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| MEETING: | Full Council |
| DATE: | Thursday, 24 February 2022 |
| TIME: | 10.00 am |
| VENUE: | Council Chamber, Barnsley Town Hall |

AGENDA

1. Declarations of Interests

To receive any declarations of interest of a pecuniary or non-pecuniary nature from Members in respect of the items on this agenda.

2. Suspension of Standing Orders

To consider suspending Standing Order No 13(5) in respect of the consideration of the Budget insofar as it relates to restrictions on Members speaking more than once.

Recommendations to Council

Note: In accordance with the requirements of the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, a recorded vote will be required to be taken in relation to items 3(1) and (2) below.

All reports detailed below are subject to Cabinet recommendation and are available to download from the Council's website. The Cabinet Spokesperson for the Service in question will respond to any comments or amendments concerning these minutes.

3. Medium Term Financial Strategy 2022-25 (Cab.9.2.2022/6) (Pages 5 - 150)

2022/23 BUDGET RECOMMENDATIONS

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

RECOMMENDED TO COUNCIL:

- 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 TO COUNCIL:-

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 31st 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.

Note: with regard to recommendations (c) and (d) of item 2 above, the precepts for the Police and Crime Commissioner for the South Yorkshire police area, the South Yorkshire

Fire authority and for Parish/Town councils will be circulated as soon as they are received.

3. Treasury Management Strategy & Policy Statement 2022/23

RECOMMENDED TO COUNCIL:-

- 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**.
4. Assessment of Bus Franchising Option for South Yorkshire (Cab.23.2.2022/6)
(Pages 151 - 190)

RECOMMENDED TO COUNCIL: Recommendations to be supplied.



Sarah Norman
Chief Executive

Wednesday, 16 February 2022

Item 3



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|-----------------|----------------------------|
| MEETING: | Cabinet |
| DATE: | 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 1st 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.

4. 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.



- 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. |
| Enabling Barnsley 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 16th December 2021.

2. Approved Forecast

- 2.1 On 25th 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:

| | 21/22 £M | 22/23 £M | 23/24 £M |
|----------------|---------------------|---------------------|---------------------|
| Deficit | - | (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 1st 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 |
| Opening Forecast as at Feb 2021 | -0.377 | 1.823 |
| PRESSURES | | |
| 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 |
| Sub Total Demography & Demand | 11.500 | 11.300 |
| 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 |
| Sub Total Policy | 2.375 | 3.075 |
| Sub Total - Pressures | 13.875 | 14.375 |
| MITIGATIONS | | |
| 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 |
| Sub Total Mitigations | -11.390 | -12.290 |
| REVISED FORECAST AS AT NOVEMBER 21 | 2.108 | 3.908 |

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 7th 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 31st 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:

| Forecast position (including mitigations) | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|--|----------------|----------------|----------------|----------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| 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 |
| Net In-Year deficit/(surplus) | 6,533 | 6,191 | 2,680 | 1,762 | 324 |
| C/forward deficit/(surplus) | 5,224 | 11,757 | 17,948 | 20,628 | 22,390 |
| Accumulated deficit/(surplus) | 11,757 | 17,948 | 20,628 | 22,390 | 22,714 |

- 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 27th October 2021, the Department of Levelling Up, Housing and Communities (DLUHC) announced the provisional Local Government Finance Settlement on the 16th 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:

| Additional Funding Announcement | £M |
|---|----------------|
| Additional Social Care Grant | 3.592 |
| New (one off) Services Grant | 3.925 |
| Social Care Market Sustainability Grant | 0.836 |
| TOTAL ADDITIONAL FUNDING | 8.353 |
| <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) |
| TOTAL FUNDING REQUIRED | (4.544) |
| BALANCE OF FUNDING | 3.809 |

- 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:

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

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.

| | 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 |
| Sub Total – GF | 25.267 | 88.069 | 166.679 | 33.065 | 15.227 | 32.800 | 361.107 |
| Sub Total – Housing | 7.000 | 2.934 | 22.741 | - | - | 11.447 | 44.122 |
| GRAND TOTAL | 32.267 | 91.003 | 189.420 | 33.065 | 15.227 | 44.247 | 405.229 |

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 |
| Total | | 25.6 |
| Available Resources | | (32.8) |
| Balance Remaining | | (7.2) |

- 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 |
| EXPENDITURE: | | | |
| 1. Base Net Expenditure (Net of Schools) | | | |
| Revised Base Position | 186.588 | 211.395 | 213.270 |
| 2. Fixed and Ongoing (already reported) | | | |
| 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 |
| 3. Demographic and Demand | | | |
| 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 |
| 4. Investment & Other Policy Issues | | | |
| 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 |
| 5. One-Off investment | | | |
| One-off investment priorities across the Council | 3.809 | -3.925 | |
| TOTAL EXPENDITURE BEFORE EFFICIENCIES | 213.495 | 217.690 | 220.498 |
| 6. Efficiency Proposals | | | |
| 2022-24 Efficiency Programme | -2.100 | -4.420 | |
| | -2.100 | -4.420 | 0.000 |
| TOTAL EXPENDITURE | 211.395 | 213.270 | 220.498 |
| RESOURCES: | | | |
| 8. Core Resources | | | |
| <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 |
| Core Resources b/f | 186.588 | 211.395 | 213.270 |
| 9. Change in Resources | | | |
| <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 |
| TOTAL RESOURCES | 211.395 | 213.270 | 217.970 |
| NET SHORTFALL | | 0.000 | 2.528 |

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2022-2025 MTFS
SENSITIVITY ANALYSIS

| FORECAST ITEMS & DESCRIPTION | POTENTIAL FOR CHANGE | RISK | LEVEL OF IMPACT | BEST CASE | MID CASE** | WORST CASE | BEST CASE | MID CASE** | WORST CASE | BEST CASE | MEDIUM CASE** | WORST CASE |
|--|--|------|-----------------|----------------|----------------|---------------|----------------|--------------|---------------|----------------|---------------|---------------|
| | | | | 2022/23 | 2022/23 | 2022/23 | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2024/25 | 2024/25 |
| | | | | £m | £m | £m | £m | £m | £m | £m | £m | £m |
| EXPENDITURE | | | | | | | | | | | | |
| Fixed and Ongoing | | | | | | | | | | | | |
| 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 2022/23 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 |
| Investments & Other Decisions | | | | | | | | | | | | |
| Demography & Demand | | | | | | | | | | | | |
| 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 MTFS. 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 MTFS. 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 |
| Policy Decisions | | | | | | | | | | | | |
| 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 MTFS 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 |
| Total Change in Expenditure | | | | 13,219 | 20,046 | 19,808 | 1,504 | 5,800 | 11,021 | 4,203 | 7,228 | 10,694 |
| RESOURCES | | | | | | | | | | | | |
| 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% NDR 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 |
| Total Change in Resources | | | | -21,997 | -20,046 | -8,045 | -8,45 | -5,8 | -3,25 | -7,225 | -4,7 | -2,275 |
| TOTAL | | | | -8,778 | 0 | 11,763 | -6,946 | 0 | 7,771 | -3,023 | 2,528 | 8,419 |
| TOTAL - ASSUMING PREVIOUS YEARS' DEFICITS NOT BRIDGED | | | | -8,778 | 0 | 11,763 | -14,186 | 0 | 19,534 | -17,209 | 2,528 | 27,983 |
| Key - Level of Risk | | | | | | | | | | | | |
| 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 | | | | | | | | | | | | |
| Impact | | | | | | | | | | | | |
| Budget changes upto £500k | | | | | | | | | | | | |
| Budget changes > £500k and < £1m. | | | | | | | | | | | | |
| Budget changes of £1m+ | | | | | | | | | | | | |

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BARNSELEY 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 1st 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 1st 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 | Band 1 | | | Band 2 | | | Band 3 | | | Band 4 | | |
| 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 | £M | £M | £M | £M | £M | £M | £M | £M |
| Council Tax Income | 105.606 | 106.662 | 107.190 | 107.718 | 108.246 | 108.774 | 109.302 | 109.830 | 110.358 |
| Collection Fund Surplus | 3.200 | 3.200 | 3.200 | 3.200 | 3.200 | 3.200 | 3.200 | 3.200 | 3.200 |
| Total Council Tax Income | 108.806 | 109.862 | 110.390 | 110.918 | 111.446 | 111.974 | 112.502 | 113.030 | 113.558 |

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- | 881.13 | 17.62 | 0.34 | 13.22 | 0.25 | 30.84 | 0.59 | 911.97 | 17.54 |
| Band A | 1,057.36 | 21.15 | 0.41 | 15.86 | 0.31 | 37.01 | 0.71 | 1,094.37 | 21.05 |
| Band B | 1,233.59 | 24.67 | 0.47 | 18.50 | 0.36 | 43.18 | 0.83 | 1,276.77 | 24.55 |
| Band C | 1,409.81 | 28.20 | 0.54 | 21.15 | 0.41 | 49.34 | 0.95 | 1,459.15 | 28.06 |
| Band D | 1,586.04 | 31.72 | 0.61 | 23.79 | 0.46 | 55.51 | 1.07 | 1,641.55 | 31.57 |
| Band E | 1,938.49 | 38.77 | 0.75 | 29.08 | 0.56 | 67.85 | 1.30 | 2,006.34 | 38.58 |
| Band F | 2,290.95 | 45.82 | 0.88 | 34.36 | 0.66 | 80.18 | 1.54 | 2,371.13 | 45.60 |
| Band G | 2,643.40 | 52.87 | 1.02 | 39.65 | 0.76 | 92.52 | 1.78 | 2,735.92 | 52.61 |
| Band H | 3,172.08 | 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

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

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 st 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 |
| Sub Total - GF | 208.887 | 152.220 | 361.107 |
| Housing | 37.753 | 0.828 | 38.581 |
| Berneslai Homes | 5.541 | - | 5.541 |
| Sub Total - Housing | 43.294 | 0.828 | 44.122 |
| GRAND TOTAL | 252.181 | 153.048 | 405.229 |
| | 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 |
|----------------------------|--|--|---|------------------------------|--|--------------------------------------|------------------------------------|
| Sub Total – GF | 25.267 | 88.069 | 166.679 | 33.065 | 15.227 | 32.800 | 361.107 |
| Sub Total – Housing | 7.000 | 2.934 | 22.741 | - | - | 11.447 | 44.122 |
| GRAND TOTAL | 32.267 | 91.003 | 189.420 | 33.065 | 15.227 | 44.247 | 405.229 |
| 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 1st April 2021)

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

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 1st 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). |
| Sub Total - GF | 88.1 | |
| 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. |
| Sub Total - Housing | 2.9 | |
| TOTAL | 91.0 | |

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 1st 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). |
| Sub Total - GF | 166.7 | |
| 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). |
| Sub Total Housing | 22.7 | |
| TOTAL | 189.4 | |

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 ResourcesGeneral 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

| Current Investment / Commitments | Value £M | Rationale |
|---|-----------------|---|
| 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. |
| GRAND TOTAL | 10.9 | |

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

Table 7: Resources Available

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

**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:

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

1.3 CIPFA 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 | 371.780 |
| Funded from Borrowing / Finance Lease | 34.139 | 1.383 | 31.080 | 8.988 | 75.590 |
| Funded from Other Resources | 135.668 | 121.323 | 33.645 | 5.554 | 296.190 |

* 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 |
| Total | 1,089.500 | 1,083.434 | 1,106.694 | 1,108.065 |

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) |
| Under-Borrowed Position | 173.724 | 203.115 | 247.711 | 263.675 |
| Support from Usable Reserves | (117.563) | (71.096) | (56.541) | (56.273) |
| External Borrowing Requirement | 56.161 | 132.019 | 191.170 | 207.402 |

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:

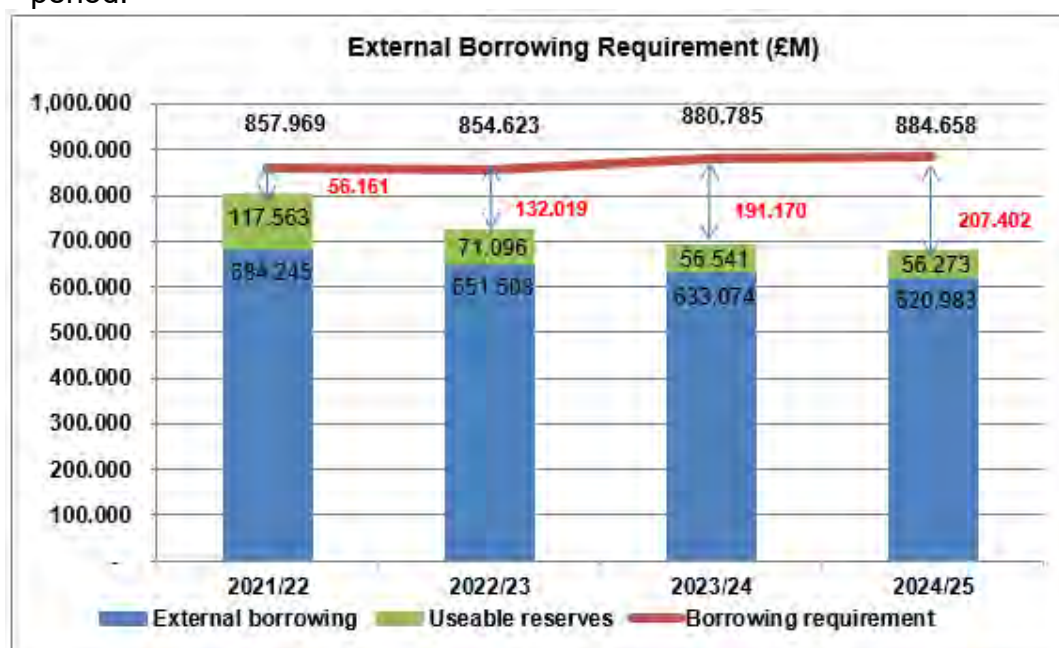


Table 4 - External Borrowing Requirement (2021/22 - 2024/25)

| | £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) |
| Total | 207.402 |

3 BORROWING STRATEGY

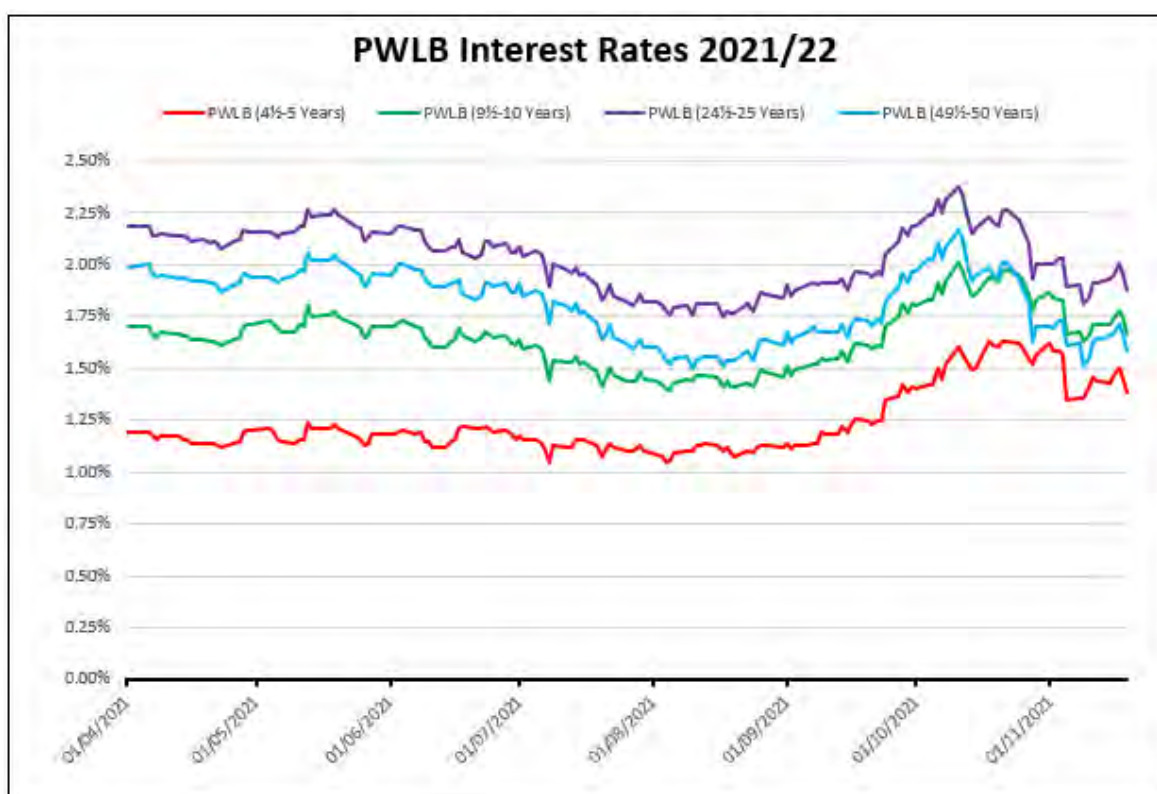
3.1 The Council's general policy objective is to ensure its level of debt is prudent, affordable and sustainable over the longer term (i.e. **keeping financing costs to a minimum** whilst **addressing the key associated risks**):

- 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).

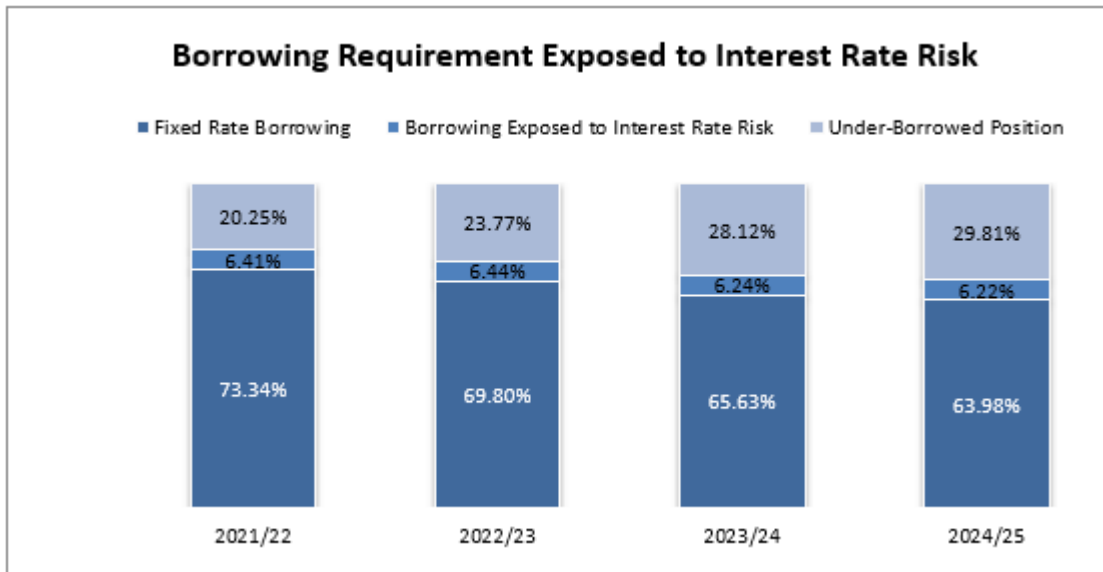


3.4 The coronavirus outbreak has done huge economic damage to the UK and to economies around the world. In December 2021, the Bank of England became the first major western central bank to raise interest rates (from 0.10% to 0.25%) as recovery progresses from the Covid-19 recession of 2020. As shown 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 |
|----------------------------------|--------|--------|--------|--------|--------|--------|
| UK Base Rate | 0.25% | 0.25% | 0.50% | 0.75% | 1.00% | 1.25% |
| PWLB Certainty (50 Years) | 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

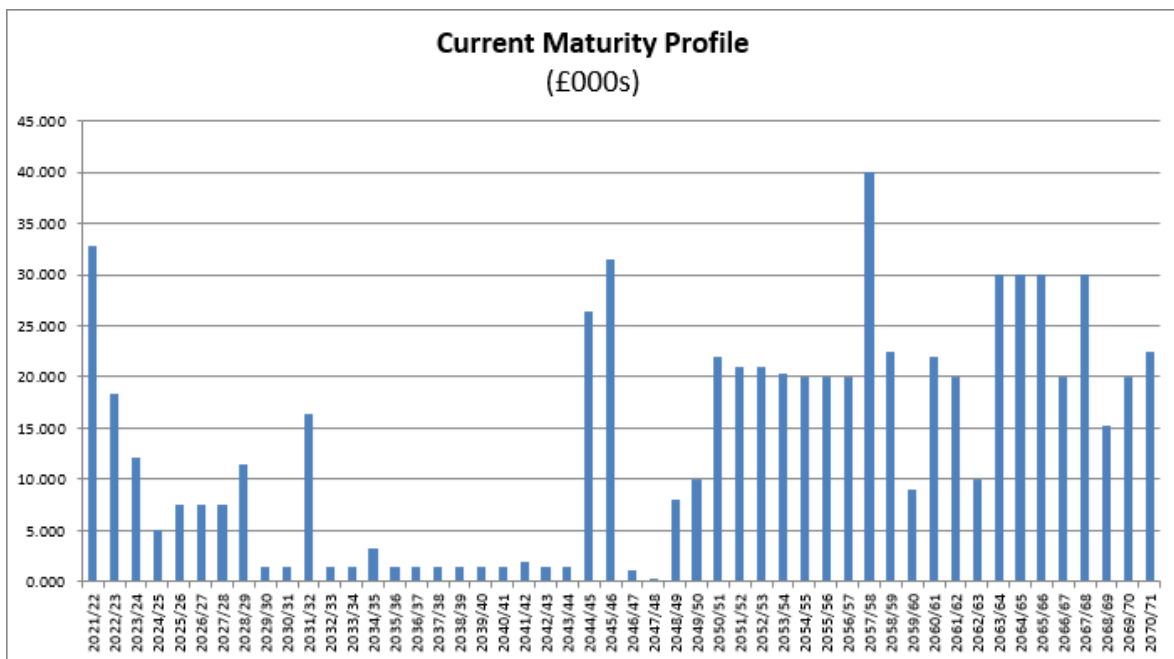
| External Borrowing Requirement | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|---|----------------|----------------|----------------|----------------|
| | (£M) | (£M) | (£M) | (£M) |
| Fixed Rate Borrowing Requirement | - | - | 82.516 | 97.512 |
| Temporary Borrowing Requirement | 56.161 | 132.019 | 108.654 | 109.890 |
| Total Borrowing Requirement (Cumulative) | 56.161 | 132.019 | 191.170 | 207.402 |
| Interest Rate Risk Exposure | | | | |
| 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:

| Institution | Minimum Long-Term Rating (Fitch or Equivalent) | Maximum Amount | Maximum Duration |
|---|---|-----------------------|--------------------------|
| UK Government | AA- | Unlimited | 5 Years |
| Barclays Bank PLC (The Council’s own bank) | A | £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- ^{**} | £20M | 2 Years |
| Money Market Funds (including VNAV) | AAA | £20M per fund | Overnight ^{***} |

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

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

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

4.7 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:

| Type | Maximum Amount | Comments |
|--|-----------------------|---|
| Total loans or investments with unrated entities / entities rated below A- | £20M | This limits the overall amount that can be invested with entities without credit ratings or those with credit ratings below A- and covers any loans awarded to / shares held in local businesses. |
| Total long-term investments | £20M | This limits the overall amount that can be invested for longer than 12 months and covers any investments with the UK Government or other local authorities. |
| Total non-specified investments | £40M | The total of the two limits above. |
| Total investments with institutions domiciled in foreign countries | £50M | This limits the overall amount that can be invested with institutions from outside the UK and is subject to a minimum sovereign credit rating of AA- (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 13th 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 1st April 2008, MRP will be determined in accordance with Option 3;**
- **For supported capital expenditure incurred after 1st April 2008, MRP will be determined in accordance with Option 3;**
- **For non-supported (prudentially borrowed) capital expenditure incurred after 1st April 2008, MRP will be determined in accordance with Option 3;**
- **Within Option 3, MRP is permitted to be calculated in one of two ways - equal instalments or on an annuity basis. The Authority has chosen to calculate MRP on an annuity basis, and**
- **MRP will normally commence in the financial year following the one in which expenditure is incurred. However, MRP Guidance permits local authorities to defer MRP until the financial year following the one in which the asset becomes operational. The Authority has chosen to employ this option for significant qualifying projects.**

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

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

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

PRUDENTIAL AND TREASURY INDICATORS 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:

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

Estimates of Capital Financing Requirement (General Fund and HRA)

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

| CFR | 2021/22 (£M) | 2022/23 (£M) | 2023/24 (£M) | 2024/25 (£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 |
| Total | 1,089.500 | 1,083.434 | 1,106.694 | 1,108.065 |

The Operational Boundary (Overall)

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

| Operational Boundary (£M) | 2021/22 (£M) | 2022/23 (£M) | 2023/24 (£M) | 2024/25 (£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 |
| Total | 1,089.500 | 1,083.434 | 1,106.694 | 1,108.065 |

The Authorised Limit for External Debt (Overall)

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

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

| Authorised Limit (£M) | 2021/22 (£M) | 2022/23 (£M) | 2023/24 (£M) | 2024/25 (£M) |
|----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 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 |
| Total | 1,119.500 | 1,113.434 | 1,136.694 | 1,138.065 |

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

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

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 |
|-----------------------------|------------------|------------------|------------------|------------------|
| CFR | 1,089.500 | 1,083.434 | 1,106.694 | 1,108.065 |
| 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 |
| Gross Debt | 933.800 | 968.495 | 1,000.275 | 994.983 |
| Headroom | 155.700 | 114.939 | 106.419 | 113.082 |

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 1st 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.

| Charge | Basis of changes proposed |
|------------------------------------|---|
| 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 1st April 2022 as set out in Appendix 1 to this report.

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APPENDIX 1

FEES & CHARGES PROPOSALS FOR 2022/23

| Fee / Charge description | Income type - (Statutory or Discretionary) | Basis of charge | Proposed charge for 2022/23 |
|---|--|-----------------------|-----------------------------|
| PLACE | | | |
| REGENERATION & PROPERTY | | | |
| PROPERTY SERVICES | | | |
| Land and Building Rent; Maintenance, Service Charges | Discretionary | Market Value | Various rates |
| Allotment rent - with water | Discretionary | Per allotment | £82.17 |
| Allotment rent - without water | Discretionary | Per allotment | £40.49 |
| Garage rent | Discretionary | per site | £37.00 |
| CLIS / Adult Learning | | | |
| Acorn Centre Service Charges | Discretionary | | |
| Office Space | Discretionary | per sq ft | £11.86 |
| Workshops | Discretionary | per sq ft | £8.83 |
| Kendray Service Charges | | | |
| Office Space | Discretionary | per sq ft | £11.04 |
| Workshops | Discretionary | per sq ft | £9.72 |
| Tuition / course fees | | | |
| 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 |
| BUILDING CONTROL | | | |
| Building regulation application charges | | | |
| New housing | | | |
| 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 |
| Domestic building works | | | |
| 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 ² | Statutory | Dometic Building Type | £525.00 |
| Extension 60 - 100m ² | 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 |
| Non-domestic building works | 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 |
| Street naming & property numbering charges | | | |
| 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 |
| MUSIC SERVICE | | | |
| 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 |
| DEVELOPMENT MANAGEMENT | | | |
| 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 |
| MARKETS | | | |
| 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 |
| District Markets | Discretionary | | |
| 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 |
| COMMERCIAL SPACE MANAGEMENT | | | |
| 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 |
| MUSEUMS AND HERITAGE CENTRES | Discretionary | | |
| Cooper Gallery | 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 |
| Cannon Hall | 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 |
| Car Parking at Cannon Hall | | 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 |
| Elsecar | | | |
| 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 |
| Visitor Centre Meeting Room | | | |
| Private & Commercial Mon-Fri | Discretionary | Per day | £225.00 |
| Weekends and evenings | Discretionary | Per hour | £55.00 |
| Worsbro Mill | | | |
| Season Ticket (incl VAT) | Discretionary | Includes VAT | £125.00 |
| Car Parking | Discretionary | per hour | £1.00 |
| Car Parking | Discretionary | per day | £3.00 |
| Car Parking | Discretionary | per day coaches | £5.00 |
| Land hire | | | |
| 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 |
| Experience Barnsley | | | |
| 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 |
| Archives | | | |
| 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 |
| | PROFESSIONAL CONSULTANCY | Discretionary | Per day + expenses (from) | From £300.00 |
| TR | | | | |
| | Construction of highways to be adopted (section 38 Highways Act 1980) HIGHWAY DC ONLY | Discretionary | Based on size and scale of project | Variable |
| HOUS | | | | |
| | Landlords Accreditation Scheme | | | |
| | Landlords with more than 1 property | Discretionary | Per Landlord | £50.00 |
| GTDS | | | | |
| | 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 |
| | ENVIRONMENT & TRANSPORT | | | |
| W | | | | |
| | Commercial waste collection | | | |
| | Assisted Collection Registration Fee | Discretionary | per registration | £10.50 |
| | Others | | | |
| | 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 |
| | Residential Waste | | | |
| | Provision of 4 new bins to houses on new development | Discretionary | Per bin | £105.00 |
| FL EE | | | | |
| | MOT fees - general public | Statutory | Per Inspection - £5 discount available | £54.85 |
| | NEIGHBOURHOOD SERVICES | | | |
| | Parcels of work | Discretionary | Individually priced | |
| | Disposal of dead animals following RTA | Discretionary | per Animal | £31.00 |
| TR | | | | |
| | Transport (Day Care) | Discretionary | Per Journey | £2.50 |
| STOR ES | | | | |
| | Weighbridge | Discretionary | Per use (Plus VAT) | £12.00 |
| | | | | |
| | <u>Material Recycling Plant</u> | | | |
| | Green Waste | Discretionary | Cost per ton | Page 85.00 |

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| | 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 |
| | | | | |
| HIGHWAYS LICENCES, PERMITS AND SERVICES | | | | |
| | 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 |

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| 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 |
| TRAFFIC SIGNALS | | | |
| 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 |
| RESIDENT PARKING ZONES | | | |
| Residents - First Permit | Discretionary | Residents - First Permit | £26.00 |
| Residents - Second Permit | Discretionary | Residents - Second Permit | £52.00 |
| Business - First Permit | Discretionary | Business - First Permit | £39.00 |
| Business - Second Permit | Discretionary | Business - Second Permit | £77.50 |
| CAR PARKING | | | |
| Off Street Parking | | | |
| 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 |

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| 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 |
| On Street parking | | | |
| Premium Parking | Discretionary | Per Hour | £0.90 |
| Public Season Tickets | Discretionary | Per week | £28.00 |
| | Discretionary | Per month | £104.00 |
| | Discretionary | Per quarter | £292.00 |
| | Discretionary | Per year | £978.00 |
| Staff Discounted Season Tickets | Discretionary | Staff Season Ticket (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 |
| PEST CONTROL & DRAINAGE | | | |
| 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 |
| SPORTS | | | |
| 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 |
| BEREAVEMENT SERVICES | | | |
| 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 | |

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| 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 |
| Pet Cremation Fees | | | |
| Scatter Tube | Discretionary | | |
| Rabbits & Small Pets | Discretionary | | £62.00 |
| Cat | | | £82.00 |
| Small Dog | | | £82.00 |
| Medium Sized Dog | Discretionary | | £155.00 |

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| Large Dog | Discretionary | | £190.00 |
| Collect & Delivery | Discretionary | | £55.00 |
| Wooden Casket | Discretionary | | £30.00 |
| Same Day Cremation additional Charge | Discretionary | | £50.00 |
| PARKS SERVICES | | | |
| 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 |
| ADULTS & COMMUNITIES | | | |
| Adult & Wellbeing | | | |
| ADULT ASSESSMENT AND CARE MANAGEMENT | | | |
| Client Care Contributions - covers charges made by service users eligible for social care support towards their assessed care costs (residential, nursing and community based care e.g. homecare). | Discretionary | Fees based on ability to pay | Determined individually |
| Community based support: Shared Lives | Discretionary | Board Payment per week | 50 |
| | Discretionary | HB claim payment per week | 58.07 |
| Provider Services | | | |
| Day Services | | | |
| Lunch (At Day Centre) | Discretionary | Per meal | £0.00 |
| Assisted Living Technology | | | |
| 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 | | | |
| SAFER, STRONGER & HEALTHIER COMMUNITIES | | | |

| | | | |
|---|---------------|--|-------------------------|
| Safer Communities | | | |
| 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 |
| PEOPLE DIRECTORATE | | | |
| EDUCATION & EARLY START PREVENTION | | | |
| Education Welfare | | | |
| EWO Buy Back for maintained schools / academies | Discretionary | Per Hour (Plus VAT where applicable) | £33.00 |
| School Workforce Modernisation | | | |
| Tuition Fees - Governor Development (with buy back) | Discretionary | Per Governor | £65.00 |
| Tuition Fees - Governor Development (outside buy back) | Discretionary | Per Governor | £50.00 |
| School Organisation & Governance | | | |
| 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 |
| Outdoor Education | | | |
| 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 |
| Education Psychology | | | |
| Schools: Additional provision | Discretionary | Minimum per day (under contract) | Ceased Trading |
| | | Maximum per day (under contract) | |
| | | Maximum per day on adhoc basis | |
| CHILDREN ASSESSMENT AND CARE MANAGEMENT | | | |
| Safeguarding | | | |
| 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 |
| Newsome Avenue Respite Care | | | |
| Daycare - Overnight stays for Children with Disabilities from other Authorities | Discretionary | Respite care per night | £490.00 |
| PUBLIC HEALTH | | | |
| ENVIRONMENTAL AND TRADING STANDARDS | | | |
| Pollution Control | | | |
| Environmental Searches | Discretionary | Hourly rate | Variable |
| Misc Fees & Charges | Discretionary | Various | Variable |
| PPC Permits | | | |
| | 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 |
| Trading Standards | | | |
| Stamping Fees | Discretionary | Hourly rate | Variable |
| Second Hand Dealer Registration | Discretionary | Per registration | £17.50 |
| Primary Authority Work | Discretionary | Hourly rate | Variable |
| Food Hygiene | | | |
| Reinspection Charge | Discretionary | Per inspection | £193.00 |
| Premises Endorsement (no visit required) | Discretionary | Per certificate | £133.50 |
| Health and Safety | | | |
| Skin Piercing Registrations (eg Tattooing, Acupuncture, Ear Piercing etc) | Discretionary | Per registration | £112.50 |
| ANIMAL WELFARE | | | |
| Dog Warden Fees | | | |
| 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 |
| Animal Health - Licence Fees | | | |
| 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 |
| CORE SERVICES | | | |
| FINANCE | | | |
| 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 | Discretionary | | |
| Insurance Charge to Berneslai Homes | Discretionary | | |

| | | | | |
|----|--|---------------|---|---|
| IT | | | | |
| | Registrars | | | |
| | 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 | |
| | Customer Experience | | | |
| | Blue Badges | | Per Badge | £10.00 |
| | | | | |
| | | | | |
| | DBS CHECKS / HUMAN RESOURCES / PERFORMANCE SERVICES | | | |
| | 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 Internal | Discretionary | Per Advert | £115.00 |
| | Recruitment - online advertising External | 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 |
| | LEGAL, ELECTIONS & GOVERNANCE | | | |
| | Land Charge Searches - Various Types | Statutory | Dependant on type of Search | Determined individually |
| | ENTERTAINMENT LICENCES | | | |
| | Licence Fees - Premises, Alcohol & Gambling | Statutory | Per establishment | Variable. Dependent on rateable value of premises |
| | Licence Fees - Premises, sex establishments | | | |
| | New application | Statutory | Per establishment | £234.00 |
| | Renewal | Statutory | Per establishment | £112.00 |
| | Variation | Statutory | Per establishment | £234.00 |
| | Transfer | Statutory | Per establishment | £34.00 |
| | Pre-application checking service | Discretionary | Per licence application | TBC |
| | HACKNEY CARRIAGE LICENCES | | | |
| | Private hire vehicle | Statutory | Per licence application | £164.00 |
| | A Hackney Carriage vehicle | Statutory | Per licence application | £164.00 |
| | A 12 month driver licence | Statutory | Per licence application | £137.00 |
| | A 3 year driver licence | Statutory | Per licence application | £221.00 |
| | An Operator licence (1 year) | Statutory | Per licence application | £63.00 |
| | An Operator licence (1 year) | Statutory | Per licence application | £127.00 |

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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 31st 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 |
| TOTAL | (1,000,000) | 2,100,000 | 2,620,000 | 4,720,000 |

Equality Impact assessments

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

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

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

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 £ |
|---|---|---|--------------------------|------------------------|------------------------|-----------------------|
| Adult Assessment and Care Management | | | | | | |
| 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 |
| Sub - Total Adult Assessment and Care Management | | | 0 | 0 | 1,250,000 | 1,250,000 |
| Adults and Communities Cross cutting proposals | | | | | | |
| 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 |
| Sub - Adults and Communities Crosscutting | | | 0 | 100,000 | 0 | 100,000 |
| TOTAL ADULTS AND COMMUNITIES EFFICIENCIES | | | 0 | 100,000 | 1,250,000 | 1,350,000 |

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 £ |
|--|---|--|--------------------------|---------------------|---------------------|-----------------------|
| Education, Early Start and Prevention | | | | | | |
| 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 | 170,000 |
| Sub Total Education, Early Start and Prevention | | | - | - | 170,000 | 170,000 |
| Children's Social Care and Safeguarding | | | | | | |
| 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. | (1,000,000) | | 200,000 | 200,000 |
| 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"> • Child protection and Children in Care Statutory Reviewing Functions • Early Help Team Around the Family (TAF) meetings • EHC/SEND Meetings and annual reviews • Adoption and Fostering Panel • Youth Justice Panels • Referral Panels | - | - | - | - |
| Total Children's Social Care and Safeguarding | | | -1,000,000 | - | 200,000 | 200,000 |
| TOTAL CHILDRENS DIRECTORATE | | | -1,000,000 | - | 370,000 | 370,000 |

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 £ |
|---|---|--|--------------------------|---------------------|---------------------|-----------------------|
| <u>Crosscutting / Non Cashable opportunities</u> | | | | | | |
| 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 £ |
|--|---|--|--------------------------|---------------------|---------------------|-----------------------|
| PLACE | | | | | | |
| Economic Regeneration and Culture | | | | | | |
| 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"> •Re-purpose/Disposal of surplus accomodation •Potential to change use of Gateway reviewing commercial angles and to accelerate occupancy pipeline for DMC2 | - | - | 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 |
| Sub - Total Economic Regeneration and Culture | | | - | 500,000 | 500,000 | 1,000,000 |
| Environment and Transport | | | | | | |
| TOTAL PLACE EFFICIENCIES | | | 0 | 500,000 | 500,000 | 1,000,000 |

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"> • Working with customers to design a service that meets their needs. • Maximising the use of technology and providing support around digital inclusion. • Creating a single front door where appropriate • Implementing a new telephony system, CRM system, Chatbot and Robotic Process Automation. • Having clear council wide customer services principles and service standards. | - | 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"> • Reduce duplication of effort and manual inputting to our systems. • Make the most of the data we have by looking across different data sets, improving analysis and make 'automated' decisions. • Use chatbots where appropriate for simple customer interaction (see customer services). | - | - | 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"> • Bringing together relevant roles from across the council. • An In depth review of job roles to make sure they meet need. • Consistent application of a data management framework. • Using Robotic Process Automation, Artificial Intelligence and Power BI to make our processes better and provide rich intelligence. • Having better joined up data e.g. shared care record. | - | 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"> •People •Workspace •Digital | - | 500,000 | 250,000 | 750,000 |
| Total Core Service | | | | - | 1,500,000 | 500,000 | 2,000,000 |

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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 | |
| <u>ADULTS & COMMUNITIES DIRECTORATE</u> | | | | | | | |
| 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 |
| TOTAL COMMUNITIES | 61.932 | 0.478 | 4.237 | 0.836 | 67.483 | -0.100 | 67.383 |
| <u>CHILDRENS DIRECTORATE</u> | | | | | | | |
| 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 |
| TOTAL CHILDRENS | 36.032 | 0.575 | 4.700 | 0.810 | 42.117 | 0.000 | 42.117 |
| <u>PLACE DIRECTORATE</u> | | | | | | | |
| 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 |
| TOTAL PLACE | 45.031 | 0.693 | 1.600 | 1.075 | 48.399 | -0.500 | 47.899 |
| <u>PUBLIC HEALTH DIRECTORATE</u> | | | | | | | |
| Public Health | 3.714 | 0.170 | 0.000 | 0.000 | 3.884 | 0.000 | 3.884 |
| TOTAL PUBLIC HEALTH | 3.714 | 0.170 | 0.000 | 0.000 | 3.884 | 0.000 | 3.884 |
| <u>CORE DIRECTORATE</u> | | | | | | | |
| 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 |
| TOTAL CORE | 20.374 | 0.713 | 0.000 | 0.000 | 21.087 | -1.000 | 20.087 |
| <u>CORPORATE BUDGETS</u> | | | | | | | |
| 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 |
| TOTAL CORPORATE | 19.506 | 2.367 | 0.154 | 8.499 | 30.526 | -0.500 | 30.026 |
| TOTAL NET BUDGET | 186.588 | 4.996 | 10.691 | 11.220 | 213.495 | -2.100 | 211.395 |

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DIRECTORATE SUMMARY SPENDING PLANS 2023 - 2024

| DIRECTORATE | OPENING 2023/24 RESOURCE ENVELOPE | ADD | | | SUB -TOTAL PRE EFFICIENCIES | LESS Efficiencies | REVISED 2023/24 RESOURCE ENVELOPE |
|--|--|----------------------|---------------|------------------------|--------------------------------|----------------------|--|
| | | Fixed and Ongoing | Demography | Investments ongoing | | | |
| | £M | £M | £M | £M | | £M | |
| <u>ADULTS & COMMUNITIES DIRECTORATE</u> | | | | | | | |
| 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 |
| TOTAL COMMUNITIES | 67.383 | 0.478 | 2.437 | 0.000 | 70.298 | -1.770 | 68.528 |
| <u>CHILDRENS DIRECTORATE</u> | | | | | | | |
| 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 |
| TOTAL CHILDRENS | 42.117 | 0.575 | 0.195 | 0.000 | 42.887 | -0.884 | 42.003 |
| <u>PLACE DIRECTORATE</u> | | | | | | | |
| 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 |
| TOTAL PLACE | 47.899 | 0.693 | 0.400 | 0.000 | 48.992 | -1.260 | 47.732 |
| <u>PUBLIC HEALTH DIRECTORATE</u> | | | | | | | |
| Public Health | 3.884 | 0.170 | | | 4.054 | -0.200 | 3.854 |
| TOTAL PUBLIC HEALTH | 3.884 | 0.170 | 0.000 | 0.000 | 4.054 | -0.200 | 3.854 |
| <u>CORE DIRECTORATE</u> | | | | | | | |
| 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 |
| TOTAL CORE | 20.087 | 0.713 | 0.000 | 0.000 | 20.799 | -0.250 | 20.549 |
| <u>CORPORATE BUDGETS</u> | | | | | | | |
| 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 |
| TOTAL CORPORATE | 30.026 | 3.567 | -0.208 | -2.725 | 30.660 | -0.056 | 30.604 |
| TOTAL NET BUDGET | 211.395 | 6.196 | 2.824 | -2.725 | 217.690 | -4.420 | 213.270 |

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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 | |
| <u>ADULTS & COMMUNITIES DIRECTORATE</u> | | | | | | | |
| 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 |
| TOTAL COMMUNITIES | 68.528 | 0.000 | 2.437 | 0.000 | 70.965 | 0.000 | 70.965 |
| <u>CHILDRENS DIRECTORATE</u> | | | | | | | |
| 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 |
| TOTAL CHILDRENS | 42.003 | 0.000 | 0.195 | 0.000 | 42.198 | 0.000 | 42.198 |
| <u>PLACE DIRECTORATE</u> | | | | | | | |
| Regeneration and Culture | 13.758 | 0.000 | | | 13.758 | | 13.758 |
| Environment and Transport | 33.974 | 0.000 | 0.400 | | 34.374 | | 34.374 |
| TOTAL PLACE | 47.732 | 0.000 | 0.400 | 0.000 | 48.132 | 0.000 | 48.132 |
| <u>PUBLIC HEALTH DIRECTORATE</u> | | | | | | | |
| Public Health | 3.854 | 0.000 | 0.000 | | 3.854 | | 3.854 |
| TOTAL PUBLIC HEALTH | 3.854 | 0.000 | 0.000 | 0.000 | 3.854 | 0.000 | 3.854 |
| <u>CORE DIRECTORATE</u> | | | | | | | |
| 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 |
| TOTAL CORE | 20.549 | 0.000 | 0.000 | 0.000 | 20.549 | 0.000 | 20.549 |
| <u>CORPORATE BUDGETS</u> | | | | | | | |
| 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 |
| TOTAL CORPORATE | 30.604 | 4.196 | 0.000 | 0.000 | 34.800 | 0.000 | 34.800 |
| TOTAL NET BUDGET | 213.270 | 4.196 | 3.032 | 0.000 | 220.498 | 0.000 | 220.498 |

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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 |
| | 221.538 | 232.292 | 10.754 |

- 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 |
| | 171,010 | 177,875 | 6,865 |

* 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 |
| | 171,010 | 177,875 | 6,865 |

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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

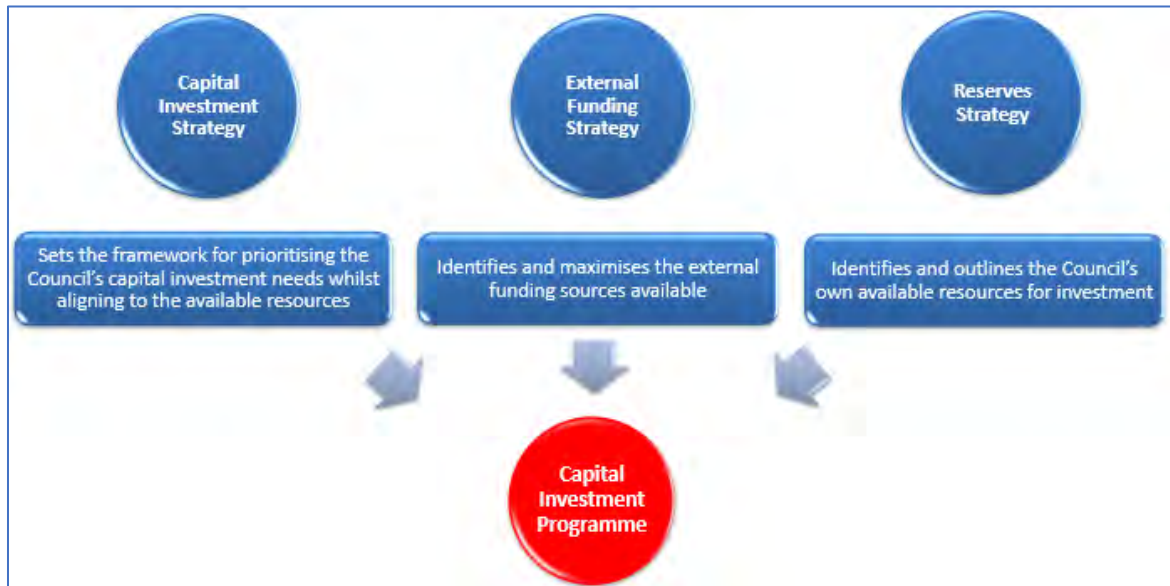
It is recommended that:

- 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.

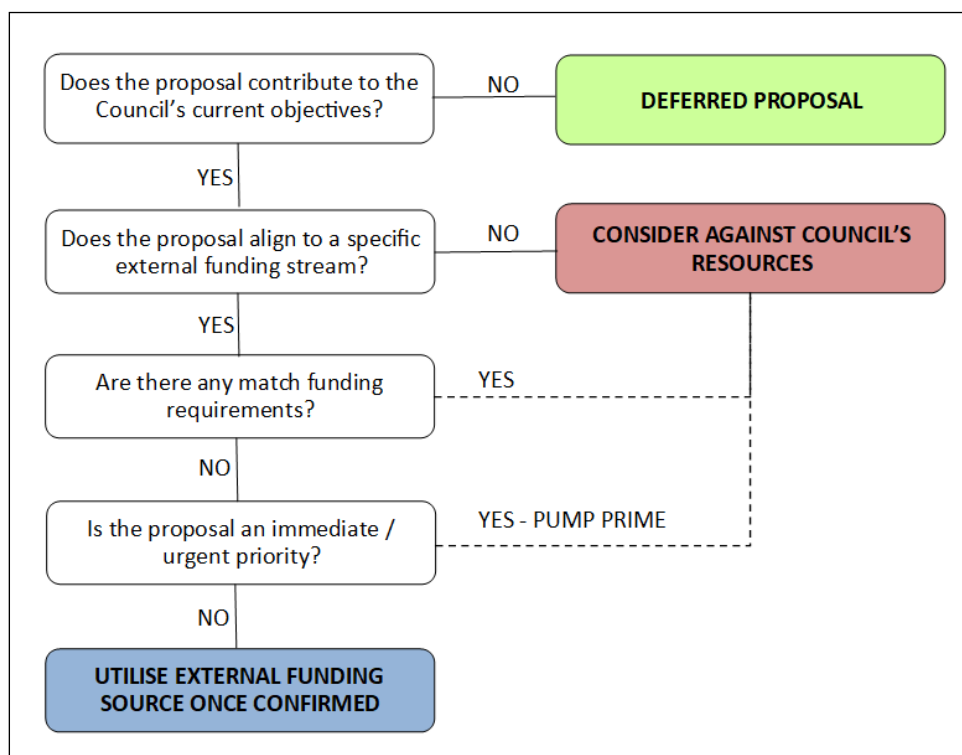
- 3.2 All three strategies work together to identify priorities and all available resource options (whether they be internal, external or combined) to progress our 'pipeline' of investment proposals that meet the Council's priorities. The strategies also work to identify where any funding gaps or barriers, 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 | 561.573 |
| Total Capital Investment Proposals | 56.155 | 8.863 | 301.946 | 58.578 | 136.031 | 561.573 |
| Split Between: | | | | | | |
| General Fund | 25.600 | 8.863 | 300.467 | 58.578 | 118.368 | 511.876 |
| Housing | 30.555 | - | 1.479 | - | 17.663 | 49.697 |
| Total | 56.155 | 8.863 | 301.946 | 58.578 | 136.031 | 561.573 |
| | 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 |
|---|-----------------|----------------|----------------|-----------------------|
| Earmarked Resources: | | | | |
| External Funding Awards – Already Pursued | - | 301.946 | 301.946 | 5.4 - 5.9 & Table 3 |
| Other Annual Funding Allocations | 8.863 | - | 8.863 | 5.13 – 5.17 & Table 5 |
| Sub Total - Specifically Earmarked Resources | 8.863 | 301.946 | 310.809 | |
| Resources to be Considered: | | | | |
| Other Potential External Funding Sources | TBD | TBD | TBD | 5.10 – 5.12 |
| General Fund Resources | 25.600 | - | 25.600 | 5.18 & Table 6 |
| Housing Resources | 30.555 | - | 30.555 | 5.18 & Table 6 |
| Sub Total - Resources for Consideration | 56.155 | - | 56.155 | |
| Total Resources | 65.018 | 301.946 | 366.964 | |

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 |
|--|---|-----------------|----------------|----------------|
| External Funding Bids: | | | | |
| 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 |
| Sub Total – External Funding Bids (Already Committed) | | - | 301.946 | 301.946 |

* 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

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

* 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) | |
| General Fund Resources Available for Investment | | 25.600 |
| Annual HRA Capital Allocation – 2022/23 | 19.108 | |
| One-Off Housing Resources (Reserves Strategy) | 11.447 | |
| Housing Resources Available for Investment | | 30.555 |
| Total Resources Available for Investment | | 56.155 |

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 | 25.600 | - |
| Proposals for Immediate Priority – Housing | | 30.555 | 30.555 | - |
| Other Annual Grant Allocations – General Fund | Appendix 2 | 8.863 | 8.863 | - |
| External Funding Sources Currently Pursued (Both Secured & Pending) – General Fund | | 300.467 | 300.467 | - |
| External Funding Sources Currently Pursued (Both Secured & Pending) – Housing | | 1.479 | 1.479 | - |
| Proposals to Progress to Feasibility / Business Case Development – General Fund | Appendix 3 | TBD | 58.578 | - |

| | | 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 | - |
| Total | | 366.964 | 561.573 | |

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 |
| | Sub Total | 11.660 | - | - | - | 11.660 | - | 11.660 |
| 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 |
| | Sub Total | 31.245 | 0.100 | 5.721 | - | 17.124 | 8.300 | 31.245 |
| 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 |

| 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 |
|-----------------------------|--|--|--------------------------------|----------------------------------|-----------------------------------|--|-----------------------------------|-----------------------------|
| | (9) People are supported to have safe, warm and sustainable homes. | 90.249 | 4.278 | 0.698 | 65.730 | 19.543 | - | 90.249 |
| | Sub Total | 279.819 | 18.315 | 33.219 | 65.730 | 115.014 | 47.541 | 279.819 |
| Sustainable Barnsley | (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 |
| | Sub Total | 24.392 | 0.353 | 2.570 | - | 13.856 | 7.613 | 24.392 |
| Enabling Barnsley | (13) We are a modern, inclusive, efficient, productive and high-performing council. | 24.665 | 2.037 | 10.467 | - | 0.024 | 12.137 | 24.665 |
| | Sub Total | 24.665 | 2.037 | 10.467 | - | 0.024 | 12.137 | 24.665 |
| | | | | | | | | |
| | Total | 371.781 | 20.805 | 51.977 | 65.730 | 157.678 | 75.591 | 371.781 |

- 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 £ |
|-------------------------------|---|--|-------------------------------|
| GENERAL FUND: | | | |
| | 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 TOTAL - GENERAL FUND | | | 25,600,000 |
| HOUSING | | | |
| | 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 |
| SUB TOTAL - HOUSING | | | 30,555,000 |
| TOTAL CAPITAL INVESTMENT PROPOSALS - IMMEDIATE PRIORITY | | | 56,155,000 |

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 £ |
|--|--|-------------------------------|---------------------|--|-------------------------------|------------|--------------------|-----------------------------|
| GOVERNMENT GRANT ALLOCATIONS | | | | | | | | |
| 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 | - | | - | - |
| Sub Total - Government Grant Allocations | | 8,862,721 | 8,862,721 | | - | | - | - |
| LIVE FUNDING BIDS - GF | | | | | | | | |
| SYMCA Sustainable Transport Settlement (CRSTS) | | | | | | | | |
| 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 (SYPTX), 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 SYPTX 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) | - | | - | - |
| Total - SYMCA Sustainable Transport Settlements (CRSTS) | | 45,551,886 | 45,551,886 | | - | | - | - |

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 £ |
|---|--|-------------------------------|---------------------|--|-------------------------------|--------------------------|--------------------|-----------------------------|
| SYMCA SY Renewal Fund / Place Based Investment | | | | | | | | |
| 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 | - |
| Sub Total - SYMCA SY Renewal Fund / Place Based Investment | | 259,500,000 | 77,300,000 | | 25,200,000 | | 147,200,000 | 9,800,000 |
| 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 | - | | - | - |
| Sub Total - Other | | 5,430,000 | 5,215,000 | | - | | - | 215,000 |
| Sub Total - Live Funding Bids | | 310,481,886 | 128,066,886 | | 25,200,000 | | 147,200,000 | 10,015,000 |
| SUB TOTAL - GENERAL FUND | | 319,344,607 | 136,929,607 | | 25,200,000 | | 147,200,000 | 10,015,000 |

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 £ |
|--|--|-------------------------------|---------------------|---|-------------------------------|------------|--------------------|-----------------------------|
| LIVE FUNDING BIDS - HOUSING | | | | | | | | |
| 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 |
| Sub Total - Live Funding Bids | | 2,479,000 | 1,479,000 | | - | | - | 1,000,000 |
| SUB TOTAL - HOUSING | | 2,479,000 | 1,479,000 | | - | | - | 1,000,000 |
| TOTAL CAPITAL INVESTMENT PROPOSALS - GOV GRANTS / LIVE FUNDING BIDS | | 321,823,607 | 138,408,607 | | 25,200,000 | | 147,200,000 | 11,015,000 |
| 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 £ |
|--|---|-------------------------------|
| GENERAL FUND: | | |
| Town Centre Proposals: | | |
| Acquisition of Eldon Arcade (off Eldon Street & Midland Street) | 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. | 3,500,000 |
| The Southern Fringe Gateway | 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. | 16,511,658 |
| Sub Total - Town Centre Proposals | | 20,011,658 |
| Other Proposals | | |
| Goldthorpe ES10 Stage 2 Revised Land Assembly Strategy Acquisition of Land | 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). | 7,826,000 |
| Goldthorpe ES10 Stage 3 of the Revised Land Assembly Strategy Acquisition of Land | 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. | 11,550,000 |
| Brownfield Development Pipeline | Funding required to facilitate land assembly and develop a pipeline of small infill council build schemes on brownfield stock across the Borough. | 3,000,000 |

FUTURE COUNCIL PLAN 2022/23

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

| Proposal Name | Brief Description | TOTAL CAPITAL INVESTMENT £ |
|---|---|-------------------------------|
| Implementation of Masterplan to create a major high quality new food and nature destination at Worsbrough Mill | 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 |
| MU5 Masterplan - New Primary School (Dodworth) | Works relating to the potential provision of a new primary school in Dodworth. | 5,100,000 |
| Zero40 Works - Libraries | 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 |
| Culvert Replacement Programme | 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 |
| Church Street Darton - Flood Works | 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 |
| ne: 'Free Social Broadband Pilot', Theme:abit-capable, full fibre digital connectivity, digital inclusion and research | 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 |
| Sub Total - Other Proposals | | 38,566,000 |
| SUB TOTAL - GENERAL FUND | | 58,577,658 |
| TOTAL CAPITAL INVESTMENT PROPOSALS - PROGRESS TO FURTHER FEASIBILITY / BUSINESS CASE DEVELOPMENT | | 58,577,658 |

FUTURE COUNCIL PLAN 2022/23

APPENDIX 4 - Capital Investment Proposals Emerging / Pipeline

| Proposal Name | Brief Description | TOTAL CAPITAL INVESTMENT £ |
|--|--|-------------------------------|
| GENERAL FUND: | | |
| DMC 02 - Roof Terrace | Funds are being sought to utilise the roof space at DMC 2 to offer small meeting and events space. | 200,000 |
| Obsolete buildings - demolition | 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. | 45,000 |
| Community Library Refurbishments - enhanced options | 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. | 300,000 |
| Barnsley Town Centre Conservation Area Enhancement | <p>This scheme seeks to</p> <ol style="list-style-type: none"> 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. 2. Support current investment bids at The Civic, The Seam and Eastern Gateway. 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. 4. Increase the town centre population, prioritising urban centres and community-led initiatives. 5. Enhance the arts & culture offer/portfolio through live entertainment space, utilising The Civic as a hub. | 26,947,372 |
| Locke Park Improvements | 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. | 250,000 |
| Wentworth Glass houses | 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. | 274,000 |
| Green Heritage - Recovery and Discovery | Funding is being sought for a series of green heritage projects across the borough to encourage the discovery and exploration of spaces and wildlife. | 750,000 |
| Penistone Sports Centre | It is proposed to create a new sports centre in Penistone to support sports provision in the West of the Borough. | 1,500,000 |
| Elsecar Active Travel Hub | 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. | 980,000 |
| Commercial Waste RCVs | 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. | 480,000 |

FUTURE COUNCIL PLAN 2022/23

APPENDIX 4 - Capital Investment Proposals Emerging / Pipeline

| Proposal Name | Brief Description | TOTAL CAPITAL INVESTMENT £ |
|--|--|-------------------------------|
| Illuminated Traffic Signs & Bollards Replacement Programme | 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 |
| Bolton Cemetery | 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 |
| Hoyland Sports Centre | 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 |
| Royston Sports Centre | 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 |
| Dearnside Sports Centre | 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 |
| Sustainable Warmth Programme | Variety of measures to promote sustainable warmth programme | 13,100,000 |
| Development of Smithies Depot | Redevelopment of the Council's depot at Smithies | TBC |
| Levelling Up Civic Redevelopment | Redevelopment of the Civic Building and surrounding area | 5,923,010 |
| Levelling Up Independent shop front business grants | Provision of business grants to improve independent shop fronts | 600,000 |
| Levelling Up Courthouse Acquisition and residential development | Acquisition and residential development of Courthouse | 4,023,309 |
| Levelling Up Cheapside New urban park and playground - demo and park development costs only (acquisition now fully funded). | Demolition of Cheapside and provision of new urban park and playground | 4,713,054 |
| Levelling Up - Elsecar | Elements of the Council's Levelling Up Bid in respect of Elsecar | 22,062,080 |
| Corporate Device Replacement | 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 |
| Reprovision of Waste and Recycling to facilitate DVPR | 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 |
| Acquisition of John Riddel House Shambles Street | 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 |
| GRAND TOTAL - GENERAL FUND | | 118,367,825 |

FUTURE COUNCIL PLAN 2022/23

APPENDIX 4 - Capital Investment Proposals Emerging / Pipeline

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

**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 |
| Total | | | 386 | 23 |

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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Item 4

BARNSELY METROPOLITAN BOROUGH COUNCIL

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

REPORT OF THE EXECUTIVE DIRECTOR PLACE TO CABINET ON 23 FEBRUARY 2022

Assessment of Bus Franchising Option for South Yorkshire

1. PURPOSE OF REPORT

- 1.1 To update Members on the bus franchising option being explored by SYMCA and to request their support for SYMCA to issue the notice of intention to prepare a formal Assessment of a proposed franchising scheme in accordance with S.123C of the Transport Act 2000.
- 1.2 This notice must be published before the formal assessment can be prepared. Following issue of the notice, SYMCA will be able to require operators to provide certain relevant information about the local services they operate to help develop its assessment.

2. RECOMMENDATIONS

- 2.1 Cabinet is asked to recommend to the meeting of full Council on 24 February 2022, that the proposal for SYMCA to issue the notice of intention to prepare a formal Assessment of a proposed franchising scheme in accordance with S.123C of the Transport Act 2000 be supported; and
- 2.2 To request that the Council are granted a formal opportunity by SYMCA to influence and shape what the assessment considers, either specifically within the prescribed requirements or have "other matters" included.
- 2.3 That the Council reserves the right to formally withdraw from the process at any stage if appropriate funding solutions cannot be found.
- 2.4 To request that, in parallel, SYMCA carry out a detailed projected cost of the current Bus Partnership model over a three and five year period to help facilitate side-by-side comparisons with future franchise costs.

3. INTRODUCTION

- 3.1 Work has been ongoing with the SYMCA (which now includes SYPTE) to develop a bus service for Barnsley and South Yorkshire that will:
 - Keep the wheels of the regional economy moving. Well-designed bus networks can enhance people's access to employment and other opportunities, ensuring that the benefits of economic growth can be more fairly distributed.

- Help the transition towards a zero-carbon future. By reducing the need for individual car use, overall CO2 emissions are lower in places where public transport ridership is higher.
- Provide opportunities for people. In rural areas they can provide an essential lifeline. Everywhere, they connect communities and promote social interaction.

3.2 National Bus Strategy: Bus Back Better (March 2021)

The National Bus Strategy (NBS, launched in March 2021, required every local transport authority in England to develop a Bus Service Improvement Plan (BSIP) and implement this through either a statutory enhanced partnership plan and scheme or a franchising scheme.

The Bus Back Better Strategy also specified that in order that bus services would continue to receive recovery funding, SYMCA had to agree to “commit to” entering into an Enhanced Partnership by June 2021 and to prepare a BSIP and submit to the Department for Transport by the end of October 2021.

3.3 Enhanced Partnership and Bus Franchising Models

These two models operate as follows:

Enhanced Partnership

An EP is a non-compulsory agreement between willing operators and local transport authorities. It extends what existing Bus Quality Partnerships can cover (e.g. the colour of buses, frequencies on certain routes, multi-operator ticket pricing) and gives more flexibility.

An Enhanced Partnership is underpinned by an EP Plan (EPP) and Scheme (EPS). Together these documents form a legally binding agreement between SYMCA and local bus operators. The agreement should give SYMCA a way to deliver the actions set out in the SY Bus Service Improvement Plan (BSIP), subject to funding availability.

If bus operators running 75 per cent of local bus services support an EPS, the scheme is compulsory for other bus operators. Authorities also become the traffic commissioner, responsible for the registration of bus services.

Franchising.

Franchising, sometimes referred to as local control, gives combined authority mayors similar powers to the Mayor of London over buses. On-the-road competition ends and this is effectively a commissioning model. Mayors, working with their local cabinets, specify the bus service in their region — the routes, fares, frequencies and quality of bus services. This is based on data from operators on ridership and profitability of the existing network. Operators bid to run services in return for a fixed fee paid by the Combined authority. Fares are set and collected by the CA.

3.4 Bus Service Improvement Plan (October 2021)

The SY BSIP was submitted to DfT at the end of October, setting out our vision for South Yorkshire’s Bus system. It was a major contribution to the Mayoral Transport

Strategy's vision to "build a transport system that works for everyone, connecting people to the places they want to go within the city region....and will be safe, reliable, clean, green and affordable'.

3.5 Enhanced Bus Partnership (Nov 2021)

The BSIP formed the basis of the SY Enhanced Partnership. This was approved as a course of action by SYMCA on 15 Nov and by BMBC Cabinet on 17 November 2021.

A formal notice was issued to our bus operators to inform them of our intention to enter into a Statutory Enhanced Partnership and to consult them on our Enhanced Partnership Plan (EPP) and Scheme (EPS) in November.

The Plan and Scheme are statutory documents which require consultation by law under the Transport Act 2000, section 138F. To ensure the public's views continue to inform the development of bus services in South Yorkshire, SYMCA are seeking feedback on the Enhanced Partnership Plan and Scheme in a [public consultation](#) which is running from Friday 7 January until Sunday 20 February 2022.

3.6 Exploring options for Bus franchising

In the BSIP, the MCA also committed to undertake a review of potential future delivery models for the South Yorkshire bus network. In the Plan, it was made clear that, whilst the Enhanced Partnership that would follow from the submission of this initial BSIP was the first delivery model that would be employed, other models could be more appropriate, or necessary, in the future to achieve all that is required to transform bus travel in SY. The other future alternative option to the EP was the franchising model.

To explore the benefits of franchising versus the Enhanced Partnership model SYMCA commissioned DLA Piper to produce a report which analysed how each could deliver the 40 bus improvement measures mapped out in the BSIP.

3.7 DLA Piper Report

The DLA Piper report, commissioned by SYMCA, advised that, whilst in theory a Partnership can deliver the BSIP ambitions, the operators always have the right to object and veto any aspect that they do not agree with. The report stated that, in their view, a franchise gives the control to deliver what is required at a cost and with risks. Consideration of the DLA Piper report and its findings by the MCA board has led to the proposal from SYMCA below.

4. PROPOSAL AND JUSTIFICATION

4.1 The proposal from SYMCA is laid out in the report which went to the MCA Board on 24 January (Appendix B) setting out the process to formally assess bus franchising as an option to deliver the Bus Service Improvement Plan (BSIP). It requested that the constituent Local Authorities consider the matter ahead of an additional MCA meeting on 25 March to determine whether to issue the notice of intention to prepare an assessment of a proposed franchising scheme in accordance with S.123C of the Transport Act 2000.

4.2 The proposal from SYMCA to prepare an assessment of a proposed franchising scheme

will analyse whether a franchising scheme could deliver additional benefits over an Enhanced Partnership and the resources required to realise these benefits. This would enable the MCA (and its constituent local authorities) to make an informed decision on the best model for future governance of bus services in South Yorkshire (noting that getting to a point of implementing franchising could take 4 years at the very least and more likely considerably longer. It should also be noted that the franchising process can technically be stopped at each of the stages of the overall process.

4.3 The DLA Piper Report laid out the various steps, potential timescales and estimated costs that SYMCA would need to work through to make a bus franchise scheme.

It should be noted that the entire process could take anywhere between 4 and 10 years (with significant risks of delays making it likely that a four-year timeframe is not achievable or realistic)

Step 1 covers the DLA Piper Report already presented to MCA Board.

This report supports the recommendation to the Council that Step 2 be entered into, i.e. notice of Intention to proceed, which would lead to Step 3, the preparation of a formal assessment of a proposed bus franchising scheme.

| Step | Likely timescale (likely range) | Cost (likely) | Notes |
|---|--|----------------------|---|
| 1 - Initial Technical, Legal and Financial Evaluation | 6 months (3 -12 months) | £150,000 | DLA Piper have already carried out this initial evaluation, the findings from which are reflected in this paper. |
| 2 - Notice of Intention to Proceed | 1 month | N/A | This notice must be published before the assessment referred to in Step 3 can be prepared. Following issue of the notice, SYMCA will be able to require operators to provide certain relevant information about the local services they operate to help develop its assessment. |
| 3 - Prepare Assessment of Proposed Franchising Scheme | 12 months (9 -24 months) | £2,500,000 | The 12 month estimated timescale is based on the assumption that SYMCA plan their approach to this as part of Step 1, and that information requests from operators can potentially be accelerated materially. There is now also Traffic Commissioner precedent for what information can be released, and much of the information required should now either be provided by operators anyway as open data or be |

| | | | |
|--|----------------------------|----------|--|
| | | | <p>information that operators had to provide for the purposes of CBSSG.</p> <p>The key constraint on this step will be modelling required for the economic and financial cases – if SYMCA need to build or significantly adapt new models for the purposes of producing the business case, then this will extend the timescale.</p> |
| 4 - Independent Audit of the Proposed Franchising Scheme | 4 months (3 - 9 months) | £400,000 | This timescale relies upon work to procure the auditor being carried out so that they are in a position to commence when assessment is complete. |
| 5 - Formal Consultation on the Proposed Franchising Scheme | 3 months (3 – 6 months) | £250,000 | Longer period would assume a need to reconsult on certain aspects of the assessment/scheme. Section 123E(4) of the Transport Act 2000 lists statutory consultees (see section 3.5(a)(iii) below). Although there is not strictly speaking a requirement to consult with all of the public under the statute, it is likely that given the potentially significant impact of a decision to franchise on the public (and in particular users of public transport) either the public will be included within the statutory consultation or a parallel public consultation will be run. |
| 6 - Consideration of Consultation Responses and Mayoral Decision | 3 months (1 – 12 months) | £350,000 | This will be dependent upon level of consultation responses. This assumes that a full public consultation is carried out, rather than purely consultation with express statutory consultees. |
| 7 - Making the Franchising Scheme | 1 month | N/A | Assumed period to reflect need to align with approvals |
| 8 - Mobilisation and Implementation planning | 18 months (12 – 48 months) | £500,000 | This makes some assumptions including that there will be only a 6-9 month mobilisation and planning period (6 month minimum required by law), and that SYMCA will be in a position to commence procurement shortly after the decision is made with only a couple of months to complete document development. |

| | | | |
|--------------|---|-------------------|---|
| | | | <p>This will mean that most document development will either have been done, or can be done using SYMCA/SYPTE existing templates.</p> <p>Note that any decision to break the procurement process down into staggered tranches etc. to aid mobilisation and the development of a procurement plan will lengthen time until all franchised services introduced.</p> |
| TOTAL | <p>48 months (4 years)</p> <p>Range of 33 - 113 months (3.75 – 9.4 years)</p> | £4,150,000 | |

- 4.4** Note that these figures assume that SYMCA has the organisational structure to manage the transition to franchising at different stages (as will need to be set out in the commercial case under any assessment). To the extent that additional resource is required within the organisation to manage this (either during the assessment period, or once a scheme has been made), this will increase costs.
- 4.5** Given these potential increases, it is likely the total cost of assessing and consulting on the franchising model for South Yorkshire, including provision for inflation and contingency, would be in the region of c £5 million over the proposed period.
- 4.6** This £5m estimated cost would simply be incurred in doing the development work to implement franchising and does not cover the eventual running and operating costs of any future franchising scheme.
- 4.7** Of more significance, there are likely to be further substantial costs associated with moving to a franchising model including transition costs [costs of transitioning to a franchising delivery model over a 5 or more year period], planned improvements to bus services / infrastructure which are currently unfunded and significant additional costs associated with maintaining existing bus services as a consequence of declining patronage and other factors.
- 4.8** Based on figures from the Transport for Greater Manchester [TfGM] franchising scheme and other local estimates these costs could be in the region of £200+ million over the period of the development / transition phases. These would have potentially huge consequences for the Council's budgets, council tax levels and services moving forwards [see the financial implications at Section 7 and the summary provided at paragraphs 7.11 to 7.13.

- 4.9 Currently Greater Manchester MCA are dealing with a legal challenge to franchising from the bus operators. This Judicial Review in the High Court has come about from bus operators Stagecoach and Rotala claiming that GMCA was ‘unlawful’ in relying on an assessment of the ‘cataclysmic’ impact of Covid-19 on its bus franchising proposals. While the costs of JR are not currently known, they will be substantial and in addition to the costs of assessing and delivering a bus franchising scheme
- 4.10 From a legal perspective, SYMCA may decide not to pursue the introduction of a franchising scheme at any point up until Step 7, when the Combined Authority would decide to make the franchising scheme and it is published. If SYMCA did not want to implement the franchising scheme after Step 7, the scheme would need to be revoked in accordance with the legislation provided that the statutory requirements for revocation were met.
- 4.11 Section 123N(2) of the Transport Act 2000 states: “(2) The authority or authorities may revoke the scheme only if they are satisfied that— (a) local services in the area to which the scheme relates are likely to be better if the scheme did not apply, (b) the continued operation of the scheme is likely to cause financial difficulties for the authority or any of the authorities, or (c) the burdens of continuing with the scheme are likely to outweigh the benefits of doing so.”
- 4.12 Should Cabinet agree to support the proposal from SYMCA to commission an assessment of the Bus Franchising operating model (per recommendation 2.1) the MCA will need to undertake extensive financial modelling and risk analysis activities as part of that assessment. This will need to include wider consideration/modelling of what that is likely to mean in terms of impact on the four constituent SY Local Authorities.
- 4.13 It should also be noted that all the extra costs that are set out above are only to provide the existing service and that any service improvements will require significant additional funding. The funding of the Bus Service Improvement Plan and subsequent failed bid to the Levelling Up fund will be considerable (LU bid was valued at £50Million to simply improve existing infrastructure and significantly more would be required to develop a fit-for-purpose infrastructure. This will be the case for either scenario – Enhanced Partnership or franchising. Both require significant investment to deliver the bus network and improvements required.

Further reports will be submitted to Cabinet to explore and evaluate these impacts should the proposal to commence the assessment of the franchising proposal be approved.

5. CONSIDERATION OF ALTERNATIVE APPROACHES

5.1 The following alternative approaches have been considered:

Do nothing: The NBS effectively removed the choice of either retaining the status quo/doing nothing and forced the hands of Combined authority to adopt either the EP or the bus franchising route.

Retain the EBP and not explore franchising as an option: The EP has already been set up and will run the buses from April 2022 onwards. However, towards the

end of 2021, DfT advised SYMCA that the national BSIP funding available (to replace Covid Bus Service Support grant SSG) would be much less sizeable than originally suggested. This would have an impact on the viability of delivering the key measures mapped out in the BSIP. In November, the Spending Review informed SYMCA that the Levelling Up Fund bid (totalling £50 million) to support Bus Infrastructure improvements bid was not successful. This led to significant and late revisions in the early delivery commitments under the BSIP. It is likely that SYMCA will resubmit the BSIP improvements scheme under Levelling Up Round 2, should it be announced in budget process in March 2022. The BP will continue to operate from April 2022 onwards.

Further explore the franchising option: This proposal enables the MCA and Local authorities to gather detailed information and analysis on the benefits and disadvantages of a franchising model, as well as understanding the full financial and legal implications of the model. The preparation of a franchising assessment will determine whether the full suite of benefits in the BSIP can be delivered through a franchising model and will also model the costs. It is essential to consider this as an alternative to the BP model which will operate from April 2022.

6. IMPLICATIONS FOR LOCAL PEOPLE/SERVICE USERS

6.1 The vision for the bus network in SY was mapped out in the BSIP and would mean a transport network which would:

- Meeting the customers' fundamental transport needs
- Providing a reliable and attractive alternative to the car
- Offering value for money
- Supporting inclusive and sustainable economic growth
- Being accessible, integrated, simple and efficient
- Leading to a Net Zero system
- Using technology and data to improve connectivity, quality, and resilience
- Positively attitudes towards
- Grow patronage a financially and stable Learn Give buses Mechanism to achieve it

6.2 The BSIP also mapped out 40 measures required to deliver the vision for bus travel in South Yorkshire to ensure buses work for local places and people.

Potential Benefits if the BSIP was to be delivered would be:

- Greater stability of the bus network;
- Better transport connectivity, especially to rural and employment areas;
- Greater accessibility for disabled, young people, apprentices and the elderly;
- Less congestion on highway;
- Improved punctuality and reliability of services, with better frequencies;
- Improved and simplified Passenger Information;
- Expansion of the Travel Master Ticket;
- More Low Emission Buses;
- Maximum Fares for given routes or services.

- 6.3** It should be noted that most of the 40 measures within the BSIP can be delivered through an Enhanced Partnership, without the need for Franchising. The DLA Piper report highlighted the 40 measures and RAG-rated them to determine which would be capable of implementation under each model in order to compare them. Eight of the measures for the Enhanced Partnership are rated yellow where there are minor deliverability concerns; 6 are rated Amber; where elements of the activity can be delivered but there is a material risk of non-delivery of elements of the activity. It should be noted that there are no red ratings.
- 6.4** The DLA Piper report also states “The key point to note that there are none of the BSIP Prioritised Activities which we believe are wholly unable to be implemented under either option. However, there are several areas where partnership does not deliver as much and/or have as much certainty of delivery as franchising, and only limited areas where franchising would not be capable of delivering the BSIP with greater certainty.”

“The ability of franchising to be able to deliver more BSIP Prioritised Activities and/or deliver them better, needs to be balanced against the extent to which such delivery could be delayed or paused by legal challenge risk, as well as the long timescale for initial implementation which arises from the statutory process that is required to be followed”

7. FINANCIAL IMPLICATIONS

- 7.1** Consultations have taken place with representatives of the Service Director – Finance (S151 Officer).
- 7.2** There are no direct financial asks of the Council arising from the specific recommendations included in this report – with the estimated £5M cost of developing a bus franchising model / undertaking a formal assessment to be funded by the MCA.
- 7.3** The detailed assessment will identify the potential short and long-term financial implications for the MCA / constituent authorities of moving to a bus franchising model [as compared to maintaining an Enhanced Bus Partnership].
- 7.4** However, Members should be aware that within the current context of bus service operations across South Yorkshire [e.g., declining patronage at al] and the basic principle that both control and risk of running bus services will transfer to the MCA under a franchising model, then it follows that there is a significantly increased financial risk to both the MCA / constituent authorities of doing so.
- 7.5** The not insignificant financial risk is summarised at paragraphs 7.10 to 7.12 with further background and context provided below.

Context

- 7.6** The Council currently pays the MCA a transport levy of £9.5M per annum [including an amount to pay for bus tendered services [commercially unviable routes]].
- 7.7** There is an expectation that regardless of the adoption of a franchising model that the levy will need to increase in future years to address current and ongoing issues in delivering bus services:

- Likely reduction / ending of Government financial support to address operator revenue shortfalls due to the impact of COVID.
- Uncertainty as to whether passenger numbers will recover to pre-pandemic levels and the long-term impact of declining patronage on the financial viability of routes / services.
- Insufficient CRSTS / BSIP funding allocations to improve bus services.
- Significant cost inflation pressures within the bus system (salaries, fuel, fare rises, etc).
- Problems in maintaining current levels of service provision, noting that local operators are currently expressing their intent to begin rationalising existing services.

7.8 Indeed, if there is no continuation of Government financial support in the current financial year, it is likely that the MCA will need to provide additional financial assistance [perhaps in the region of £25 Million + in the next financial year], to prevent a widespread diminution in bus services across South Yorkshire.

Franchising Option

7.9 Under a franchising scheme, overall control, and balance of financial risk for bus services will transfer to the MCA [constituent authorities]. This is particularly important within the context of the current risks and issues facing bus services as outlined at paragraph 7.7.

7.10 Once complete the detailed assessment will set out the key cost and financial risks to the MCA of moving to a bus franchising model. In the meantime, the key areas of risk are as follows:

i) Scheme Development costs

The cost of developing a franchising model is estimated at £5M and will be funded from resources set aside within the MCA's financial plans. There is no immediate cost implication for the Council, although any escalation in that cost could result in a funding ask from district councils and / or more likely the opportunity cost foregone of diverting additional MCA resources from other investment opportunities.

ii) Transition Phase

Franchising models are complex, can take several years to develop and consequently may involve significant costs to transition from existing delivery models.

For example, implementing a franchising model at Transport for Greater Manchester involved costs of £134M+ to support their transition activities, including a £17.8M contribution from their 10 constituent local authorities.

Any transition costs will be determined by the detailed assessment of the model proposed for South Yorkshire, though it is possible that this will create a significant cost implication for the MCA / constituent authorities [see paragraph 7.11 – 7.13].

iii) Scheme Delivery

Under a franchising model routes, route frequencies, and the setting of fares become the responsibility of the MCA. Therefore, the ability of the scheme to raise sufficient farebox income to pay for commissioned services becomes a direct financial risk to the MCA.

Under a franchising scheme, shortfalls in farebox income and the potential impact on bus services would need to be addressed by the MCA from a combination of:

- a possible reduction in the size of the network / service frequency – which effectively means that any such decisions rest with the MCA / elected representatives rather than with commercial operators.
- Increased fares – again, this would effectively be a decision of the MCA rather than commercial operators.
- Increasing the level of public subsidy to operators to maintain services – would become an increased financial risk to the MCA and, within the context of declining patronage and other issues, could lead to significant additional financial pressure for the MCA / constituent authorities in the future.

iv) Capital Infrastructure Improvements / Bus Services Improvement Plan

The Bus Service Improvement Plan included over 40 measures to improve bus services / infrastructure across South Yorkshire with the initial programme of work estimated to cost circa £56 Million, this being the subject of an unsuccessful Levelling Up Fund bid:

| <u>Programme Area</u> | Base Cost (£000's, Q1 2021 prices) |
|--|---|
| | £M |
| Travel Corridor Enhancement Programme | £22.8 |
| Passenger Journey Improvement Programme | £29.1 |
| Sustainable Transport Programme | £3.9 |
| TOTAL | £55.8 |

Summary: Overall Financial Risk and Funding Issues

7.11 The following table outlines the scale of the potential financial implications of moving to a franchising model [based on estimates from TfGM / elsewhere and used in advance of more precise costs which will be determined as part of the detailed assessment stage]:

| Step | Est. Rev Cost (£M) | Est. Cap Cost (£M) | Notes |
|---|--------------------|---|--|
| Scheme Development | £5M | n/a | Estimated cost of developing a franchising model [to be funded from MCA earmarked reserves] |
| Transition Costs | * £134M | <i>NB: capital costs included within the overall £134M.</i> | * Estimate based on Transport for Greater Manchester to cover all revenue & capital expenditure, for example, [a] operating surplus / deficit over the 5-year transition period [b] risk provision [c] assets [including depots and other company assets] [d] implementation and technology e.g., bus equipment & branding, electronic ticket machines and operational staffing / transition team resources. |
| Bus Service Improvements / Capital Infrastructure | | £56M | Initial phase of infrastructure improvement measures [does not provide for the full investment required to cover the cost of all 40 improvement measures]. |
| Maintaining Existing Service Delivery | £25M+ | | Based on estimate of current funding shortfall to maintain existing services in 22/23. |
| TOTAL | £184M | £56M | |

7.12 Funding for the above broad estimate of cost would need to be identified and, in the absence of a devo deal along the lines of the one seen in TfGM, is likely to have far reaching consequences for both the MCA and SY councils.

7.13 The funding shortfall would need to be met from a combination of:

| Potential Funding Source | Possible impact on MCA | Possible impact on SY councils | Notes |
|---|--|--|--|
| MCA | | | |
| Mayoral Precept / Tax | Income to be raised via the levying of a new South Yorkshire wide council tax precept. | None directly though would likely be a significant increase in local Council Tax Bills – which could impact local collection rates. | |
| Increasing fares | Potentially increased income subject to demand forecasts. | None directly though social and economic impact of increased local fares. | |
| Reductions in Bus Services | Possible cost savings but social, economic, and reputational impact. | Social, economic, and reputational impact. | Reduction in routes, frequency, services, planned improvements. |
| Diverting other MCA resources | Reduction in resource to meet other MCA / district priorities | Reduction in resource to meet other council priorities. | |
| DISTRICTS | | | |
| Increased PTE Levy / Council Contributions | Income from additional contributions from District Councils | Likely impact: <ol style="list-style-type: none"> 1. Significant increase in PTE levy / local contributions 2. Local Council Tax rises 3. Cuts to local services 4. Reduction in reserves 5. Combination of above. | In the absence of a TfGM devo deal there is the potential for a significant additional ask from SY councils e.g., £78 million of the £134m transition costs in TfGM came from the devo deal [£18m came from constituent authorities during the transition phase]. |

8. EMPLOYEE IMPLICATIONS

8.1 There are no direct employee implications from this proposal

9. LEGAL IMPLICATIONS

- 9.1 Section 123B requires the authority (in this case SYMCA) that proposes to make a franchising scheme covering the whole or any part of their area to prepare an assessment of the proposed scheme. Before it can undertake an assessment that authority must publish, in such manner as they consider appropriate, a notice stating that they intend to prepare such an assessment. In undertaking the assessment, the authority would have to comply with the provisions of s.123B and any statutory guidance issued.
- 9.2 If the Council does agree to support SYMCA in preparing an assessment under s123B that assessment must look at several prescribed matters, but other matters can also be included (see s123b extract below):

Section 123B...

(2) The assessment must—

(a) describe the effects that the proposed scheme is likely to produce, and
(b) compare making the proposed scheme to one or more other courses of action.

(3) The assessment must also include consideration of—

(a) whether the proposed scheme would contribute to the implementation of—

- (i) the authority's or authorities' policies under [section 108\(1\)\(a\)](#), [i.e. [local transport plan](#)] and
(ii) other policies affecting local services that the authority or authorities have adopted and published,

(b) whether the proposed scheme would contribute to the implementation by neighbouring relevant local authorities of—

- (i) those authorities' policies under [section 108\(1\)\(a\)](#), and
(ii) other policies affecting local services that those authorities have adopted and published,

(c) how the authority or authorities would make and operate the proposed scheme,

(d) whether the authority or authorities would be able to afford to make and operate the scheme,

(e) whether the proposed scheme would represent value for money, and

(f) the extent to which the authority or authorities are likely to be able to secure that local services are operated under local service contracts.

(4) Subsections (2) and (3) do not prevent inclusion of other matters.

- 9.3 Should the Council agree to SYMCA preparing an assessment under s123B, it is recommended that the Council have the opportunity to influence what the assessment considers, either specifically within the prescribed requirements or have “other matters” included. Recommendation 2.3 requests of SYMCA that BRNSLEY Council be formally consulted on the scope and terms of the assessment.
- 9.4 The initial proposal from SYMCA is for the formal assessment process to start by serving the legal notice under section 123C of the Transport act 2000. This does not categorically commit the Council/mayoral authority to a franchise model, only the first stage - formal assessment of the franchise model for South Yorkshire’s BSIP. The costs (and time) of the formal assessment would be saved if a decision not to proceed was taken at this stage. However, proceeding to undertake a formal assessment would give a greater detail about the costs and benefits as a whole which would make for a more informed decision on the impacts for Barnsley, including any legal impacts. If SYMCA do proceed the franchise model could still be ruled out at various later points in the process e.g., once the assessment report has been considered.
- 9.5 The proposed timescales seem potentially optimistic. GM first resolved to serve the assessment notice (what the Council is being asked to do in this report) in June 2017. It announced the decision to franchise this year and expects its first services to start in 2023 and be fully operational in 2024/5. This doesn’t take into account any further delay that may arise following the outcome of the current judicial review court proceedings.
- 9.6 There is a greater risk of legal challenge with a decision to franchise since bus contracts whose terms may be dictated by SYMCA in a franchise model may be more unfavourable to operators than the enhanced partnership model, where plans have to be agreed with certain percentages of operators – there may be a greater incentive for operators to challenge. The GM decision to franchise is currently the subject of a judicial review. This may increase costs, delay, and certainty of delivery
- 9.7 Given that SYMCA have committed to a statutory Enhanced Partnership in their decision in November 2021 there does not appear to be a risk to funding if a decision to start the franchise assessment process is delayed for further consideration. Nor does there appear to be a legal imperative to make the decision to start the formal assessment in the timescale the MCA has set.
- 9.8 It is recommended that the Council takes its own independent detailed legal advice on the initial assessment made by DLA Piper and the consequent proposal to franchise. Should this recommendation be adopted, it is suggested that external lawyers should be procured for this work since public transport is not an area the Council’s legal services have expertise in
- 9.9 To ensure any legal advice is focused, it would be important to identify in the Brief the particular areas of concern and objectives for the council. E.g., are there particular priorities for the Council amongst the BSIP priorities; are we most concerned about speed of implementation, flexibility to change terms according to market /policy changes, reducing costs to the authority SYMCA to maximise gainshare; effect on Glassworks and town centre; potential impacts on principal

towns; level of control over buses; legal and commercial risks and consequences of failure of franchise; decision making processes.

10. CUSTOMER AND DIGITAL IMPLICATIONS

- 10.1 The BSIP has been drafted to map out how bus services to customers across SY could be improved and enhanced. This assessment will begin a process to determine how these improvements can be best delivered – either through the Enhanced partnership or the franchising model. Customers need to be at the heart of this assessment.
- 10.2 Should a Smart Ticketing option be introduced either through BP or Franchise model, this would require new hard and soft digital infrastructure. This would need to be funded by SYMCA and the bus operators themselves.

11. COMMUNICATIONS IMPLICATIONS

- 11.1 Bus franchising is a significant political issue for Mayoral Combined authorities and is a subject of political debate and lobbying in the Mayoral election on 5 May 2022. To take the decision to make a franchise involves a complex set of considerations and the purpose of the assessment will not be universally understood by the public, so a carefully measured communications plan would need to be developed around this with the SYMCA, with an eye to the wider political environment in South Yorkshire. This has been flagged with our Communications team and initial discussions around the handling of this have commenced.

12. CONSULTATIONS

- 12.1 No consultations are proposed at this stage.
- 12.2 If a decision is made to audit the franchising assessment and make a Franchising Scheme, there will be a period of public consultation in late 2023 or early 2024 following a period of statutory consultation with bus operators, which will require the support of the SYMCA and Local authority Communication and Marketing teams.

Further resource would be required by SYMCA to support the public consultation phase of the activity to drive engagement and participation

13. THE CORPORATE PLAN AND THE COUNCIL'S PERFORMANCE MANAGEMENT FRAMEWORK

- 13.1 The commissioning of this assessment would potentially move South Yorkshire towards an improved bus service with better connectivity between our principal towns, town centre and the cities of Leeds and Sheffield. If franchising were determined to be the suitable delivery model, a well-managed scheme could contribute to Barnsley being a 'place of possibilities', support our Barnsley 2030 vision and a more equitable and inclusive economy, giving more people access to opportunities across the borough and in the region.

As there are seven steps in the franchising process and it can be halted at any of the stages, it is unlikely that the process would be completed within the timeframe of the current corporate plan, so the Council would need to adopt a long-term view of

this process. However, an excellent bus service and improved, affordable connectivity would support our key outcomes for B2030, including:

Healthy Barnsley:

- People can access the right support, at the right time and place and are able to tackle problems early.

Learning Barnsley:

- Children and young people aim high and achieve their full potential with improved educational achievement and attainment.
- Everyone has the opportunity to create wider social connections and enjoy cultural experiences.
- Lifelong learning is promoted and encouraged, with an increase in opportunities that will enable people get into, progress at and stay in work.
- Everyone fulfils their learning potential, with more people completing higher-level skills studies than ever before.

Growing Barnsley:

- Local businesses are thriving through early-stage support and opportunities to grow.

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.

Sustainable Barnsley:

- People live in sustainable communities with reduced carbon emissions and increased access to affordable and sustainable energy sources.
- People can get around in Barnsley easier than ever, with an increase in cycle routes and better connections across the borough

14. PROMOTING EQUALITY, DIVERSITY AND SOCIAL INCLUSION

- 14.1 A full EIA would need to be carried out as part of the Franchise assessment process. However, a well-designed affordable bus network and infrastructure across the borough would likely begin to address geographical exclusion and transport poverty.

15. TACKLING THE IMPACT OF POVERTY

- 15.1 Improved bus services would enable SYMCA to tackle transport poverty. This proposed assessment will enable the SYMCA to explore the optimal operating model to do this and the potential impacts on Barnsley.

16. TACKLING HEALTH INEQUALITIES

- 16.1 Improved bus services would have a positive impact on health inequalities. A full Health Impact Assessment would be required as part of the franchising Assessment

17. REDUCTION OF CRIME AND DISORDER

- 17.1 A well-managed bus service and bus infrastructure is essential to maintaining safe bus routes and travel for residents. The SYMCA assessment will go some way to

determining whether the Bus Service Improvement Plans proposed 40 improvement measures can be best delivered.

18. RISK MANAGEMENT ISSUES

18.1 Key risks attached to a bus franchising scheme are as follows:

- **Duration:** Any decision taken to enter into franchising is subject to a 'Five stage' Green Book assessment process which can take a significant period of time. In GM the proposed timescale was 3 years which was accelerated by the Mayor to 2 years, which many feel is not deliverable in the timescale. The delivery timescale for London was 9 years, although the complexity and scale of the network was a contributory factor in this instance.

- **Initial Implementation timescale:**

One of the key risks associated with franchising relate to the initial implementation of a franchising scheme. The DLA Piper report spells this out as follows:

“In particular, the statutory process required to make a franchising scheme, and the timescales then required to implement franchise contracts means that initial delivery of benefits under franchising scheme will take a number of years, and during this period the MCA would be dependent upon its existing partnerships to deliver benefits. The risk of transition continues through the introduction of franchising, and how this risk is managed may affect the outcomes. Finally, once in a franchise scheme, formal variation processes apply to services which means that whilst overall the MCA will have greater control over services, there may not be the same flexibility over more rapid service changes due to the need to follow consultation processes to effect change. Provided that this is implemented effectively however, this may be aligned with the BSIP requirements, in particular around limiting change.”...

“Any decision to introduce franchising will therefore need to take into account how to manage the transition period both in terms of cost and service impact, and whether the benefits of the end state in terms of more effective and certain delivery of a number of requirements of the BSIP outweigh the immediate implementation risks.”...

- **Delay:**

There is the possibility that bus operators can challenge decisions taken around franchising via requesting a Judicial Review. The Mayor of Greater Manchester with his cabinet approved a franchising scheme for Greater Manchester in March 2021, but Bus operators Stagecoach and Rotala are challenging the decision-making behind the £134.5m scheme in a judicial review hearing at the High Court. The bus companies claim the GMCA 'conducted an unlawful process and a flawed consultation' which failed to properly account for 'fundamental changes' brought about by the pandemic. The outcome of this JR is yet to be determined and has inevitably caused a delay in the process.

- **Transfer of Risk:**

An overarching risk to the MCA in pursuing franchising is the revenue risk transfer from commercial operators to the public sector. For example, if it is not possible to grow patronage or reduce operating costs to make the system sustainable, decisions

around changes in the level of service provision and associated policies become those of the MCA Board.

- **Continued decline of Bus Patronage and Super Tram:**

There is also a risk that as the bus market and Super Tram patronage continues to decline during the statutory process and transition period, which could mean that the subsidy cost at the point of making the franchising scheme is higher than anticipated at the start of the statutory process.

- **Political Risk:**

Given that any significant changes to the operation of the network are decided through a formal process via the SYMCA under a franchising model, this effectively makes Local Authority Leaders responsible for any changes to the network. Given the unpredictability of bus patronage in the next three years post-pandemic, it is possible that unpalatable decisions (such as reduction in bus routes, increase in parking charges to discourage car use, increase in Council Tax) may need to be made around local bus provision exposing political leaders to political fallout from local residents.

18.2 It could be argued that carrying out a full Assessment of the viability of Bus franchising for South Yorkshire would enable BMBC to have a full overview of the full range of risks and mitigations if Bus Franchising were to be adopted.

18.3 The 'Five-Stage' process for franchising would also support a measured approach to Risk

18.4 The Council would also develop its own Risk Register for franchising, which would detail all risks and mitigations for the Council

19. HEALTH, SAFETY AND EMERGENCY RESILIENCE ISSUES

19.1 Connectivity between people and places supports positive mental health and wellbeing, so the outcome of the assessment could potentially have an impact on health inequalities. A full Health Impacts Assessment would need to be carried out on both the EP and Franchising models by SYMCA, with due regard to the Health and Wellbeing strategies of the constituent local authorities.

20. COMPATIBILITY WITH THE EUROPEAN CONVENTION ON HUMAN RIGHTS

20.1 Not applicable in this instance

21. CONSERVATION OF BIODIVERSITY

21.1 The use of electric buses in the fleet as laid out in the BSIP would have a positive impact on air quality and increase biodiversity levels across the Borough

22. GLOSSARY

Not applicable

23. LIST OF APPENDICES

Appendix A: Transition example to Bus franchising - costs

Appendix B: SYMCA paper presented to MCA Board 24 Jan 2022

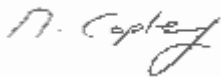
24. BACKGROUND PAPERS

- Timeline for Bus Improvements in South Yorkshire
- DLA Piper report (currently confidential)
- South Yorkshire Bus Review, 2020
- 'Bus Even Better' National Bus Strategy, March 2021
- South Yorkshire Route Analysis report (Mott Mc Donald), Summer 2021
- Bus Improvement Plan for South Yorkshire, October 2021
- Enhanced Bus Partnership Plan, Nov 2021
- Enhanced Bus Partnership Scheme, Nov 2021
- Bus Service Improvement Plan paper approved by Cabinet, 25 November 2021
- DfT refreshed Guidance to Enhanced Bus Partnership - https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1002507/national-bus-strategy.pdf

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

Report author: Kathy McArdle, Service Director Regeneration and Culture

Financial Implications/Consultation



.....
(To be signed by senior Financial Services officer
where no financial implications)

Financial Implications:

Please Note: *This analysis has been provided in advance of any details being released by SYMCA regarding the options for delivering a sustainable franchising model other than scheme development costs. The financial risks/potential asks highlighted in this section are therefore largely generic to the bus franchising model.*

Clearly a much more extensive risk analysis including a detailed financial review of proposals will need to be undertaken should the Mayor and Leaders move to formally agree to the preparation of a franchising scheme assessment.

Assignment of Risk

Under a franchising scheme, the overall accountability and balance of financial risk for bus service delivery will transfer from private sector bus operators to SYMCA.

By association this is considered likely to have significant implications for the constituent SY Local Authorities in terms of, for example, local accountability relating to the continuation of those bus routes that may be commercial unviable but remain locally significant/desirable and accompanying that accountability the need to provide additional resources to support those routes. Transport levy increases to support delivery of the scheme are also considered a likely consequence of bus franchising.

This section of the report seeks to consider the associated financial risks/resource implications that could potentially impact on Council finances, dependent on the shape of any eventual scheme.

Strategic Context: Current Operational Challenges

The timing of the proposal is clearly not ideal given current market volatilities and the fact that bus patronage along with the financial sustainability of operations has been in decline for several years now. At present bus service provision is facing several significant challenges, including:

- Likely reductions/ending of government support for COVID related revenue shortfalls.
- Lack of confirmation / formalisation from the DfT of CRSTS or BSIP funding allocations.
- Uncertainty re passenger recovery to pre-COVID levels – the expectation that recovery may take several years.
- Significant cost inflation pressures within the bus system (salaries, fuel, fare rises, etc).
- Sustainability pressure on service provision, noting that local operators are currently expressing their intent to begin rationalising existing services.

The recent briefing note to MCA briefing note to the Mayor/SY Leaders acknowledges this, indicating that:

“These issues will start to impact bus services from early 2022 and will make maintenance of the current level of service provision challenging and constrain the delivery of the ambitious improvements set out in the BSIP.”

It is considered likely therefore that each above will, to varying degrees, exert additional financial pressures on bus services – services that are presently widely struggling to operate on a sustainable basis. These are issues that clearly need to be factored in when considering not only franchising but also the Enhanced Partnership model and more specifically the future impact on the transport levy paid by the Council.

It should be noted that currently the Council pays the MCA a transport levy of £9.5m per annum – there is an expectation that regardless of the adoption of a franchising model this will need to increase post-2022/23 to ensure sustainable transport strategies can be adopted.

Key Financial Risks/Asks Linked to the Stages of Bus Franchising Scheme Delivery

Delivery of the franchising scheme can be split into the following three distinct elements each of which may have potential cost implications for the Council:

1. **Scheme Development costs** – DL Piper have produced an initial desktop estimate of £5m, to be utilised over a 4-year period, for the MCA to develop a franchising scheme.

The report to be tabled at the 24 January 2022 MCA indicates that:

“Should the Board wish to proceed with the assessment exercise the (est. £5m) costs would, in the first instance, need to be underwritten from reserves. Allocating reserves to the activity would reduce the MCA’s financial resilience in the context of known risks and pressures that are likely to crystallise in the new financial year”.

Potential Financial Impact on BMBC: *Whilst initially, the inference from the DL Piper report was that there may be a cost to the Council of supporting scheme development, either directly via a transport levy increase or indirectly via a reduction in the value of gainshare available to support local authority led schemes it now looks like the MCA are proposing the use of reserves to fund development costs – although it is suggested that possibility of a request for funding support from the Council is not entirely ruled out at this stage.*

Whilst the suggested use of MCA reserves has no direct financial impact on the Council if those reserves are used as the MCA report to be tabled on 24/01/22 indicates “Allocating reserves to the activity would reduce the MCA’s financial resilience in the context of known risks and pressures that are likely to crystallise in the new financial year.” Could this again potentially result in an ask to local authorities to restore the MCA’s financial resilience? Are these funds that could be more usefully and effectively deployed elsewhere?

2. **Transition Phase** – based *TfGM* experience this can take several years and is likely to be dependent on existing bus partnerships to deliver benefits via the transition period.

To provide an insight into the components of transition costs attached at Appendix A is a table showing the latest costs estimates for transition from *TfGM*.

Whilst at this stage details around transition for any future SYMCA scheme have yet to be formed it’s worth noting that transition will likely come with a significant cost i.e., based on the experience of the *TfGM*. Accepting that not directly comparable in scale to the SYMCA, *TfGM* **have produced a funding package totalling £134m+** to support their transition activities. This estimate includes a £17.8m contribution from their 10 constituent local authorities. The table below is provided to illustrate the type of funding elements *TfGM* intends using to support transition activities.

TfGM – Estimated Franchising Transition Costs

- £78.0m of Mayoral earn-back funds (part of TfGM’s Devo Agreement)
- £11.0m of precept raised as part of the Mayor’s 2019/20 budget for bus reform
- *£17.8m of contributions by local authorities as a proposed one-off increase in the statutory contribution in 2020/21 – to be deferred to the end of the (to approximately 2025/26) in the event the Proposed Franchising Scheme were to be introduced.*
- £5m of existing and forecast business rates pooling receipts held by TfGM.
- £22.7m of mayoral precept required from future years’ budgets

Potential Financial Impact on BMBC: *Whilst transition costs will clearly be dependent on scheme progression the potential exists for requests for contributions to support transition activities to come to the Council from the MCA – based on the TfGM experience where an average contribution of £1.78m was sought from each of their 10 constituent authorities.*

It is worth noting that the funding package proposed by TfGM contains funding sources not currently available to the SYMCA (for example business rates pooling receipts and mayoral precept income). Therefore, any decision to move the scheme to a transition stage would likely require a (yet to be determined) very different mix of funding.

3. Ongoing Scheme Delivery

Issues around local accountability and financial risk in relation to bus franchising comes via the ability of the Scheme to raise sufficient farebox income to support franchised services. The inherently sensitive/variable nature of this income stream introduces a significant element of uncertainty to franchising – as illustrated during the pandemic and the resultant changes (long term/short term?) in customer behaviour.

Under a franchising scheme, shortfalls in farebox income would most likely result in a reduction in the size of the network and/or increase fares or by the MCA seeking to introduce more funding to support the services. The former requiring political consideration locally and the latter creating financial pressure and uncertainty.

Should “more funding” be required, the key question is where would it come from? TfGM in their Assessment of funding options suggested a Mayoral precept, resetting the statutory contribution baseline provided by the local authorities and central government.

Potential Financial Impact on BMBC: *The inference above being that LA’s may be required increase the amount of funding they contribute via their levy/concessionary fares contributions to cover off shortfalls in farebox income.*

Any increase in contributions from the Council to support franchising activities would naturally draw finite resources away from other priority areas, causing pressure elsewhere in Council budgets. This is particularly pertinent at a time when there is widespread uncertainty around local government finance and increasing pressures emerging around for example social care provision.

It is worth noting that under the TfGM consultation on franchising some of the constituent authorities were clear that, despite being generally supportive of the Proposed Franchising Scheme

this support was conditional on there being no further funding requirements from the local authorities.

For example, Bolton Council, in its consultation response, made support for the Proposed TfGM Franchising Scheme conditional upon not resulting in extra financial burden on local authorities: “The most significant risk to the scheme will be how it is funded. We appreciate that at this stage that farebox risks are anticipated to sit with TfGM, however we have concerns with regards to shortfalls in funding and ongoing Council Tax precepts on residents.

However, it is important to stress and make it conditional that the franchising option must not lead to increasing and ongoing extra financial burden on the ten councils.”

It also highlighted that: “... it has to be said that a strongest possible case needs be made to the Government to make good the stark difference that exists between the subsidy towards public transport in Greater London compared to North West; with figures of nearly £2,000 and £500 a head respectively. In other words, Greater Manchester cannot hope to have London style transport without substantial increase in funding from the Government; otherwise, a disproportionate burden would fall on local taxpayers, which is not possible because of other budget pressures. We have real concerns over the level of additional precept on council tax over the coming years and cost for residents at the time of uncertainty as many seek to recover economically in a post- COVID world.”

*A further point to consider is around **the funding of infrastructure** to support the scheme and the implications that this may have for the Council. Further work will be required to determine infrastructure implications. Interestingly however reference to the TfGM seems to indicate that from their perspective the decision to implement a franchising scheme remains separate to their infrastructure plans, per below.:*

“Implementing the Proposed Franchising Scheme would not distract attention from developing infrastructure and other measures – this work is ongoing as set out in GMCA’s Five Year Transport Delivery Plan 2021-2026 (Jan-21), which includes, amongst other interventions to support bus, proposals for Quality Bus Transit corridors across GM trips and measures to tackle bus pinch points to improve the reliability of bus journeys, starting with the funding of £22 million from the Transforming Cities Fund announced by GMCA in January 2021 – and would not be advanced by a decision not to implement to Proposed Franchising Scheme.”

Appendix A

TfGM – Estimated Bus Franchising Transition Costs

(Extract taken from GMCA “Covid-19 Impact on bus franchising report)

<https://greatermanchester-ca.gov.uk/media/4016/tfgm-covid-19-impact-on-bus-franchising-report-final-191120-1936-amended-060121.pdf>

| FRANCHISING - NOMINAL NET INCOME AND COSTS: | FY 19/20 | FY 20/21 | FY 21/22 | FY 22/23 | FY 23/24 | FY 24/25 | TOTAL |
|--|--------------|---------------|---------------|---------------|---------------|--------------|----------------|
| | £ms | £ms | £ms | £ms | £ms | £ms | £ms |
| Operating Account | | | | | | | |
| Operating surplus / (deficit) | - | (0.0) | (2.8) | (5.6) | 5.0 | 15.2 | 11.8 |
| Quantified Risk | | | | | | | |
| P80 Quantified Risk Allowance | (0.9) | (5.5) | (7.4) | (5.5) | (8.4) | (8.5) | (36.2) |
| Assets | | | | | | | |
| Depot repayment and financing costs net of rental income | - | (0.0) | (0.4) | (1.1) | (3.3) | (4.4) | (9.2) |
| Implementation and technology | | | | | | | |
| Transition resource costs | (2.0) | (8.0) | (5.9) | (4.1) | (0.6) | - | (20.6) |
| Incremental resources (Staff, IS and other) | - | (1.5) | (4.8) | (6.7) | (6.9) | (5.7) | (25.6) |
| Information systems | (0.7) | (8.0) | (7.3) | (1.2) | (1.1) | (1.3) | (19.6) |
| On bus equipment and branding- Wi-Fi, driver radio, telematics, CCTV | - | - | (2.3) | (2.1) | (3.4) | 0.1 | (7.7) |
| Electronic Ticket Machines and AVL (ITS) | - | - | (5.2) | (4.4) | (6.3) | 1.0 | (14.9) |
| Subtotal: Implementation costs | (2.7) | (17.5) | (25.5) | (18.5) | (18.3) | (5.9) | (88.4) |
| NET FUNDING REQUIREMENT | (3.6) | (23.0) | (36.1) | (30.7) | (25.0) | (3.6) | (122.0) |

Table excludes a further provision of £12.5m related to escalated concessionary fare costs

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Friday, 14 January 2022

To: Members of the MCA - Mayoral Combined Authority Board and Appropriate Officers

NOTICE OF MEETING

You are hereby summoned to a meeting of the South Yorkshire Mayoral Combined Authority to be held at **South Yorkshire Mayoral Combined Authority, 11 Broad Street West, Sheffield S1 2BQ**, on: **Monday, 24 January 2022 at 10.00 am** for the purpose of transacting the business set out in the agenda.



Dr Dave Smith
Chief Executive

Webcasting Notice

This meeting will be streamed live or subsequent broadcast via the Mayoral Combined Authority's website.

You should be aware that the Mayoral Combined Authority is a Data Controller under the Data Protection Act 2018. Data collected during this webcast will be retained in accordance with the Mayoral Combined Authority's published policy.

By entering the meeting room, you are consenting to be filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes.



You can view the agenda and papers at www.sheffieldcityregion.org.uk or use a smart phone camera and scan the QR code:

Member Distribution

Mayor Dan Jarvis MBE (Chair)
Councillor Chris Read (Vice-Chair)
Councillor Terry Fox
Councillor Sir Steve Houghton CBE
Mayor Ros Jones CBE
Councillor Alex Dale
Councillor Steve Fritchley
Councillor Tricia Gilby
Councillor Simon Greaves
Councillor Garry Purdy

SCR Mayoral Combined Authority
Rotherham MBC
Sheffield City Council
Barnsley MBC
Doncaster MBC
NE Derbyshire DC
Bolsover DC
Chesterfield BC
Bassetlaw DC
Derbyshire Dales DC

Agenda

| Agenda Ref No | Subject | Lead | Page |
|----------------------|--|------------------|-------------|
| 1. | Welcome and Apologies | Mayor Dan Jarvis | |
| 2. | Announcements | Mayor Dan Jarvis | |
| 3. | Urgent Items To determine whether there are any additional items of business which by reason of special circumstances the Chair is of the opinion should be considered at the meeting; the reason(s) for such urgency to be stated. | Mayor Dan Jarvis | |
| 4. | Items to be Considered in the Absence of Public and Press To identify where resolutions may be moved to exclude the public and press. (For items marked * the public and press may be excluded from the meeting.) | Mayor Dan Jarvis | |
| 5. | Voting Rights for Non-constituent Members To identify whether there are any items of business that apply only to the South Yorkshire Members of the Mayoral Combined Authority, ie, where it would not be appropriate for non-SY Members to have voting rights. | Mayor Dan Jarvis | |
| 6. | Declarations of Interest by individual Members in relation to any item of business on the agenda | Mayor Dan Jarvis | |
| 7. | Reports from and questions by members | Mayor Dan Jarvis | |
| 8. | Receipt of Petitions | Mayor Dan Jarvis | |

| | | | |
|-----|---|------------------|-----------|
| 9. | Public Questions | Mayor Dan Jarvis | |
| 10. | Minutes of the meeting | Mayor Dan Jarvis | 7 - 16 |
| 11. | Options to Support the Delivery of the Region's Bus Service Improvement Plan (BSIP) | Stephen Edwards | 17 - 24 |
| 12. | Gateway East Governance Proposals | Martin Swales | 25 - 28 |
| 13. | The Yorkshire and Humber Climate Change Plan | Martin Swales | 29 - 84 |
| 14. | Approval of the South Yorkshire Flood Catchment Plan | Colin Blackburn | 85 - 144 |
| 15. | ZEBRA Business Case | Pat Beijer | 145 - 152 |
| 16. | Business Support Funding | Muz Mumtaz | 153 - 156 |
| 17. | 2021/22 Budget Revision 3 | Gareth Sutton | 157 - 188 |
| 18. | Budget and Business Plan Development | Gareth Sutton | 189 - 212 |
| 19. | South Yorkshire Renewal Fund: Progress Update | Gareth Sutton | 213 - 220 |
| 20. | Programme Approvals | Gareth Sutton | 221 - 274 |
| 21. | Appointment of External Auditors | Gareth Sutton | 275 - 290 |
| 22. | Annual Review of Assurance Framework | Dr Ruth Adams | 291 - 356 |
| 23. | Delegated Authority Report | Dave Smith | 357 - 366 |

Date of next meeting: Monday, 21 March 2022 at 10.00 am

At: South Yorkshire Mayoral Combined Authority, 11 Broad Street West, Sheffield S1 2BQ

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Mayoral Combined Authority Board

24 January 2022

Options to Support the Delivery of the Region's BSIP

| | |
|---|-----------------|
| Is the paper exempt from the press and public? | No |
| Purpose of this report: | Policy Decision |
| Is this a Key Decision? | Yes |
| Has it been included on the Forward Plan? | Yes |

Director Approving Submission of the Report:
Stephen Edwards, Executive Director (SYPTTE)

Report Author(s):
Pat Beijer
pat.beijer@southyorkshire-ca.gov.uk

Executive Summary

This report sets out the process to formally assess bus franchising as an option to deliver the Bus Service Improvement Plan (BSIP). It recommends that the Constituent Local authorities consider the matter ahead of an additional MCA meeting in early March 2022 to determine whether to issue the notice of intention to prepare an assessment of a proposed franchising scheme in accordance with S.123C of the Transport Act 2000.

What does this mean for businesses, people and places in South Yorkshire?

The process of assessing a franchising scheme would enable the MCA to fully consider whether a bus franchising scheme would be the preferred model to support the delivery of the MCA's ambitions for the bus service network in South Yorkshire, as set out in its Bus Service Improvement Plan.

Given the time required to complete a franchising assessment, the work to establish and implement the Enhanced Partnership between the MCA and bus operators continues, as approved by the MCA on 15 November 2021.

Recommendations

It is recommended that the Board:

- a) Consider the content of this report ahead of an additional MCA meeting in early March 2022, when the Board will determine whether to issue the notice of intention to prepare an assessment of a proposed franchising scheme in accordance with S.123C of the Transport Act 2000.

Consideration by any other Board, Committee, Assurance or Advisory Panel

Mayoral Combined Authority Board
Transport and the Environment Board

15 November 2021
21 October 2021

1. Background

- 1.1 The National Bus Strategy guidance issued by the DfT, set out the requirement for MCAs and Local Authorities (LAs) to enter into an Enhanced Partnership to access BSIP funding.
- 1.2 The MCA submitted an ambitious Bus Services Improvement Plan (BSIP) to the Government on 29 October 2021. The MCA of 15 November 2021 approved the issuing of a notice to operators of the proposal to make an Enhanced Partnership Plan and Scheme and enter into a period of statutory consultation with operators of qualifying local bus services, followed by a period of public consultation.
- 1.3 The initial BSIP submitted to the DfT on 29 October 2021 left consideration of an alternative delivery model of franchising open as an option. It stated:

“The Enhanced Partnership was agreed by the MCA as the most appropriate means of delivering the initial set of activities contained within this Initial BSIP as well as enabling access to future funding. The intention is for the Enhanced Partnership to be in operation for a five year period from April 2022, matching the multi-year funding allocation through the CRSTS, albeit noting that there is a requirement to refresh the BSIP on an annual basis. However, it is not the only delivery model available to the Mayor and the MCA for all of the prioritised activities contained within this Initial BSIP. The prioritised activities within this document will also be used to undertake an initial assessment of the legal, financial and technical aspects of a number of future delivery models, including franchising, so that a clear preference can be identified as to the most appropriate mechanism to secure the required improvements beyond the proposed Enhanced Partnership.”

2. Key Issues

- 2.1 There are significant operational challenges ahead and prior to a franchising assessment and subsequent steps could be completed. These issues are not specific to any particular model of bus governance and will need to be considered whichever approach is taken.
 - Likely reduction/ending of government Covid subsidy support for buses
 - Passenger recovery to pre-COVID levels is expected to take several years
 - Significant cost inflation pressures within the system (salaries, fuel, fare rises, etc)

The combination of these issues is likely to place pressure on the level of services operated in South Yorkshire without additional public funding support. The implications of any changes to services will need to be reflected in the assessment process.

3. Options Considered and Recommended Proposal

3.1 Option 1

Consider the content of this report ahead of an additional MCA meeting in early March 2022, when the Board will determine whether to issue the notice of intention to prepare an assessment of a proposed franchising scheme in accordance with S.123C of the Transport Act 2000.

3.2 Option 1 Risks and Mitigations

This approach will assess whether a franchising scheme could deliver additional benefits over an Enhanced Partnership and the resources required to realise these benefits. This would enable the MCA to make an informed decision on the best model for future governance of bus services in South Yorkshire (noting that getting to a point of implementing franchising could take 4 or 5 years and the franchising process can technically be stopped at each of the stages of the overall process – See Annex A for steps and timelines).

3.3 Recommended Option

Option 1

4. Consultation on Proposal

4.1 The approvals sought here do not give rise to starting a formal consultation process.

5. Timetable and Accountability for Implementing this Decision

5.1 If the MCA decide to progress the assessment of franchising at an additional MCA meeting, the indicative timeline for Issuing a Notice is within 1 month of the decision having been made and it would take around 12 months for the assessment to be completed (see appendix A).

6. Financial and Procurement Implications and Advice

6.1 The costs of the assessment exercise are forecast to be in the region of £3m. These costs are not currently budgeted in-year nor in longer-term forecasts. To complete the franchising activity, it is forecast that a further £2m of resource would be required.

Should the Board wish to proceed with the assessment exercise the costs would, in the first instance, need to be underwritten from reserves. Allocating reserves to the activity would reduce the MCA's financial resilience in the context of known risks and pressures that are likely to crystallise in the new financial year.

7. Legal Implications and Advice

- 7.1 Section 123B requires an authority that proposes to make a franchising scheme covering the whole or any part of their area to prepare an assessment of the proposed scheme. Before it can undertake an assessment that authority must publish, in such manner as they consider appropriate, a notice stating that they intend to prepare such an assessment. In undertaking the assessment, the authority would have to comply with the provisions of s.123B and any statutory guidance issued.

8. Human Resources Implications and Advice

- 8.1 None as a consequence of this report.

9. Equality and Diversity Implications and Advice

- 9.1 None as a consequence of this report.

10. Climate Change Implications and Advice

- 10.1 The Initial BSIP/Enhanced Partnership Plan sets out the scale of change required to meet the region's net zero targets by 2040. Transport represents 39% of the region's carbon footprint as well as being a large contributor to poor air quality in our urban centres, whilst zero emission buses will not on their own meet our reduction targets, a clean and reliable public transport system is vital in achieving the required modal shift from private cars.

At present the region does not have any zero emission buses and the BSIP identifies the trajectory, costs and initial projects that could begin the transition from diesel to alternative fuels – some of these initial projects are included in the initial Enhanced Partnership Scheme and these could be transferred to a Franchising Scheme.

11. Information and Communication Technology Implications and Advice

- 11.1 None as a consequence of this report.

12. Communications and Marketing Implications and Advice

- 12.1 If a decision is made to audit the franchising assessment and make a Franchising Scheme, there will be a period of public consultation in late 2023 or early 2024 following a period of statutory consultation with bus operators, which will require the support of the Communication and Marketing teams.

Further resource will be required to support the public consultation phase of the activity to drive engagement and participation.

List of Appendices Included

- A Steps and likely timeline of the franchising process

Background Papers

South Yorkshire Bus Service Improvement Plan (Initial Version) – October 2021

<https://southyorkshire-ca.gov.uk/explore/transport>

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Appendix A - Steps and likely timeline of the franchising process

| Key steps | Date | Likely time (months) |
|--|----------|----------------------|
| 1 - Initial Technical, Legal and Financial Evaluation | Complete | 6 |
| 2 - Notice of Intention to Proceed | | 1 |
| 3 - Prepare Assessment of Proposed Franchising Scheme | | 12 |
| 4 - Independent Audit of the Proposed Franchising Scheme | | 4 |
| 5 - Formal Consultation on the Proposed Franchising Scheme | | 3 |
| 6 - Consideration of Consultation Responses and Mayoral Decision | | 3 |
| 7 - Making the Franchising Scheme | | 1 |
| 8 – Transition period and implementation | | 18 |
| OVERALL ESTIMATES | | 48 |

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