on the Statutory Redundancy Scheme.**
- 2.2 That any employee (excluding Teachers) declared redundant be afforded the maximum of 12 weeks' notice of termination of employment.**

**3. Introduction/Background**

- 3.1 The above regulations provide Local Authorities with the power to make discretionary one-off lump sum payments (enhanced redundancy payments) to employees who are made redundant.
- 3.2 With effect from 1 April 2007, the Council introduced a revised scheme of compensation using the Statutory Redundancy Scheme but based on actual pay.

**4. Current Position**

- 4.1 Employees are entitled by their contract of employment to receive a period of notice if their employment is to be terminated by reason of redundancy.
- 4.2 This period of notice is the greater of either that specified within their contract of employment or that specified by statute.
- 4.3 In previous years, the Council has agreed the maximum of 12 weeks' notice, irrespective of an employee's length of service, would be served on any employee declared compulsorily redundant. In addition to this, redeployment opportunities will be sought for affected employees during the statutory consultation period.
- 4.4 The advantage of affording 12 weeks' notice to all employees are:
  - (i) The maximum time will be available to pursue and achieve redeployment opportunities.

(ii) Successful redeployment will negate the need to make a redundancy payment (maximum up to 30 weeks' actual pay).

4.5 The disadvantage is if no redeployment opportunities exist, then there is a cost over and above what the contractual/statutory notice entitlement would have provided for employees with less than 12 years' service.

## **5. Options**

5.1 To accept the report recommending payment up to a maximum of 30 weeks' actual pay to all employees who are redundant, and any employee declared compulsorily redundant to be offered the maximum of 12 weeks' notice of termination.

5.2 Not accept the report.

## **6. Local Area Implications**

6.1 There are no direct Local Area implications.

## **7. Compatibility with European Convention on Human Rights**

7.1 There are no implications.

## **8. Ensuring Social Inclusion**

8.1 There are no implications.

## **9. Reduction of Crime and Disorder**

9.1 There are no implications.

## **10. Risk Assessment**

10.1 There are no implications.

## **11. Consultations**

11.1 Service Director (Finance) and the Trade Unions have been consulted.

## **12. Proposal**

12.1 It is recommended that Cabinet approve the recommendations of this report.

## **13. Glossary**

13.1 None

## **14. List of Appendices**

14.1 Appendix 1 – Number of potential redundancies for 2022/23

**15. Background Papers**

15.1 Discretionary Compensation Regulations 2006 – available for inspection from Human Resources.

**Officer Contact: Michael Potter, Service Director Business Improvement, HR and Communications**

**Date: 6 January 2022**

## 2022/23 HR implications in numbers

Directorate	Business Unit	Service Director	Number of Staff Affected	Number of Potential Redundancies
Place	BU4 Regeneration & Culture – Property (August 2022)	Kathy McArdle	77	Yet to be determined
Communities	BU8 Stronger, Safer, Healthier Communities – Think Family	Phil Hollingsworth	4	1
Core	BU12 Customer, Information & Digital Services – Code Green (April 2022)	Dave Robinson	17	4
Core	BU13 Finance (June 2022)	Neil Copley	193	8
Core	BU15 Business Improvement, HR & Communications (June 2022)	Michael Potter	95	10
<b>Total</b>			<b>386</b>	<b>23</b>

# OUR COMMUNICATIONS APPROACH

Aligned to



Guiding principles

- Clear and open
- Key messages
- The why?
- Benefit to people and to Barnsley

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Our focus is on:

- Partnership working
- Fostering excitement, optimism and ambition
- Showing progress and achievements
- Reputation management
- No place for Hate
- Managing expectations

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## COUNCIL TAX 2022/2023 - CALCULATIONS

- (i) in respect of the Council Tax 2022/23 calculations:
- (a) that the Council Tax Collection Fund surplus relating to Barnsley M.B.C. of £3.200M be used to reduce the Council Tax Requirement for 2022/23;
- (b) that the Band D Council Tax for Barnsley M.B.C.'s services be set at £1,641.55 which includes the cumulative special precept earmarked specifically for Adult Social Care of £189.98; and
- (c) that the Band D Council Tax for Barnsley M.B.C.'s area be set at £1942.18 including the Police and Fire precepts\* as set out in (ii)(c).

## COUNCIL TAX 2022/23 - DECLARATION

- (ii) that, in respect of the Council Tax 2022/23 declaration:
- (a) that it be noted that at its meeting of its Cabinet on the 12<sup>th</sup> January 2022 the Council made the following calculations for the year 2022/23 in accordance with Regulations made under Section 31(B) of the Local Government Finance Act 1992 as amended (the "Act"):-
- (1) in accordance with Section 31B (3) of the Local Government Act 1992, as amended, the number of adjusted Band D equivalent properties calculated by the Council as its Council Tax base for the year shall be 66,584.65 (Item T in the formula in Section 31B (1) of the Act);
- (2) that the number of adjusted Band D equivalent properties calculated by the Council, as the amounts of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate shall be as follows:-

<b>TABLE 1</b>				
Column	A	B	C	D = C / B
Parish Area	Band D equivalent chargeable properties	95% of Band D equivalent chargeable properties	Precept Issued (after Council Tax Support Grant) (£)	Band D Equivalent Charge (£)
Billingley	97.70	92.82	1,541.74	16.61
Cawthorne	606.50	576.18	22,720.00	39.43
Dunford	254.60	241.87	8,463.03	34.99
Great Houghton	651.00	618.45	25,669.00	41.51
Gunthwaite and Ingbirchworth	308.80	293.36	5,933.00	20.22
High Hoyland	70.80	67.26	0.00	-
Hunshelf	169.10	160.65	5,000.00	31.12
Langsett	109.40	103.93	3,848.50	37.03
Little Houghton	182.50	173.38	4,145.52	23.91
Oxspring	467.10	443.75	19,930.00	44.91
Penistone	4,424.40	4,203.18	194,731.00	46.33
Shafton	933.80	887.11	36,309.41	40.93
Silkstone	1,217.40	1,156.53	75,580.00	65.35
Stainborough	164.80	156.56	4,941.03	31.56
Tankersley	729.60	693.12	19,205.00	27.71
Thurgoland	807.30	766.94	12,227.00	15.94
Wortley	311.00	295.45	7,996.00	27.06
Barnsley and Other Non-Parish Areas	58,583.30	55,654.14	-	-
<b>Total</b>	<b>70,089.10</b>	<b>66,584.65</b>	<b>448,240.23</b>	

(b) that the following amounts be now calculated by the Council for the year 2022/23 in accordance with Sections 31-36 of the “the Act”:-

- (1) £211,813,240.23 being the net aggregate amount the Council estimates for items set out in Section 31A (2) and 31A (3) of the Act taking into account all Precepts issued to it by Parish Councils;
- (2) £98,862,968 being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of the Business Rate Retention Scheme and other specific grants;
- (3) £3,200,000 being the amount which the Council estimates will be transferred in the year from its Collection Fund to its General Fund in accordance with Section 97 (3) of the Local Government Finance Act 1988 (Council Tax Surplus);
- (4) £109,750,272.23 being the amount by which the amount at (ii)(b) (1) above exceeds the aggregate of amounts at (ii)(b) (2) and (ii)(b) (3) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (Item R in the formula in Section 31B (1) of the Act);
- (5) £1,648.28 calculated by the Council as being the amount at (ii)(b) (4) above (Item R in the formula in Section 31B (3); all divided by the Council Tax base as highlighted in (ii) (a) (1) above (Item T in the formula in Section 31B (1) of the Act);
- (6) £448,240.23 being the aggregate amount of all special amounts (Parish Precepts) referred to in Section 31A (2) of the Act; as per column C in the table in (ii)(a) (2) above;
- (7) £1,641.55 calculated by the Council as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special items relate being the amount at (ii)(b) (5) above less the result given by dividing the amount at (ii)(b) (6) above divided by the amount at (ii)(a) (1) (Item T in the formula in Section 31B (1) of the Act) above in accordance with Section 34 (2) of the Act.

(8) the following amounts calculated by the Council as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate:-

<b>TABLE 2</b>	
<b>Section 34(3) Calculation :</b>	
<b>Part of the Council's Area</b>	
<b>Parish of :-</b>	<b>£</b>
Billingley	1,658.16
Cawthorne	1,680.98
Dunford	1,676.54
Great Houghton	1,683.06
Gunthwaite & Ingbirchworth	1,661.77
High Hoyland	1,641.55
Hunshelf	1,672.67
Langsett	1,678.58
Little Houghton	1,665.46
Oxspring	1,686.46
Penistone	1,687.88
Shafton	1,682.48
Silkstone	1,706.90
Stainborough	1,673.11
Tankersley	1,669.26
Thurgoland	1,657.49
Wortley	1,668.61
<b>This table represents the Council Tax for Barnsley MBC plus Local Parishes for Band D only</b>	

being the amounts given by adding to the amount at (ii)(b) (7) above the amount of the special items in (ii)(a) (2) Col D in accordance with Section 34 (3) of the Act;

(9) the amounts calculated by the Council as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands are shown below.

**TABLE 3**

**Section 36(1) Calculation :**  
**Part of the Council's Area**

Parish of :-	Valuation Bands								
	A-	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£	£
Billingley	921.20	1,105.44	1,289.68	1,473.92	1,658.16	2,026.64	2,395.12	2,763.60	3,316.32
Cawthorne	933.88	1,120.66	1,307.43	1,494.21	1,680.98	2,054.53	2,428.08	2,801.64	3,361.96
Dunford	931.41	1,117.70	1,303.97	1,490.26	1,676.54	2,049.11	2,421.67	2,794.24	3,353.08
Great Houghton	935.03	1,122.04	1,309.05	1,496.06	1,683.06	2,057.07	2,431.09	2,805.10	3,366.12
Gunthwaite & Ingbirchworth	923.20	1,107.85	1,292.49	1,477.13	1,661.77	2,031.05	2,400.34	2,769.62	3,323.54
High Hoyland	911.97	1,094.37	1,276.76	1,459.16	1,641.55	2,006.34	2,371.13	2,735.92	3,283.10
Hunshelf	929.26	1,115.12	1,300.96	1,486.82	1,672.67	2,044.38	2,416.08	2,787.79	3,345.34
Langsett	932.54	1,119.06	1,305.56	1,492.08	1,678.58	2,051.60	2,424.62	2,797.64	3,357.16
Little Houghton	925.25	1,110.31	1,295.36	1,480.41	1,665.46	2,035.56	2,405.67	2,775.77	3,330.92
Oxspring	936.92	1,124.31	1,311.69	1,499.08	1,686.46	2,061.23	2,436.00	2,810.77	3,372.92
Penistone	937.71	1,125.26	1,312.79	1,500.34	1,687.88	2,062.97	2,438.05	2,813.14	3,375.76
Shafton	934.71	1,121.66	1,308.59	1,495.54	1,682.48	2,056.37	2,430.25	2,804.14	3,364.96
Silkstone	948.28	1,137.94	1,327.59	1,517.25	1,706.90	2,086.21	2,465.52	2,844.84	3,413.80
Stainborough	929.50	1,115.41	1,301.31	1,487.21	1,673.11	2,044.91	2,416.72	2,788.52	3,346.22
Tankersley	927.36	1,112.84	1,298.31	1,483.79	1,669.26	2,040.21	2,411.16	2,782.10	3,338.52
Thurgoland	920.83	1,105.00	1,289.16	1,473.33	1,657.49	2,025.82	2,394.15	2,762.49	3,314.98
Wortley	927.01	1,112.41	1,297.81	1,483.21	1,668.61	2,039.41	2,410.22	2,781.02	3,337.22
Barnsley and Other Non-Parish Areas	911.97	1,094.37	1,276.76	1,459.16	1,641.55	2,006.34	2,371.13	2,735.92	3,283.10

**This table shows the total Council Tax for Barnsley MBC and local parishes (excluding Police and Fire Precepts). The charge for individual valuation bands is calculated as a proportion of a Band D property, as per Section 5 of the Local Government Finance Act 1992.**

being the amounts given by multiplying the amount at (ii)(b) (8) above by the number which, in the proportion set out in Section 5 of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D in accordance with Section 36 (1) of the Act;

- (c) that it be noted that for the year 2022/23 the under-mentioned precepting Authorities have stated the following draft amounts in precepts issued to the Council in accordance with Section 42A of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

	Total Precept	TABLE 4								
		Valuation Bands								
		A-	A	B	C	D	E	F	G	H
<b>Precepting Authority:</b>	£	£	£	£	£	£	£	£	£	£
South Yorkshire Fire Authority*	5,165,637	43.10	51.72	60.34	68.96	77.58	94.82	112.06	129.30	155.16
South Yorkshire Police Authority*	14,851,040	123.91	148.69	173.48	198.26	223.04	272.60	322.17	371.73	446.08

\* subject to confirmation

(d) that having calculated the aggregate in each case of the amounts at (ii)(b) (9) and (ii)(c) above, the Council in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the amounts shown below as the amounts of Council Tax for the year 2022/23 for each of the categories of dwellings shown below:-

**Section 30(2) Calculation :**

**TABLE 5**

**Part of the Council's Area**

**Valuation Bands**

<b>Parish of :-</b>	<b>A-</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Billingley	1,088.21	1,305.85	1,523.50	1,741.14	1,958.78	2,394.06	2,829.35	3,264.63	3,917.56
Cawthorne	1,100.89	1,321.07	1,541.25	1,761.43	1,981.60	2,421.95	2,862.31	3,302.67	3,963.20
Dunford	1,098.42	1,318.11	1,537.79	1,757.48	1,977.16	2,416.53	2,855.90	3,295.27	3,954.32
Great Houghton	1,102.04	1,322.45	1,542.87	1,763.28	1,983.68	2,424.49	2,865.32	3,306.13	3,967.36
Gunthwaite & Ingbirchworth	1,090.21	1,308.26	1,526.31	1,744.35	1,962.39	2,398.47	2,834.57	3,270.65	3,924.78
High Hoyland	1,078.98	1,294.78	1,510.58	1,726.38	1,942.17	2,373.76	2,805.36	3,236.95	3,884.34
Hunshelf	1,096.27	1,315.53	1,534.78	1,754.04	1,973.29	2,411.80	2,850.31	3,288.82	3,946.58
Langsett	1,099.55	1,319.47	1,539.38	1,759.30	1,979.20	2,419.02	2,858.85	3,298.67	3,958.40
Little Houghton	1,092.26	1,310.72	1,529.18	1,747.63	1,966.08	2,402.98	2,839.90	3,276.80	3,932.16
Oxspring	1,103.93	1,324.72	1,545.51	1,766.30	1,987.08	2,428.65	2,870.23	3,311.80	3,974.16
Penistone	1,104.72	1,325.67	1,546.61	1,767.56	1,988.50	2,430.39	2,872.28	3,314.17	3,977.00
Shafton	1,101.72	1,322.07	1,542.41	1,762.76	1,983.10	2,423.79	2,864.48	3,305.17	3,966.20
Silkstone	1,115.29	1,338.35	1,561.41	1,784.47	2,007.52	2,453.63	2,899.75	3,345.87	4,015.04
Stainborough	1,096.51	1,315.82	1,535.13	1,754.43	1,973.73	2,412.33	2,850.95	3,289.55	3,947.46
Tankersley	1,094.37	1,313.25	1,532.13	1,751.01	1,969.88	2,407.63	2,845.39	3,283.13	3,939.76
Thurgoland	1,087.84	1,305.41	1,522.98	1,740.55	1,958.11	2,393.24	2,828.38	3,263.52	3,916.22
Wortley	1,094.02	1,312.82	1,531.63	1,750.43	1,969.23	2,406.83	2,844.45	3,282.05	3,938.46
Barnsley and Other Non-Parish Areas	1,078.98	1,294.78	1,510.58	1,726.38	1,942.17	2,373.76	2,805.36	3,236.95	3,884.34

**This table shows the total Council Tax for Barnsley MBC, local parishes and the Police & Fire Precepts**

**The table is the sum of the total Council Tax for Barnsley MBC and local parishes (Table 3) and the precept amounts for the Police and Fire Authorities respectively (Table 4).**

- (e) that the Service Director (S151 Officer) be authorised to serve notices, enter into agreements, give receipts, make adjustments, initiate proceedings and take any action available to the Council to collect or enforce the collection of non-domestic rates and the Council Tax from those persons liable in accordance with the Council's agreed policy; and
- (f) that the Service Director (S151 Officer) determines in accordance with the principles determined by the Secretary of State and set out in the Referendums Relating to Council Tax Increases (Principles) (England) Report 2022/23, that Barnsley Metropolitan Borough Council's relevant basic amount of Council Tax for the year 2022/23 as defined by Section 41 of the Local Audit and Accountability Act 2014 is not excessive.
- (g) that the Director of Legal and Governance be authorised to publish the Council Tax Notice in accordance with the provisions of Section 38 of the Local Government Finance Act 1992.

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# Auditor's Annual Report Barnsley Metropolitan Borough Council

2020-21

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March 2022



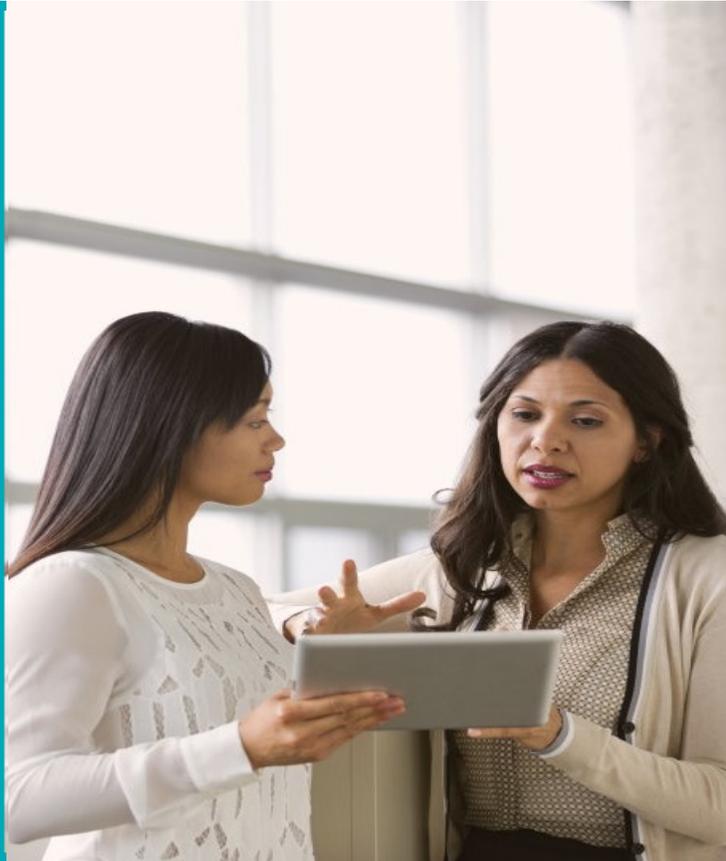
Item 5

# Contents



We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



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4. Commentary on the Authority's arrangements to secure economy, efficiency and effectiveness in its use of resources	6
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## Appendices

A – The responsibilities of the Authority

B – An explanatory note on recommendations

C – Use of formal auditor's powers

The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Authority or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

# 1. Executive summary



## Value for money (VFM) arrangements and key recommendations

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. The auditor is no longer required to give a binary qualified / unqualified VFM conclusion. Instead, auditors report in more detail on the Authority's overall arrangements, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

Auditors are required to report their commentary on the Authority's arrangements under specified criteria. As part of our work, we considered whether there were any risks of significant weakness in the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources. The review looks at three key criteria:

- Financial sustainability
- Governance
- Improving economy, efficiency and effectiveness.

Criteria	Risk assessment	Conclusion
Financial sustainability	One possible risk of significant weakness identified after our Audit Plan was issued in July 2021 [risk covered in detail in our 2020-21 Audit Finding Report]	No significant weaknesses in arrangements identified, but improvement recommendations made
Governance	No risks of significant weaknesses identified	No significant weaknesses in arrangements identified, but improvement recommendations made
Improving economy, efficiency and effectiveness	No risks of significant weaknesses identified at the planning risk assessment stage.	One risk of significant weaknesses identified with a key recommendation and some improvement recommendations made.



### 1. Financial sustainability

The Authority is operating in an increasingly uncertain financial environment. The Authority, as with all local authorities, continues to plan with little certainty over funding in the medium term.

Despite this uncertainty, and the challenges posed by Covid-19, the Authority has maintained a good financial position. The Authority has put forward a series of proposals which forecast a balanced budget for the next two years. In addition, as at 31 March 2021, the Authority held general fund reserves of £195.3m and overall useable reserves of £273.4m.

Our work has not identified any significant weaknesses in arrangements to secure financial sustainability at the Authority. We identified a small number of improvement recommendations.

Further details can be seen on pages 7 and 15 of this report.



### 2. Governance

Our work this year has focussed on developing a detailed understanding of the governance arrangements in place at the Authority.

Our work on both business as usual governance and adapted structures as a result of Covid 19 has not identified any significant weaknesses in arrangements. We identified a small number of improvement recommendations in relation to governance.

Further details can be seen on pages 16-24 of this report.



### 3. Improving economy, efficiency and effectiveness

The Authority has demonstrated an understanding of its role in securing economy, efficiency and effectiveness in its use of resources.

Our work identified one significant weaknesses as a result of the Ofsted and CQC inspection around implementing special educational needs and disabilities (SEND) reforms in Barnsley. We have made one key recommendation on this.

We identified a small number of improvement recommendations in relation to Improving economy, efficiency and effectiveness

Further details can be seen on pages 25- 30 of this report.

## 2. Statutory and key recommendations



The NAO Code of Audit Practice requires that where auditors identify significant weaknesses as part of their arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the Council. We have defined these recommendations as 'key recommendations'.

Our work identified one significant weaknesses in arrangements and therefore we have made one key recommendation. For further details see pages 27 and 29

Appendix C outlines the use of auditor's statutory powers. These powers include the use of written recommendations to the Authority under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the Authority to discuss and respond publicly to the report.

Our work has not identified any significant and pervasive weaknesses in arrangements and therefore we have not made any statutory recommendations or had to discharge any other wider powers under the Local Audit and Accountability Act 2014, for the 2020-21 audit year.

The range of recommendations that external auditors can make is explained at Appendix B.



# 3. Opinion on the financial statements



## Audit opinion on the financial statements

We issued an unqualified audit report opinion on the financial statements on 26 November 2021, in line with the proposed deadline we set out earlier in the year.

## Audit Findings (ISA260) Report (AFR)

More detailed findings can be found in our AFR, which was published and reported to the Council's Audit Committee on 17 November 2021. We further updated this AFR at the time of our audit report on 26 November 2021.

We have concluded that the other information published with the financial statements, including the Narrative Report and Annual Governance Statement, was consistent with our knowledge of the Council and the financial statements we have audited.

## Whole of Government Accounts

To support the audit of the Whole of Government Accounts (WGA), we are required to review and report on the WGA return prepared by the Council. This work includes performing specified procedures under group audit instructions issued by the National Audit Office.

We are unable to complete our work in this area as the Council and ourselves are still awaiting the appropriate guidance from the NAO.

## Preparation of the accounts

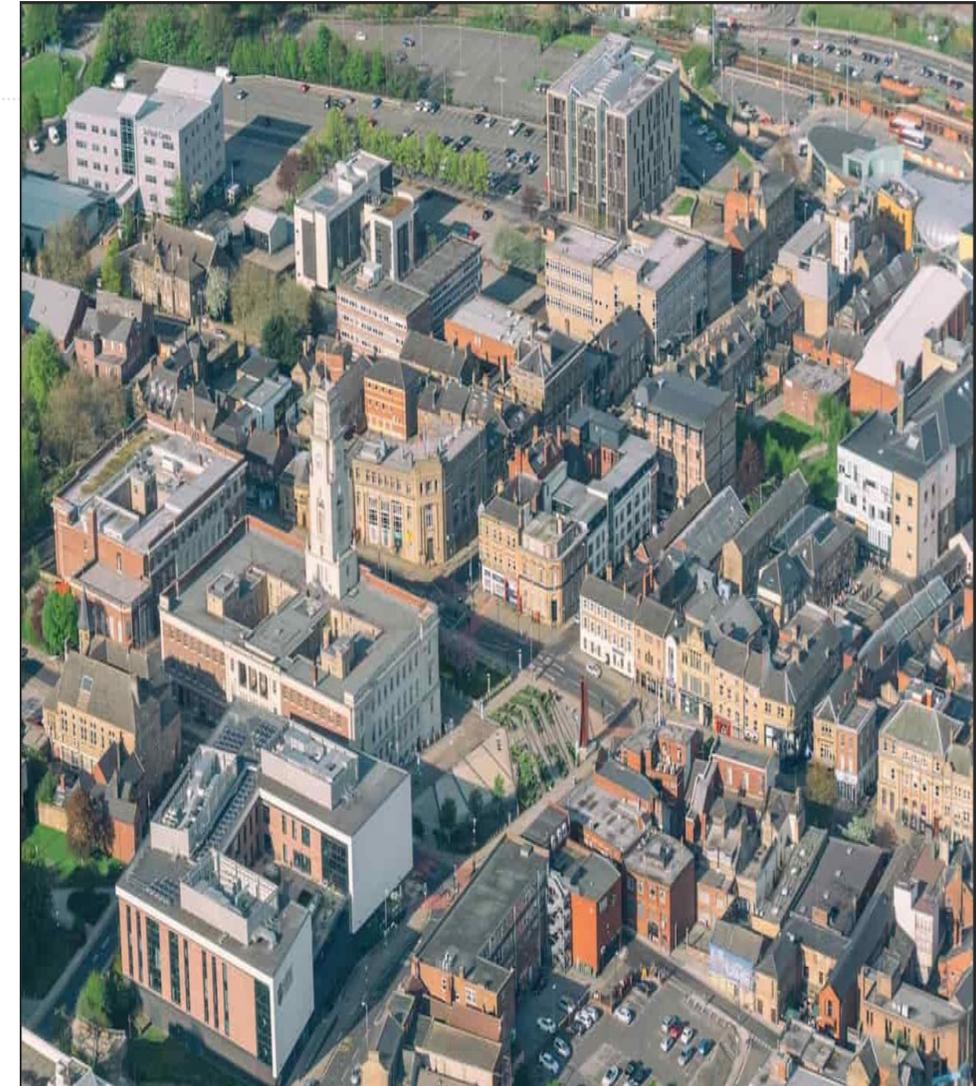
The Council provided draft accounts in advance of the national deadline and, in common with previous years, provided a good set of working papers to support it. This ensured the audit progressed in a smooth and efficient manner.

## Issues arising from the accounts:

We did not identify any audit adjustments impacting on the Council's useable reserves. However, we identified a number of disclosure amendments which were corrected by management. These were reported in our AFR.

## Grant Thornton provides an independent opinion ensuring the accounts are:

- True and fair
- Prepared in accordance with relevant accounting standards
- Prepared in accordance with relevant UK legislation.



# 4. Commentary on the Authority's arrangements to secure economy, efficiency and effectiveness in its use of resources

All local authorities are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money.

Local Authorities report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The National Audit Office's Auditor Guidance Note (AGN) 3, requires us to assess arrangements under three areas:



## Financial Sustainability

Arrangements for ensuring the Authority can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).



## Governance

Arrangements for ensuring that the Authority makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the Authority makes decisions based on appropriate information.



## Improving economy, efficiency and effectiveness

Arrangements for improving the way the Authority delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Our commentary on each of these three areas, as well as the impact of Covid-19, is set out on pages 7 to 23. Further detail on how we approached our work is included in Appendices.



# 5. Financial sustainability

## Identification of significant financial pressures and building these into Council plans

The Council demonstrates strong financial and budgetary management. This is evident from regular quarterly corporate finance performance reports and annual year end outturn reports to Cabinet and Council. This reporting has been consistent over many years and demonstrates that budgets are managed and controlled, with remedial actions taken when needed and annual budget targets achieved on a consistent basis.

Like many other local authorities, the Council is operating within a challenging environment. The 2020-21 final outturn report highlighted the significant volatility and financial challenges the Council faced during the year from the Covid-19 pandemic. The Council has an overall net overspend during 2020-21 of £3.1m. This deficit was addressed through Government's taxation and compensation scheme as reported in our Audit Plan in July 2021. The pandemic resulted in additional costs of £44.6m to the Council (£33.2m in additional costs and £11.4m in lost income) and the Council received Covid-19 funding from the government totalling £36.6m. The gap of £8m was funded by underspends in non critical services (£5m) and from government income losses compensation scheme (£3m).

For 2021-22, the Council set a balanced budget with gross revenue expenditure of £511.4m. To achieve this balanced budget, the Council will need to deliver approved savings of £7.2m during 2021-22. At the time of this report, according to latest quarter three results up to 31 December 2021, the Council is forecasting a £170k underspend as at 31 March 2022 – effectively a breakeven outturn. This is after accounting for Covid -19 government grant funding of £24.7m . The Council is also on track to deliver the £7.2m savings target in full at 2021-22-year end.

### DSG deficit:

At the end of 2020-21 the Dedicated Schools Grant (DSG) had a material deficit of £11.8m. This was an increase of £6.5m (c120% increase) from 2019-20-year end position. This is due to pressures in the High Needs Block and Special Educational Needs including Disabilities (SEND) budget, where demands in the Borough have increased significantly over the years – this is a common position across the local authority sector. As reported in our 2020-21 Audit Finding Report (ISA 260) to those charged with governance in November 2021:

- There was reasonable evidence of the Council engaging with DfE to manage this deficit
- The Council has a deficit recovery plan with reasonable assumptions based on current available information
- The Council understands the reasons for these deficits and there is a clear correlation, for example, between increasing demands in children with Educational and Health Care Plans (EHCP ) and rising costs in the SEND budget
- Quarterly reports on various aspects of SEND are presented at Cabinet level and reports are also taken to the SEND Oversight Board. Therefore, those Members in Cabinet or the SEND Board have a reasonable understanding of this financial challenge facing the Council.

Since issuing our Audit Plan in July 2021, we considered this as a possible risk of significant weakness. Due to above findings and as reported in the Audit Finding (ISA 260) Report in November 2021, we concluded that there is no significant weakness in arrangements during 2020-21.

The table below illustrates the rapid increase in the DSG deficit over the last five years at the Council.

31 March 2017	31 March 2018	31 March 2019	31 March 2020	31 March 2021
£2.6m deficit and £1m contribution by Council. Carried forward to 2017-18 : £1.6m	£6.2m deficit and £1m contribution by the Council. Carried forward to 2018-19 : £5.2m	£8.6m deficit was fully funded by the Council and carried forward £nil to 2019-20	£5.3m deficit. No Contribution by the Council	£11.8m deficit. No contribution by the Council

### We considered how the Council:

- identifies all the significant financial pressures it is facing and builds these into its plans
- plans to bridge its funding gaps and identify achievable savings
- plans its finances to support the sustainable delivery of services in accordance with strategic and statutory priorities
- ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning
- identifies and manages risk to financial resilience, such as unplanned changes in demand and assumptions underlying its plans.

# Financial sustainability

## We considered how the Council:

- identifies all the significant financial pressures it is facing and builds these into its plans
- plans to bridge its funding gaps and identify achievable savings
- plans its finances to support the sustainable delivery of services in accordance with strategic and statutory priorities
- ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning
- identifies and manages risk to financial resilience, such as unplanned changes in demand and assumptions underlying its plans.

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## Identification of significant financial pressures and building these into Council plans (continued)

### DSG deficit (continued):

We acknowledge that under new time-limited statutory requirements, the DSG deficit is now ringfenced and any deficits cannot be financed through Council's General Fund Reserves but should be addressed through the DSG. However, it is still important for the Council to address the cost pressures within the High Needs Block through SEND and ensure the Council's High Needs spend starts to be delivered within the DSG budget.

Whilst regular reporting is made to the Cabinet, due to the significant nature of this financial challenge we have made an improvement recommendation that regular updates should also be provided to the Audit and Governance Committee. As indicated in our Audit Findings Report in November 2021, due to the current arrangements in place, we do not consider there is a significant weakness in the Council's management of this deficit.

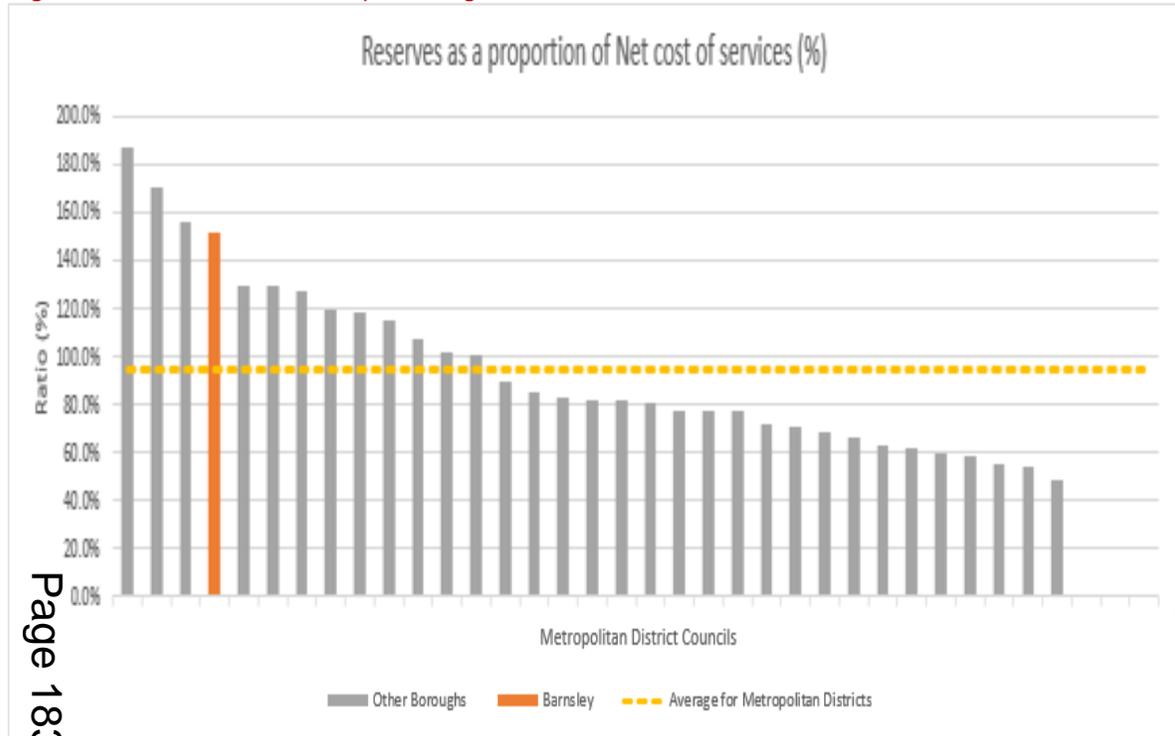
### Council Reserves:

The Council has a strong reserves position with £273.4m (2019-20 £206.1m) in usable reserves. Out of this total, £195.3m (2019-20 £133.8m) are general fund reserves, which accounts for 71% (2019-20 : 65%) of Council's useable reserves.

The Council had to revise its medium-term financial planning due to the Covid-19 pandemic. That was an appropriate response when unexpected significant challenges occur which impact income, expenditure and how services are provided. The Council's reserve position placed it in a stronger financial footing to withstand the impact of the pandemic compared to many local authorities. This is evident from figures 1 and 2 overleaf which compare Useable Reserves and General Fund balances as a percentage of Net Cost of Services across Metropolitan Borough Councils in England.

The Council acknowledges that the use of reserves to bridge financial deficit gaps is not a sustainable financial strategy. The Council takes a more proactive approach to financial sustainability via long term efficiency planning.

Figure 1 – Usable Reserves as a percentage of Net Cost of Services as at 31 March 2021



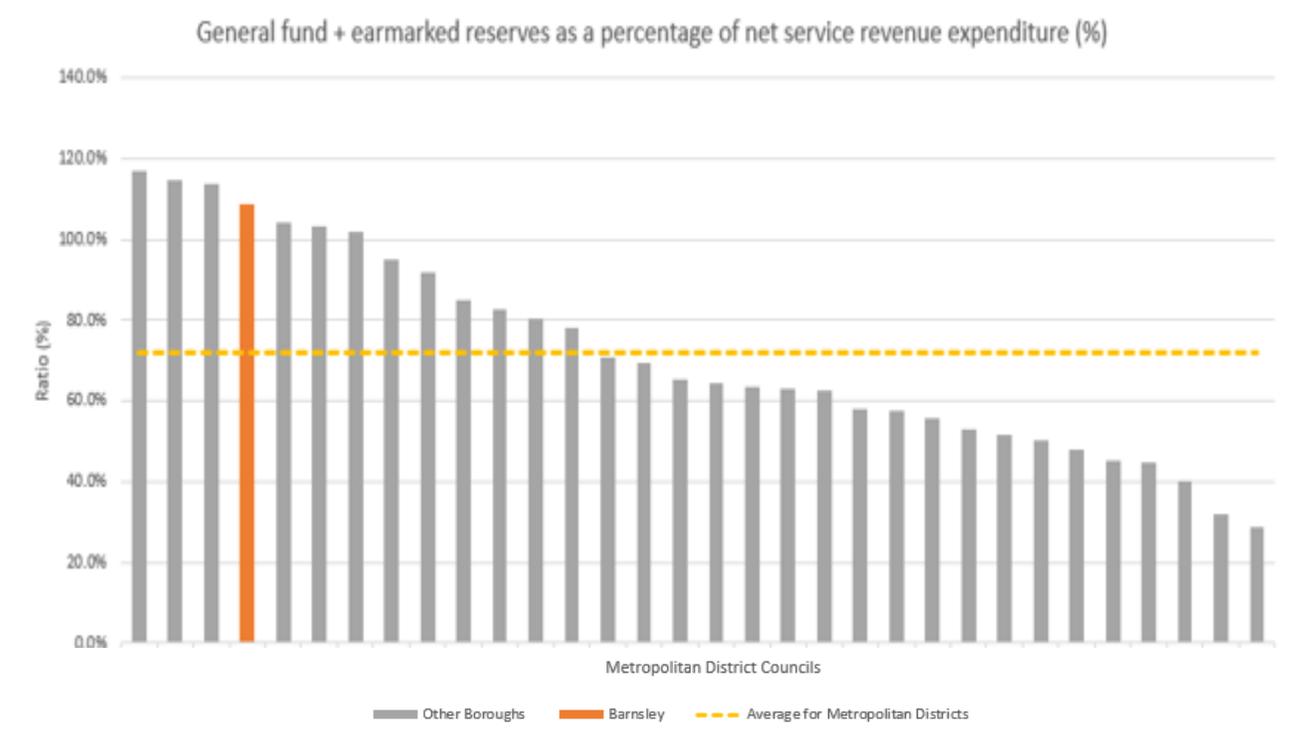
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From both analysis above, the Council shows a stronger and above average reserves position than most Metropolitan Borough Councils in England. This supports our findings on financial management at the Council. Only reserves already earmarked for managing short term budgetary constraints in line with the approved budget will be utilised during the year.

Reserves management is seen as important by the Council and management understands that reserves are not just available to be spent to ‘balance the books’. The Council has plans to maintain this reserves position, not to regularly or permanently reduce them other than those earmarked to finance the Council’s future corporate plans. However, increasing demands to Council services (particularly in respect of adult social care and children’s services), the recovery from a global pandemic, coupled with local and national economic challenges such as increasing inflation are constant pressures for managing and delivering a balanced budget. These matters could all present a challenge and a demand on the Council’s reserves.

**2021 February MTFs:** The Council published a Medium Term Financial Strategy (MTFS) covering three years from 2021-22 to 2023-24 in February 2021. The 2021-22 budget is a balanced budget that required £7.2m of savings. In 2022-23 there is a budget gap of £0.4m after a savings requirement of £3.3m and in 2023-24 there is a budget gap of £1.8m after a savings requirement of £2.4m.

Figure 2 – General Fund Balances as a percentage of Net Cost of Services as at 31 March 2021



Whilst these gaps need to be addressed, as a proportion of the Council’s overall budget they are not overly excessive, especially when compared to other local authorities that require more significant savings to balance their budget. This again points to the Council’s previous good financial management and approach to financial planning over recent years.

Work has been undertaken by the Council to identify savings opportunities to archive these targets. This medium term financial planning undertaken demonstrates a proactive approach. In setting the MTFs, the Council has not assumed any increase in government funding from 2021-22 to 2023-24 and full delivery of the savings targets. Council tax income has been based on 2.9% increase in 2021-22 and 2% thereafter up to 2023-24. There is an assumption that 49% of the business rates are kept by Barnsley. In terms of costs, 2% was added for pay awards subject to national pay negotiations, increase in demand for key services such as adult social care and children’s services have also been estimated and captured in this MTFs.

**2022 February MTFs:** At the time of this report, the Council has published its MTFs for 3 years covering 2022-23 to 2024-25 alongside the 2022-23 budget proposals. Again, it is clear the Council’s medium term financial planning captures the key challenges facing the Council, incorporating general and specific economic conditions (e.g. the risk posed by increasing inflation levels) have been incorporated to the budget. Overall, there is sufficient evidence that significant financial pressures facing the Council are captured in the MTFs.

### Plans to bridge the Council's funding gaps and identify achievable savings

The Council has a good track record of delivering efficiencies to meet future funding gaps. The table below highlights the delivery of savings plans over the last five years. On average, the Council has delivered c94% of the savings targets. At the time of this report, the Council is on target to deliver the 2021-22 savings plan in full. This is considered a strong performance in delivering savings plans for a local authority of this size. This is also complimented by stronger reserves positions highlighted on page 8, where less reliance is placed on Council reserves to achieve budget delivery gaps and instead more focus and planning is placed on delivering the savings targets.

	2017-18 (£000)	2018-19 (£000)	2019-20 (£000)	2020-21 (£000)	2021-22 (£000) projected
Savings target per Budget	4,228	4,404	5,765	4,228	7,632
Savings Delivered / (%)	3,884 (92%)	4,404 (100%)	5,465 (95%)	3,579 (85%) – covid impact year	7,632 (100%)

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The Medium-Term Financial Strategy identifies any gaps in funding to meet expenditure forecasts. The quarterly monitoring report includes progress on the delivery of efficiencies and any shortfall is included within the overall forecast. The Council's Efficiency Programme forms an integral part of the Council's MTFS process and follows the approved governance arrangements attached to it. Individual services also follow their own internal processes for submitting and approving proposed efficiency proposals. The Council implements a budget timetable to allow all Members to consider efficiency proposals before they are formally approved in February each year by Cabinet and Full Council.

Most efficiency proposals are recurrent at the Council, however, short term in year 'one off' non-recurrent measures may be used to mitigate delays in achieving actual efficiencies. The Council considers the use of reserves and its strategy as part of the Budget and MTFS paper.

Delivery of savings schemes are monitored regularly at a directorate level as well as being monitored as part of the quarterly budget monitoring process by the Senior Management Team (SMT).

The more strategic schemes are subject to individual reports and assessments, such as:

- Property Services Review
- Fleet Management System
- Glassworks
- Proposed new children's home
- Green Waste Review

There are also specific boards and working groups set up to monitor efficiency plans. For example the SEND oversight board monitors the improvement plan implemented to ensure that the significant pressures within SEND are monitored, controlled and delivered. The Efficiency Programme, as a minimum, identifies proposals to address any funding gaps identified over a two-year period. This allows for the potential movement of efficiencies between years which can help to alleviate any slippage identified. For example, the Efficiency Programme for 2022-23 to 2023-24 identified SMART working as an achievable efficiency over the two years. However, due to the Covid 19 pandemic and reactive plans of staff working from home, this efficiency has been realised in 2021-22.

### Plans its finances to support the sustainable delivery of services in accordance with strategic and statutory priorities

The MTFS considers the cost on the delivery of all ongoing statutory services and this is monitored by quarterly reporting to the Cabinet on delivery performance against the budget. Any discretionary or one off costs are considered on a case by case basis where feasibility studies are made and approval obtained from the Cabinet before embark on such discretionary services. We have not identified any issues in this process.

The Council holds good levels of reserves and whilst most reserves are earmarked for strategic priorities, the minimum working balance stands just above 10% of the General Fund Reserves at £20m. One recent example of earmarked reserves is the Glassworks redevelopment where a decision was made to earmark resources to help regenerate the town centre, improve job prospects and increase economic growth in the borough (see governance section for more on the Glassworks project).

The Council's MTFS forms part of Council's overall Corporate Plan which sets the core objectives and key priorities for the Council over the medium term. The Council monitors delivery of the key priorities via its Critical Success Factors (CSFs) which are the performance indicators framework linked to Council priorities (see improving economy, efficiency and effectiveness section of this report for further details on performance management).

As part of the MTFS, the 'Be Even Better Strategy' is the organisational strategy to deliver the priorities and outcomes set out in the new Council Plan (2021-24) which is also aligned to the 'Barnsley 2030' long term based plan. It includes the Council's core values and sets a number of new organisational design principles and learning from Covid 19.

The 'Be Even Better' Strategy works with the MTFS to ensure current and future resources are aligned to meet the Council's priorities. The quarterly corporate finance performance reporting to the Cabinet captures the link between Council priorities and CSFs. It measures the financial performance of the new Council Plan. This is a clear indicator that demonstrates finances are deployed and monitored against the Council's priorities.

The Council has a Capital Investment Strategy, which is approved by Cabinet as part of the overall budget and MTFS. The strategy governs the process for approving all new capital investment. An assessment process for each capital investment proposal is undertaken to ensure the investment aligns with the Council's strategic priorities. The Council also has a Capital Oversight Board which meets regularly to monitor progress on schemes and to receive and consider any new bids for funding. Any applications approved by the Board are then passed through to SMT and Cabinet for their consideration and ultimate approval.

The Council has IT infrastructure in place to deliver its key services and we are not aware of any significant issues in this area. The Council is aware that improvements in digital technologies and infrastructure are key to efficient delivery of public services. In order to ensure that the Council has a sufficient IT infrastructure, it has developed a Digital First Strategy (DFS). The MTFSs issued in both 2021 and 2022 capture the need for additional funding to support delivery of the DFS.

Overall, our work has indicated that the Council plans its finances to support sustainable delivery of services in accordance with its strategic priorities.

**Financial plans are consistent with other plans such as workforce, capital, investment and other operational planning**

The strategic plan [Be Even Better Strategy] sets out the framework for delivering the priorities set out in the Corporate Plan over the medium term. This includes a number of separate enabling plans and strategies which work to help deliver the Be Even Better Strategy and overall corporate plan. These strategies are aligned and include:

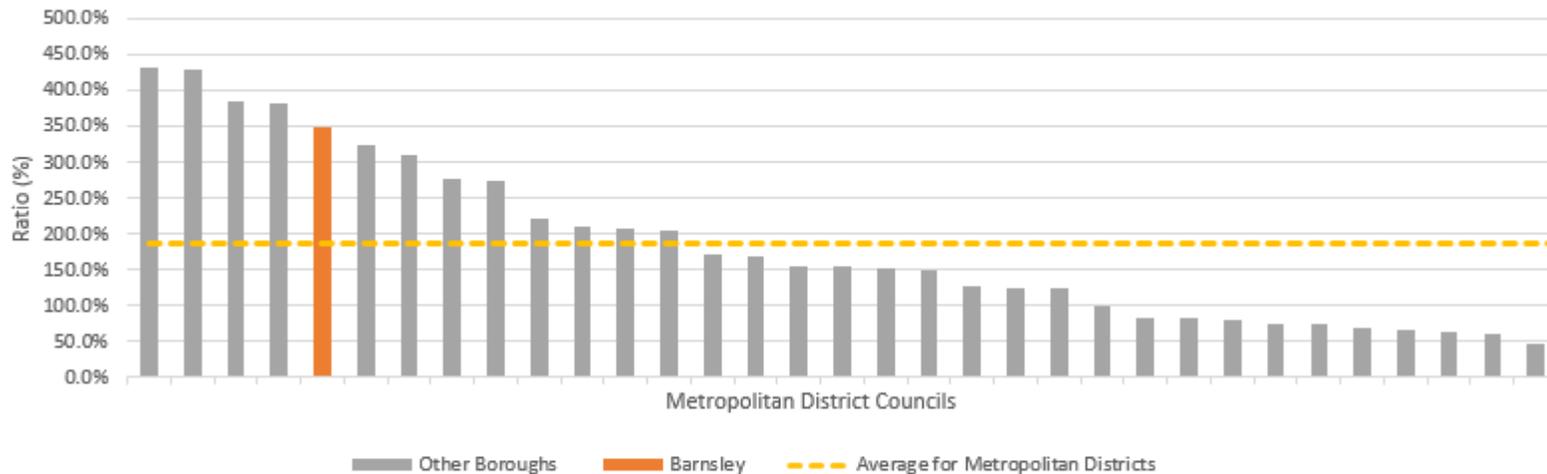
- The MTFs which includes the Council’s Capital Investment & Treasury Management Strategies
- The People Strategy, including the Council’s Workforce Development Plan
- The Commercial Strategy centred around the achievement of value for money, effective commissioning, procurement & contract management arrangements, income generation & commercial governance
- COVID 19 Response, Renewal and Recovery Strategy
- Digital Barnsley Strategy
- Customer Experience Strategy.

The Treasury Management Strategy (TMS) is produced annually and approved by SMT and the Cabinet. This includes the Treasury Management Policy Statement (the Council’s overall policies, practices and objectives in relation to treasury management), the Council’s Capital Expenditure Plans (the Council’s indicative capital programme over the coming years), the Minimum Revenue Provision Policy Statement (how residual capital expenditure will be charged to revenue over time).

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**Figure 3 – Long Term Borrowing as a percentage of Net Cost of Services as at 31 March 2021**

**LTB as a proportion of Net cost of services (%)**



The Council’s Borrowing Strategy (how its ongoing borrowing requirement will be managed, with regard to interest rate and refinancing risk), the Annual Investment Strategy (how any surplus cash will be managed, with regard to the principles of security, liquidity and yield) and the Council’s Prudential and Treasury Indicators (the limits and indicators designed to help monitor and control treasury management risk).

Treasury Management officers manage borrowing and investments in line with the agreed Treasury Management Strategy, and provide quarterly updates to SMT and the Cabinet on TMS performance.

Figure 3 below compares long term borrowings (LTB) as a percentage of Net Cost of Services (NCS) across 33 Metropolitan Borough Councils in England as at 31 March 2021. The Net Cost of Services is a reasonable indicator to measure the size of a Council and gauge the cost of providing Council’s primary services to the public. The analysis indicated the average LTBs across Metropolitan Borough Councils was 186% (or 1.86 times) of NCS. One Council had the highest borrowing ratio (e.g. relatively more borrowing) around c430% or over 4 times and another Council had the lowest borrowing ratio (e.g. relatively less borrowing) at c47% against its NCS.

The Council ranked fifth in this analysis with nearly 350% or 3.5 times of its NCS equalling to Council’s LTB, as at 31 March 2021. This is an indication of relatively higher borrowings ratio compared to others. Although this was expected given the investment made in the Glassworks development. The S151 Officer was also clear that other additional borrowing would not be progressed until after the Glassworks was completed and operating.

We have not identified any significant weaknesses in the Council’s arrangements for treasury management. We can also confirm that borrowing limits are within Prudential Borrowing Limits guidance.

However, with the increase in borrowings over the years (linked to town centre redevelopment projects) and associated financial risks including interest rate risks, coupled with increasing inflation in the UK, the Council should carefully monitor future cash outflows to service and repay these debts. Any future borrowing decisions should be carefully considered to mitigate such risks and should be prudently made. We have made an improvement recommendation on this.

Finally, our work also indicated that service directorate financial plans are aligned to the approved budget at the start of the year. Therefore, service directorates cannot develop financial plans without an approved budget and a link to a Council priority. Business plans are discussed at directorate level and signed off by the Financial Service Manager on behalf of the s151 Officer before being submitted to SMT where the s151 Officer is a key member.

Overall, our work has indicated that financial plans are consistent with other key Council plans and these are captured in quarterly reporting on Council finances and performance.

## Managing risks to financial resilience

The Council regularly reviews the key assumptions and risks that underpin its financial resilience. As part of the MTFS, a sensitivity analysis is undertaken against all key cost and income assumptions to highlight any areas of risk. This is evident from MTFS approved by the Cabinet and published on the Council's website.

Any changes to the assumptions during the year are captured in quarterly corporate finance performance reports with actions taken with revised forecasts as applicable. For example when the Covid-19 pandemic emerged, the 2020-21 budget assumptions were revised due to this unexpected global challenge.

The Council's reserves strategy is also planned over the period of the MTFS bringing together long-term resource projections with the Council's capital investment proposals. Potential future risks with a financial consequence are also addressed in the reserves strategy and both the MTFS and reserve strategy are live documents constantly reviewed and updated as circumstances dictate.

The Council also undertakes an annual assessment of its financial resilience and updates this quarterly basis. Quarterly financial monitoring to the Cabinet illustrates how financial challenges are addressed and mitigated. The Council's financial resilience is considered as part of the Council's response, recovery and renewal strategy which is reported to the Cabinet.

In response to the Covid 19 pandemic and the anticipated significant additional expenditure/loss of income, the Council introduced a moratorium on non essential expenditure to ensure that costs would be mitigated as much as possible whilst maintaining essential and critical services. In addition, all new investments which were not of the highest priority to deliver statutory services were suspended pending certainty on the financial position due to the pandemic.

Whilst new areas for investment were important to the Council's wider development plans, repositioning the timing of these investments was considered appropriate by SMT and the Cabinet. As indicated earlier, the Council's minimum working balance was increased from £15m to £20m in 2020-21. This provides extra contingency for any unexpected challenges the Council may face in the future, which further strengthen the financial resilience of the Council.

Overall, our work has indicated the Council identifies and manages the risks to its financial resilience and we have not identified any significant weaknesses in this area.

## Conclusion – financial sustainability

Overall, we are satisfied the Council has appropriate arrangements in place to ensure it manages risks to its financial sustainability. We have not identified any risks of significant weaknesses. We have identified two improvement recommendations which are set out in this section.

# Improvement recommendation



## Financial Sustainability

<b>Recommendation</b> [DSG deficit]	As a good governance measure, going forward, the Council should consider reporting the actions and outcomes on the DSG deficit reduction plans to the Audit and Governance Committee on a regular and timely basis.
<b>Why/impact</b>	<p>The Audit and Governance Committee's role is to:</p> <ul style="list-style-type: none"> <li>(a) provide independent assurance of the adequacy of the risk management framework and associated control environment</li> <li>(b) provide independent scrutiny of the authority's financial and non financial performance, to the extent that it affects the authority's exposure to risk and weakens the control environment</li> <li>(c) to oversee the financial reporting process.</li> </ul> <p>As part of this role, it is appropriate to report the developments on the DSG deficit reduction plan and associated outcomes to the Council's Audit and Governance Committee in addition to reporting to the Cabinet.</p>
<b>Auditor judgement</b>	<p>We acknowledge that under new time-limited statutory requirements, the DSG deficit is now ringfenced and any deficits cannot be financed through Council's general fund reserves but should be addressed through the DSG. However, it is still important for the Council to address the cost pressures within the High Needs Block through Special Educational Needs including Disabilities (SEND) and ensure that Council's High Needs spend is within DSG budget and reduce the budget deficit over the coming years.</p>
<b>Summary findings</b>	<p>At the end of 2020-21 the DSG had a material deficit of £11.8m. This was an increase of £6.5m (c120% increase) from 2019-20-year end position. This is due to pressures in the High Needs Block and Special Educational Needs including Disabilities (SEND) budget where demands in the Borough have increased significantly over the years. The Council has a plan to reduce this deficit and is collaborating with relevant third parties including DfE. Our work indicated that regular Cabinet reporting around the DSG deficit is taking place. This is a good governance process which supports informed decision making. However, we have not seen any DSG deficit related reports going to the Audit and Governance Committee and therefore we have raised this improvement recommendation.</p>
<b>Management comment</b>	<p>Tracking and reporting the outcomes and actions relating to the DSG deficit reduction plan is already incorporated into the Council's quarterly performance management framework. To further strengthen the governance around the plan, periodic updates will be brought into the Audit &amp; Governance Committee. The Council is also in discussion with the DfE around potential financial support through the 'safety valve' programme.</p>

The range of recommendations that external auditors can make is explained at Appendix C.

# Improvement recommendation



## Financial Sustainability

### Recommendation

#### [Borrowings]

With the increase in borrowings over the years at the Council and associated financial risks such as interest rate increases, coupled with increasing inflation, going forward, the Council should prudently continue to monitor future cash flows to service and repay current and future borrowings without any significant impact on the delivery of key Council services.

### Why/impact

The UK government has borrowed record amounts in 2020-21 and 2021-22 due to Covid -19 pandemic and future spending challenges in local government cannot be ruled out. Additionally, demand for services such as adult social care and children's services are continuing to increase and this is further exacerbated by the impact of increasing inflation. In other words, financial challenges to provide key Council services will continue into the future.

Serving and repaying debts is an important part of good treasury management. Sound planning for future cashflows to meet these challenges is vital for the Council, whilst continuing to deliver key services to the public. An inability to service and repay future debts would impact on the financial sustainability and reputation of the Council and could impact on service delivery. Therefore working on the above recommendation is prudent financial planning and management.

### Auditor judgement

We have not identified any significant weakness in the Council's arrangements in place for treasury management. We can also confirm that the Council's current borrowing limits are within the prudential borrowing limits guidance. The Council currently have arrangements in place to mitigate risks associated with borrowings and our recommendation is around Council's future borrowings and continuation of those mitigating arrangements. We are also aware of Council's relatively healthy general fund reserve position. However, we consider as part of sound treasury management arrangements, the Council needs to continue to manage the risks posed by its levels of current and future borrowing in the current financial climate.

### Summary findings

We compared long term borrowings (LTB) as a percentage of Net Cost of Services (NCS) across 33 metropolitan borough councils in England as at 31 March 2021. The Net Cost of Services is a reasonable indicator to measure the size of a Council and gauge the cost of providing Council's primary services to the public. The analysis indicated the ratio average across these councils was 186% (or 1.86 times) of NCS. The Council was ranked fifth in this analysis with nearly 350% or 3.5 times of its NCS. This is an indication of a relatively higher borrowings ratio compared to other metropolitan borough councils in England.

### Management comment

The Council has developed a strategy and policy specifically designed to mitigate and manage its treasury management risks, incorporating the prudence, affordability and enduring sustainability of all decisions taken. The Council will continue with its good practice governance to ensure appropriate oversight is maintained in this area.

The range of recommendations that external auditors can make is explained at Appendix C.

# 6. Governance



## We considered how the Council:

- monitors and assesses risk and gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud
- approaches and carries out its annual budget setting process
- ensures effective processes and systems are in place on budgetary control
- ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency
- monitors and ensures appropriate standards.

## Monitoring and assessing risk

The Council's strategic risk management arrangements have been reviewed following feedback from a corporate peer review in 2019. The Council has a strategic risk register that enables decision makers to focus on key risks and update those on a regular basis, as necessary, using a digital platform. The Strategic Risk Register (SRR) is now operated using a Microsoft Power BI tool and aligned to the Council's objectives and priorities, and is owned, reviewed and updated by the Senior Management Team (SMT) on a regular basis. It is maintained together with individual service and specific registers for key priorities (such as the Glassworks scheme).

The SRR is formally reviewed by the Audit and Governance Committee on a quarterly basis. A programme of more detailed analysis/presentation of specific strategic risks are provided by an Executive Director or Service Director at the Committee. This provides explanation around the risk(s) and how they are being monitored, revised as necessary and managed. As regular attendees of the Audit and Governance Committee meetings, we have witnessed such presentations by Service Directors, where members of the Committee are given the opportunity to question and challenge.

The current Council Plan 2021-2024 has a dedicated section on the risk management arrangements and describes how they will be used to improve business processes and deliver corporate outcomes and priorities. The Corporate Governance and Assurance Manager is working with the individual business units to identify and record their risks on the new system, and these will then be monitored on a monthly basis by Service Directors and quarterly by individual Directorate Management Teams. This system contributes towards completion of the Annual Governance Statement.

Each of Council's strategic priorities and corporate objectives has a number of strategic risks aligned to them. These risks are separated further into directorate, business unit and service-related risks. Each major decision or project has its own separate risk register. Each risk is allocated a risk owner who is responsible for ensuring that relevant mitigating controls are in place to manage the risk. All risks are RAG rated. The overall risk register is managed by the Corporate Governance and Assurance Manager who liaises with the risk owners on a regular basis. Risk owners are required to report regularly into SMT.

We understand that the Cabinet was involved in developing the new SRR in June 2021. The Audit and Governance Committee (A&GC) formally reviews the SRR. Summary reports are regularly provided to the Cabinet on all work undertaken by A&GC, which also includes commentary on the SRR. However, there has been no formal communication of the actual SRR to the Cabinet for any checks and challenges since June 2021. Whilst this may not require reporting on a monthly basis, it is recommended that the Cabinet should be given the opportunity to question and challenge the full SRR at least six monthly, considering it is a key governance document of the Council. We have raised an improvement recommendation on this.

The Corporate Anti-Fraud Team has supported individual business units to undertake an Anti-Fraud and Corruption self-assessment, to identify any risks and to agree mitigating actions (where required). The Council's Internal Audit service has an annual approved risk-based plan of activity to provide independent assurance on the governance, risk and control framework. The Head of Internal Audit, Anti-Fraud and Assurance provides an annual assurance opinion, informed by the work of the service. For 2020-21, a reasonable (positive) assurance opinion was provided.

# Governance

## Monitoring and assessing risk (continued)

### Bank Mandate Fraud June 2021:

As we detailed in our 2020-21 Audit Findings (ISA260) Report issued in November 2021, the Council was a victim of a bank mandate fraud, where a fraud of £1.4m occurred.

This was a deliberately orchestrated fraudulent attack on the Council. There had been opportunities for the subtle changes in details to have been spotted and the fraud prevented. However, once the Council was informed of the payment on 3 June 2021, it has taken appropriate actions. This included engaging relevant law enforcement bodies, informing senior Members of the Council and external audit, and engaging internal audit to perform a wide-ranging review of the circumstances which lead to the payment and a detailed review of the accounts payable team and associated controls. Overall, as a result of the Council's actions since 3 June, controls have been further strengthened.

A major proportion of the monies (c£1m) have been recovered (c70%) with the remaining balance, £0.4m (c30%) covered by the Council's self-insurance fund where the Council has sufficient earmarked reserves. Assurance has been gained that this was a 'one-off' occurrence, and management included appropriate commentary on the matter in the 2020-21 AGS which was finalised in November 2021.

We understand that Internal Audit has completed a detailed review of this incident. It has also performed a wider review of the accounts payable processes since June 2021 and reported to the Audit and Governance Committee in November 2021.

Whilst majority of the recommendations made by Internal Audit have now been actioned by the management there are some that remain outstanding at the time of this report, where agreed completion dates are by 31 March 2022.

In addition, the Council has developed a fraud awareness course that is available on the Council eLearning system which is mandatory for all new employees. There will be fraud risk assessment undertaken by all business units that will also be updated by 31 March 2022. We do not consider there are any significant weaknesses in this area. However, we have made an improvement recommendation around further strengthening the Council's arrangements in relation to prevention and detection of fraud.

### How the Council approaches and carries out its annual budget setting process

The Council uses trends and analysis during its quarterly financial monitoring reports to the Cabinet in order to produce an expected forecast at the year end. Previous years income and expenditure trends are used to analyse current spend patterns as a starting point to inform the budget setting process.

In addition, specific analysis of areas of concern are undertaken with modelling of pressures surrounding service demands and demography. For example, home and residential care services, looked after children levels, social care, waste tonnages and home to school transport journeys, to ensure that the Council is allocating sufficient resources to these key areas in the financial planning, budget setting and MTFS. This intelligence is used to enable future resource planning.

During 2020-21, a review was undertaken of the cost pressures in home to school transport as a result of increased SEND pupils numbers and the potential requirement to introduce social distancing on the vehicles.

An annual budget timetable is set each year which details the process and different iterations and governance arrangements before formal approval of the overall annual budget in February at Full Council.

The budget and MTFS report provides evidence of how both investment and borrowing activities are reflected in the annual budget. The MTFS also allows for additional prudential borrowing over the planning period which is available to invest in new capital priorities. The treasury management strategy includes the annual investment strategy as well as the borrowing strategy. As part of the suite of budget papers contained within the MTFS/annual budget setting report, the MTFS is converted into an operating annual budget for both the forthcoming year and the following two years, giving three years of medium term financial planning.

Once the budget has been agreed by the Council, the allocation of resources are made to the respective directorates and individual business units. Financial services senior staff members liaise with budget managers to reflect the financial resources allocated as part of the agreed business planning process. The budget is entered onto the Council's financial planning platform which is signed off by budget managers, heads of service and service directors before being submitted.

We have not identified any evidence of significant weaknesses in how the Council approaches and carries out its annual budget setting process.

# Governance

## Processes and systems in relation to budgetary control

The Council has a documented finance core offer which describes the systems and processes in place to support the Council and individual services, in discharging its financial management responsibilities.

The Council's financial regulations also identify the requirement on all Council officers in relation to budgetary control. Finance staff meet regularly with budget managers to discuss income and expenditure to date and the likely forecast outturn. These are reported quarterly to Departmental Management Teams, Senior Management Team and the Cabinet.

The Council utilises SAP Business Planning and Consolidation BPC for its financial monitoring which is available to budget managers to review on a daily basis. SAP is an enterprise and resource planning software application used worldwide by many organisations. The budget forecast is profiled over the whole year and budget managers have the ability to change these profiles to match current known spend patterns. Monthly meetings are held with all budget managers to review their budget. Authorisation by the budget manager is required on the system in order for the forecast to be permanently changed – and only after approval from their Head of Service. Where overspends are forecast, corrective action is implemented to address this via a 'check and challenge' process.

Monthly monitoring of all revenue and capital budgets takes place with budget holders and project leads, with financial systems and performance / exception dashboards updated accordingly. All significant variances are reported as part of the quarterly monitoring reports to SMT and Cabinet. Significant variances are specifically highlighted along with any potential mitigations being used to offset overspends.

Each Executive Director reports specifically on the performance of their own directorate. This also includes a section looking at pressures that exist which are more long term than just the one financial year. This allows the Council and senior managers the opportunity to look ahead with a view as to whether the MTFs should be updated accordingly. Each Executive Director is then held to account to address overspends that are forecast, including recent examples such as the SEND deficit action plan, home to school transport review, and Covid-19 related additional expenditure and lost income.

The Council operates a detailed accounts closure timetable where key personnel within finance and other functions are involved. A specific closedown team has been created who have direct responsibility for the accounts closure process headed by a strategic finance manager (a fully qualified accountant) and overseen by the Head of Finance. The draft accounts once completed undergo a structured integrity check process. This includes officers from finance and other functions. The Council has a strong year-end accounts production process, supporting by good working papers and a high level of engagement with external audit.

We have not identified any evidence of significant weaknesses in processes and systems around budgetary controls and reporting.

## How the Council makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency

Financial Services staff have representation at various service meetings, akin to the Chief Financial Officer's role at SMT, to provide advice and challenge. For major Council projects and programmes, senior finance staff have a role on those programme boards. For example, the Glassworks / Town Centre Regeneration Board has financial representation from both the Service Director for Finance, Chief Financial Officer (s151 officer) and the Head of Financial Services (Deputy s151 officer).

Each Cabinet report that includes key decisions proposed by services have to be consulted on and signed off as fit for purpose. Where issues are raised, the decision would be paused. There is a specific 'financial implications' section on key project reports and key decisions that detail the financial impact to the Council and any financial risks associated with the proposal. The report also considered alternative options and the implications of these where necessary. This is produced by Financial Services and signed off by a senior member of the financial services team.

The Senior Management Team has sought to integrate financial management into its strategies to meet future business needs. This financial management approach is to support the change agenda and culture of customer focus, innovation, improvement and development. The Council also operates a matrix form of project management where a senior responsible officer will oversee the delivery of key strategic decisions taken. The delivery team will often involve multi-discipline teams which often includes members from across the Council and external partners. Examples include the town centre delivery board (covering all things related to the town centre redevelopment).

The Council's s151 Officer is a standing member at the Senior Management Team, which allows both advice to be provided and challenge to be applied to the Council's key strategic decisions being proposed by officers of the Council. SMT meets on a weekly basis to discuss key decisions, which are then progressed to formal approval, following the Council's governance arrangements.

The Council has an Audit & Governance Committee, made up of five independent members and four elected members. The level of independent members – over half – is comparatively high compared to most other local authorities from our experience, however, we see this as a positive in terms of independent challenge and rigour. As regular attendees of this Committee, we have seen constructive challenges from all members during agenda items. All Committee members receive regular training and specific updates from management and internal and external audit.

# Governance

How the Council makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency

## Glassworks Project governance and risk management:

This is one of the single largest capital projects undertaken by the Council. The project was officially opened on 9 September 2021, with a total cost of c£210m. During our value for money work in the last two years (2018-19 and 2019-20), we considered, governance and risk management arrangements of this project. Our work in both years concluded (with some improvement recommendations to further enhance governance arrangements), the Council continues to have adequate governance and risk management arrangements to oversee the Glassworks development.

We have reported the governance and risk management arrangements of this project in our 2018-19 and 2019-20 Audit Findings (ISA260) Reports. Our work in previous years confirmed the Glassworks Project Board formed the key governance and risk management framework for the scheme. The Council continued to conduct Project Board meetings on a monthly basis. They were attended by very senior officers of the Council including relevant executive and service directors. In some cases, the meetings were also attended by the Chief Executive given the prominence and importance of this project to the Council. It was also attended by the developers and external project management agencies.

There was a clear agenda with items covering the risk register, progress report, which in turn covers issues and risks during each stage of the construction phases. It also included financial updates comparing budgets and actual outturn.

The governance process continued in 2020-21 until the opening of Glassworks in September 2021.

## Post Sept 2021 - operational stage of Glassworks:

The completed Glassworks scheme provides 269,000 sq. ft of new retail and leisure space (excluding the space occupied by the Market and Market Kitchen). This new space is currently configured into 39 individual units. Currently out of the 39 units, over half have been let. The current leasing position is laid out in the table below. The Council anticipates that when all of the leases currently with solicitors for due legal procedures are completed, the scheme will be 90% let and occupied.

	sq ft	%
<b>OPEN</b>	<b>105,905</b>	<b>40.9%</b>
<b>Fitting Out</b>	<b>83,146</b>	<b>32.1%</b>
<b>In legals/ Terms Agreed</b>	<b>43,283</b>	<b>16.7%</b>
<b>Available</b>	<b>26,611</b>	<b>10.3%</b>

Since the opening, management has decided to continue with the Glassworks Project Board at least until September 2022, where after that it will potentially become a Management Board, consisting of a mixture of senior management from the Council and management from Glassworks Centre. We will continue to follow the future governance arrangements of this scheme as part of our 2021-22 VFM work.

Quarterly management reports are produced by financial services to the Project Board. The key areas covered in these reports are asset performance, which cover income from rents, car parking and associated costs including debt charges, giving a net operating position. It also covers the rent arrears to date, leasing updates, monthly footfall, estate management, insurance updates and health and safety aspects. We did not identify any significant weaknesses in this reporting arrangement.

The quarterly management report is a mechanism that provides the financial performance of the operations of the Glassworks scheme. This enables management to mitigate operational risks and take corrective actions. In addition to this, the Council's strategic risk register includes risks in relation to the Glassworks. For example, one such risk is having a clear Centre Management Plan for the effective management of the Glassworks and the recruitment and retention of an experienced Centre Management team. These risks are monitored by SMT on a regular basis.

It is only six months since the Glassworks scheme was opened. The quarterly management report is a good starting point which covers the financial performance of the Glassworks operation with the associated running costs, including finance charges (servicing of debts) on amounts borrowed to complete the project. This operational income and expenditure analysis is a good information tool.

Considering this is a new operational activity for the Council, our view is, at least in the medium term, these financial performance reports (income and associated expenditure) should be shared with the Cabinet for discussion and challenge alongside other town centre regeneration updates.

We are also of the view that updates to the Audit and Governance Committee (as we noted in the construction phase of Glassworks) should continue on the scheme's operational performances. We have raised an improvement recommendation on this.



# Governance

## How the Council monitors and ensures appropriate standards are achieved

The Council's governance arrangements provide a framework upon which all relevant standards and legislative requirements are considered and addressed. The Council's Constitution and employees Code of Conduct clearly set out roles and responsibilities and processes to be followed with regards to declaration of interests and offers of gifts and hospitality.

The Council's Annual Governance Statement and governance framework includes consideration of the legal and regulatory framework throughout. As mentioned, the Cabinet report format includes a specific section on the regulatory or legal implications of the decision. The Executive Director for Core Services chairs the information governance board which oversees the compliance with legal and regulatory frameworks. The Council's vision and values set the standards of behaviour expected by officers and members.

The Council's constitution, which was updated in October 2020, sets out the form and function of the executive and the roles of individual officers and members to ensure they act lawfully and meet all regulatory standards in carrying out their duties.

The Council's local code of governance (which is consistent with the seven principles set out in the CIPFA ACE Framework for Delivering Good Governance in Local Government) sets out the expectations in relation to maintaining good governance and the appropriate behavioural traits of individuals when carrying out their duties. These are further supported by individual member and employee codes of conduct which also establish the arrangements in relation to the recording of gifts, hospitality and conflicts of interest.

From our work performed, inquiries from management, including review of Council's Annual Governance Statement, we have not indicated any evidence of significant non-compliance with the Council's constitution.

The Council has a Members Code of Conduct and Code of Conduct for all employees.

The Register of Interests for members is updated annually and published in the Council website. Members also have to declare gifts and hospitality (over £25) received from a third party other than the Council, within 28 days of receipt. From the Council website it would appear that no member has received any such gifts or hospitality. It is unclear how this has been identified and reported as nil returns are not required. It is good practice to get an annual confirmation from members including nil returns and publish this. This would further enhance transparency and accountability for the elected members.

The Code of Conduct for all employees highlights the Executive Directors and the Chief Executive will be responsible for ensuring that a register is kept for their Service Directors and any relevant records in respect of themselves. Our review indicated that this is not fully complete and not up to date to capture all Service and Executive Directors. We have raised as an improvement recommendation to ensure this is completed and brought up to date, thus enhancing transparency and accountability in this area.

## Conclusion – Governance

**We have not identified any significant weaknesses in respect of the Council's governance arrangements. Overall, we are satisfied the Council has appropriate arrangements in place, including for budget setting and risk management. Our work identified four improvement recommendations to further enhance the Council's governance arrangements.**

# Improvement recommendation



## Governance

### Recommendation

The Council should:

#### [in response to the Bank mandate fraud]

- Have proactive mechanisms of fraud awareness training to relevant colleagues summarising the issues which resulted in this fraud – as a reminder to all Council staff to be alert to such schemes in order to reduce the chances of another fraud of this nature taking place again
- Ensure mandatory fraud awareness training is completed by all relevant employees, monitoring this requirement and taking appropriate action if compliance is not achieved
- Fully action all the recommendations arising from Internal Audit's November 2021 report.

### Why/impact

If acted upon, this recommendation would contribute to improve and enhance the Council's financial governance by taking proactive actions to prevent and detect fraud. If no action is taken, this could lead to lack of understanding by relevant employees on how to prevent and detect fraud and raises the risk that this could occur again.

### Auditor judgement

The s151 Officer of the Council has a responsibility to take reasonable steps for the prevention and detection of fraud and other irregularities of the Council. Appropriate action should be taken to prevent such incidents happening in the future.

### Summary findings

Please refer to page 12 of this report for a summary of the issue. Whilst this was not a material fraud, prevention and detection of fraud and taking appropriate actions is a key responsibility of management of any organisation. We note that the Council took prompt action upon discovery of the fraud.

### Management comment

In response to the fraud, several training and awareness activities were undertaken including specific training / awareness for parts of the Finance Team delivered by the Council's bank, an awareness session to the whole Business Unit [200+ staff] on the importance of due diligence and attention to detail, and a short training 'film' communicated through the Straight Talk bulletin highlighting the risks specifically associated with mandate fraud. More general phishing campaigns and awareness activities have also been undertaken across the Council.

A fundamental review of fraud training is underway to ensure the key lessons from the fraud are shared and used positively. This will include mandatory training at induction and for all existing employees, but also themed training and awareness in relation to confidential reporting. This will be completed by the end of May 2022. This training will be continually reviewed to ensure it reflects the latest threats.

A revised fraud risk vulnerability assessment will be used as part of the annual governance review process, again to be completed by the end of May 2022.

Internal Audit continue to provide independent and objective support to the Accounts Payable Team to assist in the embedding of new operational controls and working practices, monitoring the implementation of the audit recommendations made and the wider action plan developed by the Accounts payable Team themselves.

# Improvement recommendation



## Governance

### Recommendation

The Council should have a formal process of sharing the Strategic Risk Register (SRR) with the Cabinet for consideration and discussion at least every six months.

### [Strategic Risk Register]

### Why/impact

A robust Strategic Risk Register sets the culture and tone for management of threats, concerns and the assurances required across the Council. The engagement of the Senior Management Team (SMT) and members in the risk management process through their ownership and review of strategic risks demonstrates a strong commitment to lead and champion risk management “from the top”, and further reinforces the continuing development of a risk management culture across the Council.

The Cabinet has overall responsibility for the services the Council provides and works within the overall policies and budget agreed by the Council. The Cabinet members work closely with SMT to deliver Council services and objectives and whilst doing that try to minimise risks to the Council that may impair achievement of the Council’s vision.

Therefore we consider formally sharing the SRR with the Cabinet for consideration and discussion further improves Council’s overall governance framework in addition to work done by the Audit and Governance Committee.

### Auditor judgement

Whilst we acknowledge the regular reporting of the SRR to the Audit Committee for check and challenge, we equally believe it is important for management to share the SRR with the Cabinet due to its key decision making function. We believe that this would further strengthen the Council’s governance framework and would enhance the process of identifying relevant and appropriate risks of the Council and how to mitigate them.

### Summary findings

The Council’s strategic risk management arrangements have been fundamentally reviewed following feedback from a corporate peer review in 2019. The Council has a strategic risk register that enables decision makers to focus on key risks and update those on a regular basis using the digital platform. The SRR is aligned to the Council’s objectives and priorities, and is owned, reviewed and updated by the Senior Management Team on a regular basis.

Our work indicated, the Cabinet was involved in developing the new SRR in June 2021. The Audit and Governance Committee formally reviews the SRR. Summary reports are regularly provided to the Cabinet on all work undertaken by Audit and Governance Committee, which also include commentary on the SRR. However, there is no clear formal communication of the actual SRR to the Cabinet for any consideration and challenges since June 2021. For reasons indicated above and on page 12, we have therefore raised this improvement recommendation

### Management comment

Arrangements have been made for Cabinet to have a special session to review the strategic risk register following which they will receive 6-monthly updates. The process will continue through the Audit & Governance Committee to look in detail at the individual risks and therefore provide Cabinet with additional independent assurance.

The range of recommendations that external auditors can make is explained at Appendix C.

# Improvement recommendation



## Recommendation

At this early operational stage of the Glassworks, to further enhance transparency, accountability and also assist in informed decision making, we recommend management continue to share relevant financial performance reports (income and associated expenditure) to the Cabinet and Audit and Governance Committee.

## [Glassworks]

## Why/impact

The Glassworks project is one of the largest capital projects undertaken by the Council as part of its town centre development and regeneration programme. It is now operational and financial performance is an important measure of this significant capital investment. The Cabinet and the A&GC are two key bodies of the Council that provide scrutiny, governance and risk management support.

Therefore it is appropriate for these two bodies to monitor the financial performances of the Glassworks in its early operational phase and provide constructive check and challenge.

## Auditor judgement

We acknowledge the Council had appropriate governance and risk management arrangements in place in relation to the development phase of the Glassworks scheme. We consider continued financial and governance reporting on the Glassworks development now it is operational.

## Summary findings

The Glassworks was officially opened on 9 September 2021, with a total project cost of c£210m. Since the opening, the Council has decided to continue with the Glasswork Project Board until at least September 2022 where after that, it may potentially become a management board consisting of a mixture of senior management from the Council and management from Glassworks Centre.

We will continue to follow the future governance and risk management arrangements as part of our 2021-22 VFM work. Quarterly management reports are produced by the Council's financial services team to the Glasswork Project Board which covers the early financial performances from the development.

It is anticipated that when all of the leases currently with solicitors for due legal procedures are completed, the scheme will be at c90% occupancy. Overall, the Council continues to have appropriate governance and risk management arrangements around Glassworks. Our above recommendation is to further enhance these arrangements going forward now the scheme is operational.

## Management comment

Governance arrangements and reporting have been updated to reflect the transition from development to the current operational phase. Operational finance and performance management reports are routinely submitted to the Glass Works Board. These also form part of the Council's formal quarterly performance management arrangements for reporting through to SMT / Cabinet. These will be shared with Audit & Governance Committee as diarised throughout 22/23.



# Improvement recommendation



## Governance

### Recommendation

The Council's arrangements around (a) recording and reporting members' gifts and hospitality and (b) recording of officers' register of interests could be further improved by having:

### [Members and Officers Register of Interest and gifts and hospitality]

- a clear evidenced based audit trail of Members declaring gifts and hospitalities (within the 28 days requirement), including confirmation of nil returns and then evidencing this on the Council's website
- a complete, accurate and up to date list of senior officers' Register of Interest to comply with Council's own Code of Conduct for employees.

### Why/impact

The Council's Members' Code of Conduct stipulates the public is entitled to expect the highest standards of conduct from all Members of the Council. Therefore, accurate, complete and evidenced based reporting of members gifts and hospitalities are important and should be published.

Senior officers of the Council set an example to all employees and should act with independence, objectivity and without any conflict of interest to carry out their responsibilities as senior managers of the organisation. According to the Officers' Register of Interest, there is a requirement for Executive Directors and the Chief Executive to keep a Register of Interest for their respective directorates alongside their own register of interest

These requirements are an integral part of Council's transparency, accountability and to show the highest standards of conduct for members and senior officers. Not demonstrating such standards would damage the Council's reputation and public trust.

### Auditor judgement

We have no current evidence of any reputational damage to the Council. However, we consider these policies are significantly important standards for Members and Senior Officers serving the public. Therefore complying with its own governance requirements (Members Code of Conduct and Code of Conduct for employees) are crucial to set those high standards and lead by example. That is the reason we have raised this recommendation.

### Summary findings

The Council has a Members Code of Conduct and Code of Conduct for all Employees. Members also have to declare gifts and hospitality (over £25) received from a third party other than the Council, within 28 days of receipt. Based on our review it is unclear how gifts and hospitality for members have been initially identified (to demonstrate compliance with the 28 days ruling) and no evidence of nil returns have been retained by the Council.

The Code of Conduct for all Employees highlights that Executive Directors and the Chief Executive will be responsible for ensuring that a register is kept for their service directorate and any relevant records in respect of themselves. Our review indicated that this is not fully complete and up to date across all directorates.

### Management comment

All members of SMT are required annually to complete related party disclosures, but a process will be implemented to ensure all senior managers also complete an annual declaration of interests return alongside this. This will be implemented by the end of April 2022.

Members will be reminded of the process to declare gifts & hospitality within 28 days of receipt and specifically the requirement to submit nil returns as appropriate. Processes will be put in place to track this throughout the year culminating in an annual report to form part of the Annual Governance Statement process which is reported through the Audit & Governance Committee.

# 7. Improving economy, efficiency and effectiveness



## We considered how the Council:

- uses financial and performance information to assess performance to identify areas for improvement
- evaluates the services it provides to assess performance and identify areas for improvement
- ensures it delivers its role within significant partnerships, engages with stakeholders, monitors performance against expectations and ensures action is taken where necessary to improve
- ensures that it commissions or procures services in accordance with relevant legislation, professional standards and internal policies, and assesses whether it is realising the expected benefits.

## Performance review, monitoring, assessment and improvements

The Council has a performance monitoring system in place. It monitors performances via critical success factors (CSFs) which are published quarterly on its website. A quarterly corporate performance report is also presented to Cabinet and made public.

A yearly review is produced, including a detailed commentary, and elements of this are featured in the Narrative Report which sits alongside the annual financial statements. Until 2020-21, there were three main Council priorities (thriving and vibrant economy, people achieving their potential, and strong and resilient communities) and 12 outcomes linked to these priorities, measured by a set of 63 CSF's.

The Council has also published the performance review of the most recent corporate plan covering the period 2017-2021. The report highlights how the Council's three core priorities have been delivered across the 12 outcomes and the 63 CSFs – which an associated traffic light system (red, amber and green) used to highlight performance as well as areas for improvement. A key is provided in the report for ease of understanding. We did not identify any significant weaknesses in this reporting arrangement to monitor the Council's performance.

The new Council Plan 2021-24 was published in April 2021, and sets out our 5 new key priorities. They are; Healthy, Learning, Growing, Sustainable and Enabling Barnsley. It has 13 outcomes and maintains 63 CSFs. This new plan is aligned with the Barnsley 2030 Strategy - a longer term strategy looking at place and incorporates key partner organisations to help achieve the Council's goals over the longer term.

It has to be noted that, in substance, there are no real changes in priorities between the previous and current Council plans. The focus remains on health, education, economy and sustainable delivery of services to the population of the borough – these continue to be the key priorities for members and officers.

**Healthy  
Barnsley**

**Learning  
Barnsley**

**Growing  
Barnsley**

**Sustainable  
Barnsley**

**Enabling  
Barnsley**

# Improving economy, efficiency and effectiveness

## Performance review, monitoring, assessment and improvements (continued)

Progress against key priorities and outcomes of the critical success factor level can be publicly accessed via the new Council performance dashboard and the link to these are provided within the quarterly published Cabinet papers.

Our discussions with the Council's Head of Business Improvement & Intelligence indicate that there is clear top down and bottom up approach in measuring these CSFs. There are weekly, monthly and quarterly meetings with senior management and their colleagues in terms of taking responsibility to deliver these outcomes that would help the Council to learn and improve performance.

We acknowledge the Council has reviewed the number of CSFs in the past which has now brought the number down to 63. In our view, it is worth further revisiting this area and see whether the same or similar outcomes can be achieved with fewer number of CSFs. This would potentially help to manage the performance monitoring system more efficiently without sacrificing the desired outcomes. We have raised an improvement recommendation on this matter.

As part of its performance measurement and improvement agenda, another area the Council could look at is benchmarking the performance against similar sized authorities and neighbours. Currently, the Council's CSFs results are not benchmarked against others. Where there is alignment with other local authorities performance indicators, the Council should introduce a more formal benchmarking analysis within the performance dashboard. We have made an improvement recommendation on this.



## BMBC Corporate Performance Report

Summary of Critical Success Factors by Outcome - Q2 2021/22



# Improving economy, efficiency and effectiveness

## Performance review, monitoring, assessment and improvements (continued)

The Council has a good record of delivery against agreed efficiency savings plans (as we have commented upon in the financial sustainability section) where c94% of the agreed savings targets have been delivered in recent years. This is further supported by the levels of useable and general fund reserves.

Under the NAO's guidance for external auditors on value for money arrangements reviews, we are required to take into account the findings of other regulators and inspectors to inform our VFM work.

The Council also takes external inspections and their recommendations seriously. In late 2018, the Council had an Ofsted inspection on further education and skills. The report issued a 'good' rating for all criteria inspected with positive commentary included on the Council's leadership and management in this area.

In September 2021, Ofsted and the Care Quality Commission (CQC) conducted a joint inspection of the local area of Barnsley. This was to assess the effectiveness of the area in implementing the special educational needs and/or disabilities (SEND) reforms as set out in the Children and Families Act 2014. The inspection was led by Ofsted, supported by a team of inspectors from the CQC. The report was issued in November 2021.

Inspectors interviewed children and young people with SEND, parents and carers, and the Council's and National Health Service (NHS) officers. They visited a range of providers and held discussions with senior management, staff and governors about how they were implementing the SEND reforms.

The inspection did highlight some strengths in the service, however, there were a number of areas for improvement. As a result of the findings and in accordance with the Children Act 2004 (Joint Area Reviews) Regulations 2015, Her Majesty's Chief Inspector (HMCI) determined that a Written Statement of Action (WSOA) was required because of significant areas of weakness in the area's practices and arrangements.

HMCI also determined that the Council and the Clinical Commissioning Group (CCG) are jointly responsible for submitting the written statement to Ofsted. In reaching their judgements, inspectors took account of the impact of the Covid-19 pandemic on the SEND arrangements in the borough. More detail findings of this inspection and the full report can be obtained from Ofsted website.

As a result of these findings from Ofsted and CQC, our view is there is a significant weakness in arrangements in relation to improving economy, efficiency and effectiveness in Barnsley in implementing special educational needs and /or disabilities (SEND) reforms as set out in the Children's and the Families Act 2014.

This has led to a **Key recommendation** in this report in relation to the need to respond accordingly to the main findings of the review and the need to implement a clear action plan (WSOA) to drive the necessary improvements in SEND arrangements.



# Improving economy, efficiency and effectiveness

## Partnership working

The Council is directly involved with several significant partnerships, including the Health & Wellbeing Board, Sheffield City Region Combined Authority, Berneslai Homes, South Yorkshire and Bassetlaw Integrated Care Service and the South Yorkshire Pension Fund. Members and officers from the Council attend key meetings of these organisations and are tasked with ensuring that relevant stakeholder engagement takes place and that the entities are delivering on their outcomes and thus benefitting the Council as a result.

For example, the s151 Officer attends meetings of the South Yorkshire Pension Fund where the Council is a key admitted body with a significant amount of active and retired members. For Berneslai Homes (a fully owned subsidiary of the Council), its Strategic Plan aligns with that of the Council where they consider key strategic priorities such as housing growth and carbon efficiency.

Health and Wellbeing Board also includes key strategic partners where the Council aligns own plans to those of the Board.

Reports are taken into Cabinet as relevant to cover the work of strategic partnerships and highlight any concerns over delivery of key objects. The quarterly performance monitoring report also considers where appropriate any concerns with regards to strategic partnerships.

Overall, the Council engages well with key partners in South Yorkshire and works together with these organisations to try to achieve common priorities. Overall, we have no evidence of any significant weaknesses in the Council's arrangements in partnership working and there are no improvement recommendations to raise.

## Procurement arrangements

The Council's Commercial Strategy was revised and covers the 2021-24 period. Strategic procurement and contract management forms part of this strategy, alongside value for money, income generation and the desire to develop a commercial culture.

As a contracting authority, the Council adheres to public contracts regulations and follows recognised good practice and government guidance when undertaking procurements. High value procurements are led by a central team of procurement professionals who are qualified or working towards accredited procurement membership status.

A gateway approach is embedded into processes for each project with staged approvals by appropriate officers. This includes checks to ensure approvals are in place for funding and relevant decisions are taken in line with the Council's constitution, contract procedure rules and procurement strategy. A procurement event approval document is considered prior to contract awards.

Internal Audit has also undertaken a review on the Council's procurement arrangements in the recent past. All Internal Audit recommendations from its latest review have been implemented.

Overall we have no evidence of any significant weaknesses in the Council's procurement arrangements.

## Conclusion – Improving economy, efficiency and effectiveness:

Overall, we are satisfied the Council has appropriate arrangements in place in relation to improving economy, efficiency and effectiveness except for arrangements in implementing special educational needs and /or disabilities (SEND) reforms as set out in the Children's and the Families Act 2014. We consider there is a significant weakness in these arrangements as highlighted by Ofsted and the CQC in their report in November 2021. We have raised a Key recommendation on this. We have also made one improvement recommendation on Council's performance monitoring framework.

# Key recommendation



## Improving economy, efficiency and effectiveness

### Recommendation

**[November 2021  
Ofsted/CQC report on SEND]**

Following the Ofsted and CQC SEND inspection, the Council should:

- have a clear “Written Statement of Action (WSOA) in response to Ofsted and CQC report on joint area SEND inspection, which identified significant areas of weaknesses in implementing SEND reforms as set out in the Children and Families Act 2014
- a clear action plan to implement this WSOA, working with all stakeholders including parents, carers, the CCG officers, Ofsted and the CQC
- The action plan should be subject to formal monitoring and challenge by the Cabinet. Action should be taken against any elements of the action plan not implemented within the agreed timescales.

### Why/impact

Under the NAO’s guidance for external auditors on value for money arrangements reviews, we are required to take into account the findings of other regulators and inspectors to inform our VFM work.

If a robust action plan was not put in place and rigorously monitored, there is a risk to the impact on vulnerable members of the borough and a potential reputational and financial risk to the Council.

### Auditor judgement

We consider this as a significant weakness in arrangements to implementing special educational needs and /or disabilities reforms as set out in the Children’s and the Families Act 2014.

### Summary findings

In September 2021, Ofsted and the Care Quality Commission (CQC) conducted a joint inspection of the local area of Barnsley. The inspection did highlight some strengths although there were many areas for improvement. As a result of the findings and in accordance with the Children Act 2004 (Joint Area Reviews) Regulations 2015, Her Majesty’s Chief Inspector (HMCI) has determined that a Written Statement of Action (WSOA) is required because of significant areas of weakness identified in the service.

### Management comment

Robust governance arrangements are already in place to monitor and track the WSOA, through the Barnsley Alliance, the multi-agency SEND Oversight Board; SMT and Cabinet. This is an inspection of the area, not just the council and governance therefore rests with the strategic parents. In addition, the DFE will be monitoring our progress.

The range of recommendations that external auditors can make is explained at Appendix C.

# Improvement recommendation



## Improving economy, efficiency and effectiveness

<b>Recommendation</b>	<p>As part of Council's continuous performance improvement agenda, it should consider:</p> <ul style="list-style-type: none"> <li>Revisiting the number of Critical Success Factors (CSF) and see whether there is any opportunity to reduce the current number of CSFs whilst achieving the same intended outcomes</li> <li>Benchmarking relevant CSFs against similar and neighbouring local authorities to understand how the Council is performing comparatively and identify any opportunities to further improve performance.</li> </ul>
<b>Why/impact</b>	<p>Reducing the number of CSFs without reducing the desired outcomes would help to focus more efficiently on the key outcomes and enhance the Council's performance framework.</p> <p>Benchmarking relevant CSFs against similar and neighbouring local authorities would help to gauge how the Council performs against its peers.</p>
<b>Auditor judgement</b>	<p>Our recommendation is not evidence of any significant weakness in the Council's performance monitoring framework. Our intention is to enhance the current arrangements in place at the Council. The Council's Head of Business Improvement &amp; Intelligence has been actively engaged in our review of this area.</p>
<b>Summary findings</b>	<p>The Council has a transparent performance monitoring system that is regularly published on the Council's website and also reported to the Cabinet. Our work indicated the Council is actively promoting a performance driven culture that is supported by the Senior Management Team.</p>
<b>Management comment</b>	<p>All Critical Success Factors [CSF] have been reviewed in line with the Council's new Corporate Plan [2021 – 2024] resulting in a reduction in number from 120+ previously to the current 63. However, this will be kept under review in line with standard procedures / governance arrangements. The Council already benchmarks some CSFs and the scope to extend this further will be examined in the forthcoming financial year.</p>



The range of recommendations that external auditors can make is explained at Appendix C.

# 8. COVID-19 arrangements



Since March 2020 COVID-19 has had a significant impact on the population as a whole and how local government services are delivered.

We have considered how the Council's arrangements have adapted to respond to the new risks they are facing.

## Responding to new risks facing from 2020-21 onwards in respect of Covid-19

In April 2020 the Council adopted the Covid 19 Response, Resilience and Recovery Strategy to help address the risks associated with the pandemic. A Covid 19 risk register was maintained at GOLD and SILVER levels.

The Council introduced the GOLD Covid 19 Emergency Response Team, chaired by the Chief Executive, which has sought to address all strategic risks associated with the pandemic. This team initially met on a daily basis and moved to twice a week towards the end of 2020-21 with the option to increase the frequency if the risks associated with Covid increased at any point.

Subsequently, the Silver Emergency Response Team was also formulated to address all operational risks. This team initially met twice per week and has subsequently moved to weekly as the impact of the pandemic started to reduce. This team also includes key strategic partners including the Clinical Commissioning Group, South Yorkshire Police and Fire Services, in addition to the voluntary sector.

The Covid 19 Financial Recovery Strategy was implemented in April 2020, which placed a temporary moratorium on all non-essential spend until such a time the full financial impact of Covid 19 was known. Moving forwards into 2021-22, costs associated with the response and recovery from the pandemic are being closely monitored and reported to the Cabinet on a quarterly basis alongside corporate financial performance and budget monitoring reports. The financial report includes levels of Covid 19 grant funding, associated additional costs and loss of revenue as a result of Covid, and any mitigating actions.

The Council's MTFS was also updated in November 2020 and February 2021 to include an estimate of the ongoing impact on core services as a result of the pandemic.



# COVID-19 arrangements

## Arrangements in place to identify and monitor additional costs, controls and procurement

During 2020-21 the Finance Covid Response Sub Group was formed and chaired by the Head of Corporate Finance. This group reported weekly into the Covid 19 Silver and Gold emergency response teams.

A Covid 19 cost tracker was established early in the pandemic (April 2020) to record, manage and monitor all costs associated with the response and recovery. Detailed spending plans were formulated and costs regularly monitored against the following five key areas:

- Adults Social Care
- Children's Social Care
- Vulnerable
- Homelessness
- All other except above four areas.

All income losses as a result of the pandemic are recorded, in addition to other costs incurred including cost of recovery, shortfall in efficiency savings and additional resourcing requirements. This tracker has been maintained on a weekly basis throughout the pandemic and has been rolled forward for use during 2021-22 to track ongoing costs.

The Council suspended all new procurements where appropriate. A Covid 19 procurement tracker was created to monitor all significant procurements due to take place.

## Governance, internal controls and distributing of grants

An number of minor changes to the Council's internal controls have been made in response to the pandemic and implementation of Business Continuity and Emergency Resilience Plan. At the start of the pandemic it was agreed to delegate authority for key decisions to the Leader and Chief executive. This has now reverted back to the previous situation of Cabinet and Full Council approval as the pandemic continued during 2020-21 and 2021-22.

New governance arrangements were implemented such as meetings moving to an online 'virtual' platform to enable the governance of the Council to continue and be maintained. For example, our attendance at the Audit and Governance Committee suggested this move to a virtual platform did not have a detrimental effect on the operation of the Committee.

The business grants process was managed by the Business Rates Team, under the direction of the Head of Corporate Finance. Payments were made to support the local economy.

The Head of Corporate Finance and the Service Director Finance have represented Barnsley businesses in the formulation of all discretionary business support schemes administered by Sheffield City Region via the Additional Restrictions Grant monies.



## Conclusion – Covid -19 arrangements:

Our review has not identified any significant weaknesses in the Council's arrangements in relation to responding to the Covid-19 pandemic.

# Appendices

# Appendix A - Responsibilities of the Authority



## Role of the Service Director for finance, Chief Financial Officer

- Preparation of the statement of accounts
- Assessing the Authority's ability to continue to operate as a going concern

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Service Director for Finance, Chief Financial Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chief Financial Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Service Director for Finance, Chief Financial Officer is required to prepare the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom. In preparing the financial statements, the Service Director for Finance, Chief Financial Officer is responsible for assessing the Authority's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Authority will no longer be provided.

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



# Appendix B - An explanatory note on recommendations

A range of different recommendations can be raised by the Authority's auditors as follows:

Type of recommendation	Background	Raised within this report	Page reference
Statutory	Written recommendations to the Authority under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the Authority to discuss and respond publicly to the report.	No Statutory recommendations have been raised in 2020-21.	N/A
Key	The NAO Code of Audit Practice requires that where auditors identify significant weaknesses as part of their arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the Authority. We have defined these recommendations as 'key recommendations'.	One key recommendation has been raised in 2020-21.	29
Improvement	These recommendations, if implemented should improve the arrangements in place at the Authority, but are not a result of identifying significant weaknesses in the Authority's arrangements.	Seven improvement recommendations have been raised. Two on financial sustainability, four on governance and one on improving economy, efficiency and effectiveness.	14,15,21,22,23,24,30

# Appendix C - Use of formal auditor's powers

We bring the following matters to your attention:

## Statutory recommendations

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors can make written recommendations to the audited body which need to be considered by the body and responded to publicly

We did not issue any statutory recommendations under Schedule 7 of the Local Audit and Accountability Act 2014

## Public interest report

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.

We did not issue a public issue report under Schedule 7 of the Local Audit and Accountability Act 2014.

## Application to the Court

Under Section 28 of the Local Audit and Accountability Act 2014, if auditors think that an item of account is contrary to law, they may apply to the court for a declaration to that effect.

We did not apply to court under Schedule 28 of the Local Audit and Accountability Act 2014.

## Advisory notice

Under Section 31 of the Local Audit and Accountability Act 2014, auditors may issue an advisory notice if the auditor thinks that the authority or an officer of the authority:

- is about to make or has made a decision which involves or would involve the authority incurring unlawful expenditure,
- is about to take or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency, or
- is about to enter an item of account, the entry of which is unlawful.

We did not issue an advisory notice under Section 31 of the Local Audit and Accountability Act 2014.

## Judicial review

Under Section 31 of the Local Audit and Accountability Act 2014, auditors may make an application for judicial review of a decision of an authority, or of a failure by an authority to act, which it is reasonable to believe would have an effect on the accounts of that body.

We did not make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014.



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# Item 6

## Report of the Head of Internal Audit, Anti-Fraud and Assurance

### AUDIT AND GOVERNANCE COMMITTEE – 16<sup>th</sup> MARCH 2022

#### INTERNAL AUDIT PROGRESS REPORT 2021/22

#### **1 Purpose of this report**

- 1.1 The purpose of this report is to provide a summary of the Internal Audit activity completed, and the key issues arising from it, for the period from 1<sup>st</sup> November 2021 to 20<sup>th</sup> February 2022.

#### **2 Background information**

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

#### **3 Recommendations**

- 3.1 **It is recommended that the Audit and Governance Committee considers the assurances it needs on the effectiveness of the Authority's internal control, risk and governance arrangements through the work of Internal Audit by:-**
- i. **considering the issues arising from completed Internal Audit work in the period along with the responses received from management;**
  - ii. **noting the assurance opinion on the adequacy and effectiveness of the Authority's internal control framework based on the work of Internal Audit in the period;**
  - iii. **noting the progress against the Internal Audit plan for 2021/22 for the period.**

#### **4 Local Area Implications**

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

#### **5 Consultations**

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

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

## **6 Compatibility with European Convention on Human Rights**

6.1 In the conduct of audit work and investigations particularly, Internal Audit operates under the provisions of the Data Protection Act 2018, the Regulation of Investigatory Powers Act 2000 and the Police and Criminal Evidence Act.

## **7 Reduction of Crime and Disorder**

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

## **8 Risk Management Considerations**

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

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

- Need to ensure ongoing compliance with public sector internal audit standards
- Implementing a new structure for IA that provides the right level of skill, expertise and experience.
- Capacity issues - keeping up with the pace of change

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

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

## **9 Employee Implications**

9.1 There are no employee implications arising from this report.

## **10 Financial Implications**

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

## **11 Appendices**

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

## 12 Background Papers

12.1 Various Internal and External Audit reports, files and working papers.

**Officer Contact:** Head of Internal Audit, Anti-Fraud and Assurance

**Telephone No:** 01226 773241

**Date:** 7<sup>th</sup> March 2022

# **Barnsley Metropolitan Borough Council**

## **Internal Audit Progress Report**

**Audit and Governance Committee**

**16<sup>th</sup> March 2022**

**INTERNAL AUDIT PROGRESS REPORT 2020/21**  
**1<sup>st</sup> November 2021 to 20<sup>th</sup> February 2022**

**Purpose of this report**

This report has been prepared to inform the Audit and Governance Committee on the Internal Audit activity for the period 1<sup>st</sup> November 2021 to 20<sup>th</sup> February 2022, bringing attention to matters that are relevant to the responsibilities of the Committee.

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

**2021/22 Internal Audit Plan Progress**

The following tables show the progress of the internal audit plan delivery, analysed by the number of plan assignments producing a report and audit days delivered by Directorate / Service.

**Position as at 20<sup>th</sup> February 2022 – Audit Days Delivered**

Directorate	Original 2021/22 Plan days	Revised 2021/22 Plan days	Actual days (% of revised days)
Adults & Communities	59	62	50 (81%)
Childrens Services	85	82	79 (96%)
Core Services	317	400	369 (92%)
Corporate	177	164	142 (87%)
Council Wide	255	166	133 (80%)
Place	171	158	133 (84%)
Public Health	27	27	6 (22%)
General Contingency	3	35	0
<b>Barnsley MBC</b>	<b>1,094</b>	<b>1,094</b>	<b>912 (83%)</b>
Corporate Anti-Fraud Team	409	409	358 (88%)
<b>Barnsley MBC Internal Audit Total</b>	<b>1,503</b>	<b>1,503</b>	<b>1,270 (84%)</b>
Corporate Governance & Assurance	183	183	137 (75%)
HolA role as DPO	27	27	33 (122%)
<b>External Clients</b>	<b>959</b>	<b>959</b>	<b>564 (59%)</b>
<b>Total Chargeable Planned Days</b>	<b>2,672</b>	<b>2,672</b>	<b>2,004 (75%)</b>

## Position as at 20<sup>th</sup> February 2022 – Plan Assignments

Directorate	2021/22 plan assignments	Assignments expected to be completed to date	Actual Assignments completed to Date	Actual assignments completed in Period
Adults & Communities	4	2	2	0
Childrens Services	6	6	6	3
Core Services	16	13	13	0
Council Wide (Cross Cutting)	2	2	1*	1
Place	4	2	2	1
Public Health	1	0	0	0
<b>Total</b>	<b>33</b>	<b>25</b>	<b>24</b>	<b>5</b>

NB – excludes advisory, grants etc where no report required.

\* Review almost completed – delays been experienced in meeting management and receiving required evidence.

### Changes to the 2021/22 Internal Audit Plan

There have been 8 changes to the Internal Audit plan during this period. These are:-

#### **New:**

Place – Sustainable Warmth Grant; The Seam; Barnsley Boost (Community Renewal Fund Funded).

#### **Deferred to 22-23:**

Place – Zero Carbon;

Council Wide – Governance Assurance Framework; Strategic Risk, Concerns and Issues; Absence Reporting; Data Retention and Records Management.

### Final Internal Audit reports issued

We have finalised 4 audit reports in the period. The following table provides a summary of assurances, where applicable, and the number and categorisation of agreed management actions included in the reports:

Directorate- Audit Assignment	Assurance Opinion	Number of Management Actions Agreed:			Total	Agreed
		High	Medium	Low		
Childrens Services: Lone Working	Limited	1	6	2	9	9
Childrens Services: Return to Home Care	Reasonable	0	3	1	4	4
Childrens Services: SEND Data Quality	Limited	1	14	0	15	15
Place: Funding Arrangements ESIF	Reasonable	0	4	2	6	6

Directorate- Audit Assignment	Assurance Opinion	Number of Management Actions Agreed:			Total	Agreed
		High	Medium	Low		
Council Wide: Publication Scheme	Limited	1	4	0	5	5
Total		<b>2</b>	<b>17</b>	<b>5</b>	<b>24</b>	<b>24</b>

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

### Internal Audit reports providing a limited or no assurance opinion

There were 3 audit reports issued during the period that had a limited assurance opinion.

#### **Childrens Services: Lone Working**

The outbreak of the Covid-19 pandemic resulted in a re-assessment of the way in which Services were delivered across Children's Social Care. This saw the introduction of home working and virtual home visits via Microsoft Teams Meetings to discuss individual cases with parents / carers. These changes in working practices have resulted in less focussed support to social workers as it had an impact on the workload of Team Managers in terms of managing their individual Teams remotely but also on the health and wellbeing of Social Workers who continue to deliver a challenging and demanding role whilst working agilely.

Areas highlighted for improvement covered updating the Lone Working Policy and Lone Working Compliance Score Sheets, considering the issue of panic alarms to staff, raising awareness of the process to report incidents / accidents, consideration to a central record of home visits to be held by the Emergency Duty Team, and improvements to information management.

#### **Childrens Services: SEND Data Quality**

This review has concluded that significant progress has recently been, and continues to be, undertaken to improve the data quality for the SEND service. This has been enabled by the secondment of the Business Improvement and Intelligence Advisor to the SEND service, who was working closely with service management. Data quality improvement work has, however, been largely reactionary to the demands and needs of the service to date; for example, to meet internal and external reporting obligations. The data quality governance arrangements were in their infancy at the time of this review, and it was evident that errors / inconsistencies between data on the systems were occurring as a result of four systems being in use (Capita One - now disbanded; Synergy; Bruce; EHC Hub). The update of specified systems had not been formally documented / made mandatory and this was resulting in inconsistencies in the recording of data in each of the systems. This review has identified many areas where governance arrangements need to be further developed and formalised

#### **Council Wide: Publication Scheme**

Prior to this review, the Council had identified gaps in the consistency of information being published compared to that required to meet the Local Government Transparency Code requirements and consequently the Transparency Code isn't being complied with. It was also acknowledged that responsibility for co-ordinating and monitoring the Council's compliance with the Transparency Code in relation to the publication of information had not been assigned to a responsible Officer or Service which has contributed to the non compliance. The findings from this review will inform the work currently being undertaken within the Business Improvement and Intelligence Team to establish a framework.

## Details and outcome of other Internal Audit activities undertaken in the period not producing a specific assurance opinion

Audit Work Completed	Details	Contribution to Assurance
Communities: Troubled Families – Quarterly validation	Grant claim validation.	The work contributes to assurance in respect of financial management.
Core: Charity Accounts	Charity Accounts Validation.	The work contributes to assurance in respect of financial management.
Core/Place: Glassworks Board Attendance	Provide independent and objective assurance that effective and efficient risk, control and governance arrangements exist to provide a robust framework upon which the phase two scheme can be delivered (i.e. on time, in budget & to standard).	The work contributes to assurance in respect to contract management, governance and financial management.
Core: SAP Success Factors	To continue to support the project throughout its design and implementation.	The work contributes to assurance in respect to contract management, governance and financial management.
Core: SMART working and Managers Toolkit	To develop the audit and assurance elements of the managers toolkit and also to attend the Working Group meetings to provide check and challenge to the process.	This work supports the Council in its objective of increased SMART working arrangements.
Place – Glassworks Future Management	To develop a management assurance framework to assist management in self assessing the current governance arrangements and identify areas for improvement.	The work contributes to assurance in respect to contract management, governance and financial management.

## Other Internal Audit work undertaken

Audit Activity	Description
Follow-up of Agreed Management Actions	Regular work undertaken to follow-up agreed management actions made.
Attendance at Steering / Working Groups	<ul style="list-style-type: none"> <li>• Information Governance Board;</li> <li>• Commissioning, Procurement &amp; Contracts Working Group;</li> <li>• Vendor Task and Finish Group;</li> <li>• SMART Working / Managers Toolkit;</li> <li>• SAP Success Factors Working Group;</li> <li>• Glassworks Board;</li> <li>• Barnsley 2030 / Council Plan Working Group;</li> <li>• ALMO Operational Liaison Board;</li> <li>• Adult Social Care Governance Action Plan and Individual ASC Project Meetings.</li> </ul>
Liaison, Planning and Feedback	Meeting and corresponding with Service and Executive Directors and Heads of Service regarding the review of the annual plan, progress of audit work, future planning and general client liaison.
Audit and Governance Committee Support	Time taken in the preparation of Audit Committee reports, Audit Committee Member training, general support and development.

<b>Audit Activity</b>	<b>Description</b>
Corporate Whistleblowing	General time taken in providing advice and the initial consideration of matters raised. Also includes the review of arrangements.
Corporate Matters	Covering time required to meet corporate requirements, i.e. corporate document management, service business continuity and health and safety.

## Work in progress

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

Directorate- Audit Assignment	Audit Planning	Work in Progress	Draft Report
A&C – Thematic Review - Carers		✓	
A&C – Thematic Review – Transition Childrens to Adults SC		✓	
Core – RPA Project Assurance		✓	
Core – Covid19 Funding – Housing Support Grants		✓	
Place – Active Travel		✓	
Place – Highways Financial and Governance Arrangements		✓	
Place – Elsecar Heritage Trust		✓	
A&C – Integrated Care		✓	
A&C – Market Shaping / Funding Reforms		✓	
Core – Corporate Decision Making		✓	
Core – Declarations of Interest		✓	
Public Health – Referral Processes		✓	

## Follow-up of Internal Audit report agreed management actions

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

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

Implication Categorisation	Original Target Date in Period	Completed	Not yet completed – Revised date agreed	Not yet completed – Awaiting management update
<b>Adults &amp; Communities</b>				
High	0	0	0	0
Medium	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Place</b>				
High	0	0	0	0
Medium	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Childrens Services (excl. Maintained Schools)</b>				
High	0	0	0	0
Medium	8	8	0	0
<b>TOTAL</b>	<b>8</b>	<b>8</b>	<b>0</b>	<b>0</b>
<b>Maintained Schools</b>				
High	0	0	0	0
Medium	1	1	0	0
<b>TOTAL</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>Core</b>				
High	4	2	2	0
Medium	6	1	5	0
<b>TOTAL</b>	<b>10</b>	<b>3</b>	<b>7</b>	<b>0</b>
<b>Public Health</b>				
High	0	0	0	0
Medium	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>OVERALL TOTAL</b>	<b>19</b>	<b>12</b>	<b>7</b>	<b>0</b>
<b>% of TOTAL</b>		<b>63</b>	<b>37</b>	<b>0</b>

## Internal Audit performance indicators and performance feedback for Quarter 3 - 2021/22

Internal Audit's performance against a number of indicators is summarised below.

Ref.	Indicator	Frequency of Report	Target 2021/22	This Period (Q3)	Year to Date
<b>1.</b>	<b><u>Customer Perspective:</u></b>				
1.1	Percentage of questionnaires received noted "good" or "very good" relating to work concluding with an audit report.	Quarterly	95%	100%	100%
<b>2.</b>	<b><u>Business Process Perspective:</u></b>				
2.1	Percentage of final audit reports issued within 10 working days of completion and agreement of the draft audit report.	Quarterly	80%	100%	100%
2.2	Percentage of chargeable time against total available.	Quarterly	73%	71%	70%
2.3	Average number of days lost through sickness per FTE	Quarterly	6 days	0.69 days	1.07 days
<b>3.</b>	<b><u>Continuous Improvement Perspective:</u></b>				
3.1	Personal development plans for staff completed within the prescribed timetable.	Annual	100%	100%	100%
<b>4.</b>	<b><u>Financial Perspective:</u></b>				
4.1	Total Internal Audit costs v budget.	Quarterly	Within Budget	Yes	Yes

### Head of Internal Audit's Internal Control Assurance Opinion

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

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

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

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

Consideration of our overall opinion takes the following into account:

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

### Internal Audit, Anti-Fraud and Assurance Contacts

Contact	Title	Contact Details
Rob Winter	Head of Internal Audit, Anti-Fraud and Assurance	Tel: 07786 525319 Email: robwinter@barnsley.gov.uk
Sharon Bradley	Internal Audit Manager	Tel: 07795 305846 Email: sharonbradley@barnsley.gov.uk

## KEY TO INTERNAL AUDIT ASSURANCE GRADINGS AND CLASSIFICATION OF MANAGEMENT ACTIONS

### 1. Classification of Management Actions

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

### 2. Assurance Opinions

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

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# Item 7

## Report of Head of Internal Audit, Anti-Fraud and Assurance

**Audit and Governance Committee – 16<sup>th</sup> March 2022**

### **ANNUAL GOVERNANCE STATEMENT ACTION PLAN 2020/21**

#### **1. Purpose of the report**

- 1.1 This brief report supports the updated action plan relating to the issues identified following the Annual Governance Review (AGR) for 2020/21. The action plan is attached as Appendix 1 to this report and was approved alongside the Annual Governance Statement (AGS) by the Audit and Governance Committee at the 17<sup>th</sup> November 2021 meeting.
- 1.2 The action plan captures issues identified in the Annual Governance Statement (AGS) 2020/21 and includes some outstanding actions carried forward from the previous year's AGS approved by the Audit and Governance Committee at the 2<sup>nd</sup> June 2021 meeting.

#### **2. Recommendation**

- 2.1 **The Committee is asked to note the report and progress made against each item listed in the Action Plan.**

#### **3. Action Plan Update**

- 3.1 The action plan is used to track the progress of the actions identified as necessary to deal with the issues raised through the AGR process.
- 3.2 Progress against some of the actions have been completed or are on target to be completed. Where there are delays or changes to planned actions the reasons for these are explained in the plan.

#### **4. Background Papers**

- 4.1 Previous Audit and Governance Committee reports covering the Annual Governance Review process and the 2020/21 Annual Governance Statement.

**Contact Officer:** Corporate Governance and Assurance Manager  
**Email:** [Alisonsalt@barnsley.gov.uk](mailto:Alisonsalt@barnsley.gov.uk)  
**Date:** 7<sup>th</sup> March 2022

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## Barnsley MBC – Annual Governance Statement 2020/21 - Action Plan (includes carry forward actions from 2019/20)

Governance Area	Issue Identified	Actions	Timescales	Responsible Officer	Current Status
Risk Management and Governance Assurance					
	Training and Support (AGS 2019/20)	Development of training materials with IT colleagues for inclusion on the POD system	31 <sup>st</sup> May 2022	Rob Winter / Alison Salt	Developed to inform the 2021/22 AGS
	Ensure the full implementation and use of the Risk Management System across the Council (AGS 2020/21)	Provide regular feedback and support to BU's	Throughout 2021/22	Alison Salt	Continuing and now established as 'business as usual'.
		Monitor utilisation rates of the system and ensure there is a consistency of approach to the recording and management of risks	Throughout 2021/22	Alison Salt	Continuing and now established as 'business as usual'
		Undertake a review of the risk management system with service users – identify any further areas for development and/or improvement to the system.	February/March 2022	Rob Winter/Alison Salt	Facilitated discussions being arranged with ED's, SD's and HOS regarding new risk approach and supporting system. Feedback will be used to revise guidance, training, and enhancements to system.
Development of the wider governance assurance process across the Council to integrate with the new Risk Management System (AGS 2020/21)	Develop a governance accountability and assurance framework.	30 <sup>th</sup> June 2022	Rob Winter/Alison Salt	In development.	
Information Governance					
	Training plan for 2021 (AGS 2019/20)  Most Business Units had had some	Training plan for coming year – the training suite contains a variety of courses, micro modules, guides, articles, and other resources to	In progress - planned end date December 2021	Simon Marshall	Completed

Governance Area	Issue Identified	Actions	Timescales	Responsible Officer	Current Status
	<p>security breaches which had been dealt with using the procedures. A number reported losses of equipment. There may be a need to reassess training and supervision in teams in relation to security breaches and consider if any were repeat offences</p> <p>Need to reinforce/review information security training for staff</p>	<p>roll out to employees. This is supported by targeted communications – reminders – relevant topics pertinent at the time (e.g. following an incident or an area of weakness identified) – via corporate communications, IG intranet. Also supported by IG ‘attendance’ at Directorate meetings and events e.g. extended DMT’s on a regular basis and drop-in sessions (when possible)</p> <p>Directorates to reinforce IG/IS training and awareness – incorporate specifically into PDR’s, supervisions, and team meetings.</p> <p>Training Plan until end of 2021 / 2022 submitted and approved by IG Board – 21<sup>st</sup> October 2021</p> <p>IG/IS training dashboard has been created alongside a dedicated one for phishing, staff falling for multiple phishing attacks have had formal discussions, in supervisions and P&amp;DR’s, reminder was issued to all heads of service regarding IG Training Dashboard and uptake.</p>		Simon Marshall	Completed
	POD Success Factors – learning and development (AGS 2019/20)	The tools available are very limited – e.g. POD and major resources required from IG/IS. To explore more robust technical methods of rolling out training e.g. POD replacement / Success Factors	November 2022	Workforce Development Team	Timeline for Success Factors Phase 2 (learning and development) is now November 2022

Governance Area	Issue Identified	Actions	Timescales	Responsible Officer	Current Status
	Use of memory sticks - There is the occasion whereby the use of memory sticks has been authorised on an individual basis, the users with access to use USB memory sticks is documented but not the physical memory sticks (AGS 2019/20)	IS currently reviewing options – e.g. blocking all USB drives for memory sticks or enforcing encryption on memory sticks.	On hold due to Covid-19	Sara Hydon, Head of IT (Service Management)	On hold due to Covid-19, until people return to the offices it would be difficult to co-ordinate without causing chaos to those using memory sticks
	Continue work to further reduce the number of data breaches, further raise employee awareness, and improve overall data security (AGS 2020/21)	Work is ongoing in this area with awareness raised via training and regular articles within Straight Talk, based on incidents and trends that are affecting the Council.		Simon Marshall	Ongoing
<b>Personal Development Reviews</b>					
	Implementation of Success Factors (performance and goals) (AGS 2019/20)	Undertake a full review and rebrand of the performance appraisal process aligned to the new council plan / MTFS / Smart Working  Implement Performance and Goals module within Success Factors which should address some of the technical / reporting issues being experienced with the Learning Pool solution	November 2022  November 2022	Amanda Glew / Kay Welbourne  Amanda Glew / Kay Welbourne	To be picked up as part of roll out of Success Factors Phases 2 and 3 – completion date November 2022
	Continue to review the compliance levels and quality of PDRs across the Council (AGS 2020/21)	Continue to develop service standards and KPI's with Business Units and ensure increased use of Power BU tools/reports as a routine part of business management	March 2022	Service Directors	Ongoing

Governance Area	Issue Identified	Actions	Timescales	Responsible Officer	Current Status
Performance Management and Data Quality					
	Further develop KPI's and service standards in some BU's (AGS 2019/20)	Continue to develop service standards and KPI's with Business Units and ensure increased use of Power BI tools/reports as a routine part of business management	Ongoing	Malachi Rangecroft	<p>The BI team have implemented an indicator model to ensure data is managed through the Data Management Policy framework. Once data managed, reporting of indicators will be enhanced and less resource intensive.</p> <p>BI reporting tools (such as Power BI) then reads off the managed data and they are created on a priority basis. The work is ongoing and responds to service demands and work prioritisation.</p>
	Ensure Business Units use Power BI tools/reports as a routine part of business management (AGS 2020/21)		Complete	Malachi Rangecroft	<p>Power BI is now the de facto tool for business management for absence reporting, PDRs, Risk, information requests, training, corporate performance reporting, IG incidents and recruitment.</p> <p>New business management requirements will be handled on a case-by-case basis but will generally result in an accompanying Power BI report.</p>
Declarations of Interest					
	Improve compliance with completion of annual forms and their subsequent availability and use (AGS 2019/20)	Review of the process to ensure full compliance with the completion of the Declaration of Interests form and their subsequent availability and use	March 2022	Martin McCarthy/Rob Winter	Internal Audit at draft report stage.

Governance Area	Issue Identified	Actions	Timescales	Responsible Officer	Current Status
	Review of the process to ensure the awareness of declarations made. (AGS 2020/21)	As above	As above	As above	As above
<b>Managing Staff Absences</b>					
	Comprehensive employee absence dashboard developed on Power BI launched to all managers on 1 <sup>st</sup> August 2020. (AGS 2019/20)	Post roll-out review to be undertaken to review effectiveness	Completed	Phil Quinn	A post roll-out review has been completed by HR, with amendments made to dashboard. Absence management is a key topic discussed at DMTs and SMT with any further recommendations and enhancements actioned by the team.
<b>Safeguarding Awareness</b>					
	Ensure wider Council is informed and aware of safeguarding matters (AGS 2019/20)	Principal Social Worker (PSW) is reviewing safeguarding processes within locality teams as part of the Better Lives Work Programme which will continue throughout 2022/23.	Currently in progress and ongoing	Julie Chapman	Currently being worked upon as part of the Better Lives Programme by the mechanism of ongoing reviews and audits of Safeguarding cases work. The PSW is undertaking random safeguarding case audits to determine safe and effective practice, and to ensure that the victim's voice is embedded within all work undertaken. There is intelligence being captured as part of all safeguarding referrals to determine the trends of abuse. This will support in our priorities around further training requirements and awareness sessions for our wider partners and residents.

Governance Area	Issue Identified	Actions	Timescales	Responsible Officer	Current Status
<b>Partnership, Relationship and Collaboration Governance</b>					
	Review the governance arrangements and reporting requirements for partnerships and collaborations (AGS 2019/20)	Undertake a baseline review of partnerships and reporting requirements	April 2022	Rob Winter	Review in progress involving discussions with officers to obtain good practice and learning/improvement areas to incorporate in the guidance.
	Develop a defined governance framework with a corporate lead for partnerships and collaborations. (AGS 2020/21)	Develop guidance to support how the Council engages with third parties in various guises in the delivery of services and functions.	September 2022	Rob Winter	Guidance to be prepared following discussions with officers as above.
<b>Equalities and Inclusion</b>					
	To further improve the awareness of the equalities and inclusion agenda across the Council (AGS 2020/21)	A 3-Year Diversity and Inclusion Action Plan has been produced which supports and aligns to the People Strategy.	February 2022	Helen Derbyshire	On 1 March the OD Board agreed in principle to the Diversity and Inclusion Action Plan. The plan will then be considered by a BLT task and finish group on equality, diversity, and inclusion. Going forwards the plan will be owned by the Head of HR as it supports the People Strategy.
<b>Fraud Awareness</b>					
	Continue to work to improve staff awareness and the assessment of fraud risks (AGS 2020/21)	Develop a communication plan to ensure important messages and reminders to staff regarding fraud awareness.	April 2022	Rob Winter/Jo Race	In draft.
		Review the fraud risk assessment process to undertake with BUs.	March 2022		In progress.
	Develop specific training to promote better general awareness (AGS 2020/21)	Review current and develop new general and role specific training regarding fraud awareness.	May 2022	Rob Winter/Jo Race	In progress

Governance Area	Issue Identified	Actions	Timescales	Responsible Officer	Current Status
<b>HR Recruitment Processes</b>					
	Review processes to improve efficiency and effectiveness of recruitment processes - linked to Success Factors implementation (AGS 2020/21)	SMT requested recruitment review report	September 2022	Phil Quinn	Recruitment report presented to SMT on 15 February. Recommendations agreed which will be taken forward by the HR team. SF recruitment module implementation planned for over the summer.

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# Item 8

## Report of the Head of Internal Audit, Anti-Fraud and Assurance

### AUDIT AND GOVERNANCE COMMITTEE – 16<sup>th</sup> March 2022

#### CORPORATE ANTI-FRAUD TEAM PROGRESS REPORT

##### 1. Purpose of the Report

1.1 This report provides the Audit Committee with an account of the work of the Corporate Anti-Fraud Team.

##### 2. Recommendations

###### 2.1 It is recommended that:-

- i. The Audit Committee notes the progress report.
- ii. The Audit Committee continues to receive regular progress reports on internal and external fraud investigated by the Corporate Anti-Fraud Team.

##### 3. Background Information

3.1 The Audit Committee received details of progress in the Corporate Anti-Fraud Report presented at the September meeting. This report provides a further update in respect of fraud management and investigations during 2021/2022.

3.2 The Team comprises a Principal Auditor (Corporate Anti-Fraud) and two Senior Corporate Anti-Fraud Officers. The Team has carried a vacancy throughout the financial year due to one of the Anti-Fraud Officers securing another role within the Council. This has resulted in a backlog of reactive work within the Team which has also impacted on the Team's pro-active work.

##### 4. Counter Fraud Work

###### Fraud Awareness Week

10.1 The CAFT led and co-ordinated a number of activities during International Fraud Awareness Week which took place 15<sup>th</sup> to 19<sup>th</sup> November 2022.

10.2 Various activities were undertaken during the week:

- Themed "Fraud Stories" were posted on the opening page of the intranet from Monday to Friday;
- Inspection of home to school transport providers at Springwell School was undertaken by the Licensing Team. Mechanics from Smithies were on hand to test vehicles' roadworthiness and licensing staff checked licence plates and Drivers' badges for validity. 8 vehicles and drivers

were inspected resulting in two Rotherham licensed vehicles being reported to Rotherham MBC, 1 for inoperative lights and 1 for a tyre below the legal limit. In addition, 1 driver received a written warning for failing to complete their daily vehicle checks;

- Members of the CAFT, IT and Trading Standards staffed 'fraud awareness' stalls in the market and The Lightbox;
- Posters highlighting Blue Badge, Tenancy Fraud, Cybercrime as well as Trading Standards and Tobacco enforcement issues were on display;
- Counterfeit products such as fake vodka, bags, trainers and Yankee candles were on display.

- 10.3 The CAFT plan to co-ordinate another Fraud Awareness Week during 2022 which will be focused on sharing fraud awareness information with members of the public. In addition, the CAFT intend to increase awareness of various types of fraud internally throughout the year. The Committee will receive a briefing and invitation to contribute to the planning of fraud awareness activities in due course.

#### Fraud Alerts and Scams

- 10.4 Regular fraud alerts have been received from the National Anti-Fraud Network (NAFN). These bulletins have provided information and intelligence on emerging fraud threats and trends affecting members of the public and both the private and public sectors. The fraud risks have been shared with relevant officers and/or published via Corporate Communications where applicable.
- 10.5 Payment diversion fraud continues to be a threat nationally. Correspondence from a 'genuine' Council supplier advised that they had been a victim of this type of fraud and that the company had not changed banking details. The Council had not made any payments to this particular supplier since December 2020.

#### **5. National Fraud Initiative (NFI)**

- 5.1 The NFI is the Cabinet Office's public sector data matching exercise. The main exercise takes place every two years and datasets in respect of the 2020/21 exercise were submitted in October 2020 with the resulting reports received in January 2021.
- 5.2 It is not a requirement that all matches are investigated and, due to limited resources and other work priorities, the CAFT have prioritised Key Reports (which related to higher risk matches).
- 5.3 As at the end of February 2022, 2,081 matches have been processed and closed with a further 64 still under investigation. Checks have identified 13 errors totalling £23,910. In addition, 233 blue badge parking permits were cancelled following datamatching to DWP deceased records.
- 5.4 The Cabinet Office also requires council tax and electoral register data to be matched annually to identify potential single person discount fraud or error.

Matches in respect of the 2021 exercise are being dealt with by the Benefits and Taxation Team with errors totalling £11,084 being identified to date.

## 6. Reactive Fraud Work

### Investigations

- 6.1 A summary of the CAFTs reactive investigation work for the period April to February is shown at Appendix A.

### Counter Fraud Checks

- 6.2 The CAFT continue to provide counter fraud checks of submitted insurance claims and Right to Buy applications. These checks, including financial and residential verification, provide assurance that the claims/applications are genuine and bona fides.
- 6.3 CAFT has undertaken checks against 34 insurance claims during the financial year to date. A summary of these referrals is shown below.

Details	No.
No evidence of fraud	31
Council not liable	1
Ongoing	2
Total	34

- 6.4 CAFT has undertaken checks against 159 RTB applications during the financial year 2021/2022. A summary of these referrals is shown below.

Details	No.
No evidence of fraud	159
Referred to DWP	0
Ongoing	0
Total	159

### COVID-19 Business Support Grants

- 6.5 The Corporate Anti-Fraud Team has continued to play an important role in supporting the Council by conducting post event assurance work to verify that business support grants were paid to genuine and eligible businesses.
- 6.6 Nine applications have been referred to the National Anti-Fraud Network for intelligence purposes and the Team has one ongoing investigation.
- 6.7 Central Government have confirmed that monthly reporting of assurance work completed is no longer required. However, they have indicated that random sampling, relating to all business grant funding schemes, will be undertaken across all local authorities within the next few months.

## **7. Preventative Work**

- 7.1 The CAFT continue to have a focus on the preventative side of fraud.
- 7.2 Fraud awareness e-learning is incorporated into the induction process for new employees. As at the beginning of February 2022 a total of 141 employees have completed the training.
- 7.3 Fraud transparency data has continued to be reported on the website as part of the Local Government Transparency Code 2015.
- 7.4 A review of the Council's counter fraud webpage and the reporting methods has been undertaken, with new links added to the landing page directing members of the public to other agencies where appropriate.  
<https://www.barnsley.gov.uk/services/our-council/how-we-deal-with-fraud/>
- 7.5 Other counter fraud work includes:
- Virtual attendance at the South Yorkshire Police Barnsley District OCG Bronze meetings;
  - The Principal Auditor (CAF) is a Yorkshire and Humberside Regional Representative for the 'Fighting Fraud and Corruption Locally' Regional Operational Group and a member of two national working groups which aim to share good practice in relation to data analysis and social care fraud;
  - The Principal Auditor (CAF) has attended virtual conferences and seminars to assist with the team's continuing professional development;
  - A review and development of corporate training material through the POD system;
- 7.6 The progress and results of this work will be included in future reports to the Committee.

## **8. Fraud Risks Post Covid-19 Pandemic**

- 8.1 The 2022/23 operational work programme will ensure the resources of the CAFT are utilised in an efficient, effective and accountable way. This work programme will be reviewed continually to reflect fraud trends, emerging risks and the general workload.

## **9. External Clients**

- 9.1 Whilst the primary focus for the CAFT is the Council, the team also offers a counter fraud service to Internal Audit's external clients. This external work is only undertaken where it is in the best interests of both the external client and the Council in respect of competing priorities and resources.

## **10. Financial Implications**

- 10.1 The structure and budget that CAFT operate within has proven successful and provides sufficient resource required to carry out an efficient value for money anti-fraud service.

10.2 Identifying a definite amount to be recognised as the impact of the CAFT is difficult beyond such results as the single person discount and other benefit work. Much of the work of CAFT is about avoiding loss. The NFI produce an 'Outcomes Calculation Methodology' document that seeks to put a value on the results of 'fraud avoidance'. For example:

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

10.3 These (and other) calculations are used to estimate the national impact of fraud. Reflecting on these figures together with the periodic results from SPD exercises demonstrates that the CAFT more than pays for itself every year in direct activity and contributes additional fraud / loss avoidance through fraud awareness training, policy review and advice.

## 11. Risk Considerations

11.1 Somewhat obviously, the process prompted by this work is focussed entirely on the effective assessment of fraud risk.

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**Date:** 4<sup>th</sup> March 2022

**Summary of Reactive Work**

Fraud Type	b/f from Aug 21	Referrals Received	Referrals Total	Referrals Accepted	Referrals Rejected	Investigations Closed	In progress	Frauds No.	Prosecutions No.	Other Action	Value	Notional
Blue Badge	3	3	6	5	1	2	2	1	1	<ul style="list-style-type: none"> <li>• 1 prosecution</li> <li>• 2 individuals received warning letters</li> </ul>		
Council Tax	1	12	13	7	6	1	6	0	0			
Council Tax SPD	2	22	24	4	20	1	3	0	0	<ul style="list-style-type: none"> <li>• 1 case identified a non-eligible discount</li> </ul>		£1,786.91
CTRS	6	19	25	5	20	1	4	0	0	<ul style="list-style-type: none"> <li>• Overpayment of discount identified</li> </ul>		£445.36
Housing Benefit	0	12	12	3	9	0	3	0	0			
Tenancy	11	15	26	15	11	4	11	0	0	<ul style="list-style-type: none"> <li>• 2 false tenancy successions and a false assignment were prevented</li> <li>• The tenancy of one property was terminated</li> </ul>		£372,000
Corporate	6	5	11	9	2	7	2			<ul style="list-style-type: none"> <li>• 1 referral closed due to there being no</li> </ul>		

Fraud Type	b/f from Aug 21	Referrals Received	Referrals Total	Referrals Accepted	Referrals Rejected	Investigations Closed	In progress	Frauds No.	Prosecutions No.	Other Action	Value	Notional
										evidence of fraud; • 2 referrals were forwarded to a different Service to deal with; • 1 employee received a final written warning • 2 employees received 6 month written warnings		

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# Item 9

## Report of the Head of Internal Audit, Anti-Fraud and Assurance

### AUDIT AND GOVERNANCE COMMITTEE – 16<sup>th</sup> MARCH 2022

#### CORPORATE ANTI-FRAUD STRATEGY 2021 – 2024

#### 1. Purpose of the report

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

#### 2. Recommendation

- 2.1 **It is recommended that the Committee considers and comments on the proposed Corporate Anti-Fraud Strategy to be assured that it provides the appropriate framework to direct anti-fraud activity over the next 2 years.**

#### 3. Background

- 3.1 The third Fighting Fraud and Corruption Locally Strategy (FFCL), which is produced by 'local government for local government', was published in 2020. This is prepared through CIFAS, a non-for-profit organisation originally created in the 1980s as the Credit Industry Fraud Avoidance Service, but now exists to protect its members and wider society from fraud and fraud-related crime by sharing fraud intelligence and building close and productive partnerships across the private, public, the third sector and law enforcement.
- 3.2 This FFCL Strategy has been used to frame our anti-fraud strategy adopting the structure across the recommended 5 pillars as included in the national strategy document.

#### **Govern**

*Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation. Having a holistic approach to tackling fraud is part of good governance.*

#### **Acknowledge**

*Acknowledging and understanding fraud risks and committing support and resource to tackling fraud in order to maintain a robust anti-fraud response.*

#### **Prevent**

*Preventing and detecting more fraud by making better use of information and technology, enhancing fraud controls and processes and developing a more effective anti-fraud culture.*

### **Pursue**

*Punishing fraudsters and recovering losses by prioritising the use of civil sanctions, developing capability and capacity to investigate fraudsters and developing a more collaborative and supportive local enforcement response.*

*Local authorities have achieved success by following this approach; however, they now need to respond to an increased threat and protect themselves and the community.*

*The second new area that has appeared during the research recognises the increased risks to victims and the local community:*

### **Protect**

*Protecting against serious and organised crime, protecting individuals from becoming victims of crime and protecting against the harm that fraud can do to the community.*

*For a local authority this will also cover protecting public funds, protecting its organisation from fraud and cybercrime and protecting itself from future frauds.*

## **4. Delivering the Corporate Anti-Fraud Strategy**

- 4.1 A restructure of the Finance Business Unit is currently taking place and the Corporate Anti-Fraud Team, will be expanded from three to four dedicated officers. This provides effective linkages and synergies between the functions. A detailed operational plan is being prepared alongside the Internal Audit plan for 2022/23 which will be presented to the Committee at its June meeting and will take into account the comments made by the Committee.

Contact Officer: Head of Internal Audit, Anti-Fraud and Assurance  
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Date: 4<sup>th</sup> March 2022

## Barnsley Metropolitan Borough Council CORPORATE ANTI-FRAUD TEAM STRATEGY 2021-2024

### INTRODUCTION

The Corporate Anti-Fraud Team supports the Council in its statutory obligations under Section 151 of the Local Government Act 1972 to ensure the protection of public funds.

Minimising fraud and irregularity is vital in ensuring resources intended to provide essential services to Barnsley residents are used for that purpose. Fraud committed against the Council is a theft of taxpayers' money, can cause reputational damage for the Council, a loss of confidence amongst the public or stakeholders, and have an adverse effect on staff morale. Through effective counter-fraud measures the Council can reduce the risk of error, loss and fraud. These include arrangements to acknowledge, deter, prevent, detect, investigate and prosecute wrongdoing.

The work of the Corporate Anti-Fraud Team (CAFT) supports the protection of public funds by providing a value for money counter fraud function for the Council. The team investigates allegations of frauds and irregularities, detects frauds and identifies losses enabling the recovery of Council funds. In addition, the team supports the application of appropriate sanctions including prosecution, caution, administrative penalty and disciplinary action.

### OBJECTIVES OF THE CORPORATE ANTI-FRAUD TEAM STRATEGY

This counter fraud strategy is aligned to 'Fighting Fraud & Corruption Locally' (FFCL), the Local Government Counter Fraud and Corruption Strategy for the 2020s, which provides a blueprint for a tougher response to fraud and corruption perpetrated against local authorities.

The previous two FFCL strategies focused upon pillars of activity, or strategic objectives, where the Council concentrated its counter-fraud efforts. These were 'acknowledge', 'prevent' and 'pursue'. The FFCL strategy 2020 has been expanded to include two additional areas of activity that underpin tenets of those pillars; 'govern' and 'protect'.



## THE STRATEGIC APPROACH

The CAFT's strategy, and work programme, is based upon the five themes: Govern, Acknowledge, Prevent, Pursue and Protect.

### GOVERN

The foundation of the Strategy is that those who are charged with Governance support the activity by ensuring that there are robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation.

Beating fraud is everyone's business, and the Council has internal arrangements which are communicated throughout the organisation to demonstrate the culture and commitment to preventing fraud.

The Council has a robust framework of procedures and policies, which combine to act as an effective deterrent to fraudulent activity and provide the means for reporting or detecting fraud or corruption.

Additionally, the Corporate counter fraud framework provides a whole range of high-level parts, which contribute to the Council having an effective counter-fraud strategy.



### ACKNOWLEDGE

To create a counter-fraud response, an organisation must acknowledge and understand fraud risks and then demonstrate this by committing the right support and appropriate resource for tackling fraud.

The Corporate Anti-Fraud Team will follow three key workstreams that;

- seek to identify fraud risks across the organisation,
- assess fraud control activities and their effectiveness, and
- dedicate the right level of resource to investigating and detecting fraud where reported

The management teams of the Council's eleven business units will complete an annual fraud risk assessment to identify the possible frauds to which the service may be exposed to. The assessment estimates both the potential impact of a given fraud and the likelihood of it occurring.

The results of the assessments will enable the Council to better understand the fraud-threat environment in which it operates. The assessments will also be used as a tool to assist in focusing resources on the most relevant fraud risks.

Reactive referrals are often the primary source of work for the Corporate Anti-Fraud Team. It is often the alertness of the public or employees that generate these referrals and enables detection to occur.



## PREVENT

Fraud can be prevented and detected by enhancing fraud controls and processes, making better use of information and technology and developing a more effective anti-fraud culture.

The Council has a statutory responsibility under Section 151 of the Local Government Act 1972 to ensure that proper arrangements are made for the Council's financial affairs and aims to have sound financial systems and procedures which incorporate efficient and effective internal controls.

The Council promotes an anti-fraud culture across the borough by publicising the impact of fraud on the community.

The Council's counter fraud framework encompasses all stages of the anti-fraud cycle: prevention, detection, investigation, recovery and sanction. While prevention should remain one of the most important objectives of the Strategy, it is deemed appropriate to also focus efforts on detection. In particular, by encouraging internal and external reporting of any possible case of fraud as well as proactive random verifications in some areas.



### PREVENT

*Making the best use of information and technology.*

*Enhancing fraud controls and processes.*

*Developing a more effective anti-fraud culture.*

*Communicating its' activity and successes.*

## PURSUE

Whilst preventing fraud and corruption from happening in the first place is the Council's primary aim, it is essential that a robust enforcement response is available to pursue fraudsters and deter others.

The Council will always seek the strongest possible sanction against any individual or organisation that defraud or attempt to defraud the Authority. Any decision to take legal action against offenders is made per the Code for Crown Prosecutors.

A further element of the Council's response to tackling fraud is seeking financial redress. The recovery of defrauded monies is an integral part of the Strategy, and action will be taken to recover losses. Where criminality has been proven then the Proceeds of Crime Act 2002 will, where appropriate, be used to recover funds.

Other methods of recovery may include, but are not confined to, civil proceedings; unlawful profit orders and compensation orders.



### PURSUE

*Prioritising fraud recovery and use of civil sanctions.*

*Developing capability and capacity to punish offenders.*

*Collaborating across geographical and sectoral boundaries.*

*Learning lessons and closing the gaps.*

## PROTECT

The Council protects itself against serious and organised crime, helps to protect individuals from becoming victims of crime and recognises the harm that fraud can do to the community.



### PROTECTING ITSELF AND ITS RESIDENTS

*Recognising the harm that fraud can cause in the community.*

*Protecting itself and its' residents from fraud.*

## **ACTION AND REVIEW**

An Action Plan summarising the activities required to achieve the objectives of the strategy is attached at Appendix A.

Progress against the priorities and the plan will be reported half-yearly to the Audit and Governance Committee and will be subject to continuous review.

In addition to demonstrating how we are delivering against our strategic and operational objectives the plan will also allow us to;

- adapt to emerging threats and issues and address current and future fraud risks across the Council;
- assess, analyse and report on existing and future fraud risks affecting the Council; and
- identify requirements for future counter fraud work.

STRATEGIC OBJECTIVE	KEY AIMS	TARGET ACTIVITY
<b>GOVERN</b>		
<p>Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation</p>	<p>The Council has a counter fraud framework of policies and procedures which show its commitment to fraud prevention and detection.</p>	<p>An annual review of the following key documents which form the Council's Counter Fraud Policy Framework will be undertaken:</p> <ul style="list-style-type: none"> <li>• Corporate Anti-Fraud and Corruption Policy and Strategy;</li> <li>• Anti-Bribery Policy;</li> <li>• Prosecutions Policy;</li> <li>• Corporate Fraud Response Plan;</li> <li>• Confidential Reporting (Whistleblowing) Policy;</li> <li>• Anti-Money Laundering Policy</li> </ul> <p>The reviews will ensure that the documents are updated with any legislative or regulatory changes.</p>
<b>ACKNOWLEDGE</b>		
<p>Assessing and understanding fraud risks</p>	<p>Fraud and corruption risks are considered as business risks and are managed as part of the organisation's risk management process.</p> <p>The CAFT will provide advice, knowledge and support to management in assessing fraud risks.</p>	<p>A Fraud Risk Assessment (FRA) has been developed with useful prompts to ensure fraud risk is both fully understood and considered by senior managers. The document includes a broad checklist of potential fraud, corruption and bribery risk areas. These have been filtered to cover all Business Units and Service Areas.</p> <p>Each fraud risk is 'scored' which then generates an overall score and a visual indication of the relevant level of fraud risk. Management's consideration of fraud risk issues will contribute to the following:-</p> <ul style="list-style-type: none"> <li>• Raising awareness for the Annual Governance Statement process;</li> <li>• Contribute to the corporate risk management process and wider governance assurance framework;</li> <li>• Influence HR and IT use policy and guidance reviews;</li> <li>• Influence Financial procedures reviews;</li> <li>• Assist in Internal Audit work planning for proactive anti-fraud work.</li> </ul>

STRATEGIC OBJECTIVE	KEY AIMS	TARGET ACTIVITY
Committing the right support and tackling fraud and corruption.	<p>There is a commitment to reduce the risk of fraud and corruption. This is demonstrated by the investment and application of resources within the Council.</p> <p>The Council utilises an appropriate mix of experienced and skilled staff, including access to counter fraud staff with professional accreditation.</p>	<p>All members of the Corporate Anti-Fraud Team are qualified Accredited Counter Fraud Specialists.</p> <p>Promote the Council's suite of counter fraud policies, procedures and e-learning using internal publicity to reinforce messages about the standards of behaviour expected from Council employees, ways to consider fraud risks and how/when to report suspicions of fraud. The aim of the training is to stop fraud at the outset.</p>
Demonstrating that it has a robust anti-fraud response	The CAFT will investigate allegations of fraud thoroughly and to the highest professional standards and, where appropriate, will seek the full range of civil, criminal and disciplinary sanctions.	Details of counter fraud activity are reported to the Audit and Governance Committee twice a year. The report includes details of assurance work, significant cases and the level of any loss due to fraud.
Communicating the risks to those charged with Governance	The fraud risk assessments are integrated into the corporate risk management and wider governance framework.	
<b>PREVENT</b>		
Making the best use of information and technology	<p>Continue to use and participate in existing technological methods of fraud prevention / detection.</p> <p>Identify, and where appropriate, adopt, new technological methods of fraud prevention and detection.</p> <p>Use security and fraud analytics to protect all physical, financial and</p>	<p>Identify technology, existing information, or new information that can be used to detect or prevent fraud. Once identified, evaluate their value in detecting fraud and implement where appropriate.</p> <p>Use data analytic techniques to try and isolate suspicious transactions or trends that represent potential fraud, and to improve the results of the fraud risk assessment.</p> <p>Continue to participate in the National Fraud Initiative data matching exercise. Where possible identifying improvements either in respect of data</p>

STRATEGIC OBJECTIVE	KEY AIMS	TARGET ACTIVITY
	<p>intellectual assets from misuse by internal and external threats.</p> <p>To be an active participant in the biennial National Fraud Initiative (NFI) exercise and to robustly investigate suspected cases of fraud identified through NFI.</p>	<p>supplied to the exercise or in processing the resulting data matches. Explore the use of other or new facilities provided by the National Fraud Initiative.</p>
<p>Enhancing fraud controls and processes</p>	<p>Preventing fraud through the implementation of appropriate and robust internal control measures:</p> <p>Counter fraud and corruption controls should be appropriate and robust. If they are not appropriate, time and resources will be wasted and if they are not robust, then they will be ineffective and could be bypassed. Having such controls not only deters potential fraudsters but also helps to raise the awareness of staff.</p>	<p>Review of existing controls and process connected with individual fraud investigations. Where weak controls and processes are identified recommend actions to improve the process and reduce the risk of further fraud.</p> <p>Review systems identified through the Fraud Risk Assessment process as potentially having controls and processes that are susceptible to fraud.</p> <p>The CAFT will continue to work with the Right to Buy team to conduct a detailed check into applicants who have, or are in the process of purchasing their council property in order to provide assurance that applications are genuine and bona fide.</p> <p>An audit of the Council's insurance claim handling arrangements (undertaken by an external claims handler) recommended the development of a formal counter fraud process to prevent and detect potential fraudulent claims. The CAFT will work with the Insurance Team to conduct a number of checks into submitted insurance claims in order to provide assurance that they are genuine and bona fide.</p> <p>The Principal Auditor (Corporate Anti-Fraud) is a member of the Fighting Fraud and Corruption Locally Regional Operational Group which aims to meet three times a year. The purpose of the group is to share information, undertake work and develop best practice in response to any fraud risks faced by local authorities.</p>

STRATEGIC OBJECTIVE	KEY AIMS	TARGET ACTIVITY
Developing a more effective anti-fraud culture	<p>Develop a culture which is resilient to the threats of fraud and corruption by:</p> <ul style="list-style-type: none"> <li>• Recognising the risk of fraud and corruption and the harm it can cause to the organisation;</li> <li>• Ensuring the organisation is responsive to new fraud and corruption risks;</li> <li>• Providing visible support and resourcing for fraud awareness activity;</li> <li>• Supporting counter fraud and corruption training throughout the organisation and at all levels;</li> <li>• Ensuring that governance papers, strategies and policies include fraud and corruption risks wherever relevant.</li> </ul>	<p>The CAFT will conduct an annual review of the Council's counter fraud policies and will communicate them across the organisation.</p> <p>The CAFT will review and refresh the suite of corporate anti-fraud e-learning which should be mandatory for relevant groups of staff.</p> <p>The CAFT will review and develop a suite of counter fraud 'quick guides' which will be available on the Employee and Manager Intranet Hubs.</p>
Communicating its' activity and successes	<p>Raise awareness of fraud and corruption both within the authority and in the community through running awareness campaigns and the publication of fraud successes in local and national media, including the use of all forms of social media.</p>	<p>The Council publishes successful prosecutions via press releases issued via the Corporate Communications Team. This may deter some members of the community from attempting to commit fraud against the Council and will evidence the Authority's commitment to investigating fraud and corruption.</p> <p>The CAFT co-ordinated and led on Fraud Awareness Week 2021. Additional publicity campaigns, both within the authority and the community will be held during 2022-2023.</p>

STRATEGIC OBJECTIVE	KEY AIMS	TARGET ACTIVITY
<b>PURSUE</b>		
Prioritising fraud recovery and use of civil sanctions	Demonstrate a commitment to pursuing the full range of available sanctions (criminal, civil and disciplinary) against those found to have committed fraud and seek to recover funds that have been lost or diverted through fraud.	<p>The CAFT will continue to pursue the use of a wide range of possible corrective actions, including:</p> <ul style="list-style-type: none"> <li>• Disciplinary action, including liaison with, and referrals to, professional bodies;</li> <li>• Civil action used to recover lost assets and investigation expenses;</li> <li>• Criminal action, including the prosecution of offenders and the recovery of lost assets using the Proceeds of Crime Act.</li> </ul>
Developing capability and capacity to punish offenders	The Council will be 'tough on fraudsters' by punishing them more efficiently and effectively.	
Collaborating across departmental, geographical and sectoral boundaries	Working with internal colleagues, other local authorities and external agencies by sharing skills and learning, good practice and information.	<p>The CAFT:</p> <ul style="list-style-type: none"> <li>• Have joint working protocols with the DWP to pursue council tax support and welfare benefit irregularities;</li> <li>• Have a protocol with South Yorkshire Police;</li> <li>• Will lead the Council's annual Fraud Awareness Week which includes joint working with other Council departments and Berneslai Homes;</li> <li>• Will explore ways of reporting and improving the function through benchmarking and trend analysis;</li> <li>• Will continue to liaise with the Cabinet Office (National Fraud Initiative) and National Anti-Fraud Network (NAFN) to detect fraud and share fraud/scam intelligence;</li> <li>• Will continue to actively participate in national working groups e.g. FFCL</li> </ul>
Learning lessons and closing the gaps	Use information identified during investigations, which relate to poor controls and therefore enabled the fraud, to prevent further losses.	<p>CAFT investigation reports include recommendations to address weak system controls.</p> <p>Details of control weaknesses are also shared with Internal Audit (to consider for future audit plans) and will be acknowledged on the Business Unit Fraud Risk Assessment.</p>

STRATEGIC OBJECTIVE	KEY AIMS	TARGET ACTIVITY
<b>PROTECT</b>		
Recognising the harm that fraud can cause in the community	The CAFT will work with Council colleagues and other agencies to help them prevent and detect fraud at the earliest opportunity.	The CAFT will work with Council colleagues and other agencies to help them prevent and detect fraud at the earliest opportunity.
Protecting itself and its' residents from fraud	To provide support and guidance across the community to help residents and other stakeholders protect themselves against fraud and advice on how to refer their concerns to appropriate bodies when fraud occurs.	To provide support and guidance across the community to help residents and other stakeholders protect themselves against fraud and advice on how to refer their concerns to appropriate bodies when fraud occurs.

# Item 10

## BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is not a Key Decision within the Council's definition and has not been included in the relevant Forward Plan

### REPORT OF THE EXECUTIVE DIRECTOR CORE TO CABINET ON 9 FEBRUARY 2022

Public.

#### REVIEW OF PEER CHALLENGE ACTIVITY ACROSS THE COUNCIL

##### 1. PURPOSE OF REPORT

- 1.1 To provide an overview of peer challenge activity since the last Corporate Peer Challenge in 2019, and to seek approval for the timeline of the next Corporate Peer Challenge and a future programme of possible peer reviews.

##### 2. RECOMMENDATIONS

- 2.1 Cabinet note the response to the 2019 Corporate Peer Challenge and the positive programme of peer reviews that have taken place across the Council since.
- 2.2 Cabinet consider the proposed timeline for the next Corporate Peer Challenge and the suggested future programme of peer reviews.
- 2.3 Cabinet endorse the adoption of a centralised system for monitoring peer review activity and final reports.
- 2.4 That this report go to the Governance & Audit committee for information and comments.

##### 3. INTRODUCTION

- 3.1 Barnsley had its last Corporate Peer Challenge (CPC) from 26th February – 1st March 2019. The feedback report concluded that the Council was a high-performing council with clear ambitions and good management both politically and managerially. Nine key recommendations were made:

1. Continue to communicate with staff.
2. Clarify, simplify and reiterate the council's priorities and initiatives.
3. Consider rationalising plans and initiatives post 2020.
4. Revisit the corporate risk register.
5. Ensure steps are taken to maintain and grow the neighbourhood model
6. Work to make the local economy more inclusive.
7. Consider whether the pace of decision making is fast enough for the council's ambitions.
8. Take more steps to engage with parents on improving SEND outcomes for children.
9. The council can achieve more on digital transformation.

3.2 Following the CPC, an action plan was developed based on eight improvement themes which incorporated these key recommendations and other suggestions made throughout the CPC feedback report. This was actioned and regularly reported back into the Organisational Improvement Board, which met for the final time on 9<sup>th</sup> November 2020. In December 2020, the OI board made a decision to close the report down, and any outstanding actions were incorporated in other relevant plans and strategies.

3.3 Beyond the Corporate Peer Challenge, service areas across the Council have continued to engage in peer review activity in order to openly welcome and promote sector-led improvement – despite the impact of Covid-19.

Based on information gathered through business advisors, peer reviews since 2019 are as follows:

Directorate	Services	Peer Review Subject	Peer Review Date
<b>Core</b>	Financial Services & School Catering (BU13)	DWP Peer Review	2021
	Customer Information & Digital Services (BU12)	SAP Collaborative Working	18 <sup>th</sup> March 2019
	Governance & Business Support (BU18)		
	BII, HR & Communications (BU15)		
	Legal Services (BU17)	<b>LGA:</b> Review Legal Threshold of Safer Neighbourhood related court cases <i>(BU8 &amp; BU17 joint)</i>	29 June 2021
Stronger, Safer Healthier Communities (BU8)			
<b>Adults &amp; Communities</b>	Adult Social Care & Health (BU2)		
	<b>Children's Services</b>	Children's Social Care & Safeguarding (BU1)	Missing from home and care challenge
Front Door Health Check			9 <sup>th</sup> December 2020
ADCS Peer Challenge Day			15 <sup>th</sup> January 2021
Commissioned Review – S47s			Sep 2021
Education, Early Start & Prevention (BU3)		ADCS Peer Challenge (SEND Local Offer)	10 <sup>th</sup> May 2021
<b>Place</b>	Environment & Transport (BU6)		
	Economic Regeneration & Culture (BU4)	Inclusive Growth	October 2019
<b>Public Health</b>	Public Health (BU10)	<b>LGA:</b> Covid 19 Transmission Rates	April 2021
<b>Other</b>		<b>LGA</b> Peer Review of Covid work: Recovery & Renewal	August 2020

- 3.4 The table above does not capture the range of statutory inspections and audits which also drive improvement and reviews in many service areas.

In addition to the peer reviews listed above, a number of which were not organised through the Local Government Association, Barnsley has engaged with the LGA on a range of specific topics/workshops, detailed in *Appendix 1*.

#### **4. PROPOSAL AND JUSTIFICATION**

- 4.1 Peer reviews can provide an excellent opportunity for services to be encouraged and challenged by others in the sector, generating recommendations and improvements which ultimately benefit service users.

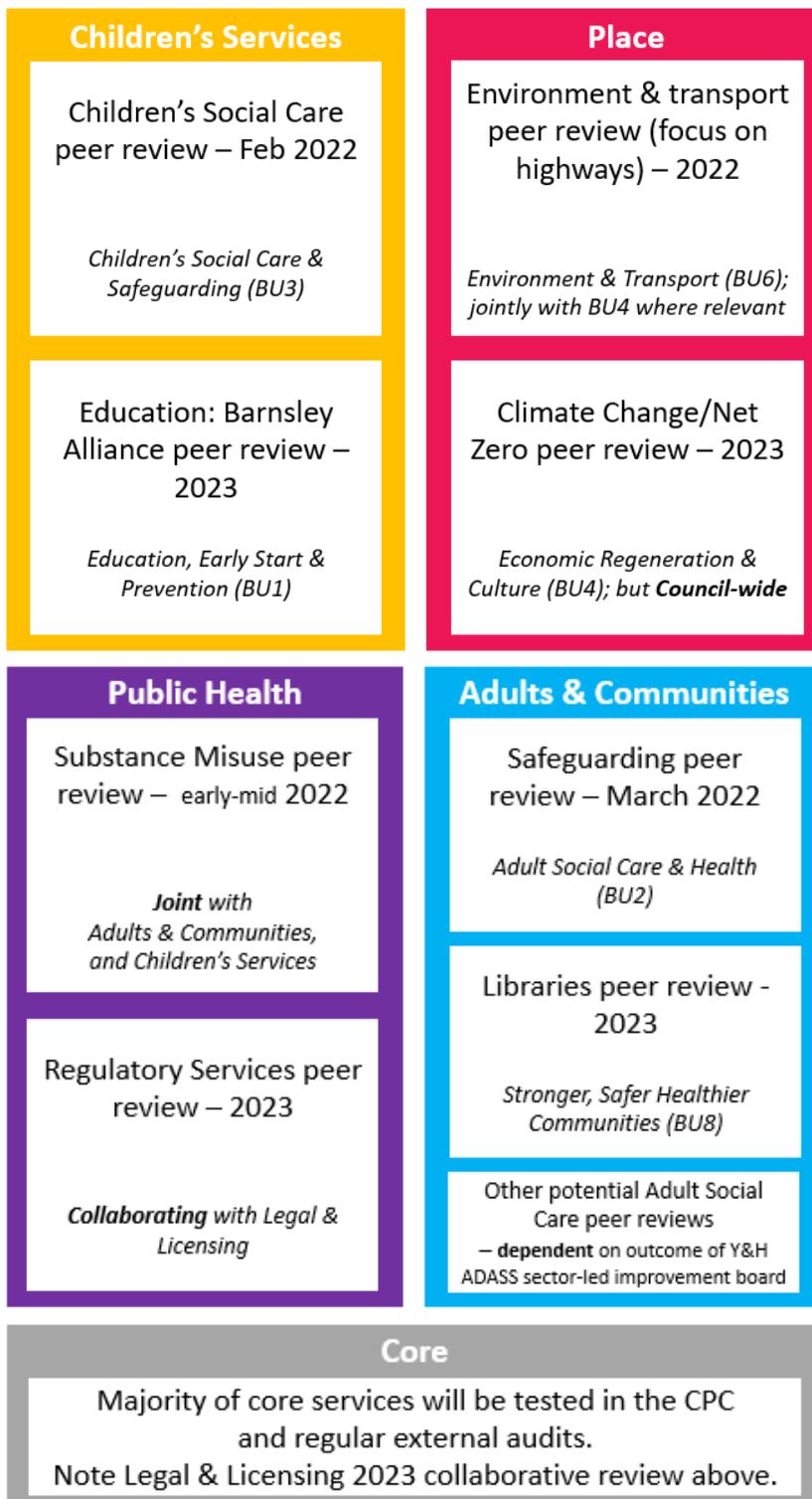
##### **Proposed programme of peer reviews, 2022-2023**

- 4.2 In considering a future-facing programme of peer reviews, Executive Directors considered the peer review activity that has taken place since 2019 alongside their views on which areas would benefit most from a fresh peer review with all the time and resource this requires. Some of these reviews are at a broad, service level, while others are slightly more focussed.

- 4.3 In setting out a programme of peer reviews, consideration has to be given to the tension between ensuring every area is peer reviewed, and focussing these reviews on those areas where they will deliver most value. This proposed programme attempts to invite peer challenge across every directorate and service. However, the reviews are prioritised via a staggered timeline over two years, and some will focus on more specific areas within a service that would benefit most from external peer challenge.

This programme also takes into account Council capacity, and the limitations on both the LGA's capacity and expertise. Whilst each review will be tailored to BMBC's needs, some of these reviews will be newer to the LGA and therefore more developmental in nature, bringing benefits to Barnsley and the wider sector.

- 4.4 The proposed programme is set out below:



4.5 This programme covers 2022-2023, to allow for a comprehensive set of peer reviews ahead of Barnsley's next Corporate Peer Challenge. It would see four peer reviews conducted in 2022 and four in 2023, all through the Local Government Association bar the March 2022 Safeguarding Peer Review (Yorkshire & Humber Association of Directors of Adult Social Services). These eight peer reviews cover all Directorates except the Core directorate.

Core services regularly provide support to peer reviews in other directorates; and they are a centrepiece of the Corporate Peer Challenge. Over and above

this, the annual cycle of external audit activity acts as a detailed check and challenge to the effective delivery of core services; covering, amongst other things, the arrangements for financial administration; governance, decision making and internal control; and the council's wider arrangements for securing value for money across all of its functions.

- 4.6 The order of these proposed peer reviews has been developed by the Senior Management Team based on need, risk, and coordination with existing activity, in addition to staff capacity. Note that the Adult's Safeguarding Peer Review (March 2022) and Children's Social Care Peer Review (February 2022) are already confirmed.
- 4.7 The LGA have confirmed that they are happy with and able to resource this suggested programme.

#### **Commissioning the next Corporate Peer Challenge**

- 4.7 In addition to the programme above, the Council should commission its next CPC before the beginning of 2024 to ensure that it has a CPC within the four-to-five-year timeframe now required by the Local Government Association.

The ideal time for the next CPC would be late February 2024, five years on from the previous CPC and after a comprehensive programme of peer reviews across the Council. This would include a mandatory follow-up visit six months later (August-September 2024).

- 4.8 Barnsley's next CPC will be well-placed to cover the implementation of 2019's CPC report. It will also cover the immense challenges and transformations prompted by Covid, alongside the Council's rapid digital and workforce transformation. It will capture the impact of a new Chief Executive and strong place-based and partnership working throughout the pandemic and beyond. It will also note the development of Barnsley 2030, a new Corporate Plan, and a number of restructures. A CPC in 2024 would be an ideal opportunity to bounce back stronger from Covid and into the mid-2020s.

#### **Centralising oversight of Peer Review activity**

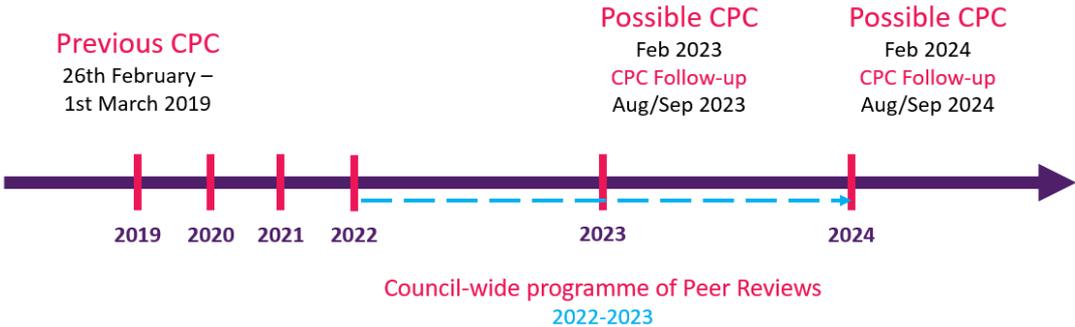
- 4.9 Finally, there is a need for a more centralised system for collating and overseeing peer review improvement activity. Whilst response to review recommendations will happen largely within the relevant services, it would be helpful for a log of peer reviews, their final reports and any associated learning to be compiled and maintained by the Business Intelligence unit.

#### **Audit & Governance Committee**

- 4.10 Given the Audit and Governance Committee's role in providing independent scrutiny of the Authority's financial and non-financial performance, it is recommended that this report and suggested peer review activity is referred to a future meeting of the committee for information and comment. Any feedback from the Audit and Governance Committee will be considered in shaping future peer review activity.

**5. CONSIDERATION OF ALTERNATIVE APPROACHES**

- 5.1 Consideration was given as to whether the Council ought to invite a follow-up visit to its 2019 CPC, which though recommended, did not occur. Following conversation with the LGA, this was discounted as no longer of value.
- 5.2 Consideration was also given to an earlier CPC, in February 2023. However, in light of the ongoing challenges presented by Covid, with some services now in response mode for almost two years, this was felt to be too soon. Secondly, delaying the CPC to 2024 allows for an ambitious programme of peer reviews across the Council in the interim.



**6. IMPLICATIONS FOR LOCAL PEOPLE/SERVICE USERS**

- 6.1 None at this stage.

**7. FINANCIAL IMPLICATIONS**

- 7.1 Consultations have taken place with representatives of the Service Director – Finance (S151 Officer).
- 7.2 The financial implications of these proposals are likely to be limited, as many peer reviews are free of charge (including the Corporate Peer Challenge). However, some peer reviews may have small charges associated, in the realm of £5,000 - £14,000. The detail of costs will only become available when finalising and scheduling reviews with the Local Government Association.
- 7.2 Note the LGA’s comment on costs below:

*In terms of costs, most of these will be free to you (being funded by the LGA through the grants received from DLUHC, DfE and others). Some may have some limited charges attached, particularly where the LGA might need to hire an associate to manage or be part of the peer team.*

- 7.3 All costs associated with the peer review will be met from within existing revenue budgets.

**8. EMPLOYEE IMPLICATIONS**

- 8.1 None at this stage.

## **9. LEGAL IMPLICATIONS**

9.1 None at this stage.

## **10. CUSTOMER AND DIGITAL IMPLICATIONS**

10.1 None at this stage.

## **11. COMMUNICATIONS IMPLICATIONS**

11.1 None at this stage.

## **12. CONSULTATIONS**

12.1 None at this stage.

## **13. EQUALITY IMPACT**

13.1 Equality Impact Assessment Pre-screening completed determining full EIA not required.  
*See Appendix 2.*

## **14. THE CORPORATE PLAN AND THE COUNCIL'S PERFORMANCE MANAGEMENT FRAMEWORK**

14.1 This programme of reviews will supplement the Council's own mechanisms for evaluating the Council's performance and the implementation of the Corporate Plan.

## **15. TACKLING THE IMPACT OF POVERTY**

15.1 None at this stage.

## **16. TACKLING HEALTH INEQUALITIES**

16.1 None at this stage.

## **17. REDUCTION OF CRIME AND DISORDER**

17.1 None at this stage.

## **18. RISK MANAGEMENT ISSUES**

18.1 None at this stage.

## **19. HEALTH, SAFETY AND EMERGENCY RESILIENCE ISSUES**

19.1 None at this stage.

## **20. COMPATIBILITY WITH THE EUROPEAN CONVENTION ON HUMAN RIGHTS**

20.1 None at this stage.

**21. CONSERVATION OF BIODIVERSITY**

21.1 None at this stage.

**22. GLOSSARY**

- CPC - Corporate Peer Challenge
- LGA - Local Government Association
- Y&H ADASS - Yorkshire & Humber Association of Directors of Adult Social Services

**23. LIST OF APPENDICES**

- Appendix 1: Further LGA engagement
- Appendix 2: Equality Impact Assessment pre-screening

**24. BACKGROUND PAPERS**

**Report author:** Hannah Tower

Financial Implications/Consultation



.....  
*(To be signed by senior Financial Services officer where no financial implications)*

## **APPENDIX 1: Further LGA Engagement**

The table below summarises BMBC's further engagement with the LGA on more specific topics and workshops between February 2019 and the present.

26 <sup>th</sup> February – 1 <sup>st</sup> March 2019:	Corporate Peer Challenge
23 <sup>rd</sup> July & 23 <sup>rd</sup> August 2019:	12 Councils attended Housing Delivery Test workshop 3 in Manchester
15 <sup>th</sup> August & 11 <sup>th</sup> October 2019:	Care and Health Improvement Programme provided bespoke support
16 <sup>th</sup> July 2019 – 30 <sup>th</sup> June 2020:	Provided Bespoke support around publication "what a difference a place makes"
August 2020:	Cyber Security Programme Penetration Test area
10 <sup>th</sup> – 19 <sup>th</sup> March & 29 <sup>th</sup> June 2021:	Remote Peer Support on Covid-19
16 <sup>th</sup> March 2021:	Cyber Security Testing
1 <sup>st</sup> April – 14 <sup>th</sup> June 2021:	PIF Delivery WFP2021 5 x Bitesize Workforce Planning sessions
1 <sup>st</sup> April – 30 <sup>th</sup> July 2021:	Apprenticeship Action Learning Set – Six days of action learning support was provided for up to 40 councils to assist with tackling challenges with apprenticeships.
21 <sup>st</sup> – 23 <sup>rd</sup> April 2021:	Yorkshire and the Humber Covid 19 Outbreak Peer Support
29 <sup>th</sup> April – 8 <sup>th</sup> September 2021:	Apprenticeship Health Check - Apprenticeship MOT carried out including assessment against Maturity Model, regional and national comparisons and recommendations for developing their programme further
20 <sup>th</sup> August 2021:	LGA Recovery & Renewal Panel for Barnsley Metropolitan Borough Council
Ongoing:	Bespoke support with the Care and Health Improvement Programme.

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# Equality Impact Assessment

## Cabinet Report: A Review of Peer Challenge Activity across the Council

### Stage 1 Details of the proposal

Name of service

Core Directorate

Directorate

Name of officer responsible for EIA

Hannah Tower

Name of senior sponsor

Shokat Lal

Description / purpose of proposal

Cabinet Report: A Review of Peer Challenge Activity across the Council

Date EIA started

23/12/21

Assessment Review date

### Stage 2 - About the proposal

What is being proposed?

This Cabinet report reviews Peer Review activity at Barnsley Council since the last Corporate Peer Challenge in 2019, and sets out a suggested programme of peer reviews throughout 2022-23 as well as the timing for the next Corporate Peer Challenge. Therefore, at this stage, it is merely a proposed programme for further action.

Note that the 2019 Corporate Peer Challenge, briefly summarised in the report, made a number of recommendations relating to protected characteristics. These were:

1. Continue to communicate with staff.
6. Work to make the local economy more inclusive.
8. Take more steps to engage with parents on

improving SEND outcomes for children.

**Why is the proposal required?**

Peer Reviews are an important part of being a Council committed to constant improvement. Furthermore, a Corporate Peer Challenge (CPC) is required by the Local Government Association every 4-5 years, so Barnsley Council needs to begin planning the timeline for its next CPC.

**What will this proposal mean for customers?**

If the report is approved, the proposal will mean a series of reviews across 4 directorates (Place, Adults & Communities, Children's, and Public Health) and a corporate review (covering Core directorate and broader leadership and management) between now and early 2024. For customers, this will mean improved services and an improved Council, as we commit to taking on critical input from peers.

**Stage 3 - Preliminary screening process**

**Use the Preliminary screening questions (found in the guidance) to decide whether a full EIA is required**

- Yes - EIA required (go to next section)
- No – EIA not required (provide rationale below including name of E&I Officer consulted with)

Done in consultation with Zahid Qureshie, EDI advisor for Place.  
This Cabinet report is currently just a suggested programme of peer review work in future; each service, strategy and policy that might fall under the reviews will already have undertaken an EIA at point of delivery.

**Stage 4 - Scoping exercise - What do we know?**

**Data: Generic demographics**

What generic data do you know?

**Data: Service data / feedback**

What equalities knowledge do you already know about the service/location/policy/contract?

--

**Data: Previous / similar EIA's**

Has there already been an EIA on all or part of this before, or something related? If so, what were the main issues and actions it identified?

--

**Data: Formal consultation**

What information has been gathered from formal consultation?

--

**Stage 5 - Potential impact on different groups**

Considering the evidence above, state the likely impact the proposal will have on people with different protected characteristics

(state if negative impact is substantial and highlight with **red text**)

Negative (and potentially positive) impacts identified will need to form part of your action plan.

Protected characteristic	Negative '-'	Positive '+'	No impact	Don't know	Details
Sex					
Age					
Disabled <i>Learning disability, Physical disability, Sensory Impairment, Deaf People, invisible illness, Mental Health etc</i>					
Race					
Religion & Belief					

Sexual orientation					
Gender Reassignment					
Marriage / civil partnership					
Pregnancy / maternity					

Other groups you may want to consider					
	Negative	Positive	No impact	Don't know	Details
Ex services					
Lower socio-economic					
Other ...					

**Stage 6 - BMBC Minimum access standards**

If the proposal relates to the delivery of a new service, please refer to the Customer minimum access standards self-assessment (found at )

If not, move to Stage 7.

Please use the action plan to be taken to ensure the new service complies with reasonable adjustments for disabled people.

Not yet live

The proposal will meet the minimum access standards.

The proposal will not meet the minimum access standards. –provide rationale below.

**Stage 7 – Action plan**

**To improve your knowledge about the equality impact . . .**

Actions could include: community engagement with affected groups, analysis of performance data, service equality monitoring, stakeholder focus group etc.

Action we will take:	Lead Officer	Completion date


**To improve or mitigate the equality impact . . .**

Actions could include: altering the policy to protect affected group, limiting scope of proposed change, reviewing actual impact in future, phasing-in changes over period of time, monitor service provider performance indicators, etc.

Action we will take:	Lead Officer	Completion date

**To meet the minimum access standards . . .(if relevant)**

Actions could include: running focus group with disability forum, amend tender specification, amend business plan to request extra 'accessibility' funding, produce separate MAS action plan, etc.

Action we will take:	Completion date

Not yet live

**Stage 8 – Assessment findings**

Please summarise how different protected groups are likely to be affected

<b>Summary of equality impact</b>	
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Summary of next steps

Signature (officer responsible for EIA) Date



Hannah Tower, 23/12/21

**\*\* EIA now complete \*\***

### Stage 9 – Assessment Review

(This is the post implementation review of the EIA based on date in Stage 1 if applicable)

What information did you obtain and what does that tell us about equality of outcomes for different groups?

# Item 11

## REPORT OF THE MONITORING OFFICER

**AUDIT AND GOVERNANCE COMMITTEE: 16 March 2022**

### **LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN: FOLLOW-UP REPORT**

#### **1. Purpose of the Report**

- 1.1. This report brings to the Committee's attention an update on the final requirements of the Local Government and Social Care Ombudsman (LGSCO) following an investigation into a complaint by Mr X. The investigation outcome found fault and provided recommended improvements to services, and payment to the complainant by way of compensation.
- 1.2. The report is being brought to the Committee to comply with the Committee's Terms of Reference:
  - 1.2.1. To consider any payments in excess of £2,000 or provide other benefits in cases of maladministration by the authority within scope of Section 92 of the Local Government Act, 2000.

#### **2. Recommendations**

- 2.1. The Committee is asked to receive and consider the report, and acknowledge the actions already taken and plans to address the LGSCO's recommendations.
- 2.2. That the Committee note the requirement for the Council to make compensation payments totalling £2,700 to those affected by the complaint.

#### **3. Background Information**

- 3.1. Mr X complained about the Council's handling of his daughter, B's transfer from a Statement of Special Education Needs (SEN) to an Education, Health and Care Plan (EHCP), her subsequent Annual Review and planning for B's transition to adulthood. The council has accepted fault. This fault caused Mr X and B significant distress and uncertainty. It meant B missed out on certain special educational and social care provision.
- 3.2. The LGSCO investigator completed their investigation and upheld each point of Mr X's complaint finding fault by the Council which caused injustice. The Council accepted fault and agreed to the following recommendations:
  - 3.2.1. Apologise in writing to Mr X for the fault causing injustice. If not already provided, this should include information on how Mr X may sign-up to the Family Information Service's Local Offer Newsletter.
  - 3.2.2. Apologise in writing to B for the fault causing injustice. To meet B's disability related needs, the Council should consider providing this in large font (size 14) and Easy Read format.
  - 3.2.3. Apologise in writing to B's mother, Ms Y, for the fault causing injustice.

- 3.2.4. Make a payment to Mr X of £400 for the significant time and trouble he went to, trying to put things right for B and the distress and uncertainty caused.
  - 3.2.5. Make a payment to Ms Y of £400 for the significant distress and uncertainty caused to her, particularly regarding B accessing adult social care provision.
  - 3.2.6. Make a payment to B of £700 for the significant distress and uncertainty caused to her due to the fault in her Transfer Review and subsequent Annual Reviews, and for missing out on a properly planned transition to adulthood and adult services, a timely Care Act 2014 transition assessment and personal assistance social care provision (between November 2020 and May 2021).
  - 3.2.7. Makes a payment to B of £1,200 for the loss of Speech and Language Therapy provision (made up of £600 for the Autumn Term 2019 and £600 for the Spring Term 2020). This is in line with the Ombudsman's guidance on remedies, which states; where fault has resulted in a loss of educational provision, we will usually recommend a remedy payment of between £600 to £1,800 per term.
- 3.3. In total, a sum of £2700 will be paid in compensation to those affected by the complaint. Along with the financial compensation, a list of service improvement recommendations has also been accepted by Children Social Care, Adult Social Care and Education Services.

#### **4. Outcome**

- 4.1. In addition to the redress outlined above, the council has made the following service improvements, which have significantly transformed service delivery and goes further than the recommendations of the complaint:
  - 4.1.1. Invested in its Education, Health and Care Hub. This is a case management system which manages compliance with the statutory processes and timescales. Parents and professionals have access to the system and their child's files which helps to build confidence and transparency in the system.
  - 4.1.2. Created an Annual Review Strategy which incorporates good practice guidance. This has been implemented in full and the council is now fully compliant with Annual Review statutory processes and timescales. This ensures that children's needs are reviewed and provision maintained in accordance with any changing needs or support.
  - 4.1.3. The Preparing for Adulthood Transition Policy (removing the previous stipulations that affected B's transition) has been reviewed and is being implemented consistently. This is now offered to young people likely to have needs for adult care and support after turning 18 years old. Social care, health and education partners are responsible for ensuring that the policy is adhered to in full.
  - 4.1.4. Established a Preparation for Adulthood (PfA) Steering Group which is a sub group of the system wide SEND Oversight Board. The steering group is responsible for leading the implementation of the Preparation for Adulthood Strategy. It is responsible for ensuring better coordination between teams, monitoring the quality and range of support for children and

young people with SEND and ensuring Preparation for Adulthood is embedded in council and partner policies.

- 4.1.5. Ensured that relevant staff continue to be aware of the importance of mediation meetings and attending these to remain compliant with the SEND Code of Practice (2015) through training and supervision.
- 4.1.6. Implemented the Engagement and Participation Strategy, to ensure the voice of children, young people and parents/carers are embedded in the local area SEND system. This is a key action arising out of the recent SEND inspection and will be subject to review by the Department for Education and Ofsted as part of the post inspection Written Statement of Action.
- 4.2. Correspondingly to the above actions, an internal audit of transitions cases has taken place, and findings with senior management oversight. This forms an integral part of our quality assurance framework and audit timetable. Actions arising out of the audits and quality assurance activity, as appropriate, are incorporated in the SEND Improvement Programme which is governed by the SEND Oversight Board. SEND performance and monitoring reports are submitted quarterly to the Council Senior Management Team, Council Cabinet and the Clinical Commissioning Group Governing Body.

## 5. **Appendices**

5.1. None

6. **Officer Contact:** Amber Burton (Education Inclusion Service) and Kwai Mo (Adult Social Care)

7. **Email:** [amberburton@barnsley.gov.uk](mailto:amberburton@barnsley.gov.uk) and [kwaimo@barnsley.gov.uk](mailto:kwaimo@barnsley.gov.uk)

8. **Date:** 21 February 2022

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# Item 13

## Report of the Head of Internal Audit, Anti-Fraud and Assurance

### Audit and Governance Committee – 16<sup>th</sup> March 2022

#### WORK PLAN 2021 – 2022

#### 1. Purpose of the Report

- 1.1 To share with the Committee the current version of the Work Plan – Appendix 1 and to note any amendments to the plan.

#### 2. Recommendation

- 2.1 The Committee is asked to note the updated Work Plan.

#### 3. Updated Position

- 3.1 The work plan for 16<sup>th</sup> March meeting has had the following items added to the agenda:

- Review of Peer Challenge Activity Across the Council
- LGSCO – Final Decision Report – Financial Redress

- 3.2 Due to pressures on the agenda for the 16<sup>th</sup> March meeting the following items have been moved to the 13<sup>th</sup> April meeting:

- Terms of Reference Review
- Confidential Reporting (Whistleblowing) Annual Report

- 3.3 To note, following a recent review of all the strategic risks by the Senior Management Team the one relating to the Consistency of Decision-Making Strategic Risk has been removed from the strategic register to be managed at the Business Unit level in accordance with the Risk Management Framework. The remaining 3 strategic risks that have not been considered by the Committee will be presented at the 13<sup>th</sup> April meeting.

Contact Officer: Corporate Governance and Assurance Manager  
Email: [alisonsalt@barnsley.gov.uk](mailto:alisonsalt@barnsley.gov.uk)  
Date: 7<sup>th</sup> March 2022

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**AUDIT AND GOVERNANCE COMMITTEE – WORK PROGRAMME**

**2021/2022 Municipal Year**

	Mtg. No.	1	2	3	Dev. Mtg.	4	5	6	7	1
Committee Work Area	Contact / Author	02.06.21	28.07.21	15.09.21	13.10.21	17.11.21	19.01.22	16.03.22	13.04.22	01.06.22
<b>Committee Arrangements</b>										
Committee Work Programme	AS	X	X	X		X	X	X	X	X
Minutes/Actions Arising	WW	X	X	X		X	X	X	X	X
Review of Terms of Reference	AS				X				X	
<b>Internal Control and Governance Environment</b>										
Local Code of Corporate Governance	MMc/AS						X			
Annual Governance Review Process	AS						X			
Annual Governance Statement (Draft/Final)	AS		X(D)			X(F)				
AGS Action Plan Update	AS	X		X				X		X
<b>Anti-Fraud</b>										
Annual Fraud Report	RW	X								X
Corporate Anti-Fraud Strategy	RW							X		
Corporate Fraud Team – Update Report	RW			X				X		
<b>Corporate Risk Management</b>										
Risk Management Policy & Strategy	AS								X	
Annual Risk Management Report	AS	X								X
Strategic Risk Register	AS	X	X	X		X	X	X	X	X
<b>Internal Audit</b>										
Internal Audit Charter (Annual)	RW	X								X
Internal Audit Consultation / Plan	RW	X					X		X	X
Internal Audit Quarterly Report	RW		X			X		X		
Internal Audit Annual Report (Interim / Final)	RW	X (I)		X(F)						X
Internal Audit EQA Report	NC			X						
<b>External Audit (Grant Thornton)</b>										

	Mtg. No.	1	2	3	Dev. Mtg.	4	5	6	7	1
Committee Work Area	Contact / Author	02.06.21	28.07.21	15.09.21	13.10.21	17.11.21	19.01.22	16.03.22	13.04.22	01.06.22
Audit Finding Report (ISA260 Report)	GT					X				
External Audit Plan (2021/22)	GT		X							X
Auditors Annual Report on 2020/21 VFM Arrangements	GT							X		
External Audit Progress Report/Update	GT	X	X	X			X		X (verbal)	X
<b>Financial Reporting and Accounts</b>										
Financial Regulations – Update	NC/SLo									
MTFS	NC/SLo							X		
Statement of Accounts (Draft / Final)	NC		X(D)			X(F)				
Corporate Finance and Performance Management & Capital Programme Update	NC			X				X		
Treasury Management Annual Report	NC									X
Treasury Management Progress Report	NC							X (inc. in the corporate finance update)		
Treasury Management Policy & Strategy Statement	NC							X (inc. in the MTFS update)		
Designated Schools Grant	NC							X (inc. in the MTFS update)		
<b>Other Corporate Functions contributing to overall assurance programme to be determined:</b>										
Update on Glassworks	KMcA		X			X		X		X
Update on Covid-19 Response	SLa		X			X		X		
Information Governance and Cyber Security update (twice yearly)	SIH	X				X				
DPO Update (twice yearly)	RW	X				X				



## Strategic Risk Presentations

Risk	SMT Lead	02.06.21	28.07.21	15.09.21	13.10.21 (Dev. Mtg.)	17.11.21	19.01.22	16.03.22	13.04.22	01.06.22
Community Resilience	WL	X								
Safeguarding Children	MJ-R		X							
SEND	MJ-R		X							
Glassworks	MG			X						
Inclusive Economy	MG			X						
Partnership and Collaboration Governance	SLa					X				
Health Protection (CV19)	JB					X				
Emergency Resilience	SLa					X				
Safeguarding Adults	WL						X			
Responsibilities under the Care Act 2014	WL						X			
Educational Outcomes Progress	MJ-R							X		
Financial Sustainability	NC							X		
Threat of Fraud	SLa								X	
Organisational Resilience	SLa								X	
Zero Carbon and Environmental Commitments	MG								X	

## Training / Awareness Sessions

Subject / Theme	Contact / Author	02.06.21	28.07.21	15.09.21	13.10.21 (Dev. Mtg.)	17.11.21	19.01.22	16.03.22	13.04.22	01.06.22
Lessons from Public Interest Reports (Croydon & Nottingham)	GT / NC	X								
Finance Update	NC		X							
Treasury Management Presentation	IR/NC									X
VFM	SL/PD					X				
Commercial Strategy	CP/CA							X		
Council Plan										
Role of the Monitoring Officer	MMcM									

SCRMCA	SD								X	
Designated Schools Grant	NC									
Partnership Governance	RW									
Climate and Sustainability Commitments	KMcA/SC									

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